

**REGIONAL HOUSING AUTHORITY OF
SUTTER AND NEVADA COUNTIES,
CALIFORNIA**

**FINANCIAL STATEMENTS
TOGETHER WITH
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED
MARCH 31, 2013**

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REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES

**Annual Financial Report
For the Year Ended March 31, 2013**

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Annual Financial Report
For the Year Ended March 31, 2013

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INTRODUCTORY SECTION

- **List of Officials**

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REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES

List of Officials

For the Year Ended March 31, 2013

Diane Hodges, Chairperson	City of Live Oak	November 2014
Stan Cleveland, Vice-Chairperson	County of Sutter	January 2015
Tejinder S. Mann	City of Yuba City	December 2014
Martha Griese	City of Yuba City	December 2013
Judy Richards	County of Sutter	June 2013
Charles Epp	City of Live Oak	February 2017
Terry Lamphier	County of Nevada	June 2015
Jeffery Brown	County of Nevada	June 2015
Suzanne Gallaty	Tenant Representative	January 2015

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FINANCIAL SECTION

- **Independent Auditor's Report**
- **Management's Discussion and Analysis**
- **Basic Financial Statements**
- **Required Supplementary Information**
- **Combining Statements**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Regional Housing Authority of Sutter and Nevada Counties
Yuba City, California

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities, each major fund, and the aggregate remaining fund information of Regional Housing Authority of Sutter and Nevada Counties, Yuba City, California (Authority) as of and for the year ended March 31, 2013, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, each major fund, and the aggregate remaining fund information of the Authority as of March 31, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

To the Board of Commissioners
Regional Housing Authority of Sutter and Nevada Counties
Yuba City, California

Emphasis of Matter

As described in Note 1O to the financial statements, in 2013, the Authority adopted new accounting guidance, GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position, and GASB Statement No. 65, Items Previously Reported as Asset and Liabilities. Our opinion is not modified with respect to these matters.

As described in Note 2A to the financial statements, adjustments resulting from a change to comply with the provisions of the accounting standards are treated as adjustments to prior periods. Accordingly, during the current year adjustments to net assets/net position were required to record the cumulative effect of this change in accounting principles in the amount of \$90,408 in the Rural Development fund and \$90,620 in the Business Activities fund and \$181,028 in the government-wide financial statements.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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 opinions on the financial statements that collectively comprise the Authority's basic financial statements. The introductory section is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The combining fund financial statements 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 and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

To the Board of Commissioners
Regional Housing Authority of Sutter and Nevada Counties
Yuba City, California

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated August 5, 2013 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Authority's internal control over financial reporting and compliance.

A handwritten signature in cursive script, appearing to read "Smith & Newell", is written in black ink.

Smith & Newell CPAs
Yuba City, California
August 5, 2013

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**Management's Discussion and Analysis
(Unaudited)**

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MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Regional Area Housing Authority of Sutter and Nevada Counties, California, we offer readers of the Housing Authority's financial statements this narrative overview and analysis of the financial activities of the Housing Authority for the fiscal year ended March 31, 2013. We encourage readers to consider the information presented here in conjunction with additional information in our financial statements.

FINANCIAL HIGHLIGHTS

Entity-wide:

- The Housing Authority's total net position was \$10,914,998 as of March 31, 2013, all of which was business-type activities.
- Entity-wide business-type revenues include program revenues of \$12,973,667, and general revenues of \$370,934 for a total of \$13,344,601.
- Entity-wide Business-type expenses were \$12,333,150.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements, commonly referred to as the Housing Authority's Basic Financial Statements. Management's Discussion and Analysis introduces these statements and includes two different views of the Housing Authority's financial activities and position: (1) Government-Wide Financial Statements provide information about the activities of the Housing Authority as a whole and present a longer-term view of the Housing Authority's finances; (2) Fund Financial Statements provide detailed information about the individual functions of Housing Authority programs, telling how services were financed in the short-term as well as what remains for future spending.

Each set of statements presents the Housing Authority's finances in a distinct way. To assist the reader in understanding the differences between them, a brief discussion of each follows, including the relationship of these statements to each other and the significant differences in the information they provide.

Government-Wide Financial Statements

The Government-Wide Financial Statements provide a broad overview of Housing Authority finances in a manner similar to private sector business. These statements present all nonfiduciary activities of the Housing Authority's activities in the following area:

- **Business-Type Activities** – these services rely upon user fees and charges to help cover all or most of their costs. The Housing Authority's property rentals are reported here.

Within the framework of these activities, a Statement of Net Position and a Statement of Activities report information about the Housing Authority as a whole. These statements include all assets and liabilities of the Housing Authority (i.e., infrastructure and long-term debt) and use the accrual basis of accounting in which all the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

The two statements can be generally described as follows:

- **The Statement of Net Position** presents information on all the Housing Authority's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Housing Authority is improving or deteriorating.
- **The Statement of Activities** presents information showing how the Housing Authority's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs regardless of the timing of related cash flows.

Notably, these statements differ from the Fund Financial Statements in that they exclude certain interfund receivables, payables and other interfund activity as prescribed by GASB Statement No. 34.

Fund Financial Statements

The Fund Financial Statements provide detailed information about each of the Housing Authority's most significant funds – not the Housing Authority as a whole. Management establishes funds to help control and manage money for particular purposes. Funds are organized into proprietary and fiduciary fund types.

During the current fiscal year, the Housing Authority implemented Governmental Accounting Standards Board Statement No. 63 and 65. The cumulative effect of this change in accounting principle can be found on page 25 of this report.

- **Proprietary Funds** – when the Housing Authority charges customers for services it provides, whether outside customers or to other units of the Housing Authority, these services are generally reported in proprietary funds. Proprietary funds provide the same type of information as shown in the government-wide financial statements (i.e., business-type activities), only in more detail. The Housing Authority uses enterprise funds to account for its property rental operations.
- **Fiduciary Funds** – the Housing Authority is the trustee, or fiduciary, for certain funds held on behalf of external parties. The Housing Authority's fiduciary activities are reported in separate Statements of Fiduciary Net Assets. These activities are excluded from the Housing Authority's other financial statements because the resources of the funds are not available to support the Housing Authority's own programs. The Housing Authority is responsible for ensuring that the assets reported in these funds are used for the intended purposes.

NOTES TO BASIC FINANCIAL STATEMENTS

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

In addition to the basic financial statements and accompanying notes, this report presents the following required supplementary information: Schedule of Funding Progress.

FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS

Analysis of Net Position

	Business-Type Activities		Total	
	2013	2012	Dollar Change	% Change
Assets:				
Current and other assets	\$ 7,673,969	\$ 4,023,270	\$ 3,650,699	90.74
Capital assets	21,977,204	20,771,296	1,205,908	5.81
Total Assets	29,651,173	24,794,566	4,856,607	19.59
Liabilities:				
Current and other liabilities	5,602,584	1,235,105	4,367,479	353.61
Noncurrent liabilities	13,133,591	13,474,886	(341,295)	(2.53)
Total Liabilities	18,736,175	14,709,991	4,026,184	27.37
Net Position:				
Invested in capital assets, net of related debt	9,431,424	7,722,475	1,708,949	22.13
Restricted	28,914	10,227	18,687	182.72
Unrestricted	1,454,660	2,351,873	(897,213)	(38.15)
Total Net Position	\$ 10,914,998	\$ 10,084,575	\$ 830,423	8.23

Net position represents the difference between the Housing Authority's resources and its obligations. At March 31, 2013, the largest portion of the Housing Authority's total net position, 86 percent, reflect the investment in capital assets, less related debt outstanding used to acquire the capital assets. These capital assets are used by the Housing Authority to provide services to the citizens. These assets are not available for future spending. Additional capital asset information can be found in the Capital Asset and Debt Administration section of this MD&A. The unrestricted balance of net position may be used at the Housing Authority's discretion.

Statement of Changes in Net Position

	Business-Type Activities		Total	
	2013	2012	Dollar Change	% Change
Revenues:				
Program Revenues:				
Charges for services	\$ 8,800,514	\$ 8,076,954	\$ 723,560	8.96
Operating grants and contributions	3,403,442	5,164,945	(1,761,503)	(34.10)
Capital grants and contributions	769,711	1,453,500	(683,789)	(47.04)
General Revenues:				
Interest and investment earnings	5,377	4,957	420	8.47
Miscellaneous	365,557	2,014,384	(1,648,827)	(81.85)
Total Revenues	<u>13,344,601</u>	<u>16,714,740</u>	<u>(3,370,139)</u>	<u>(20.16)</u>
Expenses:				
Public Housing	1,357,297	1,399,792	(42,495)	(3.04)
Rural Development	1,918,552	2,631,474	(712,922)	(27.09)
Business Activities	1,074,462	1,951,975	(877,513)	(44.96)
Housing Choice Vouchers	7,002,695	6,287,314	715,381	11.38
State/Local	980,144	659,396	320,748	48.64
Total Expenses	<u>12,333,150</u>	<u>12,929,951</u>	<u>(596,801)</u>	<u>(4.62)</u>
Excess Revenues Over (Under) Expenses Before Transfers and Special Items	1,011,451	3,784,789	(2,773,338)	(73.28)
Special Item – Loss on Disposal of Capital Assets	-	(418,771)	418,771	100.00
Change in Net Position	<u>\$ 1,011,451</u>	<u>\$ 3,366,018</u>	<u>(\$ 2,354,567)</u>	<u>(69.95)</u>

Revenue

The Housing Authority's total revenue from business-type activities was \$13.4 million for the fiscal year ended March 31, 2013. Charges for services provided 66 percent of the total revenue received during the 2012/13 fiscal year. Intergovernmental operating revenues provided 31 percent of total revenues received during the fiscal year.

Expenses

Expenses of the Housing Authority for the year totaled \$12.3 million.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The Housing Authority's investment in capital assets for its business-type activities as of March 31, 2013, was \$21,977,204 (net of accumulated depreciation). This investment in capital assets includes land, structures and improvements, and equipment. Net additions to capital assets were \$1,944,738 and net additions to accumulated depreciation were (\$738,830). Therefore the Housing Authority's net investment in capital assets increased \$1,205,908 from March 31, 2012.

Long-term Debt

At the end of the current fiscal year, the Housing Authority had total long-term obligations outstanding of \$13,133,591, a decrease of \$341,295 from March 31, 2012.

The following table shows the composition of the Housing Authority's total outstanding debt for proprietary funds.

Regional Area Housing Authority of Sutter and Nevada Counties Long-Term Debt

	Business-Type Activities	
	2013	2012
Revenue Bonds	\$ 3,432,062	\$ 3,387,228
Loans Payable	9,186,340	9,411,593
Line of Credit	500	250,000
OPEB Liability	304,464	205,676
Compensated Absences	210,225	220,389
Total Long-Term Debt	\$ 13,133,591	\$ 13,474,886

ECONOMIC FACTORS

Since the Housing Authority is dependent on funding from HUD, Rural Development and State and local governments for a majority of its operations, the Authority is affected by the federal budget, sequestration and other State and local economic conditions. With HUD subsidies continuing to be prorated at ever increasing rates and Rural Development indicating its need to prorate as well, subsidy changes in these programs not only affect the maintenance of the Public Housing and Rural Development properties, but the number of community households that can be assisted through the Housing Choice Voucher program.

It is anticipated that through FYE 2014 the HUD Public Housing Subsidy and Housing Choice Voucher Administrative Fee and Landlord Assistance funding will remain at their current prorated levels. It is also anticipated that Rural Development Rental Assistance will be prorated at a level to be determined. It is not anticipated that any of these prorations will decrease in FYE 2014 or in future fiscal years and that all funds received under these programs will be fully utilized.

At this time, the Authority continues to review options to refinance the Kingwood Commons Bond debt service. A local bank has been contacted and if possible, additional bond funds may be required to decrease the monthly debt service payment. The Authority also continues to review the feasibility of project basing 16 Housing Choice Vouchers in order to provide rental assistance for low-income families needing affordable housing. Although with the current economic conditions, HUD may put a hold on any application requests, if available, the occupancy level for this complex would be kept as high as possible.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the Housing Authority's finances for all those with an interest in the Housing Authority's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, at the Regional Housing Authority of Sutter and Nevada Counties, 1455 Butte House Rd., Yuba City, CA 95993.

Basic Financial Statements

- **Government-Wide Financial Statements**

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REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Statement of Net Position
March 31, 2013

	Business-Type Activities
ASSETS	
Cash and investments	\$ 5,545,001
Cash with fiscal agent	112,892
Accounts receivable - tenants, net	62,959
Accounts receivable - operating reimbursement	692,363
Prepaid costs	1,324
Deposits	2,800
Restricted assets:	
Cash and investments	882,385
Cash with fiscal agent	374,245
Total restricted assets	1,256,630
Capital assets:	
Nondepreciable assets	6,109,193
Depreciable assets, net	15,868,011
Total capital assets	21,977,204
Total Assets	29,651,173
LIABILITIES	
Accounts payable	771,851
Accrued interest	82,500
Prepaid tenant rent	8,187
Accrued salaries and benefits	98,854
Security deposits payable	100,059
Escrow deposits payable	70,664
Unearned revenue	4,470,469
Long-term liabilities:	
Due within one year	387,831
Due in more than one year	12,745,760
Total Liabilities	18,736,175
NET POSITION	
Invested in capital assets, net of related debt	9,431,424
Restricted for:	
Neighborhood stabilization program residual receipts	28,914
Unrestricted	1,454,660
Total Net Position	\$ 10,914,998

The notes to the basic financial statements are an integral part of this statement.

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Statement of Activities
For the Year Ended March 31, 2013

Function/Programs	Expenses	Program Revenues		Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions		
Business-type activities					
Public Housing	\$ 1,357,297	\$ 635,244	\$ 569,319	\$ -	(152,734)
Rural Development	1,918,552	1,052,808	1,918,788	-	1,053,044
Business Activities	1,074,462	593,530	68,132	385,000	(27,800)
Housing Choice Vouchers	7,002,695	6,394,333	-	-	(608,362)
State/Local	980,144	124,599	847,203	384,711	376,369
Total Business-Type Activities	\$ 12,333,150	\$ 8,800,514	\$ 3,403,442	\$ 769,711	640,517
General revenues:					
Interest and investment earnings					5,377
Miscellaneous					365,557
Total General Revenues					370,934
Change in Net Position					1,011,451
Net Position - Beginning					10,084,575
Cumulative effect of a change in accounting principle					(181,028)
Net Position - Beginning, Restated					9,903,547
Net Position - Ending					\$ 10,914,998

The notes to the basic financial statements are an integral part of this statement.

Basic Financial Statements

- **Fund Financial Statements**

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REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Statement of Net Position
Proprietary Funds
March 31, 2013

	<u>Public Housing</u>	<u>Rural Development</u>	<u>Business Activities</u>
ASSETS			
Current Assets:			
Cash and investments	\$ 287,899	\$ 5,186,577	\$ 2,040
Cash with fiscal agent	-	-	112,892
Accounts receivable - tenants, net	11,972	14,013	21,219
Accounts receivable - operating reimbursement	-	-	326,870
Prepaid costs	-	1,324	-
Due from other funds	953,523	1,598,452	1,306,804
Deposits	-	-	2,800
Total Current Assets	<u>1,253,394</u>	<u>6,800,366</u>	<u>1,772,625</u>
Restricted Assets:			
Cash and investments	-	811,721	-
Cash with fiscal agent	-	-	374,245
Total Restricted Assets	<u>-</u>	<u>811,721</u>	<u>374,245</u>
Noncurrent Assets:			
Nondepreciable assets	372,874	3,034,069	2,262,200
Depreciable assets, net	2,296,914	7,728,760	4,378,444
Total Noncurrent Assets	<u>2,669,788</u>	<u>10,762,829</u>	<u>6,640,644</u>
Total Assets	<u>\$ 3,923,182</u>	<u>\$ 18,374,916</u>	<u>\$ 8,787,514</u>

The notes to the basic financial statements are an integral part of this statement.

