

9.0	<p>Housing Needs. Based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data, make a reasonable effort to identify the housing needs of the low-income, very low-income, and extremely low-income families who reside in the jurisdiction served by the PHA, including elderly families, families with disabilities, and households of various races and ethnic groups, and other families who are on the public housing and Section 8 tenant-based assistance waiting lists. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location.</p>
9.1	<p>Strategy for Addressing Housing Needs. Provide a brief description of the PHA's strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. Note: Small, Section 8 only, and High Performing PHAs complete only for Annual Plan submission with the 5-Year Plan.</p>
10.0	<p>Additional Information. Describe the following, as well as any additional information HUD has requested.</p> <p>(a) Progress in Meeting Mission and Goals. Provide a brief statement of the PHA's progress in meeting the mission and goals described in the 5-Year Plan.</p> <p>(b) Significant Amendment and Substantial Deviation/Modification. Provide the PHA's definition of "significant amendment" and "substantial deviation/modification"</p>
11.0	<p>Required Submission for HUD Field Office Review. In addition to the PHA Plan template (HUD-50075), PHAs must submit the following documents. Items (a) through (g) may be submitted with signature by mail or electronically with scanned signatures, but electronic submission is encouraged. Items (h) through (i) must be attached electronically with the PHA Plan. Note: Faxed copies of these documents will not be accepted by the Field Office.</p> <p>(a) Form HUD-50077, <i>PHA Certifications of Compliance with the PHA Plans and Related Regulations</i> (which includes all certifications relating to Civil Rights)</p> <p>(b) Form HUD-50070, <i>Certification for a Drug-Free Workplace</i> (PHAs receiving CFP grants only)</p> <p>(c) Form HUD-50071, <i>Certification of Payments to Influence Federal Transactions</i> (PHAs receiving CFP grants only)</p> <p>(d) Form SF-LLL, <i>Disclosure of Lobbying Activities</i> (PHAs receiving CFP grants only)</p> <p>(e) Form SF-LLL-A, <i>Disclosure of Lobbying Activities Continuation Sheet</i> (PHAs receiving CFP grants only)</p> <p>(f) Resident Advisory Board (RAB) comments. Comments received from the RAB must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the recommendations and the decisions made on these recommendations.</p> <p>(g) Challenged Elements</p> <p>(h) Form HUD-50075.1, <i>Capital Fund Program Annual Statement/Performance and Evaluation Report</i> (PHAs receiving CFP grants only)</p> <p>(i) Form HUD-50075.2, <i>Capital Fund Program Five-Year Action Plan</i> (PHAs receiving CFP grants only)</p>

This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced 5-Year and Annual PHA Plans. The 5-Year and Annual PHA plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission and strategies for serving the needs of low-income and very low-income families. This form is to be used by all PHA types for submission of the 5-Year and Annual Plans to HUD. Public reporting burden for this information collection is estimated to average 12.68 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Act Notice. The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality

Instructions form HUD-50075

Applicability. This form is to be used by all Public Housing Agencies (PHAs) with Fiscal Year beginning April 1, 2008 for the submission of their 5-Year and Annual Plan in accordance with 24 CFR Part 903. The previous version may be used only through April 30, 2008.

1.0 PHA Information

Include the full PHA name, PHA code, PHA type, and PHA Fiscal Year Beginning (MM/YYYY).

2.0 Inventory

Under each program, enter the number of Annual Contributions Contract (ACC) Public Housing (PH) and Section 8 units (HCV).

3.0 Submission Type

Indicate whether this submission is for an Annual and Five Year Plan, Annual Plan only, or 5-Year Plan only.

4.0 PHA Consortia

Check box if submitting a Joint PHA Plan and complete the table.

5.0 Five-Year Plan

Identify the PHA's Mission, Goals and/or Objectives (24 CFR 903.6). Complete only at 5-Year update.

5.1 Mission. A statement of the mission of the public housing agency for serving the needs of low-income, very low-income, and extremely low-income families in the jurisdiction of the PHA during the years covered under the plan.

5.2 Goals and Objectives. Identify quantifiable goals and objectives that will enable the PHA to serve the needs of low income, very low-income, and extremely low-income families.

6.0 PHA Plan Update. In addition to the items captured in the Plan template, PHAs must have the elements listed below readily available to the public. Additionally, a PHA must:

- (a) Identify specifically which plan elements have been revised since the PHA's prior plan submission.
- (b) Identify where the 5-Year and Annual Plan may be obtained by the public. At a minimum, PHAs must post PHA Plans, including updates, at each Asset Management Project (AMP) and main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on its official website. PHAs are also encouraged to provide each resident council a copy of its 5-Year and Annual Plan.

PHA Plan Elements. (24 CFR 903.7)

1. **Eligibility, Selection and Admissions Policies, including Deconcentration and Wait List Procedures.** Describe the PHA's policies that govern resident or tenant eligibility, selection and admission including admission preferences for both public housing and HCV and unit assignment policies for public housing; and procedures for maintaining waiting lists for admission to public housing and address any site-based waiting lists.

2. **Financial Resources.** A statement of financial resources, including a listing by general categories, of the PHA's anticipated resources, such as PHA Operating, Capital and other anticipated Federal resources available to the PHA, as well as tenant rents and other income available to support public housing or tenant-based assistance. The statement also should include the non-Federal sources of funds supporting each Federal program, and state the planned use for the resources.
3. **Rent Determination.** A statement of the policies of the PHA governing rents charged for public housing and HCV dwelling units.
4. **Operation and Management.** A statement of the rules, standards, and policies of the PHA governing maintenance management of housing owned, assisted, or operated by the public housing agency (which shall include measures necessary for the prevention or eradication of pest infestation, including cockroaches), and management of the PHA and programs of the PHA.
5. **Grievance Procedures.** A description of the grievance and informal hearing and review procedures that the PHA makes available to its residents and applicants.
6. **Designated Housing for Elderly and Disabled Families.** With respect to public housing projects owned, assisted, or operated by the PHA, describe any projects (or portions thereof), in the upcoming fiscal year, that the PHA has designated or will apply for designation for occupancy by elderly and disabled families. The description shall include the following information: **1)** development name and number; **2)** designation type; **3)** application status; **4)** date the designation was approved, submitted, or planned for submission, and; **5)** the number of units affected.
7. **Community Service and Self-Sufficiency.** A description of: **(1)** Any programs relating to services and amenities provided or offered to assisted families; **(2)** Any policies or programs of the PHA for the enhancement of the economic and social self-sufficiency of assisted families, including programs under Section 3 and FSS; **(3)** How the PHA will comply with the requirements of community service and treatment of income changes resulting from welfare program requirements. **(Note: applies to only public housing).**
8. **Safety and Crime Prevention.** For public housing only, describe the PHA's plan for safety and crime prevention to ensure the safety of the public housing residents. The statement must include: (i) A description of the need for measures to ensure the safety of public housing residents; (ii) A description of any crime prevention activities conducted or to be conducted by the PHA; and (iii) A description of the coordination between the PHA and the appropriate police precincts for carrying out crime prevention measures and activities.

9. **Pets.** A statement describing the PHAs policies and requirements pertaining to the ownership of pets in public housing.
10. **Civil Rights Certification.** A PHA will be considered in compliance with the Civil Rights and AFFH Certification if: it can document that it examines its programs and proposed programs to identify any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with the local jurisdiction to implement any of the jurisdiction's initiatives to affirmatively further fair housing; and assures that the annual plan is consistent with any applicable Consolidated Plan for its jurisdiction.
11. **Fiscal Year Audit.** The results of the most recent fiscal year audit for the PHA.
12. **Asset Management.** A statement of how the agency will carry out its asset management functions with respect to the public housing inventory of the agency, including how the agency will plan for the long-term operating, capital investment, rehabilitation, modernization, disposition, and other needs for such inventory.
13. **Violence Against Women Act (VAWA).** A description of: 1) Any activities, services, or programs provided or offered by an agency, either directly or in partnership with other service providers, to child or adult victims of domestic violence, dating violence, sexual assault, or stalking; 2) Any activities, services, or programs provided or offered by a PHA that helps child and adult victims of domestic violence, dating violence, sexual assault, or stalking, to obtain or maintain housing; and 3) Any activities, services, or programs provided or offered by a public housing agency to prevent domestic violence, dating violence, sexual assault, and stalking, or to enhance victim safety in assisted families.

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

- (a) **Hope VI or Mixed Finance Modernization or Development.** 1) A description of any housing (including project number (if known) and unit count) for which the PHA will apply for HOPE VI or Mixed Finance Modernization or Development; and 2) A timetable for the submission of applications or proposals. The application and approval process for Hope VI, Mixed Finance Modernization or Development, is a separate process. See guidance on HUD's website at: <http://www.hud.gov/offices/pih/programs/ph/hope6/index.cfm>
- (b) **Demolition and/or Disposition.** With respect to public housing projects owned by the PHA and subject to ACCs under the Act: (1) A description of any housing (including project number and unit numbers [or addresses]), and the number of affected units along with their sizes and accessibility features) for which the PHA will apply or is currently pending for demolition or disposition; and (2) A timetable for the demolition or disposition. The application and approval process for demolition and/or disposition is a separate process. See guidance on HUD's website at: http://www.hud.gov/offices/pih/centers/sac/demo_dispo/index.cfm
Note: This statement must be submitted to the extent that approved and/or pending demolition and/or disposition has changed.
- (c) **Conversion of Public Housing.** With respect to public housing owned by a PHA: 1) A description of any building or buildings (including project number and unit count) that the PHA is required to convert to tenant-based assistance or

that the public housing agency plans to voluntarily convert; 2) An analysis of the projects or buildings required to be converted; and 3) A statement of the amount of assistance received under this chapter to be used for rental assistance or other housing assistance in connection with such conversion. See guidance on HUD's website at: <http://www.hud.gov/offices/pih/centers/sac/conversion.cfm>

- (d) **Homeownership.** A description of any homeownership (including project number and unit count) administered by the agency or for which the PHA has applied or will apply for approval.
- (e) **Project-based Vouchers.** If the PHA wishes to use the project-based voucher program, a statement of the projected number of project-based units and general locations and how project basing would be consistent with its PHA Plan.

8.0 Capital Improvements. This section provides information on a PHA's Capital Fund Program. With respect to public housing projects owned, assisted, or operated by the public housing agency, a plan describing the capital improvements necessary to ensure long-term physical and social viability of the projects must be completed along with the required forms. Items identified in 8.1 through 8.3, must be signed where directed and transmitted electronically along with the PHA's Annual Plan submission.

8.1 Capital Fund Program Annual Statement/Performance and Evaluation Report. PHAs must complete the *Capital Fund Program Annual Statement/Performance and Evaluation Report* (form HUD-50075.1), for each Capital Fund Program (CFP) to be undertaken with the current year's CFP funds or with CFFP proceeds. Additionally, the form shall be used for the following purposes:

- (a) To submit the initial budget for a new grant or CFFP;
- (b) To report on the Performance and Evaluation Report progress on any open grants previously funded or CFFP; and
- (c) To record a budget revision on a previously approved open grant or CFFP, e.g., additions or deletions of work items, modification of budgeted amounts that have been undertaken since the submission of the last Annual Plan. The Capital Fund Program Annual Statement/Performance and Evaluation Report must be submitted annually.

Additionally, PHAs shall complete the Performance and Evaluation Report section (see footnote 2) of the *Capital Fund Program Annual Statement/Performance and Evaluation* (form HUD-50075.1), at the following times:

1. At the end of the program year; until the program is completed or all funds are expended;
2. When revisions to the Annual Statement are made, which do not require prior HUD approval, (e.g., expenditures for emergency work, revisions resulting from the PHAs application of fungibility); and
3. Upon completion or termination of the activities funded in a specific capital fund program year.

8.2 Capital Fund Program Five-Year Action Plan

PHAs must submit the *Capital Fund Program Five-Year Action Plan* (form HUD-50075.2) for the entire PHA portfolio for the first year of participation in the CFP and annual update thereafter to eliminate the previous year and to add a new fifth year (rolling basis) so that the form always covers the present five-year period beginning with the current year.

8.3 Capital Fund Financing Program (CFFP). Separate, written HUD approval is required if the PHA proposes to pledge any

portion of its CFP/RHF funds to repay debt incurred to finance capital improvements. The PHA must identify in its Annual and 5-year capital plans the amount of the annual payments required to service the debt. The PHA must also submit an annual statement detailing the use of the CFFP proceeds. See guidance on HUD's website at:

<http://www.hud.gov/offices/pih/programs/ph/capfund/cffp.cfm>

9.0 Housing Needs. Provide a statement of the housing needs of families residing in the jurisdiction served by the PHA and the means by which the PHA intends, to the maximum extent practicable, to address those needs. **(Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).**

9.1 Strategy for Addressing Housing Needs. Provide a description of the PHA's strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. **(Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).**

10.0 Additional Information. Describe the following, as well as any additional information requested by HUD:

- (a) **Progress in Meeting Mission and Goals.** PHAs must include (i) a statement of the PHAs progress in meeting the mission and goals described in the 5-Year Plan; (ii) the basic criteria the PHA will use for determining a significant amendment from its 5-year Plan; and a significant amendment or modification to its 5-Year Plan and Annual Plan. **(Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).**
- (b) **Significant Amendment and Substantial Deviation/Modification.** PHA must provide the definition of "significant amendment" and "substantial deviation/modification". **(Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan.)**

- (c) PHAs must include or reference any applicable memorandum of agreement with HUD or any plan to improve performance. **(Note: Standard and Troubled PHAs complete annually).**

11.0 Required Submission for HUD Field Office Review. In order to be a complete package, PHAs must submit items (a) through (g), with signature by mail or electronically with scanned signatures. Items (h) and (i) shall be submitted electronically as an attachment to the PHA Plan.

- (a) Form HUD-50077, *PHA Certifications of Compliance with the PHA Plans and Related Regulations*
- (b) Form HUD-50070, *Certification for a Drug-Free Workplace (PHAs receiving CFP grants only)*
- (c) Form HUD-50071, *Certification of Payments to Influence Federal Transactions (PHAs receiving CFP grants only)*
- (d) Form SF-LLL, *Disclosure of Lobbying Activities (PHAs receiving CFP grants only)*
- (e) Form SF-LLL-A, *Disclosure of Lobbying Activities Continuation Sheet (PHAs receiving CFP grants only)*
- (f) Resident Advisory Board (RAB) comments.
- (g) Challenged Elements. Include any element(s) of the PHA Plan that is challenged.
- (h) Form HUD-50075.1, *Capital Fund Program Annual Statement/Performance and Evaluation Report (Must be attached electronically for PHAs receiving CFP grants only)*. See instructions in 8.1.
- (i) Form HUD-50075.2, *Capital Fund Program Five-Year Action Plan (Must be attached electronically for PHAs receiving CFP grants only)*. See instructions in 8.2.



Housing Authority of the County of Santa Barbara

MISSION STATEMENT 5.1

The Housing Authority of the County of Santa Barbara is founded on the belief that decent, safe and sanitary housing is central to the physical and emotional health, the productivity, and the self-esteem of the people it serves.

Our mission is to provide affordable housing opportunities for low income households in the County of Santa Barbara in an environment which preserves personal dignity, and in a manner which maintains the public trust.

In carrying out our mission, we are committed to:

- Increasing housing choices**
- Respect for HACSB clients and employees**
- Excellence in management and operations**
- Dispersal of assisted housing throughout Santa Barbara County**
- Cooperative and respectful working relationships with the public, neighborhood and community organizations, and other units of government.**



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Housing Authority of the County of Santa Barbara (HACSB)
PHA 5-Year and Annual Plan 5.2
Goals and Objectives 2010

PHA Goal: Expand the supply of assisted housing.

Objective: Increase housing choices for families and individuals.

- Apply for additional vouchers
- Reduce public housing vacancies
- Leverage private or other public funds
- Acquire of build units or developments

PHA Goal: Improve the quality of assisted housing.

Objective: Maintain safe, decent, sanitary units and improve quality of life for residents living in public housing developments.

- Improve public housing management (PHAS Score)
- Improve voucher management (SEMAP Score)
- Increase customer satisfaction
- Concentrate on efforts to improve management functions
- Renovate or modernize public housing units
- Demolish or dispose of obsolete public housing
- Provide replacement vouchers
- Maintain safe, decent, sanitary units and improve quality of life for residents living in public housing developments

PHA Goal: Increase assisted housing choices.

Objective: Balance service delivery in all housing market areas

- Conduct outreach efforts to potential voucher landlords
- Provide replacement vouchers
- Implement voucher homeownership program
- Implement public housing or other homeownership programs
- Convert public housing to vouchers

PHA Goal: Provide an improved living environment.

Objective: Maintain safe, decent, sanitary units and improve quality of life for residents living in public housing developments.

- Implement measures to deconcentrate poverty by bringing higher income public housing households into lower income developments
- Implement measures to promote income mixing in public housing by assuring access for lower income families into higher income developments
- Implement public housing security improvements

- Maintain safe, decent, sanitary units and improve quality of life for residents living in public housing developments

PHA Goal: Promote self-sufficiency and asset development of families and individuals.

Objective: Create additional economic independence opportunities for families and individuals.

- Increase the number and percentage of employed persons in assisted families
- Provide or attract supportive services to improve assistance recipients' employability
- Provide or attract supportive services to increase independence for the elderly or families with disabilities
- Create additional economic independence opportunities for families and individuals

PHA Goal: Ensure equal opportunity and affirmatively further fair housing.

Objective: Promote equal housing opportunities.

- Undertake affirmative measures to ensure access to assisted housing regardless of race, color, religion, national origin, sex, familial status, and disability
- Undertake affirmative measures to provide a suitable living environment for families living in assisted housing, regardless of race, color, religion, national origin, sex, familial status, and disability
- Undertake affirmative measures to ensure accessible housing to persons with all varieties of disabilities regardless of unit size required
- Promote equal housing opportunities

Other PHA Goal and Objective: Deter and eliminate program fraud.

- Promote understanding of program rules
- Provide tenant counseling
- Take all steps necessary to prevent fraud, waste and mismanagement

**Housing Authority of the County of Santa Barbara (HACSB)
2010 Agency Plan**

6.0 B – Specific locations where the public may obtain copies of the 5-Year and Annual Plan:

The PHA Plan is available on our website at www.hasbarco.org and at the below listed offices:

Housing Authority Administrative Headquarters
815 W Ocean Ave
Lompoc, CA 93436

Goleta Housing Office
5575 Armitos Ave
Goleta, CA 93117

Lompoc Housing Office
917 W Ocean Ave
Lompoc, CA 93436

Santa Maria Housing Office
200 W Williams St
Santa Maria, CA 93458

**Housing Authority of the County of Santa Barbara (HACSB)
2010 AGENCY PLAN**

6.0 (b) PHA PLAN ELEMENTS

12. **Asset Management Statement** – The agency will carry out its asset management functions with respect to the public housing inventory by identifying three different asset management projects; AMP 1, AMP 3 and AMP 4. The agency projects that AMP 3 & 4 has long term viability utilizing the Operating Subsidy and Capital Fund Program to maintain the Public Housing stock. For AMP 1, the agency has identified that the current level of Operating Subsidy and Capital Funds are insufficient to maintain the long term viability for 54 of the 68 units. Reference 7.0 (b) below for more detailed disposition information.

**Housing Authority of the County of Santa Barbara (HACSB)
2010 Agency Plan**

7.0(b) Public Housing Disposition

(1) The table represents Public Housing inventory the agency has applied for disposition.
See Attached Table

(2) The Authority is anticipating approval of our pending disposition application by September 30, 2009. Upon approval of our disposition application, the Authority will begin relocating residents. We estimate that it may take up to 270 days to relocate all residents and execute the sales contract. Once the sales contract is completed the Public Housing units from the ACC, permanently. Although the units will be removed from the ACC, they will remain as affordable and may include the utilization of Project-Based Housing Choice Vouchers. The close of sale will be completed when the syndication for Low Income Housing Tax Credits is completed and the property is vacated for construction.

7.0(e) Project-based Vouchers

The Authority plans to use the project-based voucher program for 60 units in the southern county of the authority's jurisdiction and 32 units in the northern county. The utilization of this program will enable the authority to increase the availability of decent, safe, and affordable housing, leverage private or other public funds to create additional housing opportunities, acquire or build units or developments, increase housing choices for families and individuals.

**HOUSING AUTHORITY
OF THE COUNTY OF SANTA BARBARA
BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2008
(Including Auditors' Report Thereon)**

**HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2008**

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditors' Report	1
Management's Discussion and Analysis	3
Financial Statements:	
Statement of Net Assets	11
Statement of Activities	13
Statement of Net Assets - Proprietary Funds	14
Statement of Revenues, Expenses, and Changes in Fund Net Assets - Proprietary Funds	15
Statement of Cash Flows - Proprietary Funds	16
Notes to the Basic Financial Statements	18
Supplemental Information:	
Schedule of Expenditures of Federal Awards	44
Notes to the Schedule of Expenditures of Federal Awards	44
Financial Data Schedule (CA021)	45
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	59
Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133	61
Summary Schedule of Prior Audit Findings	63
Schedule of Findings and Questioned Costs	64

Harn & Dolan

Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Housing Authority of the
County of Santa Barbara
Lompoc, California

We have audited the accompanying financial statements of the business-type activities, each major fund, and the aggregate remaining fund information of the Housing Authority of the County of Santa Barbara, California, as of and for the year ended December 31, 2008, which collectively comprise the Authority's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Housing Authority of the County of Santa Barbara, California's, management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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 Housing Authority of the County of Santa Barbara, California, as of December 31, 2008, and the respective changes in financial position and cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 4, 2009, on our consideration of the Housing Authority of the County of Santa Barbara'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 controls over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 3 through 10, is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority of the County of Santa Barbara, California, basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for the purpose of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Also, the accompanying Financial Data Schedule (CA021) is presented for purposes of additional analysis as required by the U.S. Department of Housing and Urban Development, Real Estate Assessment Center and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

A handwritten signature in cursive script that reads "Harn & Dolan". The signature is written in black ink and is positioned above the date.

June 4, 2009

**HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2008**

As management of the Housing Authority of the County of Santa Barbara, we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended December 31, 2008.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* issued in June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

Financial Highlights

- Total expenses for all programs were approximately \$40.2 million for the year. Rental, interest and other income generated approximately \$4.4 million towards this amount, with the balance consisting of HUD grants and subsidies.
- The assets of the Housing Authority exceeded its liabilities at the close of the year by \$33.2 million. Of that amount \$7.7 million was considered unrestricted net assets and \$3.6 million was restricted net assets. The remaining balance of \$21.9 million was Investment in Capital Assets, Net of Related Debt.
- The Housing Authority's net assets increased by \$1.8 million (Table 1).
- The Housing Authority spent approximately \$634,000 for Construction-in-Progress costs toward a variety of pre-development projects, detailed in Table 2.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the Housing Authority's basic financial statements, which are comprised of the government-wide financial statements ~ statement of net assets and statement of activities; and the fund financial statements ~ statements of net assets - proprietary funds, statement of revenues, expenses, and changes in fund net assets - proprietary funds, and statement of cash flows - proprietary funds. This report also includes notes to the financial statements and supplementary information.

Government-Wide Financial Statements. The government-wide financial statements report information on the Authority as a whole, net of interfund activity.

The *Statement of Net Assets* presents information on the Authority's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating. Interfund receivable and payables of \$21,504, as well as interfund notes receivable and payable of \$657,609, have been eliminated for this presentation.

**HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2008**

(Continued)

The *Statement of Activities* measures net revenue (expense) for each of the Authority's functions and reports revenue by program. General revenue is reported separately. The activities for the enterprise funds are presented by federal program administered by the Authority. Interfund revenues and expenses of \$1,012,558 (management fees), \$351,840 (bookkeeping fees), \$75,600 (office rent) and \$480,569 (HAP); for a total of \$1,920,567; have been eliminated for this presentation.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Some funds are required to be established by the United States Department of Housing and Urban Development (HUD). However, the Authority established other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using grants and other moneys. All of the funds of the Authority are categorized as enterprise funds. GASB's 34 and 37 require individual enterprise funds to be reported as major funds if total assets, liabilities, revenue, or expenses of that individual fund exceed 10% of corresponding element total of the Authority as a whole. The Authority's major enterprise funds for the current fiscal year are Public Housing (which includes the Public Housing Capital Fund), Housing Choice Voucher, and Non-HUD.

Enterprise funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. They are reported using the full accrual method of accounting in which all assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The focus of enterprise funds is on income measurement, which together with the maintenance of equity, is an important financial indication.

The *Statement of Net Assets* presents information on the Authority's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The *Statement of Revenues, Expenses and Changes in Fund Net Assets* presents information showing how the Authority's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The *Statement of Cash Flows* presents the change in the Authority's cash and cash equivalents during the most recent fiscal year.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the fund financial statements.

**HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2008**

(Continued)

Supplemental Information. Certain information is required to be included in this report by various federal agencies. This information is included after the notes to the financial statements under the title supplemental information.