Housing Choice Vouchers	State/ Local	Totals
\$ 11,252	\$ 57,233	\$ 5,545,001
-	-	112,892
10,991	4,764	62,959
268	365,225	692,363
-	-	1,324
269,948	494,941	4,623,668
-	-	2,800
<u>292,459</u>	<u>922,163</u>	<u>11,041,007</u>
70,664	-	882,385
-	-	374,245
<u>70,664</u>	<u>-</u>	<u>1,256,630</u>
-	440,050	6,109,193
9,609	1,454,284	15,868,011
<u>9,609</u>	<u>1,894,334</u>	<u>21,977,204</u>
<u>\$ 372,732</u>	<u>\$ 2,816,497</u>	<u>\$ 34,274,841</u>

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Statement of Net Position
Proprietary Funds
March 31, 2013

	<u>Public Housing</u>	<u>Rural Development</u>	<u>Business Activities</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	\$ 314,819	\$ 122,892	\$ 39,751
Accrued interest	-	-	82,500
Prepaid tenant rent	4,766	2,273	1,000
Accrued salaries and benefits	21,136	29,306	4,510
Security deposits payable	41,836	28,963	23,085
Escrow deposits payable	-	-	-
Unearned revenue	-	4,470,469	-
Due to other funds	159,586	1,315,328	2,284,291
Compensated absences payable	10,228	16,236	2,441
Bonds payable	-	17,866	66,507
Loans payable	-	228,207	22,195
Line of credit	-	-	500
Total Current Liabilities	<u>552,371</u>	<u>6,231,540</u>	<u>2,526,780</u>
Noncurrent Liabilities:			
OPEB liability	62,542	82,519	35,464
Compensated absences - net of current portion	30,687	48,706	7,323
Bonds payable - net of current portion	-	674,063	2,673,626
Loans payable - net of current portion	-	7,146,821	1,789,117
Total Noncurrent Liabilities	<u>93,229</u>	<u>7,952,109</u>	<u>4,505,530</u>
Total Liabilities	<u>645,600</u>	<u>14,183,649</u>	<u>7,032,310</u>
NET POSITION			
Invested in capital assets, net of related debt	2,669,788	2,695,870	2,161,823
Restricted	-	-	-
Unrestricted	<u>607,794</u>	<u>1,495,397</u>	<u>(406,619)</u>
Total Net Position	<u>\$ 3,277,582</u>	<u>\$ 4,191,267</u>	<u>\$ 1,755,204</u>

The notes to the basic financial statements are an integral part of this statement.

Housing Choice Vouchers	State/ Local	Totals
\$ (14,375)	\$ 308,764	\$ 771,851
-	-	82,500
148	-	8,187
22,998	20,904	98,854
-	6,175	100,059
70,664	-	70,664
-	-	4,470,469
371,362	493,101	4,623,668
10,955	12,696	52,556
-	-	84,373
-	-	250,402
-	-	500
<u>461,752</u>	<u>841,640</u>	<u>10,614,083</u>
67,019	56,920	304,464
32,865	38,088	157,669
-	-	3,347,689
-	-	8,935,938
<u>99,884</u>	<u>95,008</u>	<u>12,745,760</u>
<u>561,636</u>	<u>936,648</u>	<u>23,359,843</u>
9,609	1,894,334	9,431,424
-	28,914	28,914
<u>(198,513)</u>	<u>(43,399)</u>	<u>1,454,660</u>
<u>\$ (188,904)</u>	<u>\$ 1,879,849</u>	<u>\$ 10,914,998</u>

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended March 31, 2013

	Public Housing	Rural Development	Business Activities
OPERATING REVENUES			
Dwelling rents	\$ 618,277	\$ 1,042,552	\$ 570,722
Housing assistance payments revenue and fees	-	-	-
Other tenant revenue	16,967	10,256	22,808
Other revenue	651	251	271,545
Total Operating Revenues	635,895	1,053,059	865,075
OPERATING EXPENSES			
Administrative	395,821	555,788	244,608
Tenant services	12,081	21,225	5,365
Utilities	164,562	279,022	84,548
Maintenance	471,732	581,474	208,553
Protective services	13,175	17,760	5,293
Insurance premiums	18,897	29,089	7,321
Other general expenses	102,870	36,462	28,545
Housing assistance payments	-	-	-
Amortization	-	-	8,493
Depreciation	178,159	302,803	216,665
Total Operating Expenses	1,357,297	1,823,623	809,391
Operating Income (Loss)	(721,402)	(770,564)	55,684
NON-OPERATING REVENUES (EXPENSES)			
Intergovernmental revenue	569,319	1,918,788	68,132
Interest income	30	4,765	268
Interest expense	-	(94,929)	(265,071)
Total Non-operating Revenue (Expenses)	569,349	1,828,624	(196,671)
Income (Loss) Before Transfers and Capital Contributions	(152,053)	1,058,060	(140,987)
Capital contribution	-	-	385,000
Transfer in	28,875	128,288	953,927
Transfer out	(28,875)	(128,288)	(1,325,739)
Change in Net Position	(152,053)	1,058,060	(127,799)
Total Net Position - Beginning	3,429,635	3,223,615	1,973,623
Cumulative effect of a change in accounting principle	-	(90,408)	(90,620)
Total Net Position - Beginning, Restated	3,429,635	3,133,207	1,883,003
Total Net Position - Ending	\$ 3,277,582	\$ 4,191,267	\$ 1,755,204

The notes to the basic financial statements are an integral part of this statement.

Housing Choice Vouchers	State/ Local	Totals
\$ -	\$ 119,301	\$ 2,350,852
6,394,325	-	6,394,325
8	5,298	55,337
63,427	29,683	365,557
<u>6,457,760</u>	<u>154,282</u>	<u>9,166,071</u>
713,598	563,194	2,473,009
69,005	-	107,676
6,809	81,663	616,604
14,103	137,901	1,413,763
-	-	36,228
6,220	4,787	66,314
81,293	151,961	401,131
6,111,102	-	6,111,102
-	-	8,493
565	40,638	738,830
<u>7,002,695</u>	<u>980,144</u>	<u>11,973,150</u>
<u>(544,935)</u>	<u>(825,862)</u>	<u>(2,807,079)</u>
-	847,203	3,403,442
294	20	5,377
-	-	(360,000)
<u>294</u>	<u>847,223</u>	<u>3,048,819</u>
(544,641)	21,361	241,740
-	384,711	769,711
89,158	371,812	1,572,060
(89,158)	-	(1,572,060)
<u>(544,641)</u>	<u>777,884</u>	<u>1,011,451</u>
355,737	1,101,965	10,084,575
-	-	(181,028)
<u>355,737</u>	<u>1,101,965</u>	<u>9,903,547</u>
<u>\$ (188,904)</u>	<u>\$ 1,879,849</u>	<u>\$ 10,914,998</u>

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Statement of Cash Flows
Proprietary Funds
For the Year Ended March 31, 2013

	Public Housing	Rural Development	Business Activities
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 645,195	\$ 1,053,479	\$ 1,413,492
Housing assistance payments on behalf of tenants	-	-	-
Payments to suppliers	(748,676)	(960,451)	(373,169)
Payments to employees	(386,415)	(619,953)	(227,679)
Net Cash Provided (Used) by Operating Activities	(489,896)	(526,925)	812,644
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Intergovernmental revenues received	569,319	1,596,667	68,132
Transfers from other funds	28,875	128,288	953,927
Transfers to other funds	(28,875)	(128,288)	(1,325,739)
Interfund loans received	159,586	1,315,328	2,284,291
Interfund loans made	(953,523)	(1,598,452)	(1,306,804)
Interfund loans repaid	(104,184)	(953,073)	(1,910,979)
Interfund loan repayments received	1,282,482	1,236,197	990,121
Net Cash Provided (Used) by Noncapital Financing Activities	953,680	1,596,667	(247,051)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	(177,173)	3,644,595	(26,720)
Proceeds of debt	-	-	73,125
Principal paid on debt	-	(353,487)	(339,080)
Interest paid on debt	-	(94,929)	(256,822)
Net Cash Provided (Used) by Capital and Related Financing Activities	(177,173)	3,196,179	(549,497)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income	30	4,766	268
Net Cash Provided (Used) by Investing Activities	30	4,766	268
Net Increase (Decrease) in Cash and Cash Equivalents	286,641	4,270,687	16,364
Balances - Beginning of the Year	1,258	1,727,611	472,813
Balances - End of the Year	\$ 287,899	\$ 5,998,298	\$ 489,177

The notes to the basic financial statements are an integral part of this statement.

Housing Choice Vouchers	State/ Local	Totals
\$ 88,066	\$ 115,670	\$ 3,315,902
6,394,325	-	6,394,325
(6,604,349)	(331,196)	(9,017,841)
(394,851)	(421,755)	(2,050,653)
<u>(516,809)</u>	<u>(637,281)</u>	<u>(1,358,267)</u>
-	846,086	3,080,204
89,158	371,812	1,572,060
(89,158)	-	(1,572,060)
371,362	493,101	4,623,668
(269,948)	(494,903)	(4,623,630)
(101,413)	(589,416)	(3,659,065)
74,057	76,328	3,659,185
<u>74,058</u>	<u>703,008</u>	<u>3,080,362</u>
-	(37,877)	3,402,825
-	-	73,125
-	-	(692,567)
-	-	(351,751)
<u>-</u>	<u>(37,877)</u>	<u>2,431,632</u>
<u>293</u>	<u>18</u>	<u>5,375</u>
<u>293</u>	<u>18</u>	<u>5,375</u>
(442,458)	27,868	4,159,102
<u>524,374</u>	<u>29,365</u>	<u>2,755,421</u>
<u>\$ 81,916</u>	<u>\$ 57,233</u>	<u>\$ 6,914,523</u>

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Statement of Cash Flows
Proprietary Funds
For the Year Ended March 31, 2013

	Public Housing	Rural Development	Business Activities
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ (721,402)	\$ (770,564)	\$ 55,684
Adjustments to reconcile operating income to net cash provided by operating activities:			
Amortization and depreciation	178,159	302,803	225,158
Decrease (increase) in:			
Accounts receivable - tenants, net	2,854	(3,221)	(720)
Accounts receivable - operating reimbursement	-	-	546,467
Prepaid costs	-	(27)	-
Increase (decrease) in:			
Accounts payable	22,006	(72,585)	3,002
Prepaid tenant rent	2,325	1,215	(991)
Accrued salaries and benefits	(933)	(1,682)	(6,081)
Security deposits payable	4,121	2,426	2,990
Escrow deposits payable	-	26,431	-
OPEB liability	16,786	-	6,545
Compensated absences payable	6,188	(11,721)	(19,410)
	\$ (489,896)	\$ (526,925)	\$ 812,644
 NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES			
Contribution of capital assets	\$ -	\$ -	\$ 385,000

The notes to the basic financial statements are an integral part of this statement.

Housing Choice Vouchers	State/ Local	Totals
\$ (544,935)	\$ (825,862)	\$ (2,807,079)
565	40,638	747,323
2,898	(64)	1,747
(121)	(38,546)	507,800
-	-	(27)
(22,485)	146,704	76,642
132	(72)	2,609
235	1,225	(7,236)
-	71	9,608
21,722	-	48,153
21,242	27,784	72,357
3,938	10,841	(10,164)
<u>\$ (516,809)</u>	<u>\$ (637,281)</u>	<u>\$ (1,358,267)</u>
\$ -	\$ 384,711	\$ 769,711

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Statement of Fiduciary Net Position
Fiduciary Funds
March 31, 2013

	Agency Fund
ASSETS	
Cash and investments	\$ 220,544
Accounts receivable - tenants, net	6,793
Total Assets	227,337
LIABILITIES	
Accounts payable	8,483
Prepaid tenant rent	54
Security deposits payable	9,450
Agency obligations	209,350
Total Liabilities	\$ 227,337

The notes to the basic financial statements are an integral part of this statement.

Basic Financial Statements

- **Notes to Basic Financial Statements**

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REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES

Notes to Basic Financial Statements

For the Year Ended March 31, 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Regional Housing Authority of Sutter and Nevada Counties (Authority) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the Authority's accounting policies are described below.

A. Reporting Entity

The Consolidated Area Housing Authority of Sutter County was established in April 1946, by a resolution of the Sutter County Board of Supervisors and reorganized as the Consolidated Area Housing Authority of Sutter County, California in February 1994, by agreement between the City of Live Oak, the City of Yuba City and the County of Sutter. In April 2011, the Consolidated Area Housing Authority of Sutter County combined with the Nevada County Housing Authority and was reorganized as the Regional Housing Authority of Sutter and Nevada Counties (the Authority). The Authority is governed by a nine member Board of Commissioners. The Board of Commissioners is made up of two members appointed by the Sutter County Board of Supervisors, two members appointed by the City of Yuba City, two members appointed by the City of Live Oak and two members appointed by the Nevada County Board of Supervisors. The remaining member is a resident of affordable housing selected by the members of the Authority's Board of Commissioners and approved by Sutter County, City of Live Oak, City of Yuba City, and County of Nevada. Commissioners are appointed for four-year terms.

As required by GAAP, these financial statements present the Authority and its component units, entities for which the government is considered to be financially accountable.

Reporting for component units on the Authority's financial statements can be blended or discretely presented. Blended component units are, although legally separate entities, in substance part of the Authority's operations and, therefore, data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, would be reported in a separate column in the government-wide financial statements to emphasize it is legally separate from the government.

For financial reporting purposes, the Authority's basic financial statements include all financial activities that are controlled by or are dependent upon actions taken by the Authority's Board.

The blended component units' governing bodies are substantively the same as the governing body of the primary government and management of the primary government has operational responsibility over the activities. Component units that are blended into the reporting activity types of the Authority's report are presented below:

Business Activities:

Building Better Partnerships, Inc.
Healthy Housing, LLC

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Notes to Basic Financial Statements
For the Year Ended March 31, 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation

Government-Wide Financial Statements

The Statement of Net Position and Statement of Activities display information on all of the nonfiduciary activities of the Authority. These statements include the financial activities of the overall government, except fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements present the business-type activities of the Authority, which are financed in whole or in part by fees charged to external parties. The Authority's activities are all classified as business-type.

The Statement of Activities presents a comparison between direct expenses and program revenues for each different identifiable activity of the Authority's business-type activities. Direct expenses are those that are specifically associated with a program or function and; therefore, are clearly identifiable to a particular function. Certain indirect costs, which cannot be identified and broken down, are included in the program expense reported for individual functions and activities. Program revenues include 1) charges paid by the recipients of goods and services offered by the program, 2) operating grants and contributions, and 3) capital grants and contributions. Revenues that are not classified as program revenues are presented instead as general revenues.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenses. Funds are organized into the proprietary and fiduciary fund types. The operations of the Authority are organized on a series of sub-funds consolidated into five major enterprise proprietary funds which account for HUD based projects. An emphasis is placed on major funds within the enterprise proprietary category. A fund is considered major if it is the primary operating fund of the Authority or meets the following criteria:

- Total assets, liabilities, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- Total assets, liabilities, revenues or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The Authority reports the following major proprietary funds:

- The Public Housing fund is an enterprise fund used to account for revenues and expenses for Public and Indian Housing programs.
- The Rural Development fund is an enterprise fund used to account for farm labor housing activities.
- The Business Activities fund is an enterprise fund used to account for activity related to apartment rental and administration of various projects.

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Notes to Basic Financial Statements
For the Year Ended March 31, 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Fund Financial Statements (Continued)

- The Housing Choice Vouchers fund is an enterprise fund used to account for the Housing Voucher program.
- The State/Local fund is an enterprise fund used to account for activity related to various low-income housing rental programs.

The Authority reports the following additional fund type:

- Agency Fund accounts for assets held by the Authority as an agent for other governments or other funds. The Authority administers the Home 2 Families program for the City of Yuba City and accounts for this activity in an agency fund.

C. Basis of Accounting and Measurement Focus

The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the Authority gives (or receives) value without directly receiving (or giving) equal value in exchange include revenues from grants, entitlements, and donations. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services and assistance payments and fees from the Section 8 program. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Fiduciary funds include trust funds and agency funds. All trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. Agency funds are reported using the accrual basis of accounting to recognize receivables and payables.

D. Cash, Cash Equivalents, and Investments

Cash and investments consist of cash on hand, cash held in bank checking and savings accounts, cash held with fiscal agents, and cash on deposit in the State of California Local Agency Investment Fund (LAIF).

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES

Notes to Basic Financial Statements

For the Year Ended March 31, 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Cash, Cash Equivalents, and Investments (Continued)

The Authority pools cash and investments of all funds except for amounts held by fiscal agent. Each fund's share in this pool is displayed in the accompanying financial statements as cash and investments. Income from pooled investments is allocated to the various funds based on the fund's average daily cash balance at quarter end in relation to the total pool investments. Income from non-pooled investments is recorded based on the specific investments held by the fund. The interest income is recorded in the fund that earned the interest.

Investments are reported in the accompanying Statement of Net Position at fair value which is determined using selected bases annually. Short term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Cash deposits are reported at carrying amount which reasonably estimates fair value. Managed funds not listed on an established market are reported at the estimated fair value as determined by the respective fund managers based on quoted sales prices of the underlying securities.

For purposes of the Statement of Cash Flows, the Authority considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. All cash and investments, except cash with fiscal agent, of the proprietary funds are pooled with the Authority's pooled cash and investments.

E. Restricted Cash and Investments

The Authority reflects cash and investments held for the Rural Development supervised account of \$811,721 and Housing Choice Voucher escrow account of \$70,664 as restricted cash and investments. The Authority reflects Kingwood Commons debt service reserve account of \$374,245 as restricted cash with fiscal agent

F. Receivables

Accounts Receivable - Tenants, Net

Accounts receivable from tenants consist of rental income due from tenants. Tenant receivables are recorded net of an allowance for doubtful accounts. Management has established the allowances based upon historical trends and period aging of tenant receivables.

Accounts Receivable - Operating Reimbursements

Operating reimbursements receivable consist of amounts due from other agencies. Management believes these receivables are fully collectible and, accordingly, no allowance for doubtful accounts is required.

G. Other Assets

Inventory

Inventory items are recorded as an expense at the time individual items are purchased rather than when consumed. Records are not maintained of inventory and supplies on hand, although these amounts are not considered material.

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Notes to Basic Financial Statements
For the Year Ended March 31, 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Other Assets (Continued)

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. The cost of prepaid items is recorded as an expense when consumed rather than when purchased.

H. Capital Assets

Capital assets, which include property, plant and equipment are valued at historical cost or estimated historical cost if actual is unavailable. Donated capital assets are valued at their estimated fair value at the date of donation. Capital assets are defined by the Authority as an asset with a cost greater than \$1,000 and an estimated useful life of more than two years. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase is not included as part of the capitalized value.

Capital assets used in operations are depreciated or amortized using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

<u>Depreciable Asset</u>	<u>Estimated Lives</u>
Equipment	2-10 years
Structures and improvements	10-30 years

Maintenance and repairs are charged to operations when incurred. Betterments and major improvements which significantly increase values, change capacities or extend useful lives are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

I. Interfund Transactions

Interfund transactions are reflected as either loans, services provided or used, reimbursements or transfers.

Loans reported as receivables and payables are referred to as either “due to/from other funds” (i.e. the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans) as appropriate and are subject to elimination upon consolidation.

Services provided or used, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. These services provide information on the net cost of each government function and therefore are not eliminated in the process of preparing the government-wide statement of activities.

Reimbursements occur when the funds responsible for particular expenditures or expenses repay the funds that initially paid for them. Such reimbursements are reflected as expenses in the reimbursing fund and a corresponding decrease in expenses in the reimbursed fund.

All other interfund transactions are treated as transfers. Transfers between funds are netted as part of the reconciliation to the government-wide presentation.

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Notes to Basic Financial Statements
For the Year Ended March 31, 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Unearned Revenue

Under the accrual basis of accounting, revenue may be recognized only when it is earned. When assets are recognized in connection with a transaction before the earnings process is complete, those assets are offset by a corresponding liability for unearned revenue.

K. Compensated Absences

Compensated absences comprise unused vacation leave, vested sick pay and certain compensated time off, which is paid at the date of termination from Authority employment. All compensated absences pay is accrued when incurred in the government-wide and proprietary fund financial statements. The current portion of this debt is estimated based on historical trends.

L. 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 statement 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 outflow of resources (expense) until then.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

At March 31, 2013, the Authority did not have any deferred outflows of resources or deferred inflows of resources.

M. Grant Revenues

Grant revenues are recognized when specified related expenses have been incurred. In other grant programs, monies are virtually unrestricted as to purpose of expenses and are only revocable for failure to comply with prescribed compliance requirements. These revenues are recognized at the time of receipt, or earlier if susceptible to accrual criteria is met. Cash received prior to incurrence of the related expense is recorded as unearned revenue.

N. Estimates

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

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Notes to Basic Financial Statements
For the Year Ended March 31, 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Implementation of Governmental Accounting Standards Board Statements (GASB)

GASB Statement No. 62

For the fiscal year ended March 31, 2013, the Authority implemented GASB 62, “Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements”. The requirements of this statement are effective for financial statement periods beginning after December 15, 2011.

The objective of GASB 62 is to incorporate into the GASB’s authoritative literature certain accounting and financial reporting guidance that is included in the Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the American Institute of Certified Public Accountants’ Committee on Accounting Procedure issued on or before November 30, 1989, which do not conflict with or contradict GASB pronouncements. GASB 62 also supercedes GASB 20 Accounting and Financial Reporting for Proprietary Funds and Other Governmental Funds that use Proprietary Fund Accounting. There was no impact on the Authority’s financial statements as a result of the implementation of GASB 62.

GASB Statement No. 63

For the fiscal year ended March 31, 2013, the Authority implemented GASB 63, “Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position.” The requirements of this statement are effective for financial statement periods beginning after December 15, 2011.

GASB 63 provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. Concepts Statement No. 4, Elements of Financial Statements, introduced and defined those elements as a consumption of net assets by the government that is applicable to a future reporting period and an acquisition of net assets by the government that is applicable to a future reporting period, respectively.

GASB 63 also amends net asset reporting requirements by incorporating deferred outflows of resources and deferred inflows of resources into the required components of the residual measure and by renaming that measure as net position, rather than net assets.

GASB Statement No. 65

For the fiscal year ended March 31, 2013, the Authority elected to implement GASB 65, “Items Previously Reported as Assets and Liabilities.” The requirements of this statement are effective for financial statement periods beginning after December 15, 2012. Earlier application is encouraged.

GASB 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Notes to Basic Financial Statements
For the Year Ended March 31, 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Implementation of Governmental Accounting Standards Board Statements (GASB) (Continued)

GASB Statement No. 65 (Continued)

GASB 65 also provides financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of resources, such as changes in the determination of the major fund calculations and limiting the use of the term deferred in financial statement presentations.

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Restatement of Net Assets

Adjustments resulting from errors or a change to comply with provisions of the accounting standards are treated as adjustments to prior periods. Accordingly, the Authority reports these changes as restatements of beginning net assets. During the current year adjustments to net assets/net position were required to record the cumulative effect of change in accounting principle due to the implementation of GASBS 63 and 65.

The impact of the restatements on the fund balance on the proprietary funds financial statements as previously reported is presented below:

	<u>Rural Development</u>	<u>Business Activities</u>	<u>Business-Type Activities</u>
Net Assets, March 31, 2012, as previously reported	\$ 3,223,615	\$ 1,973,623	\$ 10,084,575
Adjustment associated with:			
Cumulative effect of a change in accounting principle:			
Loan fees	(90,408)	(90,620)	(\$ 181,028)
Total Adjustments	(90,408)	(90,620)	(\$ 181,028)
Net Position, April 1, 2012, as restated	<u>\$ 3,133,207</u>	<u>\$ 1,883,003</u>	<u>\$ 9,903,547</u>

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Notes to Basic Financial Statements
For the Year Ended March 31, 2013

NOTE 3: CASH AND INVESTMENTS

A. Financial Statement Presentation

As of March 31, 2013, the Authority's cash and investments consisted of the following:

Cash:

Imprest cash	\$ 189
Deposits (less outstanding warrants)	<u>6,646,985</u>
Total Cash in Authority Pool	6,647,174
Deposits with fiscal agents	<u>487,137</u>
Total Cash	<u>7,134,311</u>

Investments:

Local Agency Investment Fund	<u>756</u>
Total Investments	<u>756</u>
Total Cash and Investments	<u><u>\$ 7,135,067</u></u>

B. Cash

At year end, the carrying amount of the Authority's cash deposits (including amount in checking accounts and money market accounts) was \$6,646,985 and the bank balance was \$6,917,545. The difference between the bank balance and the carrying amount represents outstanding warrants and deposits in transit. In addition, the Authority had cash on hand of \$189.

Custodial Credit Risk for Deposits - Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Authority will not be able to recover its deposits or collateral securities that are in the possession of an outside party. The Authority complies with the requirements of the California Government Code. Under this code, deposits of more than \$250,000 must be collateralized at 105 percent to 150 percent of the value of the deposit to guarantee the safety of the public funds. The Authority's investment policy does not further limit its deposits.

C. Investments

Under the provisions of the Authority's investment policy and the California Government Code, the Authority may invest or deposit in the following:

- Banker's Acceptances
- Commercial paper
- Local Agency Investment Fund
- Mutual funds
- Medium-term corporate notes
- Money market funds
- Negotiable certificates of deposit
- Repurchase agreements / Reverse repurchase agreements
- Securities of the Federal government or its agencies

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Notes to Basic Financial Statements
For the Year Ended March 31, 2013

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

C. Investments (Continued)

Interest Rate Risk - Interest rate risk is the risk of loss due to the fair value of an investment falling due to interest rates rising. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Authority manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

As of March 31, 2013, the Authority had the following investments:

Investment Type	Interest Rates	Maturities		Fair Value	Weighted Average Maturity (Years)
		0-1 year	1-5 years		
Pooled Investments					
Local Agency Investment Fund (LAIF)	Variable	\$ 756	\$ -	\$ 756	-
Total		<u>\$ 756</u>	<u>\$ -</u>	<u>\$ 756</u>	<u>-</u>

Credit Risk - Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law limits investments in commercial paper to the rating of A1 or better by Standard & Poor's or P-1 or better by Moody's Investors Service; and corporate bonds to the rating of A or better by both Standard & Poor's and Moody's Investors Service. No limits are placed on U.S. government agency securities and U.S. Treasuries. As of March 31, 2013, the Authority investments were all pooled with the State of California Local Agency Investment Fund. The rating for LAIF is not available.

Custodial Credit Risk for Investments- Custodial credit risk for investments is the risk that, in the event of the failure of a depository financial institution, the Authority will not be able to recover its deposits or collateral securities that are in the possession of an outside party. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investments in securities through the use of mutual funds or government investment pools.

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of the Authority's investment in a single issuer of securities. When investments are concentrated in one issuer, this concentration presents a heightened risk of potential loss. State law and the investment policy of the Authority contain limitations on the amount that can be invested in any one issuer. As of March 31, 2011, the Authority investments were all pooled with the State of California Local Agency Investment Fund and the Authority was in compliance with concentration of credit risk laws.

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES

Notes to Basic Financial Statements

For the Year Ended March 31, 2013

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

D. Investment in External Investment Pools

Investment in Local Agency Investment Fund - The Authority is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. At March 31, 2013 the Authority's investment position in LAIF was \$756 which approximates fair value and is the same as the value of the pool shares. The total amount invested by all public agencies in LAIF on that day was \$58,820,916,943. Of that amount, 97.71% is invested in non-derivative financial products and 2.29% in structured notes and asset-backed securities. The value of the pool shares in LAIF is determined on an amortized cost basis, which approximates fair value. The Local Investment Advisory Board, which consists of five members designed by the State statutes, has oversight responsibility for LAIF.

NOTE 4: CAPITAL ASSETS

Capital assets activity for the year ended March 31, 2013, was as follows:

	<u>Balance</u>			<u>Balance</u>
	<u>April 1, 2012</u>	<u>Additions</u>	<u>Retirements</u>	<u>March 31, 2013</u>
Capital Assets, Not Being Depreciated:				
Land	\$ 3,227,003	\$ 132,100	\$ -	\$ 3,359,103
Construction in progress	<u>1,884,962</u>	<u>865,128</u>	<u>-</u>	<u>2,750,090</u>
Total Capital Assets, Not Being Depreciated	<u>5,111,965</u>	<u>997,228</u>	<u>-</u>	<u>6,109,193</u>
Capital Assets, Being Depreciated:				
Buildings and improvements	29,902,504	947,510	-	30,850,014
Equipment	<u>1,531,543</u>	<u>-</u>	<u>-</u>	<u>1,531,543</u>
Total Capital Assets, Being Depreciated	<u>31,434,047</u>	<u>947,510</u>	<u>-</u>	<u>32,381,557</u>
Less Accumulated Depreciation For:				
Buildings and improvements	(14,882,350)	(688,606)	-	(15,570,956)
Equipment	<u>(892,366)</u>	<u>(50,224)</u>	<u>-</u>	<u>(942,590)</u>
Total Accumulated Depreciation	<u>(15,774,716)</u>	<u>(738,830)</u>	<u>-</u>	<u>(16,513,546)</u>
Total Capital Assets, Being Depreciated, Net	<u>15,659,331</u>	<u>208,680</u>	<u>-</u>	<u>15,868,011</u>
Capital Assets, Net	<u>\$ 20,771,296</u>	<u>\$1,205,908</u>	<u>\$ -</u>	<u>\$ 21,977,204</u>

Depreciation

Depreciation expense was charged to the business-type functions as follows:

Public Housing	\$ 178,159
Rural Development	302,803
Business Activities	216,665
Housing Choice Vouchers	565
State/Local	<u>40,638</u>
Total Depreciation Expense	<u>\$ 738,830</u>

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES

Notes to Basic Financial Statements

For the Year Ended March 31, 2013

NOTE 5: INTERFUND TRANSACTIONS

Due To/From Other Funds

During the course of operations, transactions occur between funds to account for goods received or services rendered. These receivables and payables are classified as due from or due to other funds. In addition, when funds overdraw their share of pooled cash, the receivables and payables are also classified as due from or due to other funds. The following are due from and due to balances as of March 31, 2013:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Public Housing	\$ 953,523	\$ 159,586
Rural Development	1,598,452	1,315,328
Business Activities	1,306,804	2,284,291
Housing Choice Vouchers	269,948	371,362
State/Local	<u>494,941</u>	<u>493,101</u>
Total	<u>\$ 4,623,668</u>	<u>\$ 4,623,668</u>