Financial Analysis

As noted earlier, the Authority uses funds to help it control and manage money for particular purposes. Our analysis below focuses on the net assets (Table 1) and the changes in the net assets (Table 3) of the Authority as a whole. The largest portion of the Authority's net assets (65.8%) reflects its investment in capital assets (e.g. land, buildings and improvements, furniture, equipment and machinery). The Housing Authority uses these capital assets to provide services to clients; consequently, these assets are not available for future spending. The decrease in restricted assets of over \$1.1 million noted in Table 1 is attributable to the reduction of accumulated unspent Housing Assistance Payments (HAP) from the Housing Choice Voucher (HCV) program. The accumulation occurred during 2007 even though the Authority fully utilized its unit allocation for HCV.

**Table 1
Net Assets**

	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>Variance</u>	<u>%</u>
Current assets	\$ 7,756,264	\$ 5,049,741	\$ 2,706,523	53.6%
Restricted assets	4,184,518	5,322,210	(1,137,692)	21.4%
Fixed assets, net of depreciation	36,262,516	35,675,209	587,307	1.6%
Other noncurrent assets	<u>981,496</u>	<u>697,401</u>	<u>284,095</u>	40.7%
Total assets	<u>\$ 49,184,794</u>	<u>\$ 46,744,561</u>	<u>\$ 2,440,233</u>	5.2%
Current liabilities	\$ 1,187,119	\$ 1,232,188	\$ (45,069)	3.7%
Payable from restricted assets	530,010	504,557	25,453	5.0%
Long term liabilities	<u>14,203,382</u>	<u>13,622,156</u>	<u>581,226</u>	4.3%
Total liabilities	<u>15,920,511</u>	<u>15,358,901</u>	<u>561,610</u>	3.6%
Net assets:				
Invested in capital assets, net of debt	21,892,265	22,006,886	(114,621)	0.5%
Restricted	3,654,508	4,817,625	(1,163,117)	24.1%
Unrestricted	<u>7,717,510</u>	<u>4,561,149</u>	<u>3,156,361</u>	69.2%
Total net assets	<u>33,264,283</u>	<u>31,385,660</u>	<u>1,878,623</u>	6.0%
Total liabilities and net assets	<u>\$ 49,184,794</u>	<u>\$ 46,744,561</u>	<u>\$ 2,440,233</u>	5.2%

**HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2008**

(Continued)

The following is an explanation of the changes between fiscal years as shown in Table 1 above:

- **Unrestricted net assets** increased by \$3,156,361 (69.2%) from the prior year.

CHANGE IN UNRESTRICTED NET ASSETS

	<u>2008</u>	<u>2007</u>
Unrestricted Net Assets - beginning of the year	\$ 4,561,149	\$ 4,186,993
Net income (loss) before the gain on sale of capital assets and capital contributions	(2,266,679)	1,430,685
Gain on sale of capital assets	3,388,595	329,910
Prior period adjustments	232,371	27,596
Adjustments:		
Depreciation (1)	1,703,078	1,559,056
Capital asset additions not funded by capital grants	(7,477,777)	(4,181,278)
Issuance of long-term debt	7,050,000	3,760,000
Principle paid on debt	(2,497,514)	(359,908)
Change in interest payable on long-term debt (1)	(90,559)	100,989
Book value of property sold or capital assets disposed	1,762,837	199,332
Capital assets transferred to related party L.P.	3,948,892	-
Debt on capital assets transferred to RP L.P.	(3,760,000)	-
Excess HAP funding (2)	1,384,259	(2,174,887)
Interest earned on replacement reserves (1)	(112,434)	(210,710)
Fraud recovery, FSS forfeiture, and other restricted income (1)	(88,308)	(78,327)
Funding of reserves	<u>(20,400)</u>	<u>(28,302)</u>
Unrestricted Net Assets - end of the year	<u>\$ 7,717,510</u>	<u>\$ 4,561,149</u>

- (1) Reported as revenue or an expense and effects net income, but does not have an impact on unrestricted net assets.
- (2) Grants received from HUD in excess of HAP are restricted for future HAP expense.

While results of operations is a significant measure of the Authority's activities, the analysis of the changes in unrestricted net assets provides a clearer change in financial well-being.

**HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2008**

(Continued)

- **Fixed assets** increased \$587,307 (net of depreciation). As of December 31, 2008, the Housing Authority had \$57,506,565 invested in a broad range of fixed assets, including land, buildings and improvements, furniture, equipment and machinery. This amount represents a net increase of \$1,935,490 or 3.5%.

	<u>12/31/08</u>	<u>12/31/07</u>	<u>Change</u>
Land	\$ 9,978,548	\$ 10,647,821	\$ (669,273)
Buildings and improvements	46,056,515	43,357,692	2,698,823
Furniture, equipment and machinery	<u>1,471,502</u>	<u>1,565,562</u>	<u>(94,060)</u>
Total	57,506,565	55,571,075	1,935,490
Less: accumulated depreciation	<u>(21,244,049)</u>	<u>(19,895,866)</u>	<u>(1,348,183)</u>
Fixed assets, net of depreciation	<u>\$ 36,262,516</u>	<u>\$ 35,675,209</u>	<u>\$ 587,307</u>

Major capital asset events during the year included the rehabilitation project of Parkview Apartments. Work began March 2008 and was completed November 2008. The development was fully leased up in December of 2008. Permanent financing was put in place at the beginning of the rehabilitation period and the property and related debt were transferred to an affiliated limited partnership. The transfer of this property resulted in a \$3.9 million decrease to fixed assets.

In addition, the Housing Authority acquired Palm Grove Apartments, a 40 unit development in Lompoc. This purchase increased Fixed Assets by \$7 million. The transaction was facilitated by the sale of fifteen Public Housing units in Lompoc and twelve in Goleta, approved by HUD in 2008. The disposition of these properties decreased fixed assets by \$2 million.

Pre-development continues to be an ongoing priority as the Authority encounters innovative practices to plan for future operations without the assistance of the U.S. Department of Housing and Urban Development (HUD) subsidy. See Table 2 below which itemizes over \$92 million in planned development.

Additionally, building improvements were completed for the Public Housing owned units with Capital Fund Grant revenues.

**Table 2
Pre-Development in Progress**

<u>Pre-Development:</u>	<u># Units</u>	<u>2008 Capitalized Improvements</u>	<u>Estimated Total Cost to Complete</u>	<u>Targeted Date of Completion</u>
Hillside House	121	314,544	50,000,000	12/31/2014
Creek Side Village (Los Alamos)	39	167,422	17,700,000	12/31/2011
Ocean Avenue (Lompoc)	<u>55</u>	<u>-</u>	<u>25,000,000</u>	6/30/2012
Total Pre-Development	<u>215</u>	<u>\$ 481,966</u>	<u>\$ 92,700,000</u>	

**HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2008**

(Continued)

**Table 3
Changes in Net Assets**

	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>Variance</u>	<u>%</u>
Operating revenue:				
Rental	\$ 3,317,003	\$ 3,020,810	\$ 296,193	9.8%
Other	944,543	896,079	48,464	5.4%
Non-operating revenue:				
Federal grants and subsidies	33,499,077	34,512,037	(1,012,960)	2.9%
Capital contributions	614,578	229,127	385,451	168.2%
Gain on sale of fixed assets	3,388,595	329,910	3,058,685	
Interest	<u>165,315</u>	<u>323,292</u>	<u>(157,977)</u>	48.9%
Total revenues	<u>41,929,111</u>	<u>39,311,255</u>	<u>2,617,856</u>	6.6%
Operating expenses:				
Administration	4,112,914	4,309,944	(197,030)	4.6%
Tenant services	152,059	86,401	65,658	76.0%
Utilities	545,516	512,716	32,800	6.4%
Maintenance	2,368,796	2,034,862	333,934	16.4%
General	1,158,469	499,636	658,833	131.8%
Housing assistance payments	29,510,072	27,788,612	1,721,460	6.2%
Depreciation and amortization	1,712,140	1,563,315	148,825	9.5%
Non-operating expenses:				
Debt-service interest	<u>632,651</u>	<u>526,047</u>	<u>106,604</u>	20.3%
Total expenses	<u>40,192,617</u>	<u>37,321,533</u>	<u>2,871,084</u>	7.7%
Net income (loss)	1,736,494	1,989,722	(253,228)	12.7%
Prior period adjustment	<u>142,129</u>	<u>27,596</u>	<u>114,533</u>	
Changes in net assets	<u>\$ 1,878,623</u>	<u>\$ 2,017,318</u>	<u>\$ (138,695)</u>	6.9%

The following is an explanation of the changes between fiscal years as shown in the table above:

Total revenues increased from a year ago by approximately \$2.6 million (6.6%) while total costs increased by approximately \$2.87 million (7.7%). The increase in Operating revenue - Rent was due primarily from the additional rental units acquired with Palm Grove Apartments. The gain on sale of fixed assets for 2008 is from the sale of twenty-five Public Housing units sold during 2008. The disposition of these homes was approved by the U.S. Department of Housing and Urban Development Special Application Center. Capital Contributions also increased as a result of Capital Fund Grant revenues received for capitalized improvements. Decreases to revenues included the reduction of HAP renewal funding in the Housing Choice Voucher Program. Finally, interest on investment income decreased by over \$157,000, from 2007, due to the current economic environment.

**HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2008**

(Continued)

Fund Net Asset Analysis

Table 4 shows an analysis of balances and transactions for the individual funds making up the agency-wide financial statements that comply with Generally Accepted Accounting Principles (GAAP).

**Table 4
Fund Net Assets**

	Public Housing	Capital Fund Grants	Housing Choice Vouchers	Supportive Housing (Mainstream)	Central Office Cost Center	Other State & Local	Total
Net assets, beginning of year	\$ 18,170,715	\$ 686,344	\$ 4,688,055	\$ 18,825	\$ -	\$ 7,821,721	\$ 31,385,660
Operating income (loss)	(2,471,320)	(114,867)	(32,969,080)	(117,607)	(16,959)	400,475	(35,289,358)
Non-operating revenue (expenses):							
Grants	1,185,059	324,083	31,863,598	126,337	-	-	33,499,077
Gain on sale of capital assets	3,387,836	-	(542)	-	1,301	-	3,388,595
Unrestricted interest	15,217	-	-	279	-	37,385	52,881
Restricted interest	-	-	110,857	-	-	1,577	112,434
Amortization - loan fees	-	-	-	-	-	(9,062)	(9,062)
Debt-service interest	(110,527)	-	-	-	-	(522,124)	(632,651)
Net income (loss) before Contributions and transfers	2,006,265	209,216	(995,167)	9,009	(15,658)	(91,749)	1,121,916
Capital contributions	-	614,578	-	-	-	-	614,578
Operating transfers in	209,216	-	-	-	123,434	4,969,154	5,301,804
Operating transfers out	(4,969,154)	(209,216)	-	-	-	(123,434)	(5,301,804)
Equity transfer	666,621	(666,621)	-	-	273,154	(273,154)	-
Net income (loss)	(2,087,052)	(52,043)	(995,167)	9,009	380,930	4,480,817	1,736,494
Prior period adjustment	-	-	-	-	-	142,129	142,129
Change in fund net assets	(2,087,052)	(52,043)	(995,167)	9,009	380,930	4,622,946	1,878,623
Net assets, end of year	<u>\$ 16,083,663</u>	<u>\$ 634,301</u>	<u>\$ 3,692,888</u>	<u>\$ 27,834</u>	<u>\$ 380,930</u>	<u>\$ 12,444,667</u>	<u>\$ 33,264,283</u>

The following is an explanation of the changes in fund net assets as shown in Table 4.

Public Housing:

Operations. There is an operating loss of over \$2.4 million which includes roughly \$1.2 million in depreciation. If the depreciation was not included in these GAAP financials, the loss from operations would approximate \$1.2 million. Grant subsidy (Public Housing Operating Subsidy) was just over \$1.185 million to adequately provide for operations. In addition, the Public Housing Fund transferred \$4.9 million to the Non-HUD Fund, which represents proceeds from the HUD approved sale of twenty-five Public Housing units.

**HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2008**

(Continued)

Significant events. Our annual plan provides for the sale of fifty-four Public Housing units in the city of Goleta. The Housing Authority plans to partner with a non-profit affiliate to purchase the property and rehabilitate each unit by utilizing Low Income Housing Tax Credits. We estimate the rehabilitation to require approximately \$2.5 million. This plan will improve the quality of housing in the city of Goleta, while remaining affordability. Our Board of Commissioners has approved the plan and staff will be submitting the disposition application for HUD in 2009. In addition, the Housing Authority has received approval from HUD for the disposition of ten Public Housing units and 2.75 acres of land in the city of Lompoc. This will allow for the construction of a new fifty-five unit housing development.

Capital Fund:

Equity transfer. HUD provides funding to the Public Housing Program primarily for capital improvements to the existing properties. In 2008, there was a grant for which we received a certificate of completion which is the basis of the equity transfer of \$666,621 from Capital Fund to Public Housing.

Housing Choice Voucher:

Operations. Our operating expenses for this year were \$3,196,807. Our administrative fee earned this year was approximately \$3,387,000.

Other State and Local:

During 2008, developer fees of \$543,778 were recorded as revenue of the Non-HUD Enterprise Fund for the oversight of the Ted Zenich Gardens and Parkview Isla Vista Development projects. In addition, management fees of \$140,000 were collected for various property management contracts of the non-owned Housing Authority properties. Rental income increased by \$360,000 due to the acquisition of Palm Grove Apartments (40 units).

Debt. Our long-term debt includes mortgage loans and notes payable. We present more detail about our long-term liabilities in the notes to the financial statements.

Economic Factors. The Authority is primarily dependent upon HUD for the funding of operations; therefore, the Authority is affected more by the federal budget than by state or local economic conditions. Our budgets are approved by HUD.

Requests for Information. This financial report is designed to provide citizens, taxpayers, and creditors with a general overview of the Authority's finances and to show the Authority's accountability for resources it receives. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Finance Department at the Housing Authority of the County of Santa Barbara, 815 West Ocean Avenue, Lompoc, CA 93436.

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
STATEMENT OF NET ASSETS
DECEMBER 31, 2008

<u>ASSETS</u>	<u>Business-type Activities</u>	<u>Total</u>
Current assets		
Cash and investments (Note 2)	\$ 5,790,909	\$ 5,790,909
Due from related parties (Note 17)	1,714,209	1,714,209
Due from other agencies	143,462	143,462
Tenant accounts receivable	60,670	60,670
Allowance for doubtful accounts	(29,460)	(29,460)
Interest receivable	3,255	3,255
Other accounts receivable	1,675	1,675
Prepaid expenses	<u>71,544</u>	<u>71,544</u>
Total current assets	<u>7,756,264</u>	<u>7,756,264</u>
Restricted assets:		
Restricted cash (Note 2 and 3)	<u>4,184,518</u>	<u>4,184,518</u>
Capital assets (Note 6):		
Land	9,978,548	9,978,548
Buildings	41,061,073	41,061,073
Furniture and equipment	1,471,502	1,471,502
Leasehold improvements	3,146,183	3,146,183
Construction in progress	1,849,259	1,849,259
Accumulated depreciation	<u>(21,244,049)</u>	<u>(21,244,049)</u>
Total capital assets	<u>36,262,516</u>	<u>36,262,516</u>
Other noncurrent assets:		
Long-term notes receivable (Note 5)	794,600	794,600
Loan costs (net of amortization of \$25,445)	186,796	186,796
Investment in related party limited partnership	<u>100</u>	<u>100</u>
Total other non-current assets	<u>981,496</u>	<u>981,496</u>
Total assets	<u>\$ 49,184,794</u>	<u>\$ 49,184,794</u>

**HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
STATEMENT OF NET ASSETS
DECEMBER 31, 2008**

(Continued)

	Business-type Activities	Total
<u>LIABILITIES</u>		
Current liabilities:		
Accounts payable	\$ 315,941	\$ 315,941
Due to other agencies	136,433	136,433
Accrued salaries and related costs	93,887	93,887
Accrued interest (Note 8)	44,602	44,602
Unearned revenue (Note 7)	59,280	59,280
Current portion of compensated absences (Note 9)	41,470	41,470
Current portion of long-term debt (Note 8)	495,506	495,506
Total current liabilities	1,187,119	1,187,119
Payable from restricted assets:		
Tenant security deposits	371,570	371,570
Family self sufficiency escrows	158,440	158,440
Total liabilities payable from restricted assets	530,010	530,010
Other noncurrent liabilities:		
Long-term portion of compensated absences (Note 9)	373,239	373,239
Long-term debt (Note 8)	13,830,143	13,830,143
Total noncurrent liabilities	14,203,382	14,203,382
Total liabilities	15,920,511	15,920,511
<u>NET ASSETS</u> (Note 10)		
Investment in capital assets, net of related debt	21,892,265	21,892,265
Restricted net assets	3,654,508	3,654,508
Unrestricted net assets	7,717,510	7,717,510
Total net assets	33,264,283	33,264,283
Total liabilities and net assets	\$ 49,184,794	\$ 49,184,794

The accompanying notes are an integral part of this statement

**HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2008**

<u>Function/Programs</u>	<u>Expenses</u>	<u>Program revenues</u>			<u>Net (Expenses) Revenue and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants</u>	<u>Capital Grants/ Contributions</u>	<u>Business-type Activities</u>
Business-type activities:					
Federal programs:					
Housing Choice Voucher	\$ 31,562,614	\$ 222,726	\$ 31,863,598	\$ -	\$ 523,710
Public Housing	4,417,554	2,253,945	1,185,059	-	(978,550)
Public Housing Capital Fund	209,215	-	324,083	614,578	729,446
Supportive Housing for Persons with Disabilities	112,465	-	126,337	-	13,872
State of California program:					
Rental Housing Construction Program	322,078	221,502	-	-	(100,576)
Local programs:					
Central Office Cost Center	1,381,371	14	-	-	(1,381,357)
Non-HUD	<u>2,187,320</u>	<u>1,675,793</u>	<u>-</u>	<u>-</u>	<u>(511,527)</u>
Total business-type activities	<u>40,192,617</u>	<u>4,373,980</u>	<u>33,499,077</u>	<u>614,578</u>	<u>(1,704,982)</u>
Total primary government	<u>\$ 40,192,617</u>	<u>\$ 4,373,980</u>	<u>\$ 33,499,077</u>	<u>\$ 614,578</u>	<u>(1,704,982)</u>
		General revenues:			
					52,881
					<u>3,388,595</u>
					<u>3,441,476</u>
					<u>1,736,494</u>
					31,385,660
					<u>142,129</u>
					<u>31,527,789</u>
					<u>\$ 33,264,283</u>

The accompanying notes are an integral part of this statement

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
STATEMENT OF NET ASSETS - PROPRIETARY FUNDS
DECEMBER 31, 2008

	Business-type Activities				Totals
	Public Housing	Housing Choice Voucher	Non-HUD	Nonmajor Funds	
ASSETS					
Current assets:					
Cash and investments (Note 2)	\$ 578,827	\$ 278,679	\$ 4,647,242	\$ 286,161	\$ 5,790,909
Due from other funds (Note 4)	21,504	-	-	-	21,504
Due from related parties (Note 17)	-	-	1,714,209	-	1,714,209
Due from other agencies	107,159	36,303	-	-	143,462
Tenant accounts receivable	48,854	-	11,816	-	60,670
Allowance for doubtful accounts	(28,710)	-	(750)	-	(29,460)
Interest receivable	-	-	3,255	-	3,255
Other accounts receivable	-	-	1,675	-	1,675
Prepaid expenses	31,427	9,311	10,915	19,891	71,544
Total current assets	<u>759,061</u>	<u>324,293</u>	<u>6,388,362</u>	<u>306,052</u>	<u>7,777,768</u>
Restricted assets:					
Restricted cash (Note 2 and 3)	<u>248,217</u>	<u>3,616,946</u>	<u>319,355</u>	<u>-</u>	<u>4,184,518</u>
Capital assets (Note 6):					
Land	4,825,801	-	5,152,747	-	9,978,548
Buildings	28,135,151	8,000	12,557,339	360,583	41,061,073
Furniture and equipment	1,150,876	246,122	-	74,504	1,471,502
Leasehold improvements	3,146,183	-	-	-	3,146,183
Construction in progress	634,301	-	1,214,958	-	1,849,259
Accumulated depreciation	(19,148,150)	(226,935)	(1,690,855)	(178,109)	(21,244,049)
Total capital assets	<u>18,744,162</u>	<u>27,187</u>	<u>17,234,189</u>	<u>256,978</u>	<u>36,262,516</u>
Other noncurrent assets:					
Long-term notes receivable (Note 5)	-	-	1,452,209	-	1,452,209
Loan costs (net of amortization of \$25,445)	-	-	186,796	-	186,796
Investment in related party partnership	-	-	100	-	100
Total assets	<u>\$ 19,751,440</u>	<u>\$ 3,968,426</u>	<u>\$ 25,581,011</u>	<u>\$ 563,030</u>	<u>\$ 49,863,907</u>
LIABILITIES					
Current liabilities:					
Accounts payable	\$ 228,592	\$ 9,049	\$ 71,584	\$ 6,716	\$ 315,941
Due to other funds (Note 4)	21,504	-	-	-	21,504
Due to other agencies	128,862	-	-	7,571	136,433
Accrued salaries and related costs	21,329	19,833	10,587	42,138	93,887
Accrued interest (Note 8)	18,904	-	25,698	-	44,602
Unearned revenue (Note 7)	38,663	-	20,617	-	59,280
Current portion of compensated absences	14,291	8,822	8,572	9,785	41,470
Current portion of long-term debt (Note 8)	247,909	-	247,597	-	495,506
Total current liabilities	720,054	37,704	384,655	66,210	1,208,623
Payable from restricted assets:					
Tenant security deposits	248,217	-	123,353	-	371,570
Family self sufficiency escrows	-	158,440	-	-	158,440
Other noncurrent liabilities:					
Long-term portion of compensated absences	128,633	79,394	77,156	88,056	373,239
Long-term debt (Note 8)	1,936,572	-	12,551,180	-	14,487,752
Total liabilities	<u>3,033,476</u>	<u>275,538</u>	<u>13,136,344</u>	<u>154,266</u>	<u>16,599,624</u>
NET ASSETS (Note 10)					
Investment in capital assets, net of debt	16,540,777	27,187	5,067,323	256,978	21,892,265
Restricted net assets	-	3,458,506	196,002	-	3,654,508
Unrestricted net assets	177,187	207,195	7,181,342	151,786	7,717,510
Total net assets	<u>16,717,964</u>	<u>3,692,888</u>	<u>12,444,667</u>	<u>408,764</u>	<u>33,264,283</u>
Total liabilities and net assets	<u>\$ 19,751,440</u>	<u>\$ 3,968,426</u>	<u>\$ 25,581,011</u>	<u>\$ 563,030</u>	<u>\$ 49,863,907</u>

The accompanying notes are an integral part of this statement.

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

	Business-type Activities				Totals
	Public Housing	Housing Choice Voucher	Non-HUD	Nonmajor Enterprise Funds	
Operating revenue:					
Rents	\$ 2,170,636	\$ -	\$ 1,626,936	\$ -	\$ 3,797,572
Other tenant revenue	83,309	-	1,819	-	85,128
Interfund fees	73,200	-	2,400	1,364,398	1,439,998
Other	-	111,869	747,532	14	859,415
Total operating revenue	<u>2,327,145</u>	<u>111,869</u>	<u>2,378,687</u>	<u>1,364,412</u>	<u>6,182,113</u>
Operating expenses:					
Administration	1,024,416	2,610,546	712,320	1,205,630	5,552,912
Tenant services	58,568	61,195	32,296	-	152,059
Utilities	439,488	-	92,031	13,997	545,516
Maintenance	1,722,515	40,208	571,922	34,151	2,368,796
General	457,766	456,107	122,072	122,524	1,158,469
Housing assistance payments	-	29,884,142	-	106,499	29,990,641
Depreciation (Note 6)	1,210,579	28,751	447,571	16,177	1,703,078
Total operating expenses	<u>4,913,332</u>	<u>33,080,949</u>	<u>1,978,212</u>	<u>1,498,978</u>	<u>41,471,471</u>
Operating income (loss)	(2,586,187)	(32,969,080)	400,475	(134,566)	(35,289,358)
Nonoperating revenue (expenses):					
Grants	1,509,142	31,863,598	-	126,337	33,499,077
Gain on sale of capital assets	3,387,836	(542)	-	1,301	3,388,595
Interest - unrestricted	15,217	-	37,385	279	52,881
Interest - restricted	-	110,857	1,577	-	112,434
Amortization - loan fees	-	-	(9,062)	-	(9,062)
Debt service - interest (Note 8)	(110,527)	-	(522,124)	-	(632,651)
Net income (loss) before contributions and transfers	2,215,481	(995,167)	(91,749)	(6,649)	1,121,916
Capital contributions	614,578	-	-	-	614,578
Transfers from other funds	209,216	-	4,969,154	396,588	5,574,958
Transfers to other funds	(5,178,370)	-	(396,588)	-	(5,574,958)
Net income (loss)	<u>(2,139,095)</u>	<u>(995,167)</u>	<u>4,480,817</u>	<u>389,939</u>	<u>1,736,494</u>
Net assets - beginning of year, as originally stated	18,857,059	4,688,055	7,821,721	18,825	31,385,660
Prior period adjustments (Note 11)	-	-	142,129	-	142,129
Net assets - beginning of year, restated	<u>18,857,059</u>	<u>4,688,055</u>	<u>7,963,850</u>	<u>18,825</u>	<u>31,527,789</u>
Net assets - end of year	<u>\$ 16,717,964</u>	<u>\$ 3,692,888</u>	<u>\$ 12,444,667</u>	<u>\$ 408,764</u>	<u>\$ 33,264,283</u>

The accompanying notes are an integral part of this statement.

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

	Business-type Activities				Totals
	Public Housing	Housing Choice Voucher	Non-HUD	Nonmajor Enterprise Funds	
Cash flows from operating activities:					
Rental receipts	\$ 2,259,159	\$ -	\$ 1,181,998	\$ -	\$ 3,441,157
Other receipts	2,033	42,241	203,513	14	247,801
Payroll and benefit expenditures	(1,533,050)	(1,674,645)	(927,104)	(976,813)	(5,111,612)
Administration expenditures	(311,541)	(214,636)	(100,556)	(155,343)	(782,076)
Tenant services expenditures	(58,568)	-	-	-	(58,568)
Utilities expenditures	(437,015)	-	(92,472)	(13,072)	(542,559)
Maintenance expenditures	(687,075)	(40,208)	(387,343)	(31,633)	(1,146,259)
General expenditures	(449,143)	(52,354)	(70,409)	(68,119)	(640,025)
Housing assistance payment expenditures	-	(29,650,164)	-	(106,499)	(29,756,663)
Net cash used by operating activities	<u>(1,215,200)</u>	<u>(31,589,766)</u>	<u>(192,373)</u>	<u>(1,351,465)</u>	<u>(34,348,804)</u>
Cash flows from noncapital financing activities:					
Operating grants received	1,670,592	31,863,473	-	112,300	33,646,365
Interfund transactions	(5,324,714)	(1,518,335)	5,360,360	1,482,689	-
Related parties transactions	-	-	332,581	-	332,581
Net cash provided by noncapital financing activities	<u>(3,654,122)</u>	<u>30,345,138</u>	<u>5,692,941</u>	<u>1,594,989</u>	<u>33,978,946</u>
Cash flows from capital financing activities:					
Issuance of debt	-	-	7,050,000	-	7,050,000
Proceeds from the sale of real property	5,148,631	1,500	-	1,301	5,151,432
Grants received to acquire capital assets	523,660	-	-	-	523,660
Acquisition of capital assets	(558,729)	-	(7,464,212)	-	(8,022,941)
Principal paid on debt	(236,300)	-	(2,261,214)	-	(2,497,514)
Interest paid on debt	(112,572)	-	(507,624)	-	(620,196)
Fees associated with the issuance of debt	-	-	(84,489)	-	(84,489)
Net cash provided (used) by capital financing activities	<u>4,764,690</u>	<u>1,500</u>	<u>(3,267,539)</u>	<u>1,301</u>	<u>1,499,952</u>
Cash flows from investing activities:					
Interest receipts	15,217	-	34,130	278	49,625
Interest on restricted cash	-	110,857	1,577	-	112,434
Net cash provided by investing activities	<u>15,217</u>	<u>110,857</u>	<u>35,707</u>	<u>278</u>	<u>162,059</u>
Net increase (decrease) to cash	(89,415)	(1,132,271)	2,268,736	245,103	1,292,153
Cash at beginning of year	<u>916,459</u>	<u>5,027,896</u>	<u>2,697,861</u>	<u>41,058</u>	<u>8,683,274</u>
Cash at end of year	<u>\$ 827,044</u>	<u>\$ 3,895,625</u>	<u>\$ 4,966,597</u>	<u>\$ 286,161</u>	<u>\$ 9,975,427</u>
Cash and investments	\$ 578,827	\$ 278,679	\$ 4,647,242	\$ 286,161	\$ 5,790,909
Restricted cash	248,217	3,616,946	319,355	-	4,184,518
Total cash at year end	<u>\$ 827,044</u>	<u>\$ 3,895,625</u>	<u>\$ 4,966,597</u>	<u>\$ 286,161</u>	<u>\$ 9,975,427</u>

**HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008**

(Continued)

	Business-type Activities				Totals
	Public Housing	Housing Choice Voucher	Non-HUD	Nonmajor Enterprise Funds	
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ (2,586,187)	\$ (32,969,080)	\$ 400,475	\$ (134,566)	\$ (35,289,358)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation expense	1,210,579	28,751	447,571	16,177	1,703,078
Interfund transactions	323,889	1,518,335	(482,969)	(1,359,255)	-
Related party transactions	-	-	(543,779)	-	(543,779)
Prior period adjustments	-	-	364	-	364
(Increase) Decrease in:					
Tenants accounts receivable	1,070	-	(506)	-	564
Due from other agencies	-	(19,802)	-	-	(19,802)
Other receivable	2,033	-	(240)	-	1,793
Prepaid expenses	6,775	(6,325)	4,358	(19,891)	(15,083)
Inventory	9,114	-	-	-	9,114
Increase (Decrease) in:					
Accounts payable (omitting amounts payable for capital additions)	4,774	(3,289)	20,609	6,698	28,792
Due to other agencies	(134,639)	-	-	-	(134,639)
Tenant security deposits	(1,189)	-	40,127	-	38,938
Accrued salaries	(55,834)	(42,854)	(71,507)	41,946	(128,249)
Unearned revenues	5,332	-	(609)	-	4,723
FSS escrows	-	(13,485)	-	-	(13,485)
Compensated absences	(917)	(82,017)	(6,267)	97,426	8,225
Net cash provided by operating activities	<u>\$ (1,215,200)</u>	<u>\$ (31,589,766)</u>	<u>\$ (192,373)</u>	<u>\$ (1,351,465)</u>	<u>\$ (34,348,804)</u>

Noncash transactions:

- C Capital assets were transferred from the Capital Fund Enterprise Fund to the Public Housing Enterprise Fund in the amount of \$666,621.
- C Capital assets, commonly known as Parkview Apartments, were transferred from the Authority to a related party limited partnership in the amount of \$3,936,694. The Authority also transferred the note associated with the property in the amount of \$3,760,000 and the interest which had accrued on the loan in the amount of \$103,014. The loan is payable to the Redevelopment Agency of the County of Santa Barbara. The difference was recorded as an amount due from related party in the Non-HUD Enterprise Fund. This transaction has no affect on cash.

The accompanying notes are an integral part of this statement.

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2008

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(A) General Statement

The Housing Authority of the County of Santa Barbara (the Authority) was established on June 30, 1941, by a resolution of the Santa Barbara County Board of Supervisors. The Authority is governed by a seven member Board of Commissioners. Commissioners are appointed for terms of two or four years by the Santa Barbara County Board of Supervisors.

(B) Financial Reporting Entity

The Authority's combined financial statements include the accounts of all the Authority's operations. The criteria for including organizations as component units within the Authority's reporting entity, as set forth in Section 2100 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, include whether:

- *The organization is legally separate (can sue and be sued in their own name)
- *The Authority holds the corporate powers of the organization
- *The Authority appoints a voting majority of the organization's board
- *The Authority is able to impose their will on the organization
- *The organization has the potential to impose a financial benefit/burden on the Authority
- *There is financial dependency by the organization on the Authority

Based on the aforementioned criteria, the Authority has no component units.

(C) Basis of Presentation

Government-Wide Financial Statements:

The Statement of Net Assets and Statement of Activities display information about the Authority as a whole. They include all funds of the Authority. The Authority has no fiduciary funds. The statements distinguish between government and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The Authority's activities are strictly business-type.

Fund Financial Statements:

Fund financial statements of the Authority are organized into funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for within a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenses/expenditures as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The Authority considers all of its funds to be proprietary. An emphasis is placed on major funds. A fund is considered major if it is the primary operating fund of the Authority or if total assets,

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2008

(Continued)

Note 1 (continued)

liabilities, revenues, or expenses of the individual fund are at least 10 percent of the Authority-wide total. The major enterprise funds for the fiscal year ended December 31, 2008 are Public Housing (including the Capital Fund), Housing Choice Voucher, and Non-HUD.

The various funds are grouped by fund type in the combined basic financial statements as follows:

PROPRIETARY FUND TYPES

Enterprise Funds - Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Enterprise funds are also used when the governing body has decided that periodic determination of revenues earned, expenses incurred, or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

(D) Measurement Focus/Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The Proprietary Fund Types are accounted for on an economic resources measurement focus using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recorded at the time liabilities are incurred. Under this basis of accounting and measurement focus, the Authority applies (a) all GASB pronouncements and (b) FASB Statements and Interpretations, APB opinions, and Accounting Research Bulletins issued on or before November 30, 1989, except those that conflict with a GASB pronouncement.

When the Authority incurs an expense for which both restricted and unrestricted resources may be used, it is the Authority's policy to use restricted resources first and then unrestricted resources as needed.

(E) Cash and Cash Equivalents

For the purpose of the cash flows, the Authority considers all of their cash and investments, including restricted cash, to be cash and cash equivalents. The Authority considers all of their investments to be highly liquid or short-term in nature; and therefore, cash equivalents.

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2008

(Continued)

Note 1 (continued)

(F) Interfund Receivables, Payables and Transfers

Short-term amounts owed between funds are classified as “Due to/from other funds”. Interfund loans are included in “noncurrent notes receivable/payable”. For the purposes of the Authority-wide Statement of Net Assets, the due to/from other funds and interfund loans, totaling \$679,113, have been eliminated. See also Notes 4, 5, and 8.

The Authority calculates the rent for its various office, shop and garage buildings based on a mixture of estimated operating costs and estimated market value. The rents are allocated to all of the Authority’s programs. The Authority administers several owned rental units that are occupied by participants of the Housing Choice Voucher Program. During the current fiscal year, the Authority established a Central Office Cost Center, which accumulates certain administrative and overhead costs. Other funds are charged fees to cover these costs. For the purpose of the Authority-wide Statement of Activities, these interfund revenues and expenses, totaling \$1,920,567, have been eliminated. See also Note 14.

Interfund transfers were made to establish the Central Office Cost Center, to transfer the proceeds from the sale of real property to the program which will develop replacement units, to fund the operations of the Public Housing Program using Capital Fund operating grants, and to transfer the equity of completed Capital Fund Projects into the Public Housing Program. A transfer of \$396,588 was made to establish the Central Office Cost Center. A transfer of \$4,969,154 was made from the Public Housing Enterprise Fund to the Non-HUD Enterprise Fund. These funds represent the proceeds from the sale of several Public Housing Units. HUD approved the Authority to use these proceeds to develop other low income housing opportunities within the County. A transfer of \$209,216 was made from the current Capital Fund grants to fund operations of the Public Housing Program. Interfund transfers were also made to transfer the equity and capital assets of one closed Capital Fund Grant to the Public Housing Program Enterprise Fund in the amount of \$666,621. See also Note 6.

(G) Capital Assets

Capital assets are valued at historical cost. Contributed capital assets are recorded at fair market value at the time received. Interest expense incurred during the development period is capitalized.

Capital assets acquired for Proprietary Funds are capitalized in the respective funds to which they apply. Depreciation of exhaustible capital assets used by Proprietary Funds is charged as an expense against operations, and accumulated depreciation is reported on the Proprietary Funds' balance sheet. Depreciation has been provided over the estimated useful lives using the straight-line method of depreciation. Non-dwelling structures are being depreciated over

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2008

(Continued)

Note 1 (continued)

a useful life of thirty-nine years; dwelling structures over twenty-eight years; site improvements over fifteen years; building improvements over ten years; office furniture over seven years; and dwelling, office and maintenance equipment and vehicles over five years.

(H) Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets, including the interest due on the borrowing. Net assets are reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

(I) Operating Revenue and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the Authority, these revenues are typically rental charges, developer fees and management fees. Operating expenses are necessary costs that have been incurred in order to provide the good or service that is the primary activity of the fund. Operating expenses include payroll, benefits, utilities, maintenance costs, housing assistance payments, and depreciation. All revenue and expenses not meeting these definitions are reported as nonoperating revenue and expenses.

(J) Encumbrances

Encumbrance accounting is not employed by the Authority.

(K) Income Taxes

The Authority is exempt from Federal Income and California Franchise Taxes.

(L) Grant Restrictions

The Authority has received loans and grants from the U.S. Department of Housing and Urban Development to build and improve housing projects. The grants require that only individuals and families that meet various income, age and employment standards be housed or aided.

**HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2008**

(Continued)

Note 2 - CASH AND INVESTMENTS

Cash and investments as of December 31, 2008, are classified in the accompanying financial statements as follows:

Cash and investments	\$	5,790,909
Restricted cash		4,184,518
Total cash and investments	\$	9,975,427

Cash and investments as of December 31, 2008, consist of the following:

Cash on hand	\$	600
Deposits with financial institutions		6,222,444
Investments		3,752,383
Total cash and investments	\$	9,975,427

Investments Authorized by the Authority’s Investment Policy

It is the policy of the Authority to invest funds in a manner which will provide the highest investment return with the maximum security while meeting its daily cash flow demands and conforming to all statutes governing the investment of Authority funds. The authorized and suitable investments per the Authority’s investment policy are as follows:

- U.S. Treasury Bills, Notes, and Bonds.
- Obligations issued by Agencies or Instrumentalities of the U.S. Government.
- State or Municipal Depository Funds, such as the Local Agency Investment Fund (LAIF) or pooled investment funds managed by County treasurers.
- Insured demand and savings deposits, provided that deposits in excess of the insured amounts must be 100% collateralized by securities listed in the first two points above.
- Insured money market deposit accounts, provided that deposits in excess of the insured amounts must be 100% collateralized by securities listed in the first two points above.
- Insured super NOW accounts, provided that deposits in excess of the insured amounts must be 100% collateralized by securities listed in the first two points above.
- Negotiated certificated of deposit issued by federally or state chartered banks or associations. Not more than 30% of surplus funds can be invested in certificated of deposit.
- Sweep accounts that are 100% collateralized by securities listed in the first two points above.
- Shares of beneficial interest issued by diversified management companies investing in the securities and obligations authorized by this section (money market mutual funds). Such funds must carry the highest rating of at least two national rating agencies. Not more than 20% of surplus funds can be invested in money market mutual funds.
- Any other investment security authorized under the provisions of HUD Notice 95-27.
- Any other investment security authorized under the provisions of CGC 5922 and 53601.

**HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2008**

(Continued)

Note 2 (continued)

Disclosure Related to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in the market rates. The funds held by LAIF are convertible to cash within a twenty-four hour period and therefore carry little interest rate risk. See the table below for the maturity dates of the Authority's other investments.

Disclosures Related to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. LAIF does not have a rating provided by a nationally recognized statistical organization. See the table below for the ratings for the Authority's other investments.

Concentration of Credit Risk

The Authority's investments are concentrated as follows.:

**Investment Disclosure
December 31, 2008**

<u>Investment Type</u>	<u>Custodial Institution</u>	<u>Cost</u>	<u>Market Value</u>	<u>Maturity</u>	<u>Rate</u>
Federal Home Loan Bank	SBB&T	\$ 98,710	\$ 100,500	4/03/2013	AAA
Federal Home Loan Bank	SBB&T	99,560	105,453	3/09/2012	AAA
Federal Home Loan Bank	SBB&T	100,000	101,188	5/22/2013	AAA
Federal Farm Credit Bank	SBB&T	100,000	101,579	9/17/2012	AAA
Federal Farm Credit Bank	SBB&T	100,000	100,250	11/04/2010	AAA
Federal Farm Credit Bank	SBB&T	99,540	100,313	2/13/2013	AAA
Berkshire Hathaway Fin Corp	SBB&T	101,438	99,228	10/15/2013	AAA
General Electric Corp	SBB&T	99,500	101,684	10/27/2009	AAA
Wells Fargo & Co	SBB&T	100,253	101,854	10/23/2012	AA
Genworth Global Funding	SBB&T	99,180	70,259	3/15/2011	AA-
Goldsmith Sachs Group Inc	SBB&T	101,642	96,859	1/15/2011	A
Pitney Bowes	SBB&T	100,750	97,911	10/01/2012	A
Southern CA Gas Co	SBB&T	100,717	100,985	1/15/2011	NR
Payden & Rygel GNMA fund	SBB&T	153,680	157,583	N/A	NR
Blackrock temp fund	SBB&T	95,449	95,449	N/A	NR
LAIF	State of CA	2,191,894	2,198,499	N/A	NR
LAIF interest	State of CA	13,998	13,998	N/A	NR
		<u>\$ 3,756,311</u>	<u>3,743,592</u>		
Financial statement difference			8,791		
Investments reported in the financial statements			<u>\$ 3,752,383</u>		

**HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2008**

(Continued)

Note 2 (continued)

These investments are owned by the following programs:

Public Housing	\$ 457,342	12.19%
Housing Choice Voucher	3,272,359	87.21%
Non-HUD	<u>22,682</u>	0.60%
Total investments	<u>\$ 3,752,383</u>	

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the Authority's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires California banks and savings and loan associations to secure the Authority's deposits not covered by federal deposit insurance by pledging mortgages or government securities as collateral. The market value of mortgages must equal at least 150% of the face value of deposits. The market value of government securities must equal at least 110% of the face value of deposits. Such collateral must be held in the pledging bank's trust department in a separate depository in an account for the Authority.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (broker-dealer, etc) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Authority's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. 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 investment in securities through the use of mutual funds or government investment pools (such as LAIF).

The Authority executed a "Contract for Deposit of Moneys" with Santa Barbara Bank and Trust on February 17, 1998. Pacific Capital is the parent company of Santa Barbara Bank and Trust. This contract states that "As security for said deposit, the Depository shall at all times maintain with the Agent of Depository named herein, commencing forthwith, eligible securities having a market value at least 10% in excess of the total amount of local agency moneys on deposit with the Depository." On July 1, 2007, the Authority entered into a "General Depository Agreement" with Los Padres Bank, in which the bank agreed to collateralize any of the Authority's deposits in excess of FDIC insurance.

**HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2008**

(Continued)

Note 2 (continued)

The Authority's exposure to custodial credit risk is as follows:

Demand deposits with banks, fully insured by FDIC	\$ 310,470
Demand deposits with Santa Barbara Bank & Trust, in excess of the amount insured, but covered by the depository contract	5,911,974
Investments with Pacific Capital/Santa Barbara Bank & Trust, not insured or collateralized	1,546,491
LAIF	<u>2,205,892</u>
Total deposits	<u>\$ 9,974,827</u>

Investment in State Investment Pool

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. The LAIF is a special fund of the California State Treasury through which local governments may pool investments. Each government agency may invest up to \$30,000,000 in each account in the fund. Investments in LAIF are highly liquid, as deposits can be converted to cash within twenty-four hours without loss of interest or principal. The full faith and credit of the State of California secure investments in LAIF.

At December 31, 2008, an account was maintained in the name of the Housing Authority of the County of Santa Barbara. The total cost value of investment in LAIF was \$2,191,894. The total fair value of investments in LAIF was \$2,198,499. The fair value total includes an unrealized gain on investments of \$6,605. The unrealized gain was based on a fair value adjustment factor of 1.003013411 that was calculated by the State of California Treasurer's Office. This unrealized gain was not recorded by the Authority and is considered immaterial.

Interest, which is paid quarterly, was calculated at a rate of 2.54% for the quarter ended December 31, 2008. Interest owed to the Authority as of that date was \$13,998. The Authority recorded this interest receivable as cash received as of December 31, 2008. Therefore, the LAIF balance reported above is in excess of the balance held by LAIF as of December 31, 2008, by \$13,998. This amount is not considered by the Authority to be material.

LAIF is a part of the State of California Pooled Money Investment Account (PMIA). At December 31, 2008, the fair value of the State of California Pooled Money Investment Account (PMIA), including accrued interest, was \$63,610,592,461. The PMIA portfolio had securities in the form of structured notes totaling \$6,555,846,000 and asset-backed securities totaling \$1,625,227,000. The PMIA has policies, goals and objectives for the portfolio to make certain that the goals of safety, liquidity, and yield are not jeopardized. These policies are formulated by investment staff and reviewed by both the PMIA and LAIF Advisory Boards on an annual basis.

**HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2008**

(Continued)

Note 2 (continued)

During 2002, California Government code was added to the LAIF's enabling legislation stating that "the right of a city, county...special district...to withdraw its deposited money from the LAIF upon demand may not be altered, impaired, or denied in any way by any state official or state agency based upon the State's failure to adopt a State Budget by July 1 of each new fiscal year." In addition, it has been determined that the State of California cannot declare bankruptcy under Federal regulations. This allows other government code stating that "money placed with the state treasurer for deposit in the LAIF shall not be subject to ...transfer or loan...or impound or seizure by any state official or state agency" to stand.

Note 3 - RESTRICTED CASH

Restricted cash consists of funds that are held in escrow, excess HAP funds received from HUD, replacement reserve funds required by the lender, and funds being held by the Authority on behalf of its clients. These balances are as follows:

HUD funds restricted in use for HAP payments only	\$ 3,458,506
Tenant security deposits	371,570
Family Self Sufficiency (FSS) Program participants' escrow funds	158,440
Funds designated as a replacement reserve for the Sandpiper Apts	173,478
Funds held for the replacement of the Parkside RHCP Project	<u>22,524</u>
Total restricted cash	<u>\$ 4,184,518</u>

Note 4 - INTERFUND BALANCES

The Capital Fund Enterprise Fund owes the Public Housing Enterprise Fund \$21,504 as of December 31, 2008. These balances were eliminated for the Authority-wide Statement of Net Assets.

Note 5 - NOTES RECEIVABLE

The following is a summary of the Authority's changes in notes receivable for the fiscal year ended December 31, 2008.

	Balance 12/31/07	Changes	Balance 12/31/08	Short-term Portion	Long-term Portion
Hotel Land, Inc.	\$ 450,000	\$ -	\$ 450,000	\$ -	\$ 450,000
Ted Zenich Gardens, L.P.	-	180,000	180,000	-	180,000
Surf Development Company	-	150,000	150,000	-	150,000
Life Steps, Inc.	<u>14,600</u>	<u>-</u>	<u>14,600</u>	<u>-</u>	<u>14,600</u>
	464,600	330,000	794,600	-	794,600
Interfund	<u>657,609</u>	<u>-</u>	<u>657,609</u>	<u>-</u>	<u>657,609</u>
	<u>\$ 1,122,209</u>	<u>\$ 330,000</u>	<u>\$ 1,452,209</u>	<u>\$ -</u>	<u>\$ 1,452,209</u>

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2008

(Continued)

Note 5 (continued)

The Authority loaned \$450,000 to Hotel Land Inc., a California nonprofit public benefit corporation. The note bears 7% interest annually and is secured by a deed of trust on the property, Positano Apartments. Repayment of the note and interest on the note is deferred for the term of the note. The note is due and payable on the earlier of November 14, 2014, the date the property is sold or the permanent note is refinanced, or upon default of the note by the borrower. No interest receivable on this note has been recorded in the books of accounts. See also Note 17B.

The Authority loaned \$180,000 to Ted Zenich Gardens, L.P. a California limited partnership. The Authority is a general partner in this L.P., with a .0025% interest. The loan, made June 4, 2009, bears interest at a rate of 4.6% per annum and is secured by a deed of trust on the property. Annual payments on the loan will be made from residual receipts, if generated, and only after the \$1.8 million loan from the County of Santa Barbara has been repaid. The note is due and payable on the earlier of June 30, 2063, the date the property is sold, or upon default of the note by the borrower. No interest receivable on this note has been recorded in the books of accounts. See also Note 17D.

The Authority loaned \$150,000 to Surf Development Company, a California nonprofit public benefit corporation. The loan, made August 28, 2008, bears interest at a rate of 5% per annum and is secured by a deed of trust on real property located in Buelton, CA. Annual payments on the loan will be made from residual receipts of the Buelton property, if generated, up to a maximum of 50% of the residual receipts generated. The note is due and payable on the earlier of August 27, 2023, the date the property is sold, or upon default of the note by the borrower. No interest receivable on this note has been recorded in the books of accounts. See also Note 17E.

The Authority loaned \$14,600 to Life Steps Foundation, Inc., a California public benefit corporation. The note bears no interest. The note is payable only if the property collateralizing the note is sold or if the use of the property collateralizing the note changes, the use currently being to house developmentally disabled adults.

During the fiscal year ended December 31, 2000, the Authority purchased the Sandpiper Apartment complex. The Authority funded this purchase with a bank loan and a loan of HOME funds from the County of Santa Barbara. However, these funding sources did not entirely cover the costs of acquiring the complex. The Board of Commissioners approved the use of Section 8 Program reserves to fund the shortfall. The shortfall of \$657,609 was borrowed by the Sandpiper Enterprise Fund from the Housing Choice Voucher Enterprise Fund, which was then transferred to the Non-HUD Enterprise Fund. The loan is shown as both a long-term note receivable and payable in these financial statements (see also Note 8). This interfund note has been eliminated from the Authority-wide Statement of Net Assets, but not from the fund financial statements.