Transfers

Transfers are indicative of funding for capital projects, lease payments or debt service, reimbursement of various Authority operations and re-allocations of special revenues. The following are the interfund transfer balances as of March 31, 2013:

	<u>Transfer In</u>	<u>Transfer Out</u>
Public Housing	\$ 28,875	\$ 28,875
Rural Development	128,288	128,288
Business Activities	953,927	1,325,739
Housing Choice Vouchers	89,158	89,158
State/Local	<u>371,812</u>	<u>-</u>
Total	<u>\$ 1,572,060</u>	<u>\$ 1,572,060</u>

NOTE 6: UNEARNED REVENUE

At March 31, 2013, components of unearned revenue reported were as follows:

Rural Development	
ADA grant monies received prior to completion of earnings requirements	\$ 2,346,425
Joe Serna grant monies received prior to completion of earnings requirements	<u>2,124,044</u>
Total	<u>\$ 4,470,469</u>

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Notes to Basic Financial Statements
For the Year Ended March 31, 2013

NOTE 7: LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended March 31, 2013:

	<u>Balance</u> <u>April 1, 2012</u>	<u>Additions/</u> <u>Adjustments</u>	<u>Retirements/</u> <u>Adjustments</u>	<u>Balance</u> <u>March 31, 2013</u>	<u>Due Within</u> <u>One Year</u>
Revenue Bonds	\$ 3,688,901	\$ -	\$ 86,970	\$ 3,601,931	\$ 92,866
Less: Bond Discount	(178,362)	-	8,493	(169,869)	(8,493)
Bond Issue Cost	(123,311)	-	123,311	-	-
Revenue Bonds (Net)	<u>3,387,228</u>	<u>-</u>	<u>(44,834)</u>	<u>3,432,062</u>	<u>84,373</u>
Loans Payable	9,469,308	73,125	356,093	9,186,340	250,402
Less: Loan Fees	(57,715)	-	57,715	-	-
Loans Payable (Net)	<u>9,411,593</u>	<u>73,125</u>	<u>298,378</u>	<u>9,186,340</u>	<u>250,402</u>
Line of Credit	250,000	-	249,500	500	500
OPEB Liability	205,676	105,556	6,768	304,464	-
Compensated Absences	<u>220,389</u>	<u>47,631</u>	<u>57,795</u>	<u>210,225</u>	<u>52,556</u>
Total Long-Term Liabilities	<u>\$ 13,474,886</u>	<u>\$ 226,312</u>	<u>\$ 567,607</u>	<u>\$ 13,133,591</u>	<u>\$ 387,831</u>

Individual issues of debt payable outstanding at March 31, 2013, are as follows:

Revenue Bonds Payable:

AHA Multi-Family Housing Pool Revenues Bonds Series 2003B, issued in the amount of \$3,420,000 and payable in annual installments of \$25,000 to \$250,000, with an interest rate of 5.00 to 6.625 percent and maturity of January 1, 2033. These bonds were used to finance the acquisition of the Kingwood Commons Apartment complex. The loan agreement specifies that the Authority is required to maintain a coverage ratio of 1.00 to 1, however, the Authority has not met this coverage ratio. This failure to meet the coverage ratio does not constitute an event of default.	\$ 2,910,000
Butte View Estate Bonds, issued in the amount of \$810,000 and payable in monthly payments of \$4,418 including interest at 5.14 percent and maturity of November 1, 2034. These bonds were used to finance the acquisition of the Butte View Estates Apartment complex.	<u>691,931</u>
Total Revenue Bonds Payable	<u>3,601,931</u>

Loans Payable:

Rural Development Agency Loan, issued in the amount of \$290,000 and payable in monthly payments of \$863 including interest of 1 percent and maturity of October 1, 2026. This loan was used to finance rural development activities of the Authority.	141,507
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REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Notes to Basic Financial Statements
For the Year Ended March 31, 2013

NOTE 7: LONG-TERM LIABILITIES (CONTINUED)

Individual issues of debt payable outstanding at March 31, 2013, are as follows (Continued):

Loans Payable (Continued):

Rural Development Agency Loan, issued in the amount of \$22,670 and payable in monthly payments of \$68 including interest of 1 percent and maturity of October 1, 2032. This loan was used to finance rural development activities of the authority.	14,158
Rural Development Agency Loan, issued in the amount of \$7,466 and payable in monthly payments of \$22 including interest of 1 percent and maturity of October 1, 2032. This loan was used to finance rural development activities of the Authority.	4,662
Rural Development Agency Loan, issued in the amount of \$47,378 and payable in monthly payments of \$141 including interest of 1 percent and maturity of October 1, 2032. This loan was used to finance rural development activities of the Authority.	29,588
Rural Development Agency Loan, issued in the amount of \$2,902 and payable in monthly payments of \$9 including interest of 1 percent and maturity of October 1, 2032. This loan was used to finance rural development activities of the Authority.	1,811
Rural Development Agency Loan, issued in the amount of \$4,875 and payable in monthly payments of \$15 including interest of 1 percent and maturity of October 1, 2032. This loan was used to finance rural development activities of the Authority.	3,045
Rural Development Agency Loan, issued in the amount of \$1,412,827 and payable in monthly payments of \$4,206 including interest of 1 percent and maturity of October 1, 2032. This loan was used to finance rural development activities of the Authority.	882,423
Rural Development Agency Loan, issued in the amount of \$139,644 and payable in monthly payments of \$416 including interest of 1 percent and maturity of October 1, 2032. This loan was used to finance rural development activities of the Authority.	87,210
Rural Development Agency Loan, issued in the amount of \$1,365,908 and payable in monthly installments of \$4,584 including interest of 1 percent and maturity on August 1, 2040. This loan was used to finance rural development activities of the Authority.	1,293,716
Rural Development Agency Loan, issued in the amount of \$3,000,000 and payable in monthly installments of \$9,168 including interest of 1 percent and maturity on August 1, 2042. This loan was used to finance rural development activities of the Authority.	2,773,867
Rural Development Agency Loan, issued in the amount of \$127,817 and payable in monthly installments of \$391 including interest of 1 percent and maturity on February 1, 2043. This loan was used to finance rural development activities of the Authority.	117,023
Rural Development Agency Loan, issued in the amount of \$311,897 and payable in monthly installments of \$1,468 including interest of 4 percent and maturity of December 1, 2043. This loan was used to finance the acquisition of the Centennial Arms apartment complex.	307,475

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Notes to Basic Financial Statements
For the Year Ended March 31, 2013

NOTE 7: LONG-TERM LIABILITIES (CONTINUED)

Individual issues of debt payable outstanding at March 31, 2013, are as follows (Continued):

Loans Payable (Continued):

Rural Development Agency Loan, issued in the amount of \$634,023 and payable in monthly installments of \$2,289, including interest of 1.89 percent and maturity on December 1, 2043. This loan was used to finance the rehabilitation of the Centennial Arms apartment complex.	628,701
Rural Development Agency Loan, issued in the amount of \$549,801 and payable in monthly installments of \$2,034 including interest of 1 percent and maturity of November 1, 2043. This loan was used to finance the acquisition of the Butte View Estates apartment complex.	532,055
Umpqua Bank Loan, issued in the amount of \$576,000 and payable in monthly installments of \$3,392 including interest at 5.750 percent and maturity on February 15, 2040. The loan was used to finance the acquisitions of the Centennial Arms apartment complex.	557,787
Tri Counties Bank Loan, issued in the amount of \$940,000 and payable in monthly installments of \$5,997, including interest of 5.75 percent and maturity on January 25, 2036. This loan was used to finance the acquisition of 1455 Butte House Road.	914,068
Tri Counties Bank Loan, issued in the amount of \$73,125 and payable in monthly installments of \$485 including interest of 5.00 percent and maturity on July 29, 2032. This loan was used to finance rehabilitation of 1455 Butte House Road.	72,244
City of Yuba City loan, issued in the amount of \$825,000. Interest is to accrue at the rate of 1 percent per annum. Payments are deferred unless there are sufficient residual receipts. The loan was used to finance the acquisition and rehabilitation of the Kingwood Commons Complex.	<u>825,000</u>
Total Loans Payable	<u>9,186,340</u>

Line of Credit:

Tri Counties Line of Credit, issued in the amount of \$250,000 and payable within one year with an interest rate of .75 percent and maturity of December 31, 2013. This line of credit was used to cover a shortfall of revenue until reimbursement is received from developer fund.	<u>500</u>
Total Line of Credit	<u>500</u>
Total Long-Term Liabilities	<u><u>\$ 12,788,771</u></u>

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Notes to Basic Financial Statements
For the Year Ended March 31, 2013

NOTE 7: LONG-TERM LIABILITIES (CONTINUED)

Following is a schedule of debt payment requirements to maturity for long-term debt, excluding the City of Yuba City loan in the amount of \$825,000 which has no established repayment schedule, compensated absences that have indefinite maturities and OPEB which is reported in Note 10.

Year Ended March 31	Revenue Bonds		
	Principal	Interest	Total
2014	\$ 92,866	\$ 226,679	\$ 319,545
2015	98,806	220,864	319,670
2016	104,796	214,674	319,470
2017	110,837	208,108	318,945
2018	116,934	201,161	318,095
2017-2021	708,250	885,856	1,594,106
2022-2026	965,742	630,984	1,596,726
2027-2021	1,319,194	279,769	1,598,963
2032-2036	<u>84,506</u>	<u>3,852</u>	<u>88,358</u>
Total	<u>\$ 3,601,931</u>	<u>\$ 2,871,947</u>	<u>\$ 6,473,878</u>

Year Ended March 31	Loans Payable		
	Principal	Interest	Total
2014	\$ 250,702	\$ 175,870	\$ 426,572
2015	255,192	171,380	426,572
2016	259,828	166,744	426,572
2017	264,618	161,955	426,572
2018	269,568	157,005	426,572
2019-2023	1,428,289	704,574	2,132,863
2024-2028	1,578,005	551,656	2,129,661
2029-2033	1,663,074	368,990	2,032,064
2034-2038	1,433,297	170,944	1,604,241
2039-2043	<u>958,767</u>	<u>36,733</u>	<u>995,500</u>
Total	<u>\$ 8,361,340</u>	<u>\$ 2,665,849</u>	<u>\$ 11,027,189</u>

Year Ended March 31	Line of Credit		
	Principal	Interest	Total
2013	\$ 500	\$ 29	\$ 529
Total	<u>\$ 500</u>	<u>\$ 29</u>	<u>\$ 529</u>

NOTE 8: NET POSITION

Equity is classified as net position and displayed in three components:

- Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Notes to Basic Financial Statements
For the Year Ended March 31, 2013

NOTE 8: NET POSITION (CONTINUED)

- Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- Unrestricted net position – All other net position that does not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

Net Position Flow Assumption

When a government funds outlays for a particular purpose from both restricted and unrestricted resources, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted net position is available, it is considered that restricted resources are used first, followed by the unrestricted resources.

NOTE 9: EMPLOYEES’ RETIREMENT PLAN

A. Plan Description

The Authority contributes to the California Public Employees Retirement System (PERS), an agent multiple-employer public employee defined benefit plan. PERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. PERS 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 statute. Copies of PERS’ annual financial report may be obtained from their executive office – 400 Q Street, Lincoln Plaza East, Sacramento, CA 95811.

B. Funding Policy

Miscellaneous plan members are required to contribute 7 percent of their annual covered salary. The Authority 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 PERS Board of Administration. The required employer contribution rate for fiscal year 2012/2013 was 13.094 percent for miscellaneous employees. The contribution requirements of the plan are established by State statute and the employer contribution rate is established and may be amended by PERS. The Authority is required to contribute the remaining amounts necessary to fund the benefits of its members using the actuarial basis adopted by the PERS Board of Administrators.

C. Annual Pension Cost

For fiscal year 2012/2013, the Authority’s annual pension cost of \$211,535 for the miscellaneous plan, was equal to the Authority’s required and actual contributions. The required contribution for fiscal year 2012/2013 was determined as part of the June 30, 2010, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.75 percent investment rate of return (net of administrative expenses), (b) projected annual salary increases of 3.55 percent to 14.45 percent, depending on age, service, and type of employment, (c) 3.00 percent inflation, (d) 3.25 percent payroll growth and (e) individual salary growth based on a merit scale with assumed annual inflation of 3.00 percent and annual production growth of 0.25 percent.

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Notes to Basic Financial Statements
For the Year Ended March 31, 2013

NOTE 9: EMPLOYEES' RETIREMENT PLAN (CONTINUED)

C. Annual Pension Cost (Continued)

The actuarial value of PERS assets was determined using techniques that smooth the effect of short term volatility in the market value of investments over a fifteen year period (smoothed market value). Initial unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. All changes in liability due to plan amendments, changes in actuarial assumptions, or changes in actuarial methodology are amortized separately over a 20 year period. All gains or losses are tracked and amortized over a rolling 30 year period with the exception of gains and losses in fiscal years 2008-2009, 2009-2010 and 2010-2011 in which each year's gains or losses will be isolated and amortized over fixed and declining 30 year periods (as opposed to the current rolling 30 year amortization). If the plan's accrued liability exceeds the actuarial value of plan assets, the annual contribution with respect to the total unfunded liability may not be less than the amount produced by a 30 year amortization of the unfunded liability. The table below presents three year trend information.

Miscellaneous:

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
March 31, 2011	\$ 182,234	100%	-
March 31, 2012	225,086	100%	-
March 31, 2013	211,535	100%	-

D. Funded Status and Funding Progress

Since the Authority had less than 100 active members in at least one valuation since June 30, 2003, it is required to participate in a risk pool and does not present individual plan funded status.

NOTE 10: OTHER POSTEMPLOYMENT BENEFITS (OPEB)

A. Plan Description

Retirees of the Authority have an option to purchase medical coverage from a variety of providers. One option for medical coverage is the multiple-employer CalPERS Healthcare (PEMHCA) plan. If the employee selects the PEMHCA option, there is a requirement that the Authority pay a monthly contribution amount. The contribution levels are set in statute.

B. Funding Policy

The Authority has elected to calculate the ARC and related information using the alternative measurement method permitted by GASB 45 for employers in plans with fewer than one hundred total plan members. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities over a period not to exceed thirty years.

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Notes to Basic Financial Statements
For the Year Ended March 31, 2013

NOTE 10: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

B. Funding Policy (Continued)

GASB 45 does not require pre-funding of OPEB benefits. Therefore, the Authority's funding policy is to continue to pay healthcare premiums for retirees as they fall due. The Authority has elected not to establish an irrevocable trust at this time. The Board of Commissioners reserves the authority to review and amend this funding policy from time to time, in order to ensure that the funding policy continues to best suit the circumstances of the Authority.

C. Annual OPEB Cost and Net OPEB Obligation

The Authority's annual other postemployment benefits (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC). The following table shows the components of the Authority's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in its net OPEB obligation to the Retiree Health Plan:

Annual Required Contribution	\$ 105,556
Contributions Made	<u>6,768</u>
Increase in Net OPEB Obligation	98,788
Net OPEB Obligation - Beginning of Year	<u>205,676</u>
Net OPEB Obligation - End of Year	<u>\$ 304,464</u>

The Authority's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the current and prior fiscal years is as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
March 31, 2011	\$ 91,961	5.5%	\$ 113,549
March 31, 2012	98,559	6.5%	205,676
March 31, 2013	105,556	6.4%	304,464

D. Funded Status and Funding Progress

As of March 31, 2013, the present value of the actuarial accrued liability for benefits was \$777,240, all of which was unfunded. The covered payroll (annual payroll of employees covered by the plan) was \$1,764,719 and the ratio to the unfunded liability to the covered payroll was 44.0 percent.