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2008

(Continued)

Note 6 - FIXED ASSETS

Fixed asset activity for the year ending December 31, 2008 is as follows:

	Balance 12/31/07	Additions	Deletions	Adjustments & Transfers	Balance 12/31/08
Fixed assets, not being depreciated:					
Land	\$ 10,647,821	\$ 1,345,000	\$ (2,094,120)	\$ 79,847	\$ 9,978,548
Construction in progress	1,836,580	1,030,807	(232,269)	(785,859)	1,849,259
Total	<u>12,484,401</u>	<u>2,375,807</u>	<u>(2,326,389)</u>	<u>(706,012)</u>	<u>11,827,807</u>
Fixed assets depreciated:					
Buildings	38,374,929	5,660,000	(3,646,601)	672,745	41,061,073
Leasehold improvements	3,146,183	-	-	-	3,146,183
Equipment	1,565,562	13,564	(140,891)	33,267	1,471,502
Total fixed assets being depreciated	<u>43,086,674</u>	<u>5,673,564</u>	<u>(3,787,492)</u>	<u>706,012</u>	<u>45,678,758</u>
Total fixed assets	<u>55,571,075</u>	<u>8,049,371</u>	<u>(6,113,881)</u>	<u>-</u>	<u>57,506,565</u>
Accumulated depreciation:					
Buildings	(18,071,109)	(1,347,117)	218,108	-	(19,200,118)
Leasehold improvements	(524,364)	(262,182)	-	-	(786,546)
Equipment	(1,300,393)	(93,779)	136,787	-	(1,257,385)
Total accumulated depn	<u>(19,895,866)</u>	<u>(1,703,078)</u>	<u>354,895</u>	<u>-</u>	<u>(21,244,049)</u>
Total fixed assets depn, net	<u>23,190,808</u>	<u>3,970,486</u>	<u>(3,432,597)</u>	<u>706,012</u>	<u>24,434,709</u>
Total fixed assets, net	<u>\$ 35,675,209</u>	<u>\$ 6,346,293</u>	<u>\$ (5,758,986)</u>	<u>\$ -</u>	<u>\$ 36,262,516</u>

The changes by project are as follows:

	Balance 12/31/07	Additions	Deletions	Balance 12/31/08	Depreciation	Net
Fixed Assets:						
Public Housing	\$ 39,333,353	\$ 628,143	\$ (2,069,184)	\$ 37,892,312	\$ (19,148,150)	\$ 18,744,162
Hsg Choice Voucher	275,984	-	(21,862)	254,122	(226,935)	27,187
COCC - Admin Bldg	461,772	-	(26,685)	435,087	(178,109)	256,978
Palm Grove	76,254	7,047,984	-	7,124,238	(169,625)	6,954,613
Sandpiper Apartments	6,080,415	-	-	6,080,415	(1,084,842)	4,995,573
Parkside Apartments	3,654,688	-	-	3,654,688	(309,402)	3,345,286
Parkview Apartments	3,936,693	-	(3,936,693)	-	-	-
Villa Del Sol	470,745	-	-	470,745	(126,986)	343,759
Other	1,281,171	416,228	(102,441)	1,594,958	-	1,594,958
	<u>\$ 55,571,075</u>	<u>\$ 8,092,355</u>	<u>\$ (6,156,865)</u>	<u>\$ 57,506,565</u>	<u>\$ (21,244,049)</u>	<u>\$ 36,262,516</u>
Depreciation:						
Public Housing	\$ (18,245,961)	\$ (1,210,579)	\$ 308,390	\$ (19,148,150)		
Hsg Choice Voucher	(218,003)	(28,751)	19,819	(226,935)		
COCC - Admin Bldg	(188,618)	(16,176)	26,685	(178,109)		
Palm Grove	-	(169,625)	-	(169,625)		
Sandpiper Apts.	(943,935)	(140,907)	-	(1,084,842)		
Parkside Apartments	(207,505)	(101,897)	-	(309,402)		
Villa Del Sol	(91,844)	(35,142)	-	(126,986)		
	<u>\$ (19,895,866)</u>	<u>\$ (1,703,077)</u>	<u>\$ 354,894</u>	<u>\$ (21,244,049)</u>		
Net	<u>\$ 35,675,209</u>	<u>\$ 6,389,278</u>	<u>\$ (5,801,971)</u>	<u>\$ 36,262,516</u>		

**HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2008**

(Continued)

Note 7 - UNEARNED REVENUE

Unearned revenue consists strictly of prepaid rents collected from the tenants of the various rental properties owned by the Authority.

Note 8 - LONG-TERM DEBT

The following is a summary of changes in long-term debt for the fiscal year ended December 31, 2008.

	Balance 12/31/07	New Loans	Payments	Balance 12/31/08	Short-term Portion	Long-term Portion	Interest Payable
Mortgages:							
Sandpiper	\$ 4,915,934	\$ -	\$ (106,315)	\$ 4,809,619	\$ 114,591	\$ 4,695,028	\$ 4,073
Parkside	1,450,492	-	(26,473)	1,424,019	27,689	1,396,330	5,340
Palm Grove	-	5,000,000	(71,040)	4,928,960	97,706	4,831,254	15,540
Palm Grove	-	2,050,000	(2,050,000)	-	-	-	-
Capital lease	2,420,780	-	(236,300)	2,184,480	247,909	1,936,571	18,904
State of California	680,723	-	-	680,723	-	680,723	-
Redevelopment Agency of Santa Barbara Co.:							
Parkview	3,760,000	-	(3,760,000)	-	-	-	-
Villa Del Sol	305,234	-	(7,386)	297,848	7,611	290,237	745
	13,533,163	7,050,000	(6,257,514)	14,325,649	495,506	13,830,143	44,602
Interfund loans	657,609	-	-	657,609	-	657,609	-
	<u>\$14,190,772</u>	<u>\$7,050,000</u>	<u>\$ (6,257,514)</u>	<u>\$14,983,258</u>	<u>\$ 495,506</u>	<u>\$14,487,752</u>	<u>\$ 44,602</u>

Following is a schedule of debt payment requirements to maturity for the above debt, except the deferred loan due to the State of California:

Year ending	Bank Mortgages		Capital Lease		Santa Barbara County		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2009	239,986	450,769	247,909	100,963	7,611	8,832	1,056,070
2010	246,734	444,021	260,089	88,783	7,843	8,600	1,056,070
2011	257,108	433,647	272,868	76,004	8,081	8,362	1,056,070
2012	268,007	422,748	286,274	62,598	8,327	8,116	1,056,070
2013	279,331	411,424	300,339	48,533	8,581	7,862	1,056,070
2014-2018	1,449,845	2,003,929	817,001	55,179	46,979	35,234	4,408,167
2019-2023	4,978,404	1,421,455	-	-	54,571	27,642	6,482,072
2024-2028	1,507,697	590,555	-	-	63,391	18,822	2,180,465
2029-2033	1,630,051	210,405	-	-	73,636	8,577	1,922,669
2034-2038	305,435	8,279	-	-	18,828	355	332,897
	<u>\$ 11,162,598</u>	<u>\$ 6,397,232</u>	<u>\$ 2,184,480</u>	<u>\$ 432,060</u>	<u>\$ 297,848</u>	<u>\$ 132,402</u>	<u>\$ 20,606,620</u>

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2008

(Continued)

Note 8 (continued)

The Sandpiper mortgage is held by Rabobank. This mortgage, dated April 25, 2003, requires monthly payments of \$27,370, is amortized over thirty years, and is due April 25, 2033. Interest on this loan was initially set at 4.5% per annum. The interest rate will be adjusted to 110% of the 10 Year Treasury Constant Maturity Rate on April 25, 2013 and 2023. The projection of debt payment requirements to maturity reported above assumes that the interest rate of 4.5% will remain constant for the entire thirty year term of the loan. The Authority incurred \$221,209 in interest expense on this loan during the fiscal year ended December 31, 2008. Of this amount \$222,132 was actually paid to the lender. The difference between the two figures is the difference between the amounts shown as interest payable at the end of each of the last two fiscal years. The Sandpiper Enterprise Fund also has an interfund note payable to the Non-HUD Enterprise Fund in the amount of \$657,609. These funds originated from the Section 8 Program. This loan accrues no interest and requires no monthly or annual payments. This loan is also reported as a note receivable in the Authority's fund financial statements (see Note 5). This interfund note is eliminated in the Authority-wide Statement of Net Assets.

On July 26, 2004, the Authority entered into a water/energy services performance agreement with Water & Energy Savings Corporation (W&ESCO). W&ESCO prepared a water and energy audit which generated a report and plan of action. W&ESCO proposed installing certain water and energy saving equipment. The Authority agreed to pay for the purchase and installation of this equipment in an amount not to exceed \$3,000,000. W&ESCO guaranteed the Authority a specific level of cost savings due to the installation of the equipment for a period of twelve years. The costs savings is guaranteed by W&ESCO to exceed the Authority's debt service on the financing associated with the purchase and installation of this equipment. At the end of the twelve year period the title to the equipment will pass to the Authority. The \$3,000,000 to fund this equipment lease and installation activity was borrowed from M-Core Credit Corporation. The loan is due in quarterly installments of \$87,218 beginning July 26, 2005 and continuing through April 26, 2016. Interest accrues on this loan at a rate of 4.825% per annum. The Authority incurred \$110,528 in interest expense and paid \$112,572 in interest to the lender during the fiscal year ended December 31, 2008. The difference between the two figures is the difference between the amounts shown as interest payable at the end of each of the last two fiscal years.

On November 30, 2005, the Authority acquired real property known as Parkside Garden Apartments. This property was originally developed using a Rental Housing Construction Program (RHCP) loan from the State of California, Department of Housing and Community Development (HCD). When acquiring the property, the Authority also assumed the zero interest, HCD loan of \$680,723, and the regulatory agreement associated with the property. The purchase of this property was funded with a loan of \$1,500,000 from the Santa Barbara Bank and Trust. This mortgage, dated November 29, 2005, is being amortized over thirty years, requires a monthly payment of \$7,600, and is due December 1, 2035. Interest on this loan was initially set at 4.5% per annum. On December 1, 2015 and December 1, 2025, the interest rate will be adjusted to be

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2008

(Continued)

Note 8 (continued)

equal to the 10-year interest swap rate index by the Federal Reserve Board "Federal Reserve Statistical Release H.15". The projection of debt payment requirements to maturity reported above assumes that the interest rate of 4.5% will remain constant for the entire thirty year term of the loan. The Authority incurred \$64,631 in interest expense and paid \$64,731 in interest on this loan during the fiscal year ended December 31, 2008. The difference between the two figures is the difference between the amounts shown as interest payable at the end of each of the last two fiscal years.

On January 18, 2005, the Authority entered into a loan agreement with the Redevelopment Agency of the County of Santa Barbara to finance building improvements on property known as Villa Del Sol. The \$325,000 loan is being amortized over thirty years, requires a monthly payment of \$1,370, bears simple interest at a rate of 3% per annum, and is due January 18, 2035. The Authority incurred \$9,038 in interest expense on this loan during the fiscal year ended December 31, 2008. Of this amount \$9,056 was actually paid. The difference between the two figures is the difference between the amounts shown as interest payable at the end of each of the last two fiscal years.

On May 17, 2007, the Authority entered into a loan agreement with the Redevelopment Agency (RDA) of the County of Santa Barbara to finance the purchase of real property in Goleta, California, known as Parkview Apartments. The \$3,760,000 loan accrued simple interest at a rate of 5% per annum and was deferred for three years. Payment of the principal and interest of \$564,000 was due May 17, 2010. The Authority incurred \$103,014 in interest expense on this loan during the fiscal year ended December 31, 2007. On March 4, 2008, the Authority transferred, by grant deed, the title of the real property to Parkview Isla Vista L.P. The Authority is one of the general partners of the limited partnership. On April 24, 2008, a payment of \$1,046,288 was made towards the principal of this loan. On December 31, 2008, a payment of \$143,175 was made towards the interest owed on this loan. Although this loan was transferred to the limited partnership's books of accounts, it remained in the name of the Authority until May 1, 2009. At this time, permanent financing was received for the project and the RDA loan was paid off. As of December 31, 2008, the principal and interest owed on this loan was \$2,713,712 and \$112,724, respectively. Neither amount is reported as a liability of the Authority. No interest was incurred for this loan by the Authority. The interest incurred in the prior year and transferred to the limited partnership, shows as a prior period adjustment during the current fiscal year.

On May 11, 2008, the Authority entered into two loan agreements with Santa Barbara Bank & Trust to finance the purchase of property located in Lompoc, California, known as Palm Grove. The first loan of \$5,000,000 requires monthly payments of \$22,592, which began April 11, 2008. The loan is amortized over thirty years, but is due in fifteen years. A balloon payment of \$3,172,000 will be due on this loan at its maturity date of March 11, 2023. Interest on this loan has been initially set at 3.55%, which is the minimum interest rate. On March 11, 2013 and 2018, the interest rate on this loan be adjusted to equal 1% above the Treasury Index. The projection

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2008

(Continued)

Note 8 (continued)

the interest rate on this loan be adjusted to equal 1% above the Treasury Index. The projection of debt payment requirements to maturity reported previously assumes that the interest rate of 3.55% will remain constant for the entire term of the loan. The Authority incurred \$147,829 in interest expense on this loan during the fiscal year ended December 31, 2008. Of this amount \$132,289 was actually paid. The difference between the two figures is shown as interest payable at December 31, 2008.

The second loan utilized to purchase the real property known as Palm Grove carried a principal balance of \$2,050,000. The loan was dated March 11, 2008, incurred interest at a rate of 7% per annum, and was due in one year. The required monthly payments consisted of only the accrued interest. This short-term loan was paid off by the Authority on September 30, 2008. The Authority incurred and paid interest in the amount of \$79,416 on this loan.

Note 9 - COMPENSATED ABSENCES

It is the Authority's policy to permit employees to accumulate earned but unused vacation leave of 240 hours up to a maximum of 300 hours, depending upon the length of service of the employee. This leave will be used in future periods or paid to employees upon separation from the Authority. It is the Authority's policy to permit employees to accumulate earned but unused sick leave. This leave will be used in future periods or paid to employees upon separation after ten years of service, or upon retirement, at a rate of one-half the unused accumulated sick leave at the employees' current rate of pay, up to a maximum of \$4,000. Accrued vacation and vested sick leave have been valued by the Authority, allocated to all programs, and recorded as accrued liabilities at \$348,871 and \$89,292, respectively, as of December 31, 2008. The Authority considers approximately 10% of this amount to be short-term, with the remainder recorded as long-term liabilities.

Note 10 - NET ASSETS

A. Investment in Capital Assets, Net of Related Debt

Investment in capital assets, net of related debt consists of the following:

Fixed assets, net of depreciation (see Note 6)	\$ 36,262,516
Long term debt (omitting interfund balances) (see Note 8)	(14,325,649)
Accrued interest on long term debt (see Note 8)	<u>(44,602)</u>
Investment in capital assets, net of related debt	<u><u>\$ 21,892,265</u></u>

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2008

(Continued)

Note 10 (continued)

B. Restricted Net Assets

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

Excess HAP funding from HUD	\$ 3,458,506
Replacement reserves:	
Parkside Garden Apartments RHCP	22,524
Sandpiper Apartment Complex	173,478
Restricted net assets	\$ 3,654,508

On January 11, 2006, HUD issued *Notice PIH 2006-03* (the Notice). On January 30, 2008, HUD issued *Notice PIH 2008-9*. Both notices address the proper manner in which HUD receipts should be accounted for and reported to HUD REAC. *Notice PIH 2006-3* instructed PHAs to no longer account for the Housing Choice Voucher grant as a cost reimbursement grant. All HUD funding received for this grant were to be retained by the Authority, with any excess HAP funding restricted as to its use - “may only be used to assist additional families up to the number of units under contract”. While *Notice PIH 2008-9* clarified the fact that all unused HAP funding should be reported as “restricted net assets.”

The revenue recognition directives contained in the Notice are a departure from the revenue recognition policy of years prior to 2005. In prior years, HUD grant revenue was recognized only to the extent that HAP expenses were incurred. During the most recent four years, HUD grant revenue has been recognized when received, regardless of whether or not HAP expenses have been incurred. The current excess HAP funding balance is made up of the following:

Balance as of December 31, 2007	\$ 4,643,600
Use of excess HAP funding during the current fiscal year	(1,384,259)
Interest earned on excess funding	110,857
FSS escrow forfeitures	69,628
Other program income	18,680
Balance as of December 31, 2008	\$ 3,458,506

The replacement reserves are funded (see Note 3). These reserves were imposed on the Authority by HCD (Parkside Garden Apartments) and the lender (Sandpiper) for the future replacement or renovation of certain fixed assets. The RHCP reserves can not be used without the prior written approval of the California Department of Housing and Community Development (HCD).

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2008

(Continued)

Note 11 - PRIOR PERIOD ADJUSTMENTS

The Authority incurred costs in prior years for possible development opportunities. During the current fiscal year, the Authority determined that these opportunities were not feasible and wrote off the previously incurred costs of \$90,242. This transaction decreased capital assets and net assets as of January 1, 2008.

The Authority incurred costs in prior years for a development which was later transferred to an affiliated limited partnership. During the current fiscal year, the Authority noted additional costs belonging to that development that needed to be transferred and reimbursed. Costs of \$128,993 were transferred to Ted Zenich Gardens LP and a corresponding receivable from a related party was posted. This transaction increased net assets as of January 1, 2008.

During the fiscal year ended December 31, 2007, the Authority purchased Parkview Apartments using a loan from the Santa Barbara County Redevelopment Agency. This loan had accrued deferred interest in the amount of \$103,014 as of December 31, 2007. During the current fiscal year, the property and related liabilities were transferred to an affiliated limited partnership. This transaction increased net assets as of January 1, 2008 by \$103,014.

The remaining prior period adjustment of \$364 increased net assets as of January 1, 2008 and was due to a correction made to a liability account in the Parkside (RHCP) Enterprise Fund.

Note 12 - DEFERRED COMPENSATION PLAN

The Authority offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, which became effective October 18, 1999, is administered by ICMA Retirement Corporation. The plan, available to all regular employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are held in trust for the exclusive benefits of participants and their beneficiaries.

The Authority's plan is administered by ICMA Retirement Corporation. A total of \$785,212 is being held by this company on behalf of the Authority's employees. These funds are not recorded as assets of the Authority since they are held in trust for the exclusive benefit of participants and their beneficiaries and are not subject to claims of the Authority's general creditors.

**HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2008**

(Continued)

Note 13 - DEFINED CONTRIBUTION RETIREMENT PLAN

The Authority provides a defined contribution retirement plan for its employees. A defined contribution retirement plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. Under a defined contribution retirement plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account, the return earned on investments of those contributions, and forfeitures of other participant's benefits that may be allocated to such participant's account. All regular, full-time employees of the Authority must participate in the pension plan from the date they are hired. Contributions made by an employee vest immediately and contributions made by the Authority vest after 5 years of full-time employment. An employee who leaves the employment of the Authority is entitled to his or her contributions and the Authority's contributions if vesting requirements are satisfied. The Authority's payroll for employees covered by the retirement plan for the year ended December 31, 2008 was approximately \$3,913,655. The Authority's total payroll for the year ended December 31, 2008 was \$4,388,236. The Authority contributed 12.5% of each employee's monthly salary to the plan. Employees are not required to contribute. The plan is administered by ICMA Retirement Corporation. During 2008, the Authority was required to contribute and contributed a total of \$489,207 to the plan. The total plan assets held by this Corporation as of December 31, 2008, were \$4,999,575.

Note 14 - INTRA-AUTHORITY REVENUE AND EXPENSES

A. Rents

During the fiscal year ended December 31, 2008, the Housing Choice Voucher Program paid the Public Housing Program \$73,200 rent for use of the Santa Maria, Lompoc and Goleta offices; and the Public Housing Program paid the Non-HUD program \$2,400 rent for use of the Ocean Avenue and Maple Street offices. These rents were set based on a combination of estimated cost and estimated market value and totaled \$75,600.

B. Housing Assistance Payments (HAP)

A few of the Authority's Housing Choice Voucher Program's (CFDA #14.871) participants have elected to use their voucher to occupy units in other complexes owned by the Authority a follows:

Complex:	Units occupied December 31, 2008	HAP paid during FYE 12/31/2008
Sandpiper Apartments	13 of 68	\$ 201,913
Parkside Gardens	27 of 48	135,848
Palm Grove	13 of 40	101,129
Villa Del Sol	4 of 4	41,679
		<u>\$ 480,569</u>

**HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2008**

(Continued)

Note 14 (continued)

These amounts are recorded as revenue in the Non-HUD Enterprise Fund and HAP expense in the Housing Choice Voucher Enterprise Fund.

C. Management and Bookkeeping Fees

During the current fiscal year, the Authority established a central office cost center (COCC). This fund incurs the Authority's administrative and overhead costs, while collecting fees from the Authority's other funds to cover these costs. Interfund fees were as follows:

	<u>Management</u>	<u>Bookkeeping</u>	<u>Total</u>
Public Housing	\$ 235,640	\$ 44,183	\$ 279,823
Capital Fund	114,868	-	114,868
Housing Choice Voucher	658,618	305,947	964,565
Mainstream (Supportive Hsg)	3,432	1,710	5,142
Total COCC revenue	\$ 1,012,558	\$ 351,840	\$ 1,364,398

The Housing Choice Voucher and Section 8 Mainstream Programs paid 20% of their administrative fees and a \$7.50 per unit fee to COCC for management and bookkeeping fees, respectively. Public Housing Program paid a \$40 and \$7.50 per unit fee to COCC for management and bookkeeping fees, respectively.

The above interfund type transactions, totaling \$1,920,567, have not been eliminated from the fund financial statements, but have been eliminated from the Government-Wide Statement of Activities (See also Note 1.F.).

Note 15 - CONTINGENT LIABILITIES

A. Grants

The 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 amounts, if any, to materially affect the financial statements.

B. Line of Credit

On June 19, 2003, the Authority entered into an agreement with Santa Barbara Bank & Trust for a line of credit. The purpose of this line of credit is to provide working capital for short-term cash flow needs. The line of credit is unsecured, with a limit of \$2,000,000, and an interest rate of 0.5% above the Prime Rate, with a floor of 4.75%. No funds have been drawn on this line of credit.

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2008

(Continued)

Note 15 (continued)

C. Housing Choice Voucher Program Overleasing

During the fiscal year ended December 31, 2008, the actual unit months leased for the calendar year exceeded the number of unit months authorized by HUD in the Housing Choice Voucher Program. On January 11, 2006, HUD issued *Notice PIH 2006-3* which stated that excess HAP funding is restricted as to its use and “may only be used to assist additional families up to the number of units under contract”. Mid-year, the Authority’s staff identified the issue and began paying the housing assistance payments for approximately 210 units with local funds. The average HAP for the units funded with local funds was approximately \$225, while the average HAP for the units funded with federal funds was approximately \$710. In December 2008, the Authority determined that the Housing Choice Voucher Program had excess administrative fee funding. The \$283,000 in HAP payments, initially paid by the local program, was transferred to the Housing Choice Voucher Program and shown as general expenses; thereby being absorbed by administrative fee funding. Further, the impacted units were returned to the Housing Choice Voucher Program as of January 1, 2009. It is the opinion of management, that in the event that HUD raises any compliance issues caused by the overleasing and the Authority’s subsequent action to limit the financial impact on the Authority, this will not have a material affect on the financial statements. Accordingly, no provision for any adverse financial impact has been provided in the financial statements.

Note 16 - INSURANCE

The Authority is a member of the Housing Authority Risk Retention Pool (HARRP). HARRP was established by public housing authorities participating in an intergovernmental cooperation agreement pursuant to specific statutes in Oregon, Washington, California and Nevada for the purpose of operating and maintaining a cooperative program of risk management and loss indemnification. HARRP offers property, general, automobile, fidelity, and officers' liability insurance to participants. There were 90 member public housing authorities at December 31, 2008. The relationship between the Authority and HARRP is such that HARRP is not a component unit of the Authority for financial reporting purposes.

The Authority paid premiums approximating \$85,000 for property, general, automobile, fidelity, and errors and omissions insurance for the fifteen month policy period ended September 30, 2009. The loss limits for the various types of insurance were “stated value” for property with a \$1,000 deductible per occurrence; \$2,000,000 for liability with no deductible; \$2,000,000 for errors and omissions with a 10% co-pay deductible per occurrence; \$2,000,000 for automobile, except for non-owned covered automobile which is \$1,000,000, with deductibles of \$250 and \$500 for comprehensive and collision coverage, respectively; \$100,000 for fidelity and crime with a \$1,000 deductible.

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2008

(Continued)

Note 16 (continued)

HARRP did not cover the Palm Grove property as of December 31, 2008. A premium of \$17,900 was paid by the Authority to insure this property through a commercial insurance broker.

The Authority carries workers compensation and employer's liability insurance through Delos Insurance Company. The limits of liability for the workers compensation insurance are compliant with statutory limits and the employer's liability limit is \$1,000,000 per incident. The annual premium expected to be paid for the year ended October 2009, is \$89,733.

Note 17 - RELATED PARTY TRANSACTIONS

A. La Paloma Group Care Home

The La Paloma Group Care Home is a residential care facility managed by the Authority on behalf of its owner, Life Options Vocational and Resource Center (LOVARC). The project's six units are assisted by the State of California, Department of Housing and Community Development (HCD) and are rented to developmentally handicapped persons. LOVARC developed this project through funding and loans from HCD under the Rental Housing Construction Program. The Authority is reimbursed for its costs related to the administration of this program and received a management fee of \$3,024. As of December 31, 2008, La Paloma owed the Authority \$3,000 which is reported as due from related parties.

B. Positano Apartments

The Authority manages the Positano Apartments on behalf of its owner, AMCAL Santa Barbara XXXVI, a California limited partnership (the Owner). Through a property management agreement dated December 19, 1996, the Owner appointed the Authority their exclusive agent to manage, operate, maintain, lease and rent the Positano Apartments. The Authority is paid a per unit fee, based on first of the month occupancy, for this service. The project also reimburses the Authority for any legal, maintenance, and utility costs incurred on their behalf. Management fees of \$55,722 are recorded as revenue of the Non-HUD Enterprise Fund for the year ended December 31, 2008, for the administration of this project. As of December 31, 2008, the Positano Apartments owed the Authority \$22,746.

As described in Note 5, the Authority loaned \$450,000 of CDBG funds to Hotel Land, Inc. Hotel Land, Inc is a partner in AMCAL Santa Barbara XXXVI, a California limited partnership. These funds were used to develop the Positano Apartments. No interest on this loan has been accrued by the Authority. No payments, principal or interest, have been received.

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2008

(Continued)

Note 17 (continued)

A few of the Authority's Housing Choice Voucher Program's participants have elected to use their voucher to occupy units in the Positano Apartments. As of December 1, 2008, twenty-six of the 118 Positano Apartments units were assisted by the Authority through this program. During the fiscal year ended December 31, 2008, \$283,544 in housing assistance payments were paid by the Authority to AMCAL Santa Barbara XXXVI.

C. Central Plaza Housing Partners, LP

Central Plaza Housing Partners, LP, a California limited partnership (CPLP), was formed to provide housing to low income families and elderly and handicapped persons. The CPLP owns the Central Plaza Apartments, a 112 unit complex in Santa Maria, California, that provides rental housing to low income households. The CPLP has contracted with the Authority to manage, operate, maintain, lease and rent the Central Plaza Apartments.

Surf Development Company (SDC) is the CPLP's general partner. The Authority is not one of CPLP's limited or general partners. During the fiscal year ended December 31, 2004, SDC began the acquisition process of Central Plaza Apartments. During the fiscal year ended December 31, 2005, SDC contracted with the Authority to be the developer of the Central Plaza Project. During the acquisition and development of this property, the Authority recorded developer and overhead fees of \$1,100,000 and advanced in excess of another \$1 million to facilitate the project's completion.

During the current fiscal year, management fees of \$63,449 were recorded as revenue of the Non-HUD Enterprise Fund for the administration of this project. As of December 31, 2008, the Central Plaza Apartments owed the Authority \$572,507. The Authority considers this receivable to be short-term.

The Central Plaza Apartments consists of 112 units. The U.S. Department of Housing and Urban Development has allowed the Authority to set aside 90 of its Housing Choice Vouchers for this project. The other 22 units were originally assisted by HUD prior to its acquisition by CPLP. During the fiscal year ended December 31, 2008, \$565,437 was paid by the Authority to Central Plaza Apartments to assist the families in these 112 units.

D. Ted Zenich Gardens, LP

In February 2007, the Authority partnered with SDC and Surf Affordable Housing Enterprises, Inc as the general partners of Ted Zenich Gardens LP, a California Limited Partnership. This partnership was created to own the Ted Zenich Gardens tax credit project. As a general partner, the Authority is liable to fund any operating deficit that the project may incur up to \$100,000. The general partners of the project also make other guarantees, such as "tax credit

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2008

(Continued)

Note 17 (continued)

compliance guaranty”, which may result in further liabilities. The Authority also acted as the developer of the project which was completed and occupied in February 2008.

During the current fiscal year, developer fees of \$211,381 and management fees of \$8,624 were recorded as revenue of the Non-HUD Enterprise Fund for the administration of this project. As of December 31, 2008, the Ted Zenich Gardens L.P. owed the Authority \$683,787. The Authority considers this receivable to be short-term.

On July 1, 2008, the Authority loaned Ted Zenich Gardens L.P. \$180,000. The loan is due in 55 years and therefore considered to be long-term. It accrues interest at a rate of 4.6% per annum. Payments on the loan will be made only if the project has residual receipts and only after a \$1.8 million loan to the County of Santa Barbara is retired. No interest was accrued on this loan during the current fiscal year.

Ted Zenich Gardens consists of 24 units. During the fiscal year ended December 31, 2008, \$7,123 was paid by the Authority’s Housing Choice Voucher Program to Ted Zenich Gardens to assist the families in 2 of its units.

E. Vintage Walk

The Vintage Walk consists of six dwelling units and one commercial unit. Six of the Authority’s Housing Choice Voucher Program’s (CFDA #14.871) participants utilized a project based voucher to occupy these units. During the fiscal year ended December 31, 2008, \$52,013 in housing assistance payments were paid by the Authority to SDC.

The Authority awarded six project based vouchers to the Vintage Walk I project, which is owned by SURF Development Company (SDC), a non-profit corporation affiliated with the Authority.

During the current fiscal year, management fees of \$4,550 were recorded as revenue of the Non-HUD Enterprise Fund for the administration of this project. As of December 31, 2008, the SDC owed the Authority \$12,198 for the operation of Vintage Walk. The Authority considers this receivable to be short-term.

On August 28, 2008, the Authority loaned SDC \$150,000. The loan is due in 15 years and therefore considered to be long-term. It accrues interest at a rate of 5% per annum. Payments on the loan will be made only if the Vintage Walk project has residual receipts. The payment amount will be 50% of the residual receipts, begin May 1, 2009 and will continue annually until the loan is paid in full. No interest was accrued on this loan during the current fiscal year.

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2008

(Continued)

Note 17 (continued)

F. Surf Development Company

Surf Development Company (SDC) is a California nonprofit public benefit corporation formed to provide housing for low income families and elderly and handicapped persons. Through an agreement entered into July 1, 1998, the Authority has been appointed as exclusive agent to manage the business of SDC. Under the agreement, the Authority provides collection and disbursement of revenues, financial records and reports, handles business operations, and provides property management services. During the fiscal year ended December 31, 2008, the Authority received a fee of \$2,280 for these services. It is the opinion of the Authority's management that these fees approximate the Authority's costs.

SDC has ongoing development projects. The Authority has advanced the costs for its various development projects. These funds are expected to be repaid once permanent financing is in place. The Authority has advanced other funds to SDC for a variety of reasons. The total amount due from SDC as of December 31, 2008 was \$350, all of which is considered to be short-term. These funds were advanced out of the Authority's locally controlled funds.

Two of the Authority's Housing Choice Voucher Program's (CFDA #14.871) participants has elected to use their voucher to occupy units owned by SDC. During the fiscal year ended December 31, 2008, \$14,895 in housing assistance payments were paid by the Authority to SDC.

G. Parkview Isla Vista, LP

In June 2007, the Authority acquired real property in Goleta, California, with the purpose of creating a limited partnership with SDC to own the property and develop a tax credit project. As of December 31, 2007, this property is shown as capital assets of the Authority and accounts for \$3.9 million of the use of cash for the acquisition of capital assets on the Statement of Cash Flows. The Authority received a three year deferred loan for \$3.7 million from the Redevelopment Agency of the County of Santa Barbara to fund the acquisition.

During 2008, the Authority partnered with SDC and Surf Affordable Housing Enterprises, Inc as the general partners of Parkview Isla Vista LP, a California Limited Partnership (PIV). As a general partner, the Authority is liable to fund any operating deficit that the project may incur up to \$160,000. The general partners of the project also make other guarantees, such as "tax credit compliance guaranty", which may result in further liabilities. The Authority is also acting as the developer of this project. The capital assets and liabilities were transferred to the Partnership's books of accounts in March 2008. As noted in Footnote 8, while the assets and liabilities were transferred, the note payable to the Redevelopment Agency of the County of Santa Barbara remained in the name of the Authority. The balance of \$2,713,712 was settled May 1, 2009 when permanent financing was obtained by the PIV.

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2008

(Continued)

Note 17 (continued)

During the current fiscal year, developer fees of \$322,398 and management fees of \$1,319 were recorded as revenue of the Non-HUD Enterprise Fund for the administration of this project. As of December 31, 2008, the Parkview Isla Vista L.P. owed the Authority \$419,621. The Authority considers this receivable to be short-term.

Parkview Isla Vista consists of 20 units. During the fiscal year ended December 31, 2008, \$3,018 was paid by the Authority's Housing Choice Voucher Program to Parkview Isla Vista to assist the families in 2 of its units.

Note 18 - EMPLOYEE BONUSES

The Authority awarded each employee with a year end cash bonus of \$100 in December 2008.

SUPPLEMENTAL INFORMATION

**HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2008**

<u>Federal Grantor</u>	<u>CFDA Number</u>	<u>Expenditures</u>
<u>Department of Housing and Urban Development (HUD)</u>		
Direct Programs:		
Supportive Housing for Persons with Disabilities	14.181	117,607
Public and Indian Housing	14.850	1,185,059
Housing Choice Voucher Program	14.871	33,052,197 *
Public Housing - Capital Fund Program	14.872	<u>938,661</u>
Total federal expenditures (Dept of HUD)		<u>\$ 35,293,524</u>

* Tested as a Type A Fund (major federal financial assistance program)

Notes to the Schedule of Expenditures of Federal Awards:

1. The schedule of expenditures of federal awards includes the federal grant activity of the Housing Authority of the County of Santa Barbara, California, and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organization*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.
2. The Public and Indian Housing Program expenditures reported consist only of the operating subsidy amount received from HUD for the fiscal year ended December 31, 2008, which was fully expended as of fiscal year end. Expenditures for the Public Housing Capital Fund Program agree with actual revenues and expenditures for the fiscal year.

The expenditures of federal awards reported for the Housing Choice Voucher and Supportive Housing for Persons with Disabilities Programs consist of operating expenses, omitting depreciation (which is not an expenditure) and including capital additions (which is an expenditure), to the extent that federal grants were received towards these expenditures and/or that prior year funding is available for expenditure. The current year expenditures incurred were all covered by either current year receipts or prior year carryover of excess HAP.

The accompanying Independent Auditors' Report and notes are an integral part of this statement.

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
FINANCIAL DATA SCHEDULE (CA021)
DECEMBER 31, 2008

1 of 2

PHA FINANCIAL DATA - BALANCE SHEET

Line Item No.	Description	Project Totals (1)	Program Totals (2)	Central Office Cost Center	Subtotal	Elimination	Total
111	Cash-unrestricted	\$ 121,485	\$ 4,939,217	\$ 250,183	\$ 5,310,885		\$ 5,310,885
113	Cash-other restricted	\$ -	\$ 540,589	\$ -	\$ 540,589		\$ 540,589
114	Cash-tenant security deposits	\$ 248,217	\$ 123,353	\$ -	\$ 371,570		\$ 371,570
100	Total Cash	\$ 369,702	\$ 5,603,159	\$ 250,183	\$ 6,223,044	\$ -	\$ 6,223,044
121	Accounts receivable - PHA projects	\$ -	\$ 19,803	\$ -	\$ 19,803		\$ 19,803
122-010	Accounts receivable - HUD other projects - Operating Subsidy	\$ -	\$ -	\$ -	\$ -		\$ -
122-020	Accounts receivable - HUD other projects - Capital fund	\$ 107,159	\$ -	\$ -	\$ 107,159		\$ 107,159
122	Accounts receivable - HUD other projects	\$ 107,159	\$ 16,500	\$ -	\$ 123,659		\$ 123,659
124	Account receivable - other government	\$ -	\$ -	\$ -	\$ -		\$ -
125	Account receivable - miscellaneous	\$ -	\$ 1,715,884	\$ -	\$ 1,715,884		\$ 1,715,884
126	Accounts receivable - tenants	\$ 48,854	\$ 11,816	\$ -	\$ 60,670		\$ 60,670
126.1	Allowance for doubtful accounts - tenants	\$ (28,710)	\$ (750)	\$ -	\$ (29,460)		\$ (29,460)
126.2	Allowance for doubtful accounts - other	\$ -	\$ -	\$ -	\$ -		\$ -
127	Notes, Loans, & Mortgages Receivable - Current	\$ -	\$ -	\$ -	\$ -		\$ -
129	Accrued interest receivable	\$ -	\$ 3,255	\$ -	\$ 3,255		\$ 3,255
120	Total receivables, net of allowance for doubtful accounts	\$ 127,303	\$ 1,766,508	\$ -	\$ 1,893,811	\$ -	\$ 1,893,811
131	Investments - unrestricted	\$ 457,342	\$ 22,682	\$ -	\$ 480,024		\$ 480,024
132	Investments - restricted	\$ -	\$ 3,272,359	\$ -	\$ 3,272,359		\$ 3,272,359
142	Prepaid expenses and other assets	\$ 31,427	\$ 20,241	\$ 19,876	\$ 71,544		\$ 71,544
144	Inter program - due from	\$ 21,504	\$ -	\$ -	\$ 21,504	-\$21,504	\$ (0)
150	Total Current Assets	\$ 1,007,278	\$ 10,684,949	\$ 270,059	\$ 11,962,286	\$ (21,504)	\$ 11,940,782
161	Land	\$ 4,825,801	\$ 5,152,747	\$ -	\$ 9,978,548		\$ 9,978,548
162	Buildings	\$ 28,135,151	\$ 12,565,339	\$ 360,583	\$ 41,061,073		\$ 41,061,073
163	Furniture, equipment and machinery - dwellings	\$ 308,598	\$ -	\$ -	\$ 308,598		\$ 308,598
164	Furniture, equipment and machinery - administration	\$ 842,278	\$ 246,122	\$ 74,504	\$ 1,162,904		\$ 1,162,904
165	Leasehold improvements	\$ 3,146,183	\$ -	\$ -	\$ 3,146,183		\$ 3,146,183
166	Accumulated depreciation	\$(19,148,150)	\$ (1,917,790)	\$ (178,109)	\$(21,244,049)		\$(21,244,049)
167	Construction in progress	\$ 634,301	\$ 1,214,958	\$ -	\$ 1,849,259		\$ 1,849,259
160	Total capital assets, net of accumulated depreciation	\$ 18,744,162	\$ 17,261,376	\$ 256,978	\$ 36,262,516	\$ -	\$ 36,262,516
171	Notes, Loans, & mortgages receivable – Non-current	\$ -	\$ 1,452,209	\$ -	\$ 1,452,209	-\$657,609	\$ 794,600
174	Other assets	\$ -	\$ 186,896	\$ -	\$ 186,896		\$ 186,896
176	Investment in joint venture	\$ -	\$ -	\$ -	\$ -		\$ -
180	Total Non-current Assets	\$ 18,744,162	\$ 18,900,481	\$ 256,978	\$ 37,901,621	\$ (657,609)	\$ 37,244,012
190	Total Assets	\$ 19,751,440	\$ 29,585,430	\$ 527,037	\$ 49,863,907	\$ (679,113)	\$ 49,184,794

(1) Project totals include Public Housing and Capital Fund

(2) For program totals see pages 52-53

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
FINANCIAL DATA SCHEDULE (CA021)
DECEMBER 31, 2008

2 of 2

PHA FINANCIAL DATA - BALANCE SHEET

Line Item No.	Description	Project Totals (1)	Program Totals (2)	Central Office Cost Center	Subtotal	Elimination	Total
311	Bank overdraft	\$ -	\$ -	\$ -	\$ -		\$ -
312	Accounts payable <= 90 days	\$ 228,192	\$ 78,372	\$ 6,700	\$ 313,264		\$ 313,264
321	Accrued wage/payroll taxes payable	\$ 21,329	\$ 30,477	\$ 42,081	\$ 93,887		\$ 93,887
322	Accrued compensated absences - current portion	\$ 14,291	\$ 17,446	\$ 9,733	\$ 41,470		\$ 41,470
325	Accrued interest payable	\$ 18,904	\$ 25,698	\$ -	\$ 44,602		\$ 44,602
331	Accounts payable - HUD PHA Programs	\$ -	\$ 7,571	\$ -	\$ 7,571		\$ 7,571
333	Accounts payable - other government	\$ 128,862	\$ -	\$ -	\$ 128,862		\$ 128,862
341	Tenant security deposits	\$ 248,217	\$ 123,353	\$ -	\$ 371,570		\$ 371,570
342-010	Deferred revenue - Operating Subsidy	\$ -	\$ -	\$ -	\$ -		\$ -
342-020	Deferred revenue - Capital fund	\$ -	\$ -	\$ -	\$ -		\$ -
342-030	Deferred revenue - Other	\$ 38,663	\$ -	\$ -	\$ 38,663		\$ 38,663
342	Deferred revenue	\$ 38,663	\$ 20,617	\$ -	\$ 59,280		\$ 59,280
343-020	Capital Projects/ Mortgage Revenue	\$ 247,909	\$ -	\$ -	\$ 247,909		\$ 247,909
343	Current portion of long-term debt-capital projects/mortgage revenue bonds	\$ 247,909	\$ 247,597	\$ -	\$ 495,506		\$ 495,506
345	Other current liabilities	\$ 400	\$ 2,277	\$ -	\$ 2,677		\$ 2,677
346	Accrued liabilities - other	\$ -	\$ -	\$ -	\$ -		\$ -
347	Inter program - due to	\$ 21,504	\$ -	\$ -	\$ 21,504	-\$21,504	\$ (0)
310	Total Current Liabilities	\$ 968,271	\$ 553,408	\$ 58,514	\$ 1,580,193	\$ (21,504)	\$ 1,558,689
351-020	Long-term - Capital Projects/ Mortgage Revenue	\$ 1,936,572	\$ -	\$ -	\$ 1,936,572		\$ 1,936,572
351	Capital Projects/ Mortgage Revenue Bonds	\$ 1,936,572	\$ 12,551,180	\$ -	\$ 14,487,752	-\$657,609	\$ 13,830,143
352	Long-term debt, net of current - operating borrowings	\$ -	\$ -	\$ -	\$ -		\$ -
353	Non-current liabilities - other	\$ -	\$ 158,440	\$ -	\$ 158,440		\$ 158,440
354	Accrued compensated absences- Non-current	\$ 128,633	\$ 157,013	\$ 87,593	\$ 373,239		\$ 373,239
356	FASB 5 Liabilities	\$ -	\$ -	\$ -	\$ -		\$ -
357	Accrued Pension and OPEB Liability	\$ -	\$ -	\$ -	\$ -		\$ -
350	Total Non-current liabilities	\$ 2,065,205	\$ 12,866,633	\$ 87,593	\$ 15,019,431	\$ (657,609)	\$ 14,361,822
300	Total Liabilities	\$ 3,033,476	\$ 13,420,041	\$ 146,107	\$ 16,599,624	\$ (679,113)	\$ 15,920,511
508.1	Invested in capital assets, net of related debt	\$ 16,540,777	\$ 5,094,510	\$ 256,978	\$ 21,892,264		\$ 21,892,365
511.1	Restricted Net Assets	\$ -	\$ 3,654,508	\$ -	\$ 3,654,508		\$ 3,654,508
512.1	Unrestricted Net Assets	\$ 177,187	\$ 7,416,371	\$ 123,952	\$ 7,717,511		\$ 7,717,510
513	Total Equity/Net Assets	\$ 16,717,964	\$ 16,165,389	\$ 380,930	\$ 33,264,283	\$ -	\$ 33,264,283
600	Total Liabilities and Equity/Net assets	\$ 19,751,440	\$ 29,585,430	\$ 527,037	\$ 49,863,907	\$ (679,113)	\$ 49,184,794

(1) Project totals include Public Housing and Capital Fund

(2) For program totals see pages 52-53

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
FINANCIAL DATA SCHEDULE (CA021)
DECEMBER 31, 2008

1 of 5

PHA FINANCIAL DATA - INCOME STATEMENT

Line Item No.	Description	Project Totals (1)	Program Totals (2)	Central Office Cost Center	Subtotal	Elimination	Total
70300	Net tenant rental revenue	\$ 2,170,636	\$ 1,626,936	\$ -	\$ 3,797,572	-\$480,569	\$ 3,317,003
70400	Tenant revenue - other	\$ 83,309	\$ 19,778	\$ -	\$ 103,087		\$ 103,087
70500	Total Tenant Revenue	\$ 2,253,945	\$ 1,646,714	\$ -	\$ 3,900,659	\$ (480,569)	\$ 3,420,090
70600-010	Housing assistance payments	\$ -	\$ 28,499,883	\$ -	\$28,499,883		\$28,499,883
70600-020	Ongoing administrative fees earned	\$ -	\$ 3,292,090	\$ -	\$ 3,292,090		\$ 3,292,090
70600-030	Hard to house fee revenue	\$ -	\$ -	\$ -	\$ -		\$ -
70600-031	FSS Coordinator	\$ -	\$ 65,625	\$ -	\$ 65,625		\$ 65,625
70600-040	Actual independent public accountant audit costs	\$ -	\$ -	\$ -	\$ -		\$ -
70600-050	Total preliminary fees earned	\$ -	\$ -	\$ -	\$ -		\$ -
70600-060	All other fees	\$ -	\$ 6,000	\$ -	\$ 6,000		\$ 6,000
70600-070	Admin fee calculation description	\$ -	\$ -	\$ -	\$ -		\$ -
70600	HUD PHA operating grants	\$ 1,509,142	\$ 31,989,935	\$ -	\$33,499,077		\$33,499,077
70610	Capital grants	\$ 614,578	\$ -	\$ -	\$ 614,578		\$ 614,578
70710	Management Fee	\$ -	\$ -	\$ 1,012,558	\$ 1,012,558	-\$1,012,558	\$ 0
70720	Asset Management Fee	\$ -	\$ -	\$ -	\$ -		\$ -
70730	Book-Keeping Fee	\$ -	\$ -	\$ 351,840	\$ 351,840	-\$351,840	\$ -
70740	Front Line Service Fee	\$ -	\$ -	\$ -	\$ -		\$ -
70750	Other Fees	\$ -	\$ -	\$ -	\$ -		\$ -
70700	Total Fee Revenue	\$ -	\$ -	\$ 1,364,398	\$ 1,364,398	\$(1,364,398)	\$ 0
70800	Other government grants	\$ -	\$ -	\$ -	\$ -		\$ -
71100-010	Housing Assistance Payment	\$ -	\$ -	\$ -	\$ -		\$ -
71100-020	Administrative Fee	\$ -	\$ -	\$ -	\$ -		\$ -
71100	Investment income - unrestricted	\$ 15,217	\$ 37,664	\$ -	\$ 52,881		\$ 52,881
71200	Mortgage interest income	\$ -	\$ -	\$ -	\$ -		\$ -
71300	Proceeds from disposition of assets held for sale	\$ -	\$ -	\$ -	\$ -		\$ -
71310	Cost of sale of assets	\$ -	\$ -	\$ -	\$ -		\$ -
71400-010	Housing Assistance Payment	\$ -	\$ 18,615	\$ -	\$ 18,615		\$ 18,615
71400-020	Administrative Fee	\$ -	\$ 18,616	\$ -	\$ 18,616		\$ 18,616
71400	Fraud recovery	\$ -	\$ 37,231	\$ -	\$ 37,231		\$ 37,231
71500	Other revenue	\$ 73,200	\$ 806,611	\$ 14	\$ 879,825	-\$75,600	\$ 804,225
71600	Gain or loss on sale of capital assets	\$ 3,387,836	\$ (542)	\$ 1,301	\$ 3,388,595		\$ 3,388,595
72000-010	Housing Assistance Payment	\$ -	\$ 110,857	\$ -	\$ 110,857		\$ 110,857
72000-020	Administrative Fee	\$ -	\$ -	\$ -	\$ -		\$ -
72000	Investment income - restricted	\$ -	\$ 112,434	\$ -	\$ 112,434		\$ 112,434
70000	Total Revenue	\$ 7,853,918	\$ 34,630,047	\$ 1,365,713	\$43,849,678	\$(1,920,567)	\$41,929,111

(1) Project totals include Public Housing and Capital Fund

(2) For program totals see pages 54-58

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
FINANCIAL DATA SCHEDULE (CA021)
DECEMBER 31, 2008