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrences of events far into the future. Examples include assumptions about future employment, mortality and healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer as subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Notes to Basic Financial Statements
For the Year Ended March 31, 2013

NOTE 10: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

E. Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and 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 methods and assumptions used include techniques that are designed to reduce the effects of short term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The following simplifying assumptions were made:

Retirement age for active employees - Based on the historical average retirement age for the covered group, active plan members were assumed to retire based on the most recent California PERS 2% at 55 Miscellaneous employees retirement plan valuation.

Marital Status - Marital status of members at the calculation date was assumed to continue throughout retirement.

Mortality - Life expectancies at the calculation date are based on the most recent California PERS retirement plan valuation. The calculation of OPEB liability for each year is based on the assumption that all participants will live until their expected age as displayed in the mortality tables.

Turnover - The probability that an employee will remain employed until the assumed retirement age was determined using the most recent California PERS Public Agency Miscellaneous retirement plan valuation.

Healthcare cost trend rate - The healthcare cost trend rate was assumed to increase on the contribution requirement - will be 5.0% per year.

Health insurance premiums - 2010 health insurance premiums for retirees were used as a basis for calculation of the present value of total benefits to be paid.

Payroll increase - Changes in the payroll for current employees are expected to increase at a rate of approximately 3.25% annually.

Discount rate - The calculation uses an annual discount rate of 4.5%. This is based on the assumed long-term return on plan assets or employer assets.

Actuarial cost method - The entry age actuarial cost method was used. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2010 was twenty-nine years.

F. Plan For Funding

On an ongoing basis, the Authority will be reviewing its assumptions, comparing them against actual experience and recalculating the needed funding with the goal of paying for postemployment benefits out of interest earned on designated funds.

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES

Notes to Basic Financial Statements

For the Year Ended March 31, 2013

NOTE 11: RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority joined together with other housing authorities to participate in the Housing Authority Risk Retention Pool (HARRP). This joint venture is a public entity risk pool which serves as a common risk management and insurance program for property and liability coverage for 86 housing authority members. The Authority has also joined together with other housing authorities to participate in the California Housing Worker's Compensation Authority. This joint venture is a public entity risk pool which serves as a common risk management and insurance program for workers' compensation coverage for 31 housing authority members.

The Authority pays an annual premium to both of these joint ventures for its insurance coverage. The agreements with the joint ventures provide that they will be self-sustaining through member premiums and will reinsure through commercial companies for excess coverage.

There were no claims liability to be reported based on the requirements of Government Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicated that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably determined.

The Authority continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 12: OTHER INFORMATION

A. Construction Commitments

The Authority has signed agreements to rehabilitate rural development housing subsequent to March 31, 2013. The balance owed on the commitments at March 31, 2013, was approximately \$1,135,779.

B. Contingent Liabilities

The Housing Authority has received funds from various federal, state and local grant programs. It is possible that at some future date it may be determined that the Authority 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 the Authority does not expect such disallowed amount, if any, to materially affect the financial statements.

C. Joint Agencies

The California Affordable Housing Agency - Joint Powers Authority began operations on March 1, 2001, and has continued without interruption since that time. The Joint Powers Authority is composed of member housing agencies. All member agencies are on the Board of Directors who select an Executive Committee of five members. The operations are managed and expenses are approved by the Executive Director of the Joint Powers Authority. Complete audited financial statements can be obtained at the Authority's office: 580 Vallombrosa Avenue, Chico, CA, 95926.

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Notes to Basic Financial Statements
For the Year Ended March 31, 2013

NOTE 12: OTHER INFORMATION (CONTINUED)

D. Subsequent Events

Management has evaluated events subsequent to March 31, 2013 through August 5, 2013, the date on which the financial statements were available for issuance. Management has determined no subsequent events requiring disclosure have occurred.

**Required Supplementary Information
(Unaudited)**

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REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Required Supplementary Information
For the Year Ended March 31, 2013

SCHEDULE OF FUNDING PROGRESS - PENSION

The Authority participates in a risk pool and does not present individual plan funded status.

Funding information is available on a pooled-basis only and can be obtained upon request to the Authority or directly from CalPERS, P.O. Box 942709, Sacramento, CA 94229-2709.

SCHEDULE OF FUNDING PROGRESS - OTHER POSTEMPLOYMENT BENEFITS

The table below shows a three year analysis of the actuarial value of assets as a percentage of the actuarial accrued liability and the unfunded actuarial accrued liability as a percentage of the annual covered payroll as of March 31, 2011, 2012 and 2013 for the Authority Other Postemployment Benefit Plan.

Actuarial Valuation Date	Value of Assets (AVA)	Actuarial Accrued Liability (AAL)	Actuarial Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
March 31, 2011	\$ 0	\$ 629,838	\$ 629,833	0.0%	\$ 1,687,119	37.3%
March 31, 2012	0	701,153	701,153	0.0%	1,740,757	40.3%
March 31, 2013	0	777,240	777,240	0.0%	1,764,719	44.0%

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Supplementary Information

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Combining Fund Statements

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REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Combining Statement of Net Position
Public Housing
March 31, 2013

	<u>Richland Housing</u>	<u>River City Manor</u>	<u>Senior Village</u>
ASSETS			
Current Assets:			
Cash and investments	\$ 137,681	\$ 129,553	\$ 11,067
Accounts receivable - tenants, net	11,323	308	-
Due from other funds	953,523	-	-
Total Current Assets	<u>1,102,527</u>	<u>129,861</u>	<u>11,067</u>
Noncurrent Assets:			
Nondepreciable assets	115,017	137,570	88,286
Depreciable assets, net	1,918,306	164,394	214,214
Total Noncurrent Assets	<u>2,033,323</u>	<u>301,964</u>	<u>302,500</u>
Total Assets	<u>3,135,850</u>	<u>431,825</u>	<u>313,567</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	224,308	38,074	41,217
Prepaid tenant rent	2,762	645	1,359
Accrued salaries and benefits	15,497	1,885	3,754
Security deposits payable	25,723	5,020	11,093
Due to other funds	-	-	62,140
Compensated absences payable	7,636	928	1,664
Total Current Liabilities	<u>275,926</u>	<u>46,552</u>	<u>121,227</u>
Noncurrent Liabilities:			
OPEB liability	44,459	5,984	12,099
Compensated absences - net of current portion	22,909	2,785	4,993
Total Noncurrent Liabilities	<u>67,368</u>	<u>8,769</u>	<u>17,092</u>
Total Liabilities	<u>343,294</u>	<u>55,321</u>	<u>138,319</u>
NET POSITION			
Invested in capital assets, net of related debt	2,033,323	301,964	302,500
Unrestricted	759,233	74,540	(127,252)
Total Net Position	<u>\$ 2,792,556</u>	<u>\$ 376,504</u>	<u>\$ 175,248</u>

Maple Park	Development Project - Maple Park #1	Development Project - Maple Park #2	Development Project - Richland Phase 1	Total
\$ 9,598	\$ -	\$ -	\$ -	\$ 287,899
341	-	-	-	11,972
-	-	-	-	953,523
<u>9,939</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,253,394</u>
-	-	15,460	16,541	372,874
-	-	-	-	2,296,914
-	-	15,460	16,541	2,669,788
<u>9,939</u>	<u>-</u>	<u>15,460</u>	<u>16,541</u>	<u>3,923,182</u>
10,179	(337)	1,378	-	314,819
-	-	-	-	4,766
-	-	-	-	21,136
-	-	-	-	41,836
-	337	20,514	76,595	159,586
-	-	-	-	10,228
<u>10,179</u>	<u>-</u>	<u>21,892</u>	<u>76,595</u>	<u>552,371</u>
-	-	-	-	62,542
-	-	-	-	30,687
-	-	-	-	93,229
<u>10,179</u>	<u>-</u>	<u>21,892</u>	<u>76,595</u>	<u>645,600</u>
-	-	15,460	16,541	2,669,788
(240)	-	(21,892)	(76,595)	607,794
<u>\$ (240)</u>	<u>\$ -</u>	<u>\$ (6,432)</u>	<u>\$ (60,054)</u>	<u>\$ 3,277,582</u>

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Combining Statement of Revenues, Expenses, and Changes in Net Position
Public Housing
For the Year Ended March 31, 2013

	Richland Housing	River City Manor	Senior Village
OPERATING REVENUES			
Dwelling rents	\$ 406,332	\$ 69,676	\$ 142,269
Other tenant revenue	10,267	2,876	3,824
Other revenue	683	-	(129)
Total Operating Revenues	<u>417,282</u>	<u>72,552</u>	<u>145,964</u>
OPERATING EXPENSES			
Administrative	254,745	36,441	61,428
Tenant services	1,584	995	9,502
Utilities	86,409	18,784	59,369
Maintenance	334,520	39,624	97,588
Protective services	8,836	1,407	2,932
Insurance premiums	10,560	2,371	5,966
Other general expenses	70,320	12,360	19,864
Depreciation	117,868	36,346	23,945
Total Operating Expenses	<u>884,842</u>	<u>148,328</u>	<u>280,594</u>
Operating Income (Loss)	<u>(467,560)</u>	<u>(75,776)</u>	<u>(134,630)</u>
NON-OPERATING REVENUES (EXPENSES)			
Intergovernmental revenue	442,900	37,926	88,493
Interest income	16	2	12
Total Non-operating Revenue (Expenses)	<u>442,916</u>	<u>37,928</u>	<u>88,505</u>
Income (Loss) Before Transfers	<u>(24,644)</u>	<u>(37,848)</u>	<u>(46,125)</u>
Transfer in	-	-	-
Transfer out	(21,832)	(2,113)	(4,930)
Change in Net Position	<u>(46,476)</u>	<u>(39,961)</u>	<u>(51,055)</u>
Total Net Position - Beginning	<u>2,839,032</u>	<u>416,465</u>	<u>226,303</u>
Total Net Position - Ending	<u>\$ 2,792,556</u>	<u>\$ 376,504</u>	<u>\$ 175,248</u>

Maple Park	Development Project - Maple Park #1	Development Project - Maple Park #2	Development Project - Richland Phase 1	Totals
\$ -	\$ -	\$ -	\$ -	\$ 618,277
-	-	-	-	16,967
97	-	-	-	651
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
97	-	-	-	635,895
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
-	-	1,378	41,829	395,821
-	-	-	-	12,081
-	-	-	-	164,562
-	-	-	-	471,732
-	-	-	-	13,175
-	-	-	-	18,897
326	-	-	-	102,870
-	-	-	-	178,159
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326	-	1,378	41,829	1,357,297
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
(229)	-	(1,378)	(41,829)	(721,402)
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
-	-	-	-	569,319
-	-	-	-	30
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
-	-	-	-	569,349
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(229)	-	(1,378)	(41,829)	(152,053)
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28,875	-	-	-	28,875
-	-	-	-	(28,875)
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
28,646	-	(1,378)	(41,829)	(152,053)
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
(28,886)	-	(5,054)	(18,225)	3,429,635
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
\$ (240)	\$ -	\$ (6,432)	\$ (60,054)	\$ 3,277,582

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Combining Statement of Cash Flows
Public Housing
For the Year Ended March 31, 2013

	Richland Housing	River City Manor	Senior Village
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 421,765	\$ 72,173	\$ 151,648
Payments to suppliers	(453,045)	(68,214)	(184,623)
Payments to employees	(277,254)	(37,826)	(67,403)
Net Cash Provided (Used) by Operating Activities	<u>(308,534)</u>	<u>(33,867)</u>	<u>(100,378)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Intergovernmental revenues received	442,900	37,926	88,493
Transfers from other funds	-	-	-
Transfers to other funds	(21,832)	(2,113)	(4,930)
Interfund loans received	-	-	62,140
Interfund loans made	(953,523)	-	-
Interfund loans repaid	-	-	(34,578)
Interfund loan repayments received	1,154,971	127,511	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>622,516</u>	<u>163,324</u>	<u>111,125</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	(177,173)	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(177,173)</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income	16	2	12
Net Cash Provided (Used) by Investing Activities	<u>16</u>	<u>2</u>	<u>12</u>
Net Increase (Decrease) in Cash and Cash Equivalents	136,825	129,459	10,759
Balances - Beginning of the Year	<u>856</u>	<u>94</u>	<u>308</u>
Balances - End of the Year	<u>\$ 137,681</u>	<u>\$ 129,553</u>	<u>\$ 11,067</u>

Maple Park	Development Project - Maple Park #1	Development Project - Maple Park #2	Development Project - Richland Phase 1	Totals
\$ (391)	\$ -	\$ -	\$ -	\$ 645,195
(4,560)	(337)	-	(37,897)	(748,676)
-	-	-	(3,932)	(386,415)
<u>(4,951)</u>	<u>(337)</u>	<u>-</u>	<u>(41,829)</u>	<u>(489,896)</u>
-	-	-	-	569,319
28,875	-	-	-	28,875
-	-	-	-	(28,875)
-	337	20,514	76,595	159,586
-	-	-	-	(953,523)
(14,326)	-	(20,514)	(34,766)	(104,184)
-	-	-	-	1,282,482
<u>14,549</u>	<u>337</u>	<u>-</u>	<u>41,829</u>	<u>953,680</u>
-	-	-	-	(177,173)
-	-	-	-	(177,173)
-	-	-	-	30
-	-	-	-	30
9,598	-	-	-	286,641
-	-	-	-	1,258
<u>\$ 9,598</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 287,899</u>

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Combining Statement of Cash Flows
Public Housing
For the Year Ended March 31, 2013

	Richland Housing	River City Manor	Senior Village
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ (467,560)	\$ (75,776)	\$ (134,630)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Amortization and depreciation	117,868	36,346	23,945
Decrease (increase) in:			
Accounts receivable - tenants, net	(1,735)	(308)	4,800
Increase (decrease) in:			
Accounts payable	19,174	4,409	1,616
Prepaid tenant rent	2,154	(71)	727
Accrued salaries and benefits	(324)	(282)	(327)
Security deposits payable	4,064	-	157
OPEB liability	12,518	1,544	2,724
Compensated absences payable	5,307	271	610
Net Cash Provided (Used) by Operating Activities	\$ (308,534)	\$ (33,867)	\$ (100,378)

<u>Maple Park</u>	<u>Development Project - Maple Park #1</u>	<u>Development Project - Maple Park #2</u>	<u>Development Project - Richland Phase 1</u>	<u>Totals</u>
\$ (229)	\$ -	\$ (1,378)	\$ (41,829)	\$ (721,402)
-	-	-	-	178,159
97	-	-	-	2,854
(4,234)	(337)	1,378	-	22,006
(485)	-	-	-	2,325
-	-	-	-	(933)
(100)	-	-	-	4,121
-	-	-	-	16,786
-	-	-	-	6,188
<u>\$ (4,951)</u>	<u>\$ (337)</u>	<u>\$ -</u>	<u>\$ (41,829)</u>	<u>\$ (489,896)</u>

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Combining Statement of Net Position
Rural Development
March 31, 2013