2 of 5

PHA FINANCIAL DATA - INCOME STATEMENT

Line Item No.	Description	Project Totals (1)	Program Totals (2)	Central Office Cost Center	Subtotal	Elimination	Total
91100	Administrative salaries	\$ 230,975	\$ 1,453,877	\$ 806,556	\$ 2,491,408		\$ 2,491,408
91200	Auditing fees	\$ 6,831	\$ 15,850	\$ 200	\$ 22,881		\$ 22,881
91300	Management Fee	\$ 350,508	\$ 662,050	\$ -	\$ 1,012,558	-\$1,012,558	-
91310	Book-Keeping Fee	\$ 44,182	\$ 307,658	\$ -	\$ 351,840	-\$351,840	-
91500	Employee benefit contributions - administrative	\$ 81,853	\$ 496,802	\$ 230,614	\$ 809,269		\$ 809,269
91600	Office Expenses	\$ 73,821	\$ 314,872	\$ 114,631	\$ 503,324	-\$75,600	\$ 427,724
91700	Legal Expense	\$ 5,936	\$ 11,305	\$ 2,684	\$ 19,925		\$ 19,925
91800	Travel	\$ 4,150	\$ 13,937	\$ 20,857	\$ 38,944		\$ 38,944
91810	Allocated Overhead	\$ -	\$ -	\$ -	\$ -		\$ -
91900	Other	\$ 226,160	\$ 56,980	\$ 19,623	\$ 302,763		\$ 320,763
91000	Total Operating-Administrative	\$ 1,024,416	\$ 3,333,331	\$ 1,195,165	\$ 5,552,912	\$(1,439,998)	\$ 4,112,914
92000	Asset Management Fee	\$ -	\$ -	\$ -	\$ -		\$ -
92100	Tenant services - salaries	\$ -	\$ 74,327	\$ -	\$ 74,327		\$ 74,327
92300	Employee benefit contributions - tenant services	\$ -	\$ 3,487	\$ -	\$ 3,487		\$ 3,487
92400	Tenant services - other	\$ 58,568	\$ 15,677	\$ -	\$ 74,245		\$ 74,245
92500	Total Tenant Services	\$ 58,568	\$ 93,491	\$ -	\$ 152,059	\$ -	\$ 152,059
93100	Water	\$ 219,038	\$ 29,340	\$ -	\$ 248,378		\$ 248,378
93200	Electricity	\$ 50,696	\$ 22,220	\$ 11,511	\$ 84,427		\$ 84,427
93300	Gas	\$ 19,384	\$ 9,478	\$ 2,486	\$ 31,348		\$ 31,348
93600	Sewer	\$ 150,370	\$ 30,993	\$ -	\$ 181,363		\$ 181,363
93000	Total Utilities	\$ 439,488	\$ 92,031	\$ 13,997	\$ 545,516	\$ -	\$ 545,516
94100	Ordinary maintenance and operations - labor	\$ 728,183	\$ 154,198	\$ 2,339	\$ 884,720		\$ 884,720
94200	Ordinary maintenance and operations - materials and other	\$ 235,525	\$ 148,775	\$ 6,261	\$ 390,561		\$ 390,561
94300-010	Ordinary Maint. and Oper. Contracts - Garbage and Trash Removal Contracts	\$ 166,313	\$ 27,113	\$ 2,129	\$ 195,555		\$ 195,555
94300-020	Ordinary Maint. and Oper. Contracts - Heating & Cooling Contracts	\$ 7,287	\$ 9,562	\$ 9,789	\$ 26,638		\$ 26,638
94300-050	Ordinary Maint. and Oper. Contracts - Landscape & Grounds Contracts	\$ 127,712	\$ 40,016	\$ 2,532	\$ 170,260		\$ 170,260
94300-060	Ordinary Maint. and Oper. Contracts - Unit Turnaround Contracts	\$ 48,452	\$ 62,090	\$ -	\$ 110,542		\$ 110,542
94300-070	Ordinary Maint. and Oper. Contracts - Electrical Contracts	\$ 1,849	\$ 6,155	\$ -	\$ 8,004		\$ 8,004
94300-080	Ordinary Maint. and Oper. Contracts - Plumbing Contracts	\$ 22,302	\$ 2,860	\$ -	\$ 25,162		\$ 25,162
94300-090	Ordinary Maint. and Oper. Contracts - Extermination Contracts	\$ 4,742	\$ 5,035	\$ 857	\$ 10,634		\$ 10,634
94300-100	Ordinary Maint. and Oper. Contracts - Janitorial Contracts	\$ 33,218	\$ 9,996	\$ 6,501	\$ 49,715		\$ 49,715
94300-110	Ordinary Maint. and Oper. Contracts - Routine Maint. Contracts	\$ 21,133	\$ 44,316	\$ 1,621	\$ 67,070		\$ 67,070
94300-120	Ordinary Maint. and Oper. Contracts - Misc Contracts	\$ 16,260	\$ 3,454	\$ -	\$ 19,714		\$ 19,714
94300	Ordinary Maintenance and Operations Contracts	\$ 449,268	\$ 210,597	\$ 23,429	\$ 683,293		\$ 683,293
94500	Employee benefit contribution - ordinary maintenance	\$ 298,141	\$ 30,381	\$ 179	\$ 328,701		\$ 328,701
94000	Total Maintenance	\$ 1,711,116	\$ 543,951	\$ 32,208	\$ 2,287,275	\$ -	\$ 2,287,275

(1) Project totals include Public Housing and Capital Fund

(2) For program totals see pages 54-58

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
FINANCIAL DATA SCHEDULE (CA021)
DECEMBER 31, 2008

3 of 5

PHA FINANCIAL DATA - INCOME STATEMENT

Line Item No.	Description	Project Totals (1)	Program Totals (2)	Central Office Cost Center	Subtotal	Elimination	Total
95200	Protective services - other contract costs	\$ 11,399	\$ 288	\$ 1,943	\$ 13,630		\$ 13,630
95000	Total Protective Services	\$ 11,399	\$ 288	\$ 1,943	\$ 13,630	\$ -	\$ 13,630
96110	Property Insurance	\$ 14,498	\$ 15,436	\$ 3,056	\$ 32,990		\$ 32,990
96120	Liability Insurance	\$ 3,052	\$ 3,250	\$ 643	\$ 6,945		\$ 6,945
96130	Workmen's Compensation	\$ 53,091	\$ 26,683	\$ 8,837	\$ 88,611		\$ 88,611
96140	All other Insurance	\$ 23,732	\$ 17,054	\$ 4,369	\$ 45,155		\$ 45,155
96100	Total Insurance Premiums	\$ 94,373	\$ 62,423	\$ 16,905	\$ 173,701	\$ -	\$ 173,701
96200	Other general expenses	\$ 78,248	\$ 317,129	\$ 32,816	\$ 428,193		\$ 428,193
96210	Compensated absences	\$ 136,882	\$ 170,393	\$ 48,538	\$ 355,813		\$ 355,813
96300	Payments in lieu of taxes	\$ 130,759	\$ 11,130	\$ -	\$ 141,889		\$ 141,889
96400	Bad debt - tenant rents	\$ 17,241	\$ 13,446	\$ -	\$ 30,687		\$ 30,687
96800	Severance expense	\$ 263	\$ 4,301	\$ 23,622	\$ 28,186		\$ 28,186
96000	Total Other General Expenses	\$ 363,393	\$ 516,399	\$ 104,976	\$ 984,768	\$ -	\$ 984,768
96710	Interest of Mortgage (or Bonds) Payable	\$ -	\$ 522,124	\$ -	\$ 522,124		\$ 522,124
96720	Interest on Notes Payable (Short and Long Term)	\$ 110,527	\$ -	\$ -	\$ 110,527		\$ 110,527
96700	Total Interest Expense and Amortization Cost	\$ 110,527	\$ 522,124	\$ -	\$ 632,651	\$ -	\$ 632,651
96900	Total Operating Expenses	\$ 3,813,280	\$ 5,164,038	\$ 1,365,194	\$10,342,512	\$(1,439,998)	\$ 8,902,514
97000	Excess Revenue Over Operating Expenses	\$ 4,040,638	\$ 29,466,009	\$ 519	\$33,507,166	\$ (480,569)	\$33,026,597
97100	Extraordinary maintenance	\$ -	\$ 67,891	\$ -	\$ 67,891		\$ 67,891
97200	Casualty losses- Non-capitalized	\$ -	\$ -	\$ -	\$ -		\$ -
97300-010	Mainstream 1 & 5 year	\$ -	\$ -	\$ -	\$ -		\$ -
97300-020	Home-Ownership	\$ -	\$ 4,844	\$ -	\$ 4,844		\$ 4,844
97300-050	All Other	\$ -	\$ 29,879,297	\$ -	\$29,879,297		\$29,879,297
97300	Housing assistance payments	\$ -	\$ 29,990,641	\$ -	\$29,990,641	-\$480,569	\$29,510,072
97350	HAP Portability-in	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
97400	Depreciation expense	\$ 1,210,579	\$ 485,384	\$ 16,177	\$ 1,712,140		\$ 1,712,140
97500	Fraud losses	\$ -	\$ -	\$ -	\$ -		\$ -
97800	Dwelling units rent expense	\$ -	\$ -	\$ -	\$ -		\$ -
90000	Total Expenses	\$ 5,023,859	\$ 35,707,954	\$ 1,381,371	\$42,113,184	\$(1,920,567)	\$40,192,617

(1) Project totals include Public Housing and Capital Fund

(2) For program totals see pages 54-58

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
FINANCIAL DATA SCHEDULE (CA021)
DECEMBER 31, 2008

4 of 5

PHA FINANCIAL DATA - INCOME STATEMENT

Line Item No.	Description	Project Totals (1)	Program Totals (2)	Central Office Cost Center	Subtotal	Elimination	Total
10010	Operating transfer in	\$ 209,216	\$ 4,969,154	\$ 123,433	\$ 5,301,803	(\$5,301,803)	\$ -
10020	Operating transfer out	\$ (5,178,370)	\$ (123,433)	\$ -	\$ 5,301,803	\$5,301,803	\$ -
10030-010	Not For Profit	\$ -	\$ -	\$ -	\$ -		\$ -
10030-020	Partnership	\$ -	\$ -	\$ -	\$ -		\$ -
10091	Inter Project Excess Cash Transfer In	\$ -	\$ -	\$ -	\$ -		\$ -
10092	Inter Project Excess Cash Transfer Out	\$ -	\$ -	\$ -	\$ -		\$ -
10093	Transfers between Programs and Projects - in	\$ -	\$ -	\$ -	\$ -		\$ -
10094	Transfers between Programs and Projects - out	\$ -	\$ -	\$ -	\$ -		\$ -
10100	Total other financing sources (uses)	\$ (4,969,154)	\$ 4,845,721	\$ 123,433	\$ -	\$ -	\$ -
10000	Excess (Deficiency) of Revenue Over (Under) Expenses	\$ (2,139,095)	\$ 3,767,814	\$ 107,775	\$ 1,736,494	\$ 0	\$ 1,736,494
11030	Beginning equity	\$ 18,857,059	\$ 12,528,601	\$ -	\$31,385,660		\$31,385,660
11040-010	Prior period adjustments and correction of errors - Editable	\$ -	\$ 232,007	\$ -	\$ 232,007		\$ 232,007
11040-020	Prior period adjustments and correction of errors - Editable	\$ -	\$ (90,242)	\$ -	\$ (90,242)		\$ (90,242)
11040-030	Prior period adjustments and correction of errors - Editable	\$ -	\$ 364	\$ -	\$ 364		\$ 364
11040-070	Equity Transfers	\$ -	\$ (273,155)	\$ 273,155	\$ -		\$ -
11040	Prior period adjustments, equity transfers, and correction of errors	\$ -	\$ (131,026)	\$ 273,155	\$ 142,129		\$ 142,129
11170-001	Administrative Fee Equity- Beginning Balance	\$ -	\$ 44,455	\$ -	\$ 44,455		\$ 44,455
11170-010	Administrative Fee Revenue	\$ -	\$ 3,292,090	\$ -	\$ 3,292,090		\$ 3,292,090
11170-020	Hard to House Fee Revenue	\$ -	\$ -	\$ -	\$ -		\$ -
11170-021	FSS Coordinator Grant	\$ -	\$ 65,625	\$ -	\$ 65,625		\$ 65,625
11170-030	Audit Costs	\$ -	\$ -	\$ -	\$ -		\$ -
11170-040	Investment Income	\$ -	\$ -	\$ -	\$ -		\$ -
11170-045	Fraud Recovery Revenue	\$ -	\$ 18,616	\$ -	\$ 18,616		\$ 18,616
11170-050	Other Revenue	\$ -	\$ 10,945	\$ -	\$ 10,945		\$ 10,945
11170-051	Comment for Other Revenue						
11170-060	Total Admin Fee Revenues	\$ -	\$ 3,387,276	\$ -	\$ 3,387,276		\$ 3,387,276
11170-080	Total Operating Expenses	\$ -	\$ 3,168,055	\$ -	\$ 3,168,055		\$ 3,168,055
11170-090	Depreciation	\$ -	\$ 28,751	\$ -	\$ 28,751		\$ 28,751
11170-095	Housing Assistance Portability In	\$ -	\$ -	\$ -	\$ -		\$ -
11170-100	Other Expenses	\$ -	\$ 542	\$ -	\$ 542		\$ 542
11170-101	Comment for Other Expense						
11170-110	Total Expenses	\$ -	\$ 3,197,349	\$ -	\$ 3,197,349		\$ 3,197,349
11170-002	Net Administrative Fee	\$ -	\$ 189,927	\$ -	\$ 189,927		\$ 189,927
11170-003	Administrative Fee Equity- Ending Balance	\$ -	\$ 234,382	\$ -	\$ 234,382		\$ 234,382
11170	Administrative Fee Equity	\$ -	\$ 234,382	\$ -	\$ 234,382		\$ 234,382

(1) Project totals include Public Housing and Capital Fund

(2) For program totals see pages 54-58

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
FINANCIAL DATA SCHEDULE (CA021)
DECEMBER 31, 2008

5 of 5

PHA FINANCIAL DATA - INCOME STATEMENT

Line Item No.	Description	Project Totals (1)	Program Totals (2)	Central Office Cost Center	Subtotal	Elimination	Total
11180-001	Housing Assistance Payments Equity - Begining Balance	\$ -	\$ 4,643,600	\$ -	\$ 4,643,600		\$ 4,643,600
11180-010	Housing Assistance Payment Revenues	\$ -	\$ 28,499,883	\$ -	\$28,499,883		\$28,499,883
11180-015	Fraud Recovery Revenue	\$ -	\$ 18,615	\$ -	\$ 18,615		\$ 18,615
11180-020	Other Revenue	\$ -	\$ 69,693	\$ -	\$ 69,693		\$ 69,693
11180-021	Comment for Other Revenue						
11180-025	Investment Income	\$ -	\$ 110,857	\$ -	\$ 110,857		\$ 110,857
11180-030	Total HAP Revenues	\$ -	\$ 28,699,048	\$ -	\$28,699,048		\$28,699,048
11180-080	Housing Assistance Payments	\$ -	\$ 29,884,142	\$ -	\$29,884,142		\$29,884,142
11180-090	Other Expenses	\$ -	\$ -	\$ -	\$ -		\$ -
11180-091	Comments for Other Expenses						
11180-100	Total Housing Assistance Payments Expenses	\$ -	\$ 29,884,142	\$ -	\$29,884,142		\$29,884,142
11180-002	Net Housing Assistance Payments	\$ -	\$ (1,185,094)	\$ -	\$ (1,185,094)		\$ (1,185,094)
11180-003	Housing Assistance Payments Equity-Ending Balance	\$ -	\$ 3,458,506	\$ -	\$ 3,458,506		\$ 3,458,506
11180	Housing Assistance Payments Equity	\$ -	\$ 3,458,506	\$ -	\$ 3,458,506		\$ 3,458,506
11190-210	Total ACC HCV Units	0	40752	0	40752		40752
11190-220	Unfunded Units	0	0	0	0		0
11190-230	Other Adjustments	0	0	0	0		0
11190	Unit Months Available	5986	42844	0	48830		48830
11210	Unit Months Leased	5891	42566	0	48457		48457
11270	Excess Cash	\$ 7,580	\$ -	\$ -	\$ 7,580		\$ 7,580
11610	Land Purchases	\$ -	\$ -	\$ -	\$ -		\$ -
11620	Building Purchases	\$ 569,670	\$ -	\$ -	\$ 569,670		\$ 569,670
11630	Furniture & Equipment-Dwelling Purchases	\$ -	\$ -	\$ -	\$ -		\$ -
11640	Furniture & Equipment-Administrative Purchases	\$ 44,909	\$ -	\$ -	\$ 44,909		\$ 44,909
11650	Leasehold Improvements Purchases	\$ -	\$ -	\$ -	\$ -		\$ -

(1) Project totals include Public Housing and Capital Fund

(2) For program totals see pages 54-58

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
FINANCIAL DATA SCHEDULE (CA021)
DECEMBER 31, 2008

1 of 2

PROGRAM FINANCIALS - BALANCE SHEET

Line Item No.	Description	Total Programs	2	14.181	14.871
			State/Local	Supportive Housing for Persons with Disabilities	Housing Choice Vouchers
111	Cash-unrestricted	\$ 4,939,217	\$4,624,559	\$35,979	\$278,679
113	Cash-other restricted	\$ 540,589	\$196,002		\$344,587
114	Cash-tenant security deposits	\$ 123,353	\$123,353		
100	Total Cash	\$ 5,603,159	\$ 4,943,914	\$ 35,979	\$ 623,266
121	Accounts receivable - PHA projects	\$ 19,803			\$19,803
122-010	Accounts receivable - HUD other projects - Operating Subsidy	\$ -			
122-020	Accounts receivable - HUD other projects - Capital fund	\$ -			
122-030	Accounts receivable - HUD other projects - Other	\$ -			
122	Accounts receivable - HUD other projects	\$ 16,500			\$16,500
124	Account receivable - other government	\$ -			
125	Account receivable - miscellaneous	\$ 1,715,884	\$1,715,884		
126	Accounts receivable - tenants	\$ 11,816	\$11,816		
126.1	Allowance for doubtful accounts - tenants	\$ (750)	-\$750		
126.2	Allowance for doubtful accounts - other	\$ -			
127	Notes, Loans, & Mortgages Receivable - Current	\$ -			
129	Accrued interest receivable	\$ 3,255	\$3,255		
120	Total receivables, net of allowance for doubtful accounts	\$ 1,766,508	\$ 1,730,205	\$ -	\$ 36,303
131	Investments - unrestricted	\$ 22,682	\$22,682		
132	Investments - restricted	\$ 3,272,359			\$3,272,359
142	Prepaid expenses and other assets	\$ 20,241	\$10,915	\$14	\$9,311
144	Inter program - due from	\$ -			
150	Total Current Assets	\$ 10,684,949	\$ 6,707,717	\$ 35,993	\$ 3,941,239
161	Land	\$ 5,152,747	\$5,152,748		
162	Buildings	\$ 12,565,339	\$12,557,338		\$8,000
164	Furniture, equipment and machinery - administration	\$ 246,122			\$246,122
166	Accumulated depreciation	\$ (1,917,790)	-\$1,690,855		-\$226,935
167	Construction in progress	\$ 1,214,958	\$1,214,958		
160	Total capital assets, net of accumulated depreciation	\$ 17,261,376	\$17,234,189	\$ -	\$ 27,187
171	Notes, Loans, & mortgages receivable – Non-current	\$ 1,452,209	\$1,452,209		
174	Other assets	\$ 186,896	\$186,896		
176	Investment in joint venture	\$ -			
180	Total Non-current Assets	\$ 18,900,481	\$18,873,294	\$ -	\$ 27,187
190	Total Assets	\$ 29,585,430	\$25,581,011	\$ 35,993	\$ 3,968,426

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
FINANCIAL DATA SCHEDULE (CA021)
DECEMBER 31, 2008

2 of 2

PROGRAM FINANCIALS - BALANCE SHEET

Line Item No.	Description	Total Programs	2		14.181	
			State/Local		Supportive Housing for Persons with Disabilities	Housing Choice Vouchers
311	Bank overdraft	\$ -				
312	Accounts payable <= 90 days	\$ 78,372	\$69,307	\$16	\$9,049	
321	Accrued wage/payroll taxes payable	\$ 30,477	\$10,587	\$57	\$19,833	
322	Accrued compensated absences - current portion	\$ 17,446	\$8,572	\$52	\$8,822	
325	Accrued interest payable	\$ 25,698	\$25,698			
331-010	Accounts payable - HUD PHA Programs - Operating Subsidy	\$ -				
331-020	Accounts payable - HUD PHA Programs - Capital fund	\$ -				
331-030	Accounts payable - HUD PHA Programs - Other	\$ -				
331	Accounts payable - HUD PHA Programs	\$ 7,571		\$7,571		
332	Accounts payable - PHA Projects	\$ -				
333	Accounts payable - other government	\$ -				
341	Tenant security deposits	\$ 123,353	\$123,353			
342-010	Deferred revenue - Operating Subsidy	\$ -				
342-030	Deferred revenue - Other	\$ -				
342	Deferred revenue	\$ 20,617	\$20,617			
343	Current portion of long-term debt - capital projects/mortgage revenue bonds	\$ 247,597	\$247,597			
345	Other current liabilities	\$ 2,277	\$2,277			
346	Accrued liabilities - other	\$ -				
347	Inter program - due to	\$ -				
310	Total Current Liabilities	\$ 553,408	\$ 508,008	\$ 7,696	\$ 37,704	
351-020	Long-term - Capital Projects/ Mortgage Revenue	\$ -				
351	Capital Projects/ Mortgage Revenue Bonds	\$ 12,551,180	\$12,551,180			
353	Non-current liabilities - other	\$ 158,440			\$158,440	
354	Accrued compensated absences- Non-current	\$ 157,013	\$77,156	\$463	\$79,394	
356	FASB 5 Liabilities	\$ -				
357	Accrued Pension and OPEB Liability	\$ -				
350	Total Non-current liabilities	\$ 12,866,633	\$12,628,336	\$ 463	\$ 237,834	
300	Total Liabilities	\$ 13,420,041	\$13,136,344	\$ 8,159	\$ 275,538	
508.1	Invested in capital assets, net of related debt	\$ 5,094,510	\$5,067,323	\$0	\$27,187	
511.1	Restricted Net Assets	\$ 3,654,508	\$196,002	\$0	\$3,458,506	
512.1	Unrestricted Net Assets	\$ 7,416,371	\$7,181,342	\$27,834	\$207,195	
513	Total Equity/Net Assets	\$ 16,165,389	\$12,444,667	\$ 27,834	\$ 3,692,888	
600	Total Liabilities and Equity/Net assets	\$ 29,585,430	\$25,581,011	\$ 35,993	\$ 3,968,426	

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
FINANCIAL DATA SCHEDULE (CA021)
DECEMBER 31, 2008

1 of 5

PROGRAM FINANCIALS - INCOME STATEMENT

Line Item No.	Description	Total Programs	2	14.181	14.871
			State/Local	Supportive Housing for Persons with Disabilities	Housing Choice Vouchers
70300	Net tenant rental revenue	\$ 1,626,936	\$1,626,936		
70400	Tenant revenue - other	\$ 19,778	\$19,778		
70500	Total Tenant Revenue	\$ 1,646,714	\$ 1,646,714	\$ -	\$ -
70600-010	Housing assistance payments	\$ 28,499,883			\$28,499,883
70600-020	Ongoing administrative fees earned	\$ 3,292,090			\$3,292,090
70600-030	Hard to house fee revenue	\$ -			
70600-031	FSS Coordinator	\$ 65,625			\$65,625
70600-040	Actual independent public accountant audit costs	\$ -			
70600-050	Total preliminary fees earned	\$ -			
70600-060	All other fees	\$ 6,000			\$6,000
70600-070	Admin fee calculation description	\$ -			
70600	HUD PHA operating grants	\$ 31,989,935		\$126,337	\$ 31,863,598
70800	Other government grants	\$ -			
71100-010	Housing Assistance Payment	\$ -			
71100-020	Administrative Fee	\$ -			
71100	Investment income - unrestricted	\$ 37,664	\$37,385	\$279	\$ -
71200	Mortgage interest income	\$ -			
71300	Proceeds from disposition of assets held for sale	\$ -			
71310	Cost of sale of assets	\$ -			
71400-010	Housing Assistance Payment	\$ 18,615			\$18,615
71400-020	Administrative Fee	\$ 18,616			\$18,616
71400	Fraud recovery	\$ 37,231			\$ 37,231
71500	Other revenue	\$ 806,611	\$731,973		\$74,638
71600	Gain or loss on sale of capital assets	\$ (542)			-\$542
72000-010	Housing Assistance Payment	\$ 110,857			\$110,857
72000-020	Administrative Fee	\$ -			
72000	Investment income - restricted	\$ 112,434	\$1,577		\$ 110,857
70000	Total Revenue	\$ 34,630,047	\$ 2,417,649	\$ 126,616	\$ 32,085,782

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
FINANCIAL DATA SCHEDULE (CA021)
DECEMBER 31, 2008