	<u>Rural Development</u>	<u>Rural Development Reserve</u>	<u>Joe Serna Grant #2</u>
ASSETS			
Current Assets:			
Cash and investments	\$ 15,210	\$ -	\$ -
Accounts receivable - tenants, net	7,724	-	-
Prepaid costs	-	-	-
Due from other funds	281,429	-	220,811
Total Current Assets	<u>304,363</u>	<u>-</u>	<u>220,811</u>
Restricted Assets:			
Cash and investments	641,620	-	-
Total Restricted Assets	<u>641,620</u>	<u>-</u>	<u>-</u>
Noncurrent Assets:			
Nondepreciable assets	2,774,944	-	-
Depreciable assets, net	6,340,758	-	-
Total Noncurrent Assets	<u>9,115,702</u>	<u>-</u>	<u>-</u>
Total Assets	<u>10,061,685</u>	<u>-</u>	<u>220,811</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	108,048	-	-
Prepaid tenant rent	1,344	-	-
Accrued salaries and benefits	25,906	-	-
Security deposits payable	15,600	-	-
Unearned revenue	-	-	-
Due to other funds	1,308,473	-	-
Compensated absences payable	14,382	-	-
Bonds payable	-	-	-
Loans payable	185,640	-	-
Total Current Liabilities	<u>1,659,393</u>	<u>-</u>	<u>-</u>
Noncurrent Liabilities:			
OPEB liability	78,468	-	-
Compensated absences - net of current portion	43,145	-	-
Bonds payable - net of current portion	-	-	-
Loans payable - net of current portion	5,163,371	-	-
Total Noncurrent Liabilities	<u>5,284,984</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>6,944,377</u>	<u>-</u>	<u>-</u>
NET POSITION			
Invested in capital assets, net of related debt	3,766,689	-	-
Unrestricted	(649,381)	-	220,811
Total Net Position	<u>\$ 3,117,308</u>	<u>\$ -</u>	<u>\$ 220,811</u>

Rural Development Loan #3	Centennial Arms	Butte View Estates	Centennial Arms Rehabilitation	Hans Miller ADA	Joe Serna Grant #3	Totals
\$ 531,657	\$ 4,101	\$ 54,730	\$ -	\$ 2,346,830	\$ 2,234,049	\$ 5,186,577
-	6,289	-	-	-	-	14,013
-	1,324	-	-	-	-	1,324
447,737	614,038	34,437	-	-	-	1,598,452
979,394	625,752	89,167	-	2,346,830	2,234,049	6,800,366
-	91,108	78,993	-	-	-	811,721
-	91,108	78,993	-	-	-	811,721
-	37,245	221,880	-	-	-	3,034,069
-	715,388	672,614	-	-	-	7,728,760
-	752,633	894,494	-	-	-	10,762,829
979,394	1,469,493	1,062,654	-	2,346,830	2,234,049	18,374,916
-	4,162	7,054	-	-	3,628	122,892
-	499	430	-	-	-	2,273
-	841	2,559	-	-	-	29,306
-	4,096	9,267	-	-	-	28,963
-	-	-	-	2,346,425	2,124,044	4,470,469
-	-	-	6,855	-	-	1,315,328
-	428	1,426	-	-	-	16,236
-	-	17,866	-	-	-	17,866
-	30,004	12,563	-	-	-	228,207
-	40,030	51,165	6,855	2,346,425	2,127,672	6,231,540
-	1,802	2,249	-	-	-	82,519
-	1,283	4,278	-	-	-	48,706
-	-	674,063	-	-	-	674,063
-	1,463,958	519,492	-	-	-	7,146,821
-	1,467,043	1,200,082	-	-	-	7,952,109
-	1,507,073	1,251,247	6,855	2,346,425	2,127,672	14,183,649
-	(741,330)	(329,489)	-	-	-	2,695,870
979,394	703,750	140,896	(6,855)	405	106,377	1,495,397
\$ 979,394	\$ (37,580)	\$ (188,593)	\$ (6,855)	\$ 405	\$ 106,377	\$ 4,191,267

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Combining Statement of Revenues, Expenses, and Changes in Net Position
Rural Development
For the Year Ended March 31, 2013

	Rural Development	Rural Development Reserve	Joe Serna Grant #2
OPERATING REVENUES			
Dwelling rents	\$ 705,519	\$ -	\$ -
Other tenant revenue	8,444	-	-
Other revenue	251	-	-
Total Operating Revenues	<u>714,214</u>	<u>-</u>	<u>-</u>
OPERATING EXPENSES			
Administrative	430,505	-	10,207
Tenant services	2,392	-	-
Utilities	210,214	-	-
Maintenance	467,823	-	-
Protective services	16,065	-	-
Insurance premiums	20,727	-	-
Other general expenses	31,842	-	-
Amortization	-	-	-
Depreciation	241,637	-	-
Total Operating Expenses	<u>1,421,205</u>	<u>-</u>	<u>10,207</u>
Operating Income (Loss)	<u>(706,991)</u>	<u>-</u>	<u>(10,207)</u>
NON-OPERATING REVENUES (EXPENSES)			
Intergovernmental revenue	1,204,417	-	214,740
Interest income	900	-	120
Interest expense	(10,333)	-	-
Total Non-operating Revenue (Expenses)	<u>1,194,984</u>	<u>-</u>	<u>214,860</u>
Income (Loss) Before Transfers	487,993	-	204,653
Transfer in	125,750	2,538	-
Transfer out	(2,538)	-	-
Change in Net Position	<u>611,205</u>	<u>2,538</u>	<u>204,653</u>
Total Net Position - Beginning	2,506,103	(2,538)	16,158
Cumulative effect of a change in accounting principle	-	-	-
Total Net Position - Beginning, Restated	<u>2,506,103</u>	<u>(2,538)</u>	<u>16,158</u>
Total Net Position - Ending	<u>\$ 3,117,308</u>	<u>\$ -</u>	<u>\$ 220,811</u>

Rural Development Loan #3	Centennial Arms	Butte View Estates	Centennial Arms Rehabilitation	Hans Miller ADA	Joe Serna Grant #3	Totals
\$ -	\$ 76,011	\$ 261,022	\$ -	\$ -	\$ -	\$ 1,042,552
-	916	896	-	-	-	10,256
-	-	-	-	-	-	251
-	76,927	261,918	-	-	-	1,053,059
-	29,618	75,376	6,855	-	3,227	555,788
-	2,173	16,660	-	-	-	21,225
-	28,681	40,127	-	-	-	279,022
-	36,597	77,054	-	-	-	581,474
-	-	1,695	-	-	-	17,760
-	3,699	4,663	-	-	-	29,089
-	2,666	1,954	-	-	-	36,462
-	-	-	-	-	-	-
-	25,559	35,607	-	-	-	302,803
-	128,993	253,136	6,855	-	3,227	1,823,623
-	(52,066)	8,782	(6,855)	-	(3,227)	(770,564)
283,476	108,774	-	-	-	107,381	1,918,788
-	711	406	-	405	2,223	4,765
-	(37,147)	(47,449)	-	-	-	(94,929)
283,476	72,338	(47,043)	-	405	109,604	1,828,624
283,476	20,272	(38,261)	(6,855)	405	106,377	1,058,060
-	-	-	-	-	-	128,288
(125,750)	-	-	-	-	-	(128,288)
157,726	20,272	(38,261)	(6,855)	405	106,377	1,058,060
821,668	(39,391)	(78,385)	-	-	-	3,223,615
-	(18,461)	(71,947)	-	-	-	(90,408)
821,668	(57,852)	(150,332)	-	-	-	3,133,207
<u>\$ 979,394</u>	<u>\$ (37,580)</u>	<u>\$ (188,593)</u>	<u>\$ (6,855)</u>	<u>\$ 405</u>	<u>\$ 106,377</u>	<u>\$ 4,191,267</u>

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Combining Statement of Cash Flows
Rural Development
For the Year Ended March 31, 2013

	Rural Development	Rural Development Reserve	Joe Serna Grant #2
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 713,446	\$ -	\$ -
Payments to suppliers	(607,117)	(86,400)	(12,092)
Payments to employees	(538,630)	-	-
Net Cash Provided (Used) by Operating Activities	<u>(432,301)</u>	<u>(86,400)</u>	<u>(12,092)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Intergovernmental revenues received	1,204,417	-	-
Transfers from other funds	125,750	2,538	-
Transfers to other funds	(2,538)	-	-
Interfund loans received	1,308,473	-	-
Interfund loans made	(281,429)	-	(220,811)
Interfund loans repaid	(951,378)	-	-
Interfund loan repayments received	283,124	83,862	232,783
Net Cash Provided (Used) by Noncapital Financing Activities	<u>1,686,419</u>	<u>86,400</u>	<u>11,972</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	(920,643)	-	-
Principal paid on debt	(318,841)	-	-
Interest paid on debt	(10,333)	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(1,249,817)</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income	900	-	120
Net Cash Provided (Used) by Investing Activities	<u>900</u>	<u>-</u>	<u>120</u>
Net Increase (Decrease) in Cash and Cash Equivalents	5,201	-	-
Balances - Beginning of the Year	<u>651,629</u>	<u>-</u>	<u>-</u>
Balances - End of the Year	<u>\$ 656,830</u>	<u>\$ -</u>	<u>\$ -</u>

Rural Development Loan #3	Centennial Arms	Butte View Estates	Centennial Arms Rehabilitation	Hans Miller ADA	Joe Serna Grant #3	Totals
\$ -	\$ 77,627	\$ 262,406	\$ -	\$ -	\$ -	\$ 1,053,479
-	(78,788)	(169,600)	(6,855)	-	401	(960,451)
-	(21,930)	(59,393)	-	-	-	(619,953)
-	(23,091)	33,413	(6,855)	-	401	(526,925)
283,476	108,774	-	-	-	-	1,596,667
-	-	-	-	-	-	128,288
(125,750)	-	-	-	-	-	(128,288)
-	-	-	6,855	-	-	1,315,328
(447,737)	(614,038)	(34,437)	-	-	-	(1,598,452)
-	(1,695)	-	-	-	-	(953,073)
636,428	-	-	-	-	-	1,236,197
346,417	(506,959)	(34,437)	6,855	-	-	1,596,667
-	-	(12,612)	-	2,346,425	2,231,425	3,644,595
-	(15,097)	(19,549)	-	-	-	(353,487)
-	(37,147)	(47,449)	-	-	-	(94,929)
-	(52,244)	(79,610)	-	2,346,425	2,231,425	3,196,179
-	711	407	-	405	2,223	4,766
-	711	407	-	405	2,223	4,766
346,417	(581,583)	(80,227)	-	2,346,830	2,234,049	4,270,687
185,240	676,792	213,950	-	-	-	1,727,611
<u>\$ 531,657</u>	<u>\$ 95,209</u>	<u>\$ 133,723</u>	<u>\$ -</u>	<u>\$ 2,346,830</u>	<u>\$ 2,234,049</u>	<u>\$ 5,998,298</u>

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Combining Statement of Cash Flows
Rural Development
For the Year Ended March 31, 2013

	<u>Rural Development</u>	<u>Rural Development Reserve</u>	<u>Joe Serna Grant #2</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ (706,991)	\$ -	\$ (10,207)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Amortization and depreciation	241,637	-	-
Decrease (increase) in:			
Accounts receivable - tenants, net	(2,099)	-	-
Prepaid costs	-	-	-
Increase (decrease) in:			
Accounts payable	31,917	(86,400)	(1,885)
Prepaid tenant rent	531	-	-
Accrued salaries and benefits	(4,290)	-	-
Security deposits payable	800	-	-
OPEB liability	23,507	-	-
Compensated absences payable	(17,313)	-	-
Net Cash Provided (Used) by Operating Activities	<u>\$ (432,301)</u>	<u>\$ (86,400)</u>	<u>\$ (12,092)</u>

Rural Development Loan #3	Centennial Arms	Butte View Estates	Centennial Arms Rehabilitation	Hans Miller ADA	Joe Serna Grant #3	Totals
\$ -	\$ (52,066)	\$ 8,782	\$ (6,855)	\$ -	\$ (3,227)	\$ (770,564)
-	25,559	35,607	-	-	-	302,803
-	(1,122)	-	-	-	-	(3,221)
-	(27)	-	-	-	-	(27)
-	2,131	(21,976)	-	-	3,628	(72,585)
-	254	430	-	-	-	1,215
-	49	2,559	-	-	-	(1,682)
-	1,568	58	-	-	-	2,426
-	675	2,249	-	-	-	26,431
-	(112)	5,704	-	-	-	(11,721)
<u>\$ -</u>	<u>\$ (23,091)</u>	<u>\$ 33,413</u>	<u>\$ (6,855)</u>	<u>\$ -</u>	<u>\$ 401</u>	<u>\$ (526,925)</u>

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Combining Statement of Net Position
Business Activities
March 31, 2013

	<u>Trailer Park</u>	<u>LC-35</u>	<u>Percy Avenue</u>
ASSETS			
Current Assets:			
Cash and investments	\$ -	\$ 449	\$ 1,475
Cash with fiscal agent	-	-	-
Accounts receivable - tenants, net	622	4,957	4,160
Accounts receivable - operating reimbursement	-	323,889	-
Due from other funds	-	466,331	114,091
Deposits	-	-	-
Total Current Assets	<u>622</u>	<u>795,626</u>	<u>119,726</u>
Restricted Assets:			
Cash with fiscal agent	-	-	-
Total Restricted Assets	<u>-</u>	<u>-</u>	<u>-</u>
Noncurrent Assets:			
Nondepreciable assets	-	1,835,920	60,080
Depreciable assets, net	<u>30,553</u>	<u>974,336</u>	<u>172,303</u>
Total Noncurrent Assets	<u>30,553</u>	<u>2,810,256</u>	<u>232,383</u>
Total Assets	<u>\$ 31,175</u>	<u>\$ 3,605,882</u>	<u>\$ 352,109</u>

Kingwood Commons	Kingwood Commons - Bond	Neighborhood Stabilization Admin	Home 2 Families Admin	Butte View Estates Admin	Nonprofit Admin	Coldweather Shelter	Transitional Trailer
\$ 116	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
112,892	-	-	-	-	-	-	-
9,577	-	1,200	-	-	-	70	633
-	-	-	1,260	-	1,050	-	-
503,458	-	-	-	-	-	20,513	24,092
-	-	-	-	-	-	-	-
<u>626,043</u>	<u>-</u>	<u>1,200</u>	<u>1,260</u>	<u>-</u>	<u>1,050</u>	<u>20,583</u>	<u>24,725</u>
<u>374,245</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>374,245</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
320,000	-	-	-	-	-	-	-
2,862,452	-	-	-	-	-	-	-
<u>3,182,452</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 4,182,740</u>	<u>\$ -</u>	<u>\$ 1,200</u>	<u>\$ 1,260</u>	<u>\$ -</u>	<u>\$ 1,050</u>	<u>\$ 20,583</u>	<u>\$ 24,725</u>

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Combining Statement of Net Position
Business Activities
March 31, 2013

	<u>Nevada County Section 8</u>	<u>Payroll Allocations</u>	<u>Development Projects</u>
ASSETS			
Current Assets:			
Cash and investments	\$ -	\$ -	\$ -
Cash with fiscal agent	-	-	-
Accounts receivable - tenants, net	-	-	-
Accounts receivable - operating reimbursement	-	671	-
Due from other funds	75,004	-	-
Deposits	-	2,800	-
Total Current Assets	<u>75,004</u>	<u>3,471</u>	<u>-</u>
Restricted Assets:			
Cash with fiscal agent	-	-	-
Total Restricted Assets	<u>-</u>	<u>-</u>	<u>-</u>
Noncurrent Assets:			
Nondepreciable assets	-	-	-
Depreciable assets, net	-	-	-
Total Noncurrent Assets	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 75,004</u>	<u>\$ 3,471</u>	<u>\$ -</u>

Planning	Bond Purchases	Building Better Partnerships Inc.	Maple Park Admin	Totals
\$ -	\$ -	\$ -	\$ -	\$ 2,040
-	-	-	-	112,892
-	-	-	-	21,219
-	-	-	-	326,870
103,315	-	-	-	1,306,804
-	-	-	-	2,800
103,315	-	-	-	1,772,625
-	-	-	-	374,245
-	-	-	-	374,245
-	-	46,200	-	2,262,200
-	-	338,800	-	4,378,444
-	-	385,000	-	6,640,644
\$ 103,315	\$ -	\$ 385,000	\$ -	\$ 8,787,514

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Combining Statement of Net Position
Business Activities
March 31, 2013

	Trailer Park	LC-35	Percy Avenue
LIABILITIES			
Current Liabilities:			
Accounts payable	\$ 1,318	\$ 10,464	\$ 1,153
Accrued interest	-	-	-
Prepaid tenant rent	85	117	239
Accrued salaries and benefits	1,183	-	518
Security deposits payable	-	750	1,650
Due to other funds	91,176	933,119	228,182
Compensated absences payable	615	-	260
Bonds payable	-	-	-
Loans payable	-	22,195	-
Line of credit	-	500	-
	94,377	967,145	232,002
Noncurrent Liabilities:			
OPEB liability	2,479	-	2,017
Compensated absences - net of current portion	1,844	-	779
Bonds payable - net of current portion	-	-	-
Loans payable - net of current portion	-	964,117	-
Line of credit - net of current portion	-	-	-
	4,323	964,117	2,796
	98,700	1,931,262	234,798
NET POSITION			
Invested in capital assets, net of related debt	30,552	1,896,569	232,383
Unrestricted	(98,077)	(221,949)	(115,072)
	\$ (67,525)	\$ 1,674,620	\$ 117,311

Kingwood Commons	Kingwood Commons - Bond	Neighborhood Stabilization Admin	Home 2 Families Admin	Butte View Estates Admin	Nonprofit Admin	Coldweather Shelter	Transitional Trailer
\$ 11,787	\$ -	\$ -	\$ 993	\$ -	\$ -	\$ 67	\$ -
82,500	-	-	-	-	-	-	-
559	-	-	-	-	-	-	-
-	-	728	910	-	1,145	-	-
19,485	-	-	-	-	-	900	300
829,314	-	-	-	-	-	41,025	-
-	-	385	536	-	628	-	-
66,507	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>1,010,152</u>	<u>-</u>	<u>1,113</u>	<u>2,439</u>	<u>-</u>	<u>1,773</u>	<u>41,992</u>	<u>300</u>
16,459	-	4,614	2,320	1,917	4,933	-	-
-	-	1,156	1,609	-	1,884	-	-
2,673,626	-	-	-	-	-	-	-
825,000	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>3,515,085</u>	<u>-</u>	<u>5,770</u>	<u>3,929</u>	<u>1,917</u>	<u>6,817</u>	<u>-</u>	<u>-</u>
<u>4,525,237</u>	<u>-</u>	<u>6,883</u>	<u>6,368</u>	<u>1,917</u>	<u>8,590</u>	<u>41,992</u>	<u>300</u>
(382,681)	-	-	-	-	-	-	-
40,184	-	(5,683)	(5,108)	(1,917)	(7,540)	(21,409)	24,425
<u>\$ (342,497)</u>	<u>\$ -</u>	<u>\$ (5,683)</u>	<u>\$ (5,108)</u>	<u>\$ (1,917)</u>	<u>\$ (7,540)</u>	<u>\$ (21,409)</u>	<u>\$ 24,425</u>

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Combining Statement of Net Position
Business Activities
March 31, 2013

	Nevada County Section 8	Payroll Allocations	Development Projects
LIABILITIES			
Current Liabilities:			
Accounts payable	\$ -	\$ 725	\$ -
Accrued interest	-	-	-
Prepaid tenant rent	-	-	-
Accrued salaries and benefits	-	-	-
Security deposits payable	-	-	-
Due to other funds	1,584	2,450	117,680
Compensated absences payable	-	-	-
Bonds payable	-	-	-
Loans payable	-	-	-
Line of credit	-	-	-
	1,584	3,175	117,680
Total Current Liabilities	1,584	3,175	117,680
Noncurrent Liabilities:			
OPEB liability	-	-	697
Compensated absences - net of current portion	-	-	-
Bonds payable - net of current portion	-	-	-
Loans payable - net of current portion	-	-	-
Line of credit - net of current portion	-	-	-
	-	-	697
Total Noncurrent Liabilities	-	-	697
Total Liabilities	1,584	3,175	118,377
NET POSITION			
Invested in capital assets, net of related debt	-	-	-
Unrestricted	73,420	296	(118,377)
	73,420	296	(118,377)
Total Net Position	\$ 73,420	\$ 296	\$ (118,377)

<u>Planning</u>	<u>Bond Purchases</u>	<u>Building Better Partnerships Inc.</u>	<u>Maple Park Admin</u>	<u>Totals</u>
\$ -	\$ -	\$ 13,241	\$ 3	\$ 39,751
-	-	-	-	82,500
-	-	-	-	1,000
-	26	-	-	4,510
-	-	-	-	23,085
-	39,761	-	-	2,284,291
-	17	-	-	2,441
-	-	-	-	66,507
-	-	-	-	22,195
-	-	-	-	500
-	39,804	13,241	3	2,526,780
-	28	-	-	35,464
-	51	-	-	7,323
-	-	-	-	2,673,626
-	-	-	-	1,789,117
-	-	-	-	-
-	79	-	-	4,505,530
-	39,883	13,241	3	7,032,310
-	-	385,000	-	2,161,823
103,315	(39,883)	(13,241)	(3)	(406,619)
<u>\$ 103,315</u>	<u>\$ (39,883)</u>	<u>\$ 371,759</u>	<u>\$ (3)</u>	<u>\$ 1,755,204</u>

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Combining Statement of Revenues, Expenses, and Changes in Net Position
Business Activities
For the Year Ended March 31, 2013

	Trailer Park	LC-35	Percy Avenue
OPERATING REVENUES			
Dwelling rents	\$ 43,923	\$ 71,257	\$ 46,925
Other tenant revenue	2,515	-	2,881
Other revenue	-	89,469	505
Total Operating Revenues	46,438	160,726	50,311
OPERATING EXPENSES			
Administrative	10,839	9,124	12,814
Tenant services	13	-	-
Utilities	8,390	-	6,419
Maintenance	19,502	4,225	12,647
Protective services	1,071	-	469
Insurance premiums	182	205	757
Other general expenses	-	15,769	544
Amortization	-	-	-
Depreciation	2,182	40,660	17,193
Total Operating Expenses	42,179	69,983	50,843
Operating Income (Loss)	4,259	90,743	(532)
NON-OPERATING REVENUES (EXPENSES)			
Intergovernmental revenue	-	46,132	22,000
Gain (Loss) on disposal of capital assets	-	-	-
Interest income	-	163	3
Interest expense	-	(61,440)	-
Total Non-operating Revenue (Expenses)	-	(15,145)	22,003
Income (Loss) Before Transfers and Capital Contributions	4,259	75,598	21,471
Capital contribution	-	-	-
Transfer in	-	-	-
Transfer out	(28,492)	(910,663)	(249,218)
Change in Net Position	(24,233)	(835,065)	(227,747)
Total Net Position - Beginning	(43,292)	2,528,485	345,058
Cumulative effect of a change in accounting principle	-	(18,800)	-
Total Net Position - Beginning, Restated	(43,292)	2,509,685	345,058
Total Net Position - Ending	\$ (67,525)	\$ 1,674,620	\$ 117,311

Kingwood Commons	Kingwood Commons - Bond	Neighborhood Stabilization Admin	Home 2 Families Admin	Butte View Estates Admin	Nonprofit Admin	Coldweather Shelter	Transitional Trailer
\$ 401,967	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,650
17,011	-	-	-	-	-	278	123
(75)	-	5,549	70,301	3,834	70,001	15,634	-
418,903	-	5,549	70,301	3,834	70,001	15,912	6,773
82,575	-	(1,500)	19,902	(716)	42,388	378	20
2,200	-	-	-	-	3,152	-	-
69,739	-	-	-	-	-	-	-
115,669	-	4,593	29,489	2,508	19,478	-	439
3,753	-	-	-	-	-	-	-
6,064	-	-	-	-	-	-	113
12,232	-	-	-	-	-	-	-
8,493	-	-	-	-	-	-	-
156,630	-	-	-	-	-	-	-
457,355	-	3,093	49,391	1,792	65,018	378	572
(38,452)	-	2,456	20,910	2,042	4,983	15,534	6,201
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
20	-	-	-	-	-	-	-
(203,631)	-	-	-	-	-	-	-
(203,611)	-	-	-	-	-	-	-
(242,063)	-	2,456	20,910	2,042	4,983	15,534	6,201
-	-	-	-	-	-	-	-
932,993	-	7,173	-	13,761	-	-	-
-	(2)	-	(58,317)	-	(1,423)	(77,624)	-
690,930	(2)	9,629	(37,407)	15,803	3,560	(62,090)	6,201
(961,607)	2	(15,312)	32,299	(17,720)	(11,100)	40,681	18,224
(71,820)	-	-	-	-	-	-	-
(1,033,427)	2	(15,312)	32,299	(17,720)	(11,100)	40,681	18,224
\$ (342,497)	\$ -	\$ (5,683)	\$ (5,108)	\$ (1,917)	\$ (7,540)	\$ (21,409)	\$ 24,425

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Combining Statement of Revenues, Expenses, and Changes in Net Position
Business Activities
For the Year Ended March 31, 2013

	Nevada County Section 8	Payroll Allocations	Development Projects
OPERATING REVENUES			
Dwelling rents	\$ -	\$ -	\$ -
Other tenant revenue	-	-	-
Other revenue	-	-	3,094
Total Operating Revenues	<u>-</u>	<u>-</u>	<u>3,094</u>
OPERATING EXPENSES			
Administrative	-	-	15,660
Tenant services	-	-	-
Utilities	-	-	-
Maintenance	-	-	-
Protective services	-	-	-
Insurance premiums	-	-	-
Other general expenses	-	-	-
Amortization	-	-	-
Depreciation	-	-	-
Total Operating Expenses	<u>-</u>	<u>-</u>	<u>15,660</u>
Operating Income (Loss)	<u>-</u>	<u>-</u>	<u>(12,566)</u>
NON-OPERATING REVENUES (EXPENSES)			
Intergovernmental revenue	-	-	-
Gain (Loss) on disposal of capital assets	-	-	-
Interest income	-	-	-
Interest expense	-	-	-
Total Non-operating Revenue (Expenses)	<u>-</u>	<u>-</u>	<u>-</u>
Income (Loss) Before Transfers and Capital Contributions	<u>-</u>	<u>-</u>	<u>(12,566)</u>
Capital contribution	-	-	-
Transfer in	-	-	-
Transfer out	-	-	-
Change in Net Position	<u>-</u>	<u>-</u>	<u>(12,566)</u>
Total Net Position - Beginning	73,420	296	(105,811)
Cumulative effect of a change in accounting principle	-	-	-
Total Net Position - Beginning, Restated	<u>73,420</u>	<u>296</u>	<u>(105,811)</u>
Total Net Position - Ending	<u>\$ 73,420</u>	<u>\$ 296</u>	<u>\$ (118,377)</u>

Planning	Bond Purchases	Building Better Partnerships Inc.	Maple Park Admin	Totals
\$ -	\$ -	\$ -	\$ -	\$ 570,722
-	-	-	-	22,808
13,233	-	-	-	271,545
13,233	-	-	-	865,075
-	39,883	13,241	-	244,608
-	-	-	-	5,365
-	-	-	-	84,548
-	-	-	3	208,553
-	-	-	-	5,293
-	-	-	-	7,321
-	-	-	-	28,545
-	-	-	-	8,493
-	-	-	-	216,665
-	39,883	13,241	3	809,391
13,233	(39,883)	(13,241)	(3)	55,684
-	-	-	-	68,132
-	-	-	-	-
82	-	-	-	268
-	-	-	-	(265,071)
82	-	-	-	(196,671)
13,315	(39,883)	(13,241)	(3)	(140,987)
-	-	385,000	-	385,000
-	-	-	-	953,927
-	-	-	-	(1,325,739)
13,315	(39,883)	371,759	(3)	(127,799)
90,000	-	-	-	1,973,623
-	-	-	-	(90,620)
90,000	-	-	-	1,883,003
<u>\$ 103,315</u>	<u>\$ (39,883)</u>	<u>\$ 371,759</u>	<u>\$ (3)</u>	<u>\$ 1,755,204</u>

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Combining Statement of Cash Flows
Business Activities
For the Year Ended March 31, 2013

	Trailer Park	LC-35	Percy Avenue
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 46,224	\$ 91,813	\$ 47,616
Payments to suppliers	(21,510)	(18,928)	(22,696)
Payments to employees	(16,007)	-	(13,220)
Net Cash Provided (Used) by Operating Activities	8,707	72,885	11,700
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Intergovernmental revenues received	-	46,132	22,000
Transfers from other funds	-	-	-
Transfers to other funds	(28,492)	(910,663)	(249,218)
Interfund loans received	91,176	933,119	228,182
Interfund loans made	-	(466,331)	(114,091)
Interfund loans repaid	(91,176)	-	-
Interfund loan repayments received	19,785	587,491	122,865
Net Cash Provided (Used) by Noncapital Financing Activities	(8,707)	189,748	9,738
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	-	(5,400)	(21,320)
Proceeds of debt	-	73,125	-
Principal paid on debt	-	(269,080)	-
Interest paid on debt	-	(61,440)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	-	(262,795)	(21,320)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income	-	163	3
Net Cash Provided (Used) by Investing Activities	-	163	3
Net Increase (Decrease) in Cash and Cash Equivalents	-	1	121
Balances - Beginning of the Year	-	448	1,354
Balances - End of the Year	\$ -	\$ 449	\$ 1,475

Kingwood Commons	Kingwood Commons - Bond	Neighborhood Stabilization Admin	Home 2 Families Admin	Butte View Estates Admin	Nonprofit Admin	Coldweather Shelter	Transitional Trailer
\$ 422,982	\$ -	\$ 4,349	\$ 70,111	\$ 30,773	\$ 73,642	\$ 16,742	\$ 6,791
(218,486)	-	(1,633)	(21,352)	620	(13,606)	(311)	(572)
(83,475)	-	(4,295)	(26,862)	(5,980)	(54,961)	-	-
<u>121,021</u>	<u>-</u>	<u>(1,579)</u>	<u>21,897</u>	<u>25,413</u>	<u>5,075</u>	<u>16,431</u>	<u>6,219</u>
-	-	-	-	-	-	-	-
932,993	-	7,173	-	13,761	-	-	-
-	(2)	-	(58,317)	-	(1,423)	(77,624)	-
829,314	-	-	-	-	-	41,025	-
(503,458)	-	-	-	-	-	(20,513)	(24,092)
(1,098,266)	-	(5,594)	-	(39,174)	(3,652)	-	-
-	2	-	36,420	-	-	40,681	17,873
<u>160,583</u>	<u>-</u>	<u>1,579</u>	<u>(21,897)</u>	<u>(25,413)</u>	<u>(5,075)</u>	<u>(16,431)</u>	<u>(6,219)</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
(70,000)	-	-	-	-	-	-	-
(195,382)	-	-	-	-	-	-	-
<u>(265,382)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>20</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>20</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
16,242	-	-	-	-	-	-	-
<u>471,011</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 487,253</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Combining Statement of Cash Flows
Business Activities
For the Year Ended March 31, 2013