2 of 5

PROGRAM FINANCIALS - INCOME STATEMENT

Line Item No.	Description	Total Programs	2	14.181	14.871
			State/Local	Supportive Housing for Persons with Disabilities	Housing Choice Vouchers
91100	Administrative salaries	\$ 1,453,877	\$456,602	\$2,636	\$994,639
91200	Auditing fees	\$ 15,850	\$3,650	\$1,260	\$10,940
91300	Management Fee	\$ 662,050		\$3,432	\$658,618
91310	Book-Keeping Fee	\$ 307,658		\$1,710	\$305,948
91500	Employee benefit contributions - administrative	\$ 496,802	\$128,913	\$1,095	\$366,794
91600	Office Expenses	\$ 314,872	\$54,316	\$330	\$260,226
91700	Legal Expense	\$ 11,305	\$7,955		\$3,350
91800	Travel	\$ 13,937	\$9,227	\$1	\$4,709
91810	Allocated Overhead	\$ -			
91900	Other	\$ 56,980	\$51,657	\$1	\$5,322
91000	Total Operating-Administrative	\$ 3,333,331	\$ 712,320	\$ 10,465	\$ 2,610,546
92100	Tenant services - salaries	\$ 74,327	\$28,809		\$45,518
92300	Employee benefit contributions - tenant services	\$ 3,487	\$3,487		
92400	Tenant services - other	\$ 15,677			\$15,677
92500	Total Tenant Services	\$ 93,491	\$ 32,296	\$ -	\$ 61,195
93100	Water	\$ 29,340	\$29,340		
93200	Electricity	\$ 22,220	\$22,220		
93300	Gas	\$ 9,478	\$9,478		
93600	Sewer	\$ 30,993	\$30,993		
93000	Total Utilities	\$ 92,031	\$ 92,031	\$ -	\$ -
94100	Ordinary maintenance and operations - labor	\$ 154,198	\$154,198		
94200	Ordinary maintenance and operations - materials and other	\$ 148,775	\$148,775		
94300-010	Ordinary Maint. and Oper. Contracts - Garbage/Trash Removal Contracts	\$ 27,113	\$27,113		
94300-020	Ordinary Maint. and Oper. Contracts - Heating & Cooling Contracts	\$ 9,562	\$9,562		
94300-050	Ordinary Maint. and Oper. Contracts - Landscape & Grounds Contracts	\$ 40,016	\$40,016		
94300-060	Ordinary Maint. and Oper. Contracts - Unit Turnaround Contracts	\$ 62,090	\$62,090		
94300-070	Ordinary Maint. and Oper. Contracts - Electrical Contracts	\$ 6,155	\$6,155		
94300-080	Ordinary Maint. and Oper. Contracts - Plumbing Contracts	\$ 2,860	\$2,860		
94300-090	Ordinary Maint. and Oper. Contracts - Extermination Contracts	\$ 5,035	\$5,035		
94300-100	Ordinary Maint. and Oper. Contracts - Janitorial Contracts	\$ 9,996			\$9,996
94300-110	Ordinary Maint. and Oper. Contracts - Routine Maint. Contracts	\$ 44,316	\$14,379		\$29,937
94300-120	Ordinary Maint. and Oper. Contracts - Misc Contracts	\$ 3,454	\$3,179		\$275
94300	Ordinary Maintenance and Operations Contracts	\$ 210,597	\$ 170,389	\$ -	\$ 40,208
94500	Employee benefit contribution - ordinary maintenance	\$ 30,381	\$30,381		
94000	Total Maintenance	\$ 543,951	\$ 503,743	\$ -	\$ 40,208

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
FINANCIAL DATA SCHEDULE (CA021)
DECEMBER 31, 2008

3 of 5

PROGRAM FINANCIALS - INCOME STATEMENT

Line Item No.	Description	Total Programs	2	14.181	14.871
			State/Local	Supportive Housing for Persons with Disabilities	Housing Choice Vouchers
95200	Protective services - other contract costs	\$ 288	\$288		
95000	Total Protective Services	\$ 288	\$ 288	\$ -	\$ -
96110	Property Insurance	\$ 15,436	\$12,127		\$3,309
96120	Liability Insurance	\$ 3,250	\$2,553		\$697
96130	Workmen's Compensation	\$ 26,683	\$15,728	\$21	\$10,934
96140	All Other Insurance	\$ 17,054	\$10,647	\$15	\$6,392
96100	Total Insurance Premiums	\$ 62,423	\$ 41,055	\$ 36	\$ 21,332
96200	Other general expenses	\$ 317,129	\$9,500		\$307,629
96210	Compensated absences	\$ 170,393	\$44,149	\$607	\$125,637
96300	Payments in lieu of taxes	\$ 11,130	\$11,130		
96400	Bad debt - tenant rents	\$ 13,446	\$13,446		
96800	Severance expense	\$ 4,301	\$2,792		\$1,509
96000	Total Other General Expenses	\$ 516,399	\$ 81,017	\$ 607	\$ 434,775
96710	Interest of Mortgage (or Bonds) Payable	\$ 522,124	\$522,124		
96720	Interest on Notes Payable (Short and Long Term)	\$ -			
96700	Total Interest Expense and Amortization Cost	\$ 522,124	\$ 522,124	\$ -	\$ -
96900	Total Operating Expenses	\$ 5,164,038	\$ 1,984,874	\$ 11,108	\$ 3,168,056
97000	Excess Revenue Over Operating Expenses	\$ 29,466,009	\$ 432,775	\$ 115,508	\$ 28,917,276
97100	Extraordinary maintenance	\$ 67,891	\$67,891		
97200	Casualty losses- Non-capitalized	\$ -			
97300-010	Mainstream 1 & 5 year	\$ -			
97300-020	Home-Ownership	\$ 4,844			\$4,844
97300-050	All Other	\$ 29,879,298			\$29,879,298
97300	Housing assistance payments	\$ 29,990,641		\$106,499	\$ 29,884,142
97350	HAP Portability-in	\$ -			
97400	Depreciation expense	\$ 485,384	\$456,633		\$28,751
97500	Fraud losses	\$ -			
97800	Dwelling units rent expense	\$ -			
90000	Total Expenses	\$ 35,707,954	\$ 2,509,398	\$ 117,607	\$ 33,080,949

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
FINANCIAL DATA SCHEDULE (CA021)
DECEMBER 31, 2008

4 of 5

PROGRAM FINANCIALS - INCOME STATEMENT

Line Item No.	Description	Total Programs	2	14.181	14.871
			State/Local	Supportive Housing for Persons with Disabilities	Housing Choice Vouchers
10010	Operating transfer in	\$ 4,969,154	\$4,969,154		
10020	Operating transfer out	\$ (123,433)	-\$123,433		
10030-010	Not For Profit	\$ -			
10030-020	Partnership	\$ -			
10030-050	Other	\$ -			
10030-060	Other Comment				
10030	Operating transfers from / to primary government	\$ -			
10040	Operating transfers from / to component unit	\$ -			
10070	Extraordinary items, net gain/loss	\$ -			
10080	Special items, net gain/loss	\$ -			
10091	Inter Project Excess Cash Transfer In	\$ -			
10092	Inter Project Excess Cash Transfer Out	\$ -			
10093	Transfers between Programs and Projects - in	\$ -			
10094	Transfers between Programs and Projects - out	\$ -			
10100	Total other financing sources (uses)	\$ 4,845,721	\$ 4,845,721	\$ -	\$ -
10000	Excess (Deficiency) of Revenue Over (Under) Expenses	\$ 3,767,814	\$ 4,753,972	\$ 9,009	\$ (995,167)
11020	Required Annual Debt Principal Payments	\$ -			
11030	Beginning equity	\$ 12,528,601	\$7,821,721	\$18,825	\$4,688,055
11040-010	Development costs incurred in previous years that were expensed and subsequently reimbursed in the current year by low income housing tax credit financed properties.	\$ 232,007	\$232,007		
11040-020	Development costs incurred in prior years, developments abandoned, costs written off in current year.	\$ (90,242)	-\$90,242		
11040-030	Write-off of prior year payabel - RHCP project	\$ 364	\$364		
11040-070	Equity Transfers	\$ (273,155)	-\$273,155		
11040	Prior period adjustments, equity transfers, and correction of errors	\$ (131,026)	\$ (131,026)	\$ -	\$ -
11170-001	Administrative Fee Equity- Beginning Balance	\$ 44,455			\$44,455
11170-010	Administrative Fee Revenue	\$ 3,292,090			\$ 3,292,090
11170-020	Hard to House Fee Revenue	\$ -			\$ -
11170-021	FSS Coordinator Grant	\$ 65,625			\$ 65,625
11170-030	Audit Costs	\$ -			\$ -
11170-040	Investment Income	\$ -			\$ -
11170-045	Fraud Recovery Revenue	\$ 18,616			\$ 18,616

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
FINANCIAL DATA SCHEDULE (CA021)
DECEMBER 31, 2008

5 of 5

PROGRAM FINANCIALS - INCOME STATEMENT

Line Item No.	Description	Total Programs	2	14.181	14.871
			State/Local	Supportive Housing for Persons with Disabilities	Housing Choice Vouchers
11170-050	Other Revenue	\$ 10,945			\$10,945
11170-051	Comment for Other Revenue	\$ -			HO and misc
11170-060	Total Admin Fee Revenues	\$ 3,387,276			\$ 3,387,276
11170-080	Total Operating Expenses	\$ 3,168,055			\$ 3,168,055
11170-090	Depreciation	\$ 28,751			\$ 28,751
11170-095	Housing Assistance Portability In	\$ -			\$ -
11170-100	Other Expenses	\$ 542			\$542
11170-101	Comment for Other Expense	\$ -			loss on eq dispo
11170-110	Total Expenses	\$ 3,197,349			\$ 3,197,349
11170-002	Net Administrative Fee	\$ 189,927			\$ 189,927
11170-003	Administrative Fee Equity- Ending Balance	\$ 234,382			\$ 234,382
11170	Administrative Fee Equity	\$ 234,382			\$ 234,382
11180-001	Housing Assistance Payments Equity - Begining Balance	\$ 4,643,600			\$4,643,600
11180-010	Housing Assistance Payment Revenues	\$ 28,499,883			\$ 28,499,883
11180-015	Fraud Recovery Revenue	\$ 18,615			\$ 18,615
11180-020	Other Revenue	\$ 69,693			\$69,693
11180-021	Comment for Other Revenue	\$ -			FSS forfeit
11180-025	Investment Income	\$ 110,857			\$ 110,857
11180-030	Total HAP Revenues	\$ 28,699,048			\$ 28,699,048
11180-080	Housing Assistance Payments	\$ 29,884,142			\$ 29,884,142
11180-090	Other Expenses	\$ -			
11180-091	Comments for Other Expenses	\$ -			
11180-100	Total Housing Assistance Payments Expenses	\$ 29,884,142			\$ 29,884,142
11180-002	Net Housing Assistance Payments	\$ (1,185,094)			\$ (1,185,094)
11180-003	Housing Assistance Payments Equity-Ending Balance	\$ 3,458,506			\$ 3,458,506
11180	Housing Assistance Payments Equity	\$ 3,458,506			\$ 3,458,506
11190-210	Total ACC HCV Units	40752			40,752
11190-220	Unfunded Units	0			
11190-230	Other Adjustments	0			
11190	Unit Months Available	42844	1864	228	40752
11210	Unit Months Leased	42566	1628	228	40710

Harn & Dolan

Certified Public Accountants

2423 Stirrup Court

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

To the Board of Commissioners
Housing Authority of the
County of Santa Barbara
Lompoc, California

We have audited the financial statements of the business-type activities, each major fund, and the aggregate remaining fund information of the Housing Authority of the County of Santa Barbara, California, as of and for the year ended December 31, 2008, which collectively comprise the Housing Authority of the County of Santa Barbara, California's basic financial statements and have issued our report thereon dated June 4, 2009. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Housing Authority of the County of Santa Barbara, California's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of the County of Santa Barbara, California's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the County of Santa Barbara, California's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Housing Authority of the County of Santa Barbara, California's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Housing Authority of the County of Santa Barbara, California's financial statements that is more than inconsequential will not be prevented or detected by the Housing Authority of the County of Santa Barbara, California's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that result in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Housing Authority of the County of Santa Barbara, California's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

This report is intended solely for the information and use of the Board of Commissioners, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Haon & Dolan". The signature is written in a cursive, flowing style.

June 4, 2009

Harn & Dolan

Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Board of Commissioners
Housing Authority of the
County of Santa Barbara
Lompoc, California

Compliance

We have audited the compliance of the Housing Authority of the County of Santa Barbara, California, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2008. The Housing Authority of the County of Santa Barbara, California's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Housing Authority of the County of Santa Barbara, California's management. Our responsibility is to express an opinion on the Housing Authority of the County of Santa Barbara, California's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Housing Authority of the County of Santa Barbara, California's compliance with those requirements and performing such other procedures as we consider necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Housing Authority of the County of Santa Barbara, California's compliance with those requirements.

In our opinion, the Housing Authority of the County of Santa Barbara, California, complied in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2008.

Internal Control Over Compliance

The management of the Housing Authority of the County of Santa Barbara, California, is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Housing Authority of the County of Santa Barbara, California's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the County of Santa Barbara, California's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Housing Authority of the County of Santa Barbara, California's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the Housing Authority of the County of Santa Barbara, California's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the Housing Authority of the County of Santa Barbara, California's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the Board of Commissioners, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



June 4, 2009

**HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2008**

The previous audit report for the year ended December 31, 2007 contained no audit findings.

**HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
DECEMBER 31, 2008**

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	unqualified
Is a "going concern" explanatory paragraph included in the audit report?	no
Internal control over financial reporting:	
Significant deficiencies identified?	no
Significant deficiencies identified also considered to be material weaknesses?	none reported
Noncompliance material to financial statements noted?	no

Federal Programs

Dollar threshold used to distinguish between Type A and Type B programs	\$ 1,058,806
Auditee qualified as low-risk auditee?	yes
Identification of major programs:	
Housing Choice Voucher Program	14.871
Type of auditors' report issued on compliance for major programs:	unqualified
Internal control over compliance:	
Significant deficiencies identified?	no
Significant deficiencies identified also considered to be material weaknesses?	none reported
Any known questioned costs reported?	no
Were prior audit findings related to direct funding shown in the Summary Schedule of Prior Audit Findings	no

Section II - Financial Statement Findings

none

Section III - Federal Award Findings

none

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

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 4/30/2011

Part I: Summary	
PHA Name: Housing Authority of the County of Santa Barbara PO Box 397, Lompoc, CA 93438	Grant Type and Number Capital Fund Program Grant No: CA16-P021-501-07 Replacement Housing Factor Grant No: Date of CFFP:
FFY of Grant: 2007 FFY of Grant Approval: 2007	

Type of Grant
 Original Annual Statement Reserve for Disasters/Emergencies Revised Annual Statement (revision no:)
 Performance and Evaluation Report for Period Ending: June 30, 2009 Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds	.00	.00	.00	.00
2	1406 Operations (may not exceed 20% of line 21) ³	105,828.00	105,828.00	105,828.00	105,828.00
3	1408 Management Improvements	206,500.00	286,821.62	286,821.62	248,800.47
4	1410 Administration (may not exceed 10% of line 21)	105,828.00	105,828.00	105,828.00	105,828.00
5	1411 Audit	.00	.00	.00	.00
6	1415 Liquidated Damages	.00	.00	.00	.00
7	1430 Fees and Costs	.00	30,626.50	30,626.50	.00
8	1440 Site Acquisition	.00	.00	.00	.00
9	1450 Site Improvement	.00	192,413.62	24,558.63	24,293.00
10	1460 Dwelling Structures	17,000.00	202,092.33	202,092.33	194,104.08
11	1465.1 Dwelling Equipment—Nonexpendable	21,000.00	6,831.35	6,831.35	6,831.35
12	1470 Non-dwelling Structures	500,000.00	5,663.00	5,663.00	5,663.00
13	1475 Non-dwelling Equipment	24,406.90	85,131.67	85,131.67	85,131.67
14	1485 Demolition	.00	.00	.00	.00
15	1492 Moving to Work Demonstration	.00	.00	.00	.00
16	1495.1 Relocation Costs	60,000.00	37,048.91	33,730.00	32,288.05
17	1499 Development Activities ⁴	.00	.00	.00	.00

¹ To be completed for the Performance and Evaluation Report.

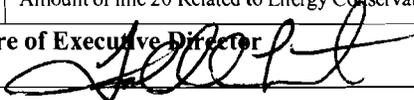
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

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

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 4/30/2011

Part I: Summary					
PHA Name: Housing Authority of the County of Santa Barbara PO Box 397 Lompoc, CA, 93438		Grant Type and Number Capital Fund Program Grant No: CA16-P021-501-07 Replacement Housing Factor Grant No: Date of CFFP:		FFY of Grant: 2007 FFY of Grant Approval: 2007	
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: June 30, 2009 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA	.00	.00	.00	.00
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment	.00	.00	.00	.00
19	1502 Contingency (may not exceed 8% of line 20)	17,722.10	.00	.00	.00
20	Amount of Annual Grant:: (sum of lines 2 - 19)	1,058,285.00	1,058,285.00	887,111.10	808,767.62
21	Amount of line 20 Related to LBP Activities	.00	.00	.00	.00
22	Amount of line 20 Related to Section 504 Activities	.00	.00	.00	.00
23	Amount of line 20 Related to Security - Soft Costs	168,000.00	168,000.00	173,727.35	138,556.19
24	Amount of line 20 Related to Security - Hard Costs	.00	.00	.00	.00
25	Amount of line 20 Related to Energy Conservation Measures	.00	.00	.00	.00
Signature of Executive Director 		Date 9/29/09		Signature of Public Housing Director _____ Date _____	

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

Part II: Supporting Pages								
PHA Name: Housing Authority of the County of Santa Barbara PO Box 397, Lompoc, CA 93438			Grant Type and Number Capital Fund Program Grant No: CA16-P021-501-07 CFFP (Yes/ No): No Replacement Housing Factor Grant No:			Federal FFY of Grant: 2007		
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²	
PHA-Wide	Operating budget.	1406		105,828.00	105,828.00	105,828.00	105,828.00	Complete.
PHA-Wide	Computer Software.	1408		.00	82,571.90	82,571.90	82,571.90	Complete.
PHA-Wide	Professional development training.	1408		10,000.00	2,022.38	2,022.38	2,022.38	Complete.
PHA-Wide	Consulting services.	1408		28,500.00	28,500.00	28,500.00	25,650.00	In progress.
PHA-Wide	Administrative salaries and benefits.	1410		105,828.00	105,828.00	105,828.00	105,828.00	Complete.
PHA-Wide	Purchase maintenance vehicle.	1475	1 vehicle	24,406.90	24,406.90	24,406.90	24,406.90	Complete.
PHA-Wide	Computer Equipment.	1475		.00	60,724.77	60,724.77	60,724.77	Complete.
PHA-Wide	Contingency.	1502		17,722.10	.00	.00	.00	

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

² To be completed for the Performance and Evaluation Report.

Part II: Supporting Pages								
PHA Name: Housing Authority of the County of Santa Barbara PO Box 397, Lompoc, CA 93438			Grant Type and Number Capital Fund Program Grant No: CA16-P021-501-07 CFFP (Yes/ No): No Replacement Housing Factor Grant No:			Federal FFY of Grant: 2007		
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²	
AMP 1 - Goleta								
21-022	A/E services, cmmty. bldg.	1430	1 building	.00	30,626.50	30,626.50	.00	In progress.
21-023	Rain gutters, install (contract labor).	1460	1 building	.00	3,064.00	3,064.00	.00	In progress.
21-023	Roof, replace (contract labor).	1460	1 building	.00	25,776.04	25,776.04	25,776.04	Complete 5/3/09.
21-024	Landing, replace (contract labor).	1460	100%	.00	23,859.29	23,859.29	23,859.29	Complete 3/5/09.
21-024	Occupancy rehab, Orange #1 (force acct.).	1460	1 unit	.00	16,551.01	16,551.01	16,551.01	Complete.
21-022	Community building construction (contract labor).	1470	1 building	500,000.00	.00	.00	.00	To ARRA.
	AMP 1 - SUBTOTAL			500,000.00	99,876.84	99,876.84	66,186.34	

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

² To be completed for the Performance and Evaluation Report.

Part II: Supporting Pages								
PHA Name: Housing Authority of the County of Santa Barbara PO Box 397, Lompoc, CA 93438			Grant Type and Number Capital Fund Program Grant No: CA16-P021-501-07 CFFP (Yes/ No): No Replacement Housing Factor Grant No:			Federal FFY of Grant: 2007		
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²	
AMP 3 – <u>Santa Maria / Guadalupe / Orcutt</u>								
21-006	Security services (contract labor).	1408	69 units	42,000.00	48,001.70	48,001.70	35,851.39	In progress.
21-007	Security services (contract labor).	1408	81 units	42,000.00	48,001.71	48,001.71	35,851.38	In progress.
21-002	Sidewalks, replace (contract labor).	1450	Portion	.00	18,000.00	53.13	.00	From 5-Year Plan.
21-003	Sidewalks, replace (contract labor).	1450	Portion	.00	18,000.00	53.13	.00	From 5-Year Plan.
21-005	Block wall (contract labor).	1450	1 wall	.00	11,342.00	11,342.00	11,342.00	Complete 9/15/08.
21-005	Sidewalks, replace (contract labor).	1450	Portion	.00	18,000.00	53.13	.00	From 5-Year Plan.
21-006	Sewer line (contract labor).	1450	Portion	.00	6,475.00	6,475.00	6,475.00	Complete 9/05/08.
21-006	Sidewalks, replace (contract labor).	1450	Portion	.00	14,620.62	53.12	.00	From 5-Year Plan.
21-007	Sewer line (contract labor).	1450	Portion	.00	6,476.00	6,476.00	6,476.00	Complete 9/05/08.
21-007	Sewer line (contract labor).	1450	Portion	.00	7,500.00	.00	.00	From 5-Year Plan.
21-007	Sidewalks, replace (contract labor).	1450	Portion	.00	15,000.00	53.12	.00	From 5-Year Plan.
21-025	Block wall (contract labor).	1450	1 wall	.00	50,000.00	.00	.00	On schedule.
21-003	Occupancy rehab	1460	1 unit	.00	8,541.36	8,541.36	8,541.36	Complete 7/16/08.
21-003	Occupancy Rehab (1027 A,B)	1460	2 units	.00	51,985.17	51,985.17	47,060.92	In progress.
21-007	Termite treatment (contract labor).	1470	1 building	.00	5,663.00	5,663.00	5,663.00	Complete 5/25/09.
	AMP 3 – SUBTOTAL			84,000.00	327606.56	186,751.57	157,261.05	

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

² To be completed for the Performance and Evaluation Report.

Part II: Supporting Pages								
PHA Name: Housing Authority of the County of Santa Barbara PO Box 397, Lompoc, CA 93438			Grant Type and Number Capital Fund Program Grant No: CA16-P021-501-07 CFFP (Yes/ No): No Replacement Housing Factor Grant No:			Federal FFY of Grant: 2007		
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²	
<u>AMP 4 -Lompoc</u>								
21-016	Security services (contract labor).	1408	40 units	42,000.00	38,861.96	38,861.96	33,426.71	In progress.
21-017	Security services (contract labor).	1408	35 units	42,000.00	38,861.97	38,861.97	33,426.71	In progress.
21-004	Sewer lines (contract labor).	1450	Portion	.00	25,000.00	.00	.00	From 5-Year Plan.
21-016	Sewer lines (contract labor).	1450	Portion	.00	2,000.00	.00	.00	From 5-Year Plan.
21-017	Bathroom fans, replace (contract labor).	1460	35 units	.00	.00	.00	.00	To 501-06.
21-017	Electrical, upgrade (contract labor).	1460	35 units	.00	.00	.00	.00	To 501-06.
21-017	Replace flooring (contract labor).	1460	35 units	.00	.00	.00	.00	To 501-06.
21-017	Kitchen, remodel (contract labor).	1460	35 units	.00	.00	.00	.00	To 501-06.
21-017	Occupancy rehab.	1460	35 units	.00	32,372.77	32,372.77	32,372.77	Complete 3/04/09.
21-017	Paint, interior (contract labor).	1460	35 units	.00	.00	.00	.00	To 501-06
21-017	Plumbing, upgrade (contract labor).	1460	35 units	.00	39,942.69	39,942.69	39,942.69	Complete
21-017	Termite, treatment (contract labor).	1460	35 units	.00	.00	.00	.00	To 501-06.
21-017	Water heaters, replace (contract labor).	1460	35 units	17,000.00	.00	.00	.00	To 501-06.
21-017	Refrigerators, replace.	1465.1	35 units	11,000.00	3,954.43	3,954.43	3,954.43	Complete 12/5/08.
21-017	Stoves, replace.	1465.1	35 units	10,000.00	2,876.92	2,876.92	2,876.92	Complete 12/5/08.
21-017	Resident relocation	1495.1	35 units	60,000.00	37,048.91	33,730.00	32,288.05	In progress.
AMP 4 – SUBTOTAL				182,000.00	220,919.65	190,600.74	178,288.28	

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

² To be completed for the Performance and Evaluation Report.