	Nevada County Section 8	Payroll Allocations	Development Projects
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ -	\$ -	\$ 589,216
Payments to suppliers	-	(956)	(22,983)
Payments to employees	-	-	(13,874)
Net Cash Provided (Used) by Operating Activities	-	(956)	552,359
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Intergovernmental revenues received	-	-	-
Transfers from other funds	-	-	-
Transfers to other funds	-	-	-
Interfund loans received	1,584	2,450	117,680
Interfund loans made	(75,004)	-	-
Interfund loans repaid	(1,584)	(1,494)	(670,039)
Interfund loan repayments received	75,004	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	-	956	(552,359)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	-	-	-
Proceeds of debt	-	-	-
Principal paid on debt	-	-	-
Interest paid on debt	-	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	-	-	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income	-	-	-
Net Cash Provided (Used) by Investing Activities	-	-	-
Net Increase (Decrease) in Cash and Cash Equivalents	-	-	-
Balances - Beginning of the Year	-	-	-
Balances - End of the Year	\$ -	\$ -	\$ -

<u>Planning</u>	<u>Bond Purchases</u>	<u>Building Better Partnerships Inc.</u>	<u>Maple Park Admin</u>	<u>Totals</u>
\$ 13,233	\$ -	\$ -	\$ -	\$ 1,413,492
-	(30,756)	-	-	(373,169)
-	(9,005)	-	-	(227,679)
<u>13,233</u>	<u>(39,761)</u>	<u>-</u>	<u>-</u>	<u>812,644</u>
-	-	-	-	68,132
-	-	-	-	953,927
-	-	-	-	(1,325,739)
-	39,761	-	-	2,284,291
(103,315)	-	-	-	(1,306,804)
-	-	-	-	(1,910,979)
90,000	-	-	-	990,121
<u>(13,315)</u>	<u>39,761</u>	<u>-</u>	<u>-</u>	<u>(247,051)</u>
-	-	-	-	(26,720)
-	-	-	-	73,125
-	-	-	-	(339,080)
-	-	-	-	(256,822)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(549,497)</u>
<u>82</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>268</u>
<u>82</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>268</u>
-	-	-	-	16,364
-	-	-	-	472,813
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 489,177</u>

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Combining Statement of Cash Flows
Business Activities
For the Year Ended March 31, 2012

	<u>Trailer Park</u>	<u>LC-35</u>	<u>Percy Avenue</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ 4,259	\$ 90,743	\$ (532)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Amortization and depreciation	2,182	40,660	17,193
Decrease (increase) in:			
Accounts receivable - tenants, net	(3)	462	(2,879)
Accounts receivable - operating reimbursement	-	(69,374)	-
Increase (decrease) in:			
Accounts payable	662	10,395	(958)
Prepaid tenant rent	(211)	(1)	9
Accrued salaries and benefits	276	-	(559)
Security deposits payable	-	-	175
OPEB liability	1,027	-	418
Compensated absences payable	515	-	(1,167)
Net Cash Provided (Used) by Operating Activities	<u>\$ 8,707</u>	<u>\$ 72,885</u>	<u>\$ 11,700</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES			
Contribution of capital assets	\$ -	\$ -	\$ -

<u>Kingwood Commons</u>	<u>Kingwood Commons - Bond</u>	<u>Neighborhood Stabilization Admin</u>	<u>Home 2 Families Admin</u>	<u>Butte View Estates Admin</u>	<u>Nonprofit Admin</u>	<u>Coldweather Shelter</u>	<u>Transitional Trailer</u>
\$ (38,452)	\$ -	\$ 2,456	\$ 20,910	\$ 2,042	\$ 4,983	\$ 15,534	\$ 6,201
165,123	-	-	-	-	-	-	-
2,952	-	(1,200)	-	-	-	(70)	18
-	-	-	(190)	26,939	3,641	-	-
(2,231)	-	-	989	(295)	-	67	-
(788)	-	-	-	-	-	-	-
(2,895)	-	(607)	(25)	(915)	(785)	-	-
1,915	-	-	-	-	-	900	-
3,199	-	406	603	-	864	-	-
(7,802)	-	(2,634)	(390)	(2,358)	(3,628)	-	-
<u>\$ 121,021</u>	<u>\$ -</u>	<u>\$ (1,579)</u>	<u>\$ 21,897</u>	<u>\$ 25,413</u>	<u>\$ 5,075</u>	<u>\$ 16,431</u>	<u>\$ 6,219</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Combining Statement of Cash Flows
Business Activities
For the Year Ended March 31, 2013

	Nevada County Voucher Program	Payroll Allocations	Development Projects
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ -	\$ -	\$ (12,566)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Amortization and depreciation	-	-	-
Decrease (increase) in:			
Accounts receivable - tenants, net	-	-	-
Accounts receivable - operating reimbursement	-	(671)	586,122
Increase (decrease) in:			
Accounts payable	-	(285)	(18,586)
Prepaid tenant rent	-	-	-
Accrued salaries and benefits	-	-	(597)
Security deposits payable	-	-	-
OPEB liability	-	-	-
Compensated absences payable	-	-	(2,014)
	\$ -	\$ (956)	\$ 552,359
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES			
Contribution of capital assets	\$ -	\$ -	\$ -

<u>Planning</u>	<u>Bond Purchases</u>	<u>Building Better Partnerships Inc.</u>	<u>Maple Park Admin</u>	<u>Totals</u>
\$ 13,233	\$ (39,883)	\$ (13,241)	\$ (3)	\$ 55,684
-	-	-	-	225,158
-	-	-	-	(720)
-	-	-	-	546,467
-	-	13,241	3	3,002
-	-	-	-	(991)
-	26	-	-	(6,081)
-	-	-	-	2,990
-	28	-	-	6,545
-	68	-	-	(19,410)
<u>\$ 13,233</u>	<u>\$ (39,761)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 812,644</u>
\$ -	\$ -	\$ 385,000	\$ -	\$ 385,000

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Combining Statement of Net Position
State/Local
March 31, 2013

	<u>Migrant</u>	<u>Community Development</u>	<u>Mental Health Housing Services</u>
ASSETS			
Current Assets:			
Cash and investments	\$ -	\$ -	\$ 1,316
Accounts receivable - tenants, net	3,239	-	232
Accounts receivable - operating reimbursement	353,238	-	-
Due from other funds	63,532	404,087	27,284
Total Current Assets	<u>420,009</u>	<u>404,087</u>	<u>28,832</u>
Noncurrent Assets:			
Nondepreciable assets	-	-	45,317
Depreciable assets, net	1,250	1,163	280,754
Total Noncurrent Assets	<u>1,250</u>	<u>1,163</u>	<u>326,071</u>
Total Assets	<u>421,259</u>	<u>405,250</u>	<u>354,903</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	296,240	856	3,418
Prepaid tenant rent	-	-	-
Accrued salaries and benefits	-	18,208	88
Security deposits payable	-	-	1,025
Due to other funds	30,906	404,087	8,024
Compensated absences payable	-	11,243	48
Total Current Liabilities	<u>327,146</u>	<u>434,394</u>	<u>12,603</u>
Noncurrent Liabilities:			
OPEB liability	18,098	34,631	567
Compensated absences - net of current portion	-	33,728	144
Total Noncurrent Liabilities	<u>18,098</u>	<u>68,359</u>	<u>711</u>
Total Liabilities	<u>345,244</u>	<u>502,753</u>	<u>13,314</u>
NET POSITION			
Invested in capital assets, net of related debt	1,249	1,163	326,072
Restricted	-	-	-
Unrestricted	74,766	(98,666)	15,517
Total Net Position	<u>\$ 76,015</u>	<u>\$ (97,503)</u>	<u>\$ 341,589</u>

Mental Health Services Act	Neighborhood Stabilization Program	Totals
\$ -	\$ 55,917	\$ 57,233
-	1,293	4,764
-	11,987	365,225
-	38	494,941
-	69,235	922,163
-	394,733	440,050
-	1,171,117	1,454,284
-	1,565,850	1,894,334
-	1,635,085	2,816,497
4,343	3,907	308,764
-	-	-
1,880	728	20,904
-	5,150	6,175
23,366	26,718	493,101
913	492	12,696
30,502	36,995	841,640
1,775	1,849	56,920
2,739	1,477	38,088
4,514	3,326	95,008
35,016	40,321	936,648
-	1,565,850	1,894,334
-	28,914	28,914
(35,016)	-	(43,399)
<u>\$ (35,016)</u>	<u>\$ 1,594,764</u>	<u>\$ 1,879,849</u>

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Combining Statement of Revenues, Expenses, and Changes in Net Position
State/Local
For the Year Ended March 31, 2013

	<u>Migrant</u>	<u>Community Development</u>	<u>Mental Health Housing Services</u>
OPERATING REVENUES			
Dwelling rents	\$ -	\$ -	\$ 27,835
Other tenant revenue	-	-	788
Other revenue	-	25,618	4,065
Total Operating Revenues	<u>-</u>	<u>25,618</u>	<u>32,688</u>
OPERATING EXPENSES			
Administrative	72,126	416,647	9,436
Tenant services	-	-	-
Utilities	62,055	539	8,755
Maintenance	100,497	2,076	14,766
Insurance premiums	2,396	557	443
Other general expenses	134,792	-	989
Depreciation	73	68	9,343
Total Operating Expenses	<u>371,939</u>	<u>419,887</u>	<u>43,732</u>
Operating Income (Loss)	<u>(371,939)</u>	<u>(394,269)</u>	<u>(11,044)</u>
NON-OPERATING REVENUES (EXPENSES)			
Intergovernmental revenue	462,086	352,000	32,000
Interest income	-	-	9
Total Non-operating Revenue (Expenses)	<u>462,086</u>	<u>352,000</u>	<u>32,009</u>
Income (Loss) Before Transfers	90,147	(42,269)	20,965
Capital contribution	-	-	-
Transfer in	-	371,812	-
Transfer out	-	-	-
Change in Net Position	90,147	329,543	20,965
Total Net Position - Beginning	<u>(14,132)</u>	<u>(427,046)</u>	<u>320,624</u>
Total Net Position - Ending	<u>\$ 76,015</u>	<u>\$ (97,503)</u>	<u>\$ 341,589</u>

Mental Health Services Act	Neighborhood Stabilization Program	Totals
\$ -	\$ 91,466	\$ 119,301
-	4,510	5,298
-	-	29,683
-	95,976	154,282
31,364	33,621	563,194
-	-	-
-	10,314	81,663
-	20,562	137,901
-	1,391	4,787
3,652	12,528	151,961
-	31,154	40,638
35,016	109,570	980,144
(35,016)	(13,594)	(825,862)
-	1,117	847,203
-	11	20
-	1,128	847,223
(35,016)	(12,466)	21,361
-	384,711	384,711
-	-	371,812
-	-	-
(35,016)	372,245	777,884
-	1,222,519	1,101,965
<u>\$ (35,016)</u>	<u>\$ 1,594,764</u>	<u>\$ 1,879,849</u>

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Combining Statement of Cash Flows
State/Local
For the Year Ended March 31, 2013

	Migrant	Community Development	Mental Health Housing Services
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ (97,393)	\$ 83,335	\$ 33,239
Payments to suppliers	(121,207)	(108,699)	(26,785)
Payments to employees	(131,290)	(260,158)	(6,197)
Net Cash Provided (Used) by Operating Activities	(349,890)	(285,522)	257
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Intergovernmental revenues received	462,086	352,000	32,000
Transfers from other funds	-	371,812	-
Interfund loans received	30,906	404,087	8,024
Interfund loans made	(63,532)	(404,087)	(27,284)
Interfund loans repaid	(143,102)	(438,290)	(8,024)
Interfund loan repayments received	63,532	-	32,908
Net Cash Provided (Used) by Noncapital Financing Activities	349,890	285,522	37,624
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	-	-	(37,877)
Net Cash Provided (Used) by Capital and Related Financing Activities	-	-	(37,877)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income	-	-	10
Net Cash Provided (Used) by Investing Activities	-	-	10
Net Increase (Decrease) in Cash and Cash Equivalents	-	-	14
Balances - Beginning of the Year	-	-	1,302
Balances - End of the Year	\$ -	\$ -	\$ 1,316

Mental Health Services Act	Neighborhood Stabilization Program	Totals
\$ -	\$ 96,489	\$ 115,670
(25,389)	(49,116)	(331,196)
2,023	(26,133)	(421,755)
<u>(23,366)</u>	<u>21,240</u>	<u>(637,281)</u>
-	-	846,086
-	-	371,812
23,366	26,718	493,101
-	-	(494,903)
-	-	(589,416)
-	(20,112)	76,328
<u>23,366</u>	<u>6,606</u>	<u>703,008</u>
-	-	(37,877)
-	-	(37,877)
-	8	18
-	8	18
-	27,854	27,868
-	28,063	29,365
<u>\$ -</u>	<u>\$ 55,917</u>	<u>\$ 57,233</u>

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Combining Statement of Cash Flows
State/Local
For the Year Ended March 31, 2013

	Migrant	Community Development	Mental Health Housing Services
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ (371,939)	\$ (394,269)	\$ (11,044)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Amortization and depreciation	73	68	9,343
Decrease (increase) in:			
Accounts receivable - tenants, net	(1,130)	-	681
Accounts receivable - operating reimbursement	(96,263)	57,717	-
Increase (decrease) in:			
Accounts payable	139,921	(3,562)	2,696
Prepaid tenant rent	-	-	(51)
Accrued salaries and benefits	(6,686)	6,975	(353)
Security deposits payable	-	-	(79)
OPEB liability	5,198	19,981	47
Compensated absences payable	(19,064)	27,568	(983)
Net Cash Provided (Used) by Operating Activities	\$ (349,890)	\$ (285,522)	\$ 257
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES			
Contribution of capital assets	\$ -	\$ -	\$ -

Mental Health Services Act	Neighborhood Stabilization Program	Totals
\$ (35,016)	\$ (13,594)	\$ (825,862)
-	31,154	40,638
-	385	(64)
-	-	(38,546)
4,343	3,306	146,704
-	(21)	(72)
1,880	(591)	1,225
-	150	71
1,775	783	27,784
3,652	(332)	10,841
<u>\$ (23,366)</u>	<u>\$ 21,240</u>	<u>\$ (637,281)</u>
\$ -	\$ 384,711	\$ 384,711

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Combining Statement of Assets and Liabilities
Agency Fund
March 31, 2013

	Home 2 Families Program
ASSETS	
Cash and investments	\$ 220,544
Accounts receivable - tenants, net	<u>6,793</u>
Total Assets	<u>227,337</u>
LIABILITIES	
Accounts payable	8,483
Prepaid tenant rent	54
Security deposits payable	9,450
Agency obligations	<u>209,350</u>
Total Liabilities	<u><u>\$ 227,337</u></u>

REGIONAL HOUSING AUTHORITY OF SUTTER AND NEVADA COUNTIES
Combining Statement of Changes in Assets and Liabilities
Agency Fund
For the Year Ended March 31, 2013

	<u>Balance</u> <u>March 31, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>March 31, 2013</u>
HOME 2 FAMILIES PROGRAM				
ASSETS				
Cash and investments	\$ 168,350	\$ 199,374	\$ 147,180	\$ 220,544
Accounts receivable - tenants, net	12,161	6,793	12,161	6,793
	<u>\$ 180,511</u>	<u>\$ 206,167</u>	<u>\$ 159,341</u>	<u>\$ 227,337</u>
LIABILITIES				
Accounts payable	\$ 2,408	\$ 8,483	\$ 2,408	\$ 8,483
Prepaid tenant rent	8	54	8	54
Security deposits payable	9,175	9,450	9,175	9,450
Agency obligations	168,920	188,180	147,750	209,350
	<u>\$ 180,511</u>	<u>\$ 206,167</u>	<u>\$ 159,341</u>	<u>\$ 227,337</u>

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