Part III: Implementation Schedule for Capital Fund Financing Program					
PHA Name: Housing Authority of the County of Santa Barbara PO Box 397, Lompoc, CA 93438				Federal FFY of Grant: 2007	
Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates ¹
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
PHA-Wide #1406	9/12/2009	6/30/2009	9/12/2011	6/30/2009	
PHA-Wide #1408	9/12/2009		9/12/2011		
PHA-Wide #1410	9/12/2009	9/30/2007	9/12/2011	6/30/2008	
PHA-Wide #1475	9/12/2009	12/31/2007	9/12/2011	3/31/2008	
<u>AMP 1</u>					
21-022	9/12/2009	3/30/2009	9/12/2011		
21-023	9/12/2009	6/30/2009	9/12/2011		
21-024	9/12/2009	6/30/2009	9/12/2011	6/30/2009	
<u>AMP 3</u>					
21-002	9/12/2009		9/12/2011		
21-003	9/12/2009		9/12/2011		
21-005	9/12/2009		9/12/2011		
21-006	9/12/2009		9/12/2011		
21-007	9/12/2009		9/12/2011		
21-025	9/12/2009		9/12/2011		
<u>AMP 4</u>					
21-004	9/12/2009		9/12/2011		
21-016	9/12/2009		9/12/2011		
21-017	9/12/2009		9/12/2011		

¹ Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

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

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 4/30/2011

Part I: Summary					
PHA Name: Housing Authority of the County of Santa Barbara		Grant Type and Number Capital Fund Program Grant No: CA16-P021-501-08 Replacement Housing Factor Grant No: Date of CFFP:			FFY of Grant: 2008 FFY of Grant Approval: 2008
Type of Grant					
<input type="checkbox"/> Original Annual Statement		<input type="checkbox"/> Reserve for Disasters/Emergencies		<input type="checkbox"/> Revised Annual Statement (revision no:)	
<input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: June 30, 2009		<input type="checkbox"/> Final Performance and Evaluation Report			
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds	.00	.00	.00	.00
2	1406 Operations (may not exceed 20% of line 21) ³	109,993.00	109,993.00	.00	.00
3	1408 Management Improvements	158,000.00	268,000.00	1,872.50	1,872.50
4	1410 Administration (may not exceed 10% of line 21)	109,993.00	109,993.00	109,993.00	100,826.00
5	1411 Audit	.00	.00	.00	.00
6	1415 Liquidated Damages	.00	.00	.00	.00
7	1430 Fees and Costs	.00	.00	.00	.00
8	1440 Site Acquisition	.00	.00	.00	.00
9	1450 Site Improvement	294,950.00	105,000.00	.00	.00
10	1460 Dwelling Structures	181,000.00	296,600.00	.00	.00
11	1465.1 Dwelling Equipment—Nonexpendable	.00	.00	.00	.00
12	1470 Non-dwelling Structures	132,000.00	.00	.00	.00
13	1475 Non-dwelling Equipment	26,000.00	96,000.00	22,072.92	3,850.77
14	1485 Demolition	.00	.00	.00	.00
15	1492 Moving to Work Demonstration	.00	.00	.00	.00
16	1495.1 Relocation Costa	.00	38,000.00	.00	.00
17	1499 Development Activities ⁴	.00	.00	.00	.00

¹ To be completed for the Performance and Evaluation Report.

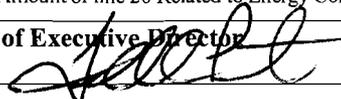
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

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

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 4/30/2011

Part I: Summary					
PHA Name: Housing Authority of the County of Santa Barbara	Grant Type and Number Capital Fund Program Grant No: CA16-P021-501-08 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant:2006 FFY of Grant Approval: 2008			
Type of Grant					
<input type="checkbox"/> Original Annual Statement		<input type="checkbox"/> Reserve for Disasters/Emergencies		<input type="checkbox"/> Revised Annual Statement (revision no:)	
<input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: June 30, 2009		<input type="checkbox"/> Final Performance and Evaluation Report			
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA	.00	.00	.00	.00
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment	.00	.00	.00	.00
19	1502 Contingency (may not exceed 8% of line 20)	87,994.00	76,344.00	.00	.00
20	Amount of Annual Grant:: (sum of lines 2 - 19)	1,099,930.00	1,099,930.00	133,938.42	106,549.27
21	Amount of line 20 Related to LBP Activities	.00	.00	.00	.00
22	Amount of line 20 Related to Section 504 Activities	148,000.00	148,000.00	.00	.00
23	Amount of line 20 Related to Security - Soft Costs	.00	.00	.00	.00
24	Amount of line 20 Related to Security - Hard Costs	.00	.00	.00	.00
25	Amount of line 20 Related to Energy Conservation Measures	.00	.00	.00	.00
Signature of Executive Director 		Date 9/29/09		Signature of Public Housing Director Date	

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

Annual Statement / Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)
Part II: Supporting Pages

PHA Name: Housing Authority of the County of Santa Barbara				Grant Type and Number: Capital Fund Program Grant No.: 501-08 Replacement Housing Factor Grant No.:				FFY of Grant Approval: 2008
Development Number/Name HA-wide Activities	General Description of Major Work Categories	Development Account Number	Quantity	Total Estimated Cost		Total Actual Cost		Status of Proposed Work (2)
				Original	Revised (1)	Obligated	Expended	
AMP 1								
21-015	Parking lot, replace (contract labor).	1450	100%	30,000.00	.00	.00	.00	Reprogrammed to 5-Year Plan.
21-022	Fences, replace (contract labor).	1450	100%	20,000.00	20,000.00	.00	.00	On schedule.
21-022	Lighting, replace (contract labor).	1450	100%	.00	30,000.00	.00	.00	Reprogrammed from 5-Year Plan
21-022	Parking lot, replace (contract labor).	1450	100%	103,000.00	0.00	.00	.00	Reprogrammed to CFRG 501-09
21-022	Relandscape ground (contract labor).	1450	100%	.00	10,000.00	.00	.00	Reprogrammed from 5-Year Plan
21-022	Flooring, replace (contract labor).	1460	14 units	.00	60,000.00	.00	.00	Reprogrammed from 5-Year Plan
21-022	Kitchens, remodel (contract labor).	1460	14 units	.00	114,000.00	.00	.00	Reprogrammed from 5-Year Plan
21-022	Plumbing, baths (contract labor).	1460	14 units	.00	70,000.00	.00	.00	Reprogrammed from 5-Year Plan
21-022	Toilets, replace (contract labor).	1460	14 units	.00	5,600.00	.00	.00	Reprogrammed from 5-Year Plan
21-022	Termite treatment (contract labor).	1460	14 units	.00	30,000.00	.00	.00	Reprogrammed from 5-Year Plan
21-022	Water heaters (contract labor).	1460	14 units	.00	10,000.00	.00	.00	Reprogrammed from 5-Year Plan
21-022	Water heater doors (contract labor).	1460	14 units	.00	7,000.00	.00	.00	Reprogrammed from 5-Year Plan
21-023	Rain gutters, install (contract labor).	1460	11 units	.00	.00	.00	.00	Reprogrammed to 501-07.
21-023	Roofs, replace (contract labor).	1460	1 bldg.	.00	.00	.00	.00	Reprogrammed to 501-07.
21-023	Water heater system (force account).	1460	11 units	12,000.00	.00	.00	.00	Reprogrammed to 5-Year Plan.
21-024	Roofs, replace (contract labor).	1460	1 bldg.	120,000.00	.00	.00	.00	Reprogrammed to 5-Year Plan.
21-024	Water heaters-Orange (force account).	1460	10 units	7,000.00	.00	.00	.00	Reprogrammed to 5-Year Plan.
21-022	Community Building construction (contract labor)	1470	1 bldg.	122,000.00	.00	.00	.00	Reprogrammed to CFRG 501-09
21-022	Resident relocation	1495	14 units	.00	38,000.00	.00	.00	Reprogrammed from 5-Year Plan
AMP 1 TOTAL				414,000.00	394,600.00	.00	.00	

Annual Statement / Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)
Part III: Implementation Schedule

PHA Name: Housing Authority of the County of Santa Barbara	Grant Type and Number: Capital Fund Program Grant No: 501-08 Replacement Housing Factor Grant No.:	FFY of Grant Approval: 2008
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Development Number/Name HA-wide Activities	All Funds Obligated (Quarter Ending Date)			All Funds Expended (Quarter Ending Date)			Reason for Revised Target Date (2)
	Original	Revised (1)	Actual (2)	Original	Revised (1)	Actual (2)	
PHA-Wide #1406	6/30/2010			6/30/2012			
PHA Wide #1408	6/30/2010			6/30/2012			
PHA-Wide #1410	6/30/2010		6/30/2008	6/30/2012			
PHA-Wide #1475	6/30/2010			6/30/2012			
21-004	6/30/2010			6/30/2012			
21-006	6/30/2010			6/30/2012			
21-007	6/30/2010			6/30/2012			
21-013	6/30/2010			6/30/2012			
21-016	6/30/2010			6/30/2012			
21-017	6/30/2010			6/30/2012			
21-022	6/30/2010			6/30/2012			

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

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 4/30/2011

Part I: Summary			
PHA Name: Housing Authority of the County of Santa Barbara	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:50%;">Grant Type and Number Capital Fund Program Grant No: CA16-S021-501-09 Replacement Housing Factor Grant No: Date of CFFP:</td> <td style="width:50%;">FFY of Grant: 2009 FFY of Grant Approval: 2009</td> </tr> </table>	Grant Type and Number Capital Fund Program Grant No: CA16-S021-501-09 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2009 FFY of Grant Approval: 2009
Grant Type and Number Capital Fund Program Grant No: CA16-S021-501-09 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2009 FFY of Grant Approval: 2009		

Type of Grant	
<input type="checkbox"/> Original Annual Statement	<input type="checkbox"/> Reserve for Disasters/Emergencies
<input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: June 30, 2009	<input type="checkbox"/> Revised Annual Statement (revision no:)
	<input type="checkbox"/> Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds	.00	.00	.00	.00
2	1406 Operations (may not exceed 20% of line 21) ³	.00	.00	.00	.00
3	1408 Management Improvements	.00	.00	.00	.00
4	1410 Administration (may not exceed 10% of line 21)	141,387.00	141,387.00	141,387.00	2,054.43
5	1411 Audit	.00	.00	.00	.00
6	1415 Liquidated Damages	.00	.00	.00	.00
7	1430 Fees and Costs	.00	.00	.00	.00
8	1440 Site Acquisition	.00	.00	.00	.00
9	1450 Site Improvement	150,000.00	150,000.00	.00	.00
10	1460 Dwelling Structures	482,487.00	461,963.63	195,363.97	753.86
11	1465.1 Dwelling Equipment—Nonexpendable	.00	.00	.00	.00
12	1470 Non-dwelling Structures	640,000.00	640,000.00	20,064.21	19,790.63
13	1475 Non-dwelling Equipment	.00	.00	.00	.00
14	1485 Demolition	.00	.00	.00	.00
15	1492 Moving to Work Demonstration	.00	.00	.00	.00
16	1495.1 Relocation Costs	.00	.00	.00	.00
17	1499 Development Activities ⁴	.00	.00	.00	.00

¹ To be completed for the Performance and Evaluation Report.

² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

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

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
Expires 4/30/2011

Part I: Summary					
PHA Name: Housing Authority of the County of Santa Barbara		Grant Type and Number Capital Fund Program Grant No: CA16-S021-501-09 Replacement Housing Factor Grant No: Date of CFFP:		FFY of Grant:2009 FFY of Grant Approval: 2009	
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: June 30, 2009 <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA	.00	.00	.00	.00
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment	.00	.00	.00	.00
19	1502 Contingency (may not exceed 8% of line 20)		20,523.37	.00	.00
20	Amount of Annual Grant:: (sum of lines 2 - 19)	1,413,874.00	1,413,874.00	356,815.18	22,598.92
21	Amount of line 20 Related to LBP Activities	.00	.00	.00	.00
22	Amount of line 20 Related to Section 504 Activities	.00	.00	.00	.00
23	Amount of line 20 Related to Security - Soft Costs	.00	.00	.00	.00
24	Amount of line 20 Related to Security - Hard Costs	.00	.00	.00	.00
25	Amount of line 20 Related to Energy Conservation Measures	.00	.00	.00	.00
Signature of Executive Director		Date		Signature of Public Housing Director	
		9/29/09			

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

Part II: Supporting Pages								
PHA Name: Housing Authority of the County of Santa Barbara			Grant Type and Number Capital Fund Program Grant No: CA16-S021-501-09 CFFP (Yes/ No): No Replacement Housing Factor Grant No:			Federal FFY of Grant: 2009		
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²	
<u>AMP 1 - Goleta</u>								
21-022 (Armitos)	Parking lot replacement (contract labor).	1450	100%	150,000.00	150,000.00	.00	.00	On schedule.
21-022 (Armitos)	Cmnty. bldg. construct. (contract labor).	1470	1 building	600,000.00	600,000.00	19,790.63	19,790.63	In progress.
AMP 1 - SUBTOTAL				750,000.00	750,000.00	19,790.63	19,790.63	
<u>AMP 3 - Santa Maria/ Guadalupe / Orcutt</u>								
21-006, 007 (SM)	Electrical, upgrade (contract labor).	1460	150 units	160,000.00	160,000.00	146,503.58	273.58	In progress.
21-025 (Orcutt)	Windows, replace (contract labor).	1460	16 units	47,200.00	47,200.00	252.91	107.33	On schedule.
21-025 (Orcutt)	Flooring, replace (contract labor).	1460	13 units	26,000.00	26,000.00	88.54	.00	On schedule.
21-025 (Orcutt)	Doors, replace (contract labor).	1460	16 units	.00	8,000.00	88.55	.00	On schedule.
AMP 3 - SUBTOTAL				233,200.00	241,200.00	146,933.58	380.91	

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² To be completed for the Performance and Evaluation Report.

Part II: Supporting Pages								
PHA Name: Housing Authority of the County of Santa Barbara			Grant Type and Number Capital Fund Program Grant No: CA16-S021-501-09 CFFP (Yes/ No): No Replacement Housing Factor Grant No:			Federal FFY of Grant: 2009		
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²	
AMP 4 - Lompoc								
21-004	Sheds, re-roof (contract labor). (Apricot/Walnut)	1470	20 sheds	40,000.00	40,000.00	273.58	.00	On schedule.
21-013 (West Maple)	Windows, replace (contract labor).	1460	24 units	60,000.00	60,000.00	409.08	107.32	On schedule.
21-013 (West Maple)	Patio doors, replace (contract labor).	1460	24 units	30,000.00	30,000.00	.00	.00	On schedule.
21-013 (West Maple)	Window coverings.	1460	24 units	8,000.00	8,000.00	.00	.00	On schedule.
21-013 (West Maple)	Wall heaters, replace (contract labor).	1460	24 units	.00	25,000.00	.00	.00	From 501-08.
21-013 (West Maple)	Water heaters, replace (contract labor).	1460	24 units	.00	17,000.00	.00	.00	From 501-08.
21-014 (North "Q" St.)	Carpet, replace (contract labor).	1460	44 units	92,400.00	28,658.18	28,658.18	159.38	In progress.
21-014 (North "Q" St.)	Flooring, replace (contract labor).	1460	44 units	58,887.00	19,105.45	19,105.45	106.25	In progress.
21-016 (West College)	Doors (exterior), replace (contract labor).	1460	40 units	.00	33,000.00	257.68	.00	From 501-08.
AMP 4 – SUBTOTAL				289,287.00	260,763.63	48,703.97	372.95	
PHA-Wide	Administrative salaries and benefits.	1410		141,387.00	141,387.00	141,387.00	2,054.43	On going.
PHA-Wide	Contingency.	1502		.00	20,523.37	.00	.00	
PHA-Wide – Subtotal				141,387.00	161,910.37	141,387.00	2,054.43	

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

² To be completed for the Performance and Evaluation Report.

Part III: Implementation Schedule for Capital Fund Financing Program					
PHA Name: Housing Authority of the County of Santa Barbara				Federal FFY of Grant: 2009	
Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates ¹
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
PHA-Wide	03/17/2010	06/30/2009	03/17/2012		
AMP 1 - Goleta	03/17/2010		03/17/2012		
AMP 3 - Santa Maria / Guadalupe / Orcutt	03/17/2010		03/17/2012		
AMP 4 - Lompoc	03/17/2010		03/17/2012		

¹ Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

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

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 4/30/2011

Part I: Summary	
PHA Name: Housing Authority of the County of Santa Barbara	Grant Type and Number Capital Fund Program Grant No: CA16-P021-501-10 Replacement Housing Factor Grant No: Date of CFFP:
FFY of Grant: 2010 FFY of Grant Approval: 2010	

Type of Grant
 Original Annual Statement Reserve for Disasters/Emergencies
 Performance and Evaluation Report for Period Ending: Revised Annual Statement (revision no:)
 Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds		.00		
2	1406 Operations (may not exceed 20% of line 21) ³		89,993.00		
3	1408 Management Improvements		158,000.00		
4	1410 Administration (may not exceed 10% of line 21)		109,993.00		
5	1411 Audit		.00		
6	1415 Liquidated Damages		.00		
7	1430 Fees and Costs		.00		
8	1440 Site Acquisition		.00		
9	1450 Site Improvement		100,700.00		
10	1460 Dwelling Structures		576,244.00		
11	1465.1 Dwelling Equipment—Nonexpendable		15,000.00		
12	1470 Non-dwelling Structures		.00		
13	1475 Non-dwelling Equipment		26,000.00		
14	1485 Demolition		.00		
15	1492 Moving to Work Demonstration		.00		
16	1495.1 Relocation Costs		24,000.00		
17	1499 Development Activities ⁴		.00		

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⁴ RHF funds shall be included here.

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

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
Expires 4/30/2011

Part I: Summary			
PHA Name: Housing Authority of the County of Santa Barbara	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:60%; vertical-align: top;"> Grant Type and Number Capital Fund Program Grant No: CA16-P021-501-10 Replacement Housing Factor Grant No: Date of CFFP: </td> <td style="width:40%; vertical-align: top;"> FFY of Grant: 2010 FFY of Grant Approval: 2010 </td> </tr> </table>	Grant Type and Number Capital Fund Program Grant No: CA16-P021-501-10 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2010 FFY of Grant Approval: 2010
Grant Type and Number Capital Fund Program Grant No: CA16-P021-501-10 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2010 FFY of Grant Approval: 2010		

Type of Grant

Original Annual Statement
 Reserve for Disasters/Emergencies
 Revised Annual Statement (revision no:)

Performance and Evaluation Report for Period Ending:
 Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA	.00			
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment	.00			
19	1502 Contingency (may not exceed 8% of line 20)	.00			
20	Amount of Annual Grant:: (sum of lines 2 - 19)	1,099,930.00			
21	Amount of line 20 Related to LBP Activities	.00			
22	Amount of line 20 Related to Section 504 Activities	.00			
23	Amount of line 20 Related to Security - Soft Costs	148,000.00			
24	Amount of line 20 Related to Security - Hard Costs	.00			
25	Amount of line 20 Related to Energy Conservation Measures	.00			

Signature of Executive Director 	Date 9/29/09	Signature of Public Housing Director 	Date
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³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.
⁴ RHF funds shall be included here.

Part II: Supporting Pages								
PHA Name: Housing Authority of the County of Santa Barbara			Grant Type and Number Capital Fund Program Grant No: CA16-P021-501-10 CFPP (Yes/ No): No Replacement Housing Factor Grant No:			Federal FFY of Grant: 2010		
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²	
<u>AMP 3 – Santa Maria / Guadalupe / Orcutt</u>								
21-006	Security Services.	1408	69	42,000.00				
21-007	Security Services	1408	81	42,000.00				
21-002	Water heaters, replace (contract labor).	1460	6	4,200.00				
21-003	Water heaters, replace (contract labor).	1460	7	4,900.00				
21-005	Water heaters, replace (contract labor).	1460	20	14,000.00				
21-006	Water heaters, replace (contract labor).	1460	23	16,100.00				
21-007	Water heaters, replace (contract labor).	1460	27	18,900.00				
21-025	Water heaters, replace (contract labor).	1460	16	11,200.00				
	AMP 3 - SUBTOTAL			153,300.00				

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

² To be completed for the Performance and Evaluation Report.

Part II: Supporting Pages								
PHA Name: Houisng Authority of the County of Santa Barbara			Grant Type and Number Capital Fund Program Grant No: CA16-P021-501-10 CFFP (Yes/ No): No Replacement Housing Factor Grant No:			Federal FFY of Grant: 2010		
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²	
<u>AMP 4 - Lompoc</u>								
21-016	Security Services.	1408	40	32,000.00				
21-017	Security Services.	1408	35	32,000.00				
21-014	Parking lot, repair (contract labor).	1450	44	25,000.00				
21-016	Fence, replace (contract labor).	1450	40	40,000.00				
21-017	Fence, replace (contract labor).	1450	35	35,700.00				
21-004	Toilets, replace (contract labor).	1460	40	16,000.00				
21-013	Bathrooms, remodel (contract labor).	1460	24	86,328.00				
21-013	Carpet, replace (contract labor).	1460	24	28,800.00				
21-013	Kitchens, remodel (contract labor).	1460	24	240,000.00				
21-013	Roof replace (contract labor).	1460	24	110,000.00				
21-013	Security screen doors (contract labor).	1460	24	7,216.00				
21-013	Termite Treatment (contract labor).	1460	24	9,000.00				
21-013	Toilets, replace (contract labor).	1460	24	9,600.00				
21-013	Appliances, replace (contract labor).	1465	24	15,000.00				
21-013	Resident Relocation.	1495	24	24,000.00				
AMP 4 – SUBTOTAL				710,644.00				

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

² To be completed for the Performance and Evaluation Report.

Part III: Implementation Schedule for Capital Fund Financing Program					
PHA Name: Housing Authority of the County of Santa Barbara				Federal FFY of Grant: 2010	
Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates ¹
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
PHA-Wide	6/30/2012		6/30/2014		
AMP 3 – Guadalupe, Santa Maria, Orcutt	6/30/2012		6/30/2014		
AMP 4- Lompoc	6/30/2012		6/30/2014		

¹ Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

Capital Fund Program—Five-Year Action Plan

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
Expires 4/30/2011

Part I: Summary						
PHA Name/Number		Locality (City/County & State)			<input checked="" type="checkbox"/> Original 5-Year Plan	<input type="checkbox"/> Revision No:
A.	Development Number and Name	Work Statement for Year 1 FFY 2010	Work Statement for Year 2 FFY 2011	Work Statement for Year 3 FFY 2012	Work Statement for Year 4 FFY 2013	Work Statement for Year 5 FFY 2014
B.	Physical Improvements Subtotal	Annual Statement	3,384,790.00	2,174,400.00	1,664,500.00	12,394,300.00
C.	Management Improvements		55,000.00	55,000.00	55,000.00	55,000.00
D.	PHA-Wide Non-dwelling Structures and Equipment		1,461,000.00	119,000.00	41,000.00	425,900.00
E.	Administration		109,993.00	109,993.00	109,993.00	109,993.00
F.	Other		148,000.00	148,000.00	148,000.00	229,000.00
G.	Operations		109,993.00	109,993.00	109,993.00	109,993.00
H.	Demolition		.00	.00	.00	.00
I.	Development		.00	.00	.00	.00
J.	Capital Fund Financing – Debt Service		.00	.00	.00	.00
K.	Total CFP Funds					
L.	Total Non-CFP Funds					
M.	Grand Total		5,268,776.00	2,716,386.00	2,128,486.00	13,324,186

Capital Fund Program—Five-Year Action Plan

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
Expires 4/30/2011

Part I: Summary (Continuation)

PHA Name/Number		Locality (City/county & State)		<input checked="" type="checkbox"/> Original 5-Year Plan	<input type="checkbox"/> Revision No:	
A.	Development Number and Name	Work Statement for Year 1 FFY <u>2010</u>	Work Statement for Year 2 FFY <u>2011-2012</u>	Work Statement for Year 3 FFY <u>2012-2013</u>	Work Statement for Year 4 FFY <u>2013-2014</u>	Work Statement for Year 5 FFY <u>2014-2015</u>
		Annual Statement				
	<u>AMP 1</u>					
	21-015		5,000.00	5,000.00	5,000.00	616,700.00
	21-022		35,000.00	5,000.00	5,000.00	155,000.00
	21-023		5,000.00	5,000.00	5,000.00	496,900.00
	21-024		5,000.00	5,000.00	5,000.00	1,683,000.00
	<u>AMP 3</u>					
	21-002		84,520.00	365,800.00	50,000.00	414,000.00
	21-003		149,400.00	396,000.00	55,000.00	515,000.00
	21-005		175,120.00	402,000.00	45,000.00	625,000.00
	21-006		630,145.00	55,000.00	315,500.00	2,581,500.00
	21-007		572,605.00	55,000.00	378,500.00	3,008,000.00
	21-025		281,200.00	113,000.00	35,000.00	417,200.00
	<u>AMP 4</u>					
	21-004		345,000.00	32,600.00	162,000.00	482,000.00
	21-013		35,000.00	5,000.00	5,000.00	240,000.00
	21-014		294,600.00	715,000.00	5,000.00	390,000.00
	21-016		322,000.00	5,000.00	234,500.00	347,000.00
	21-017		186,600.00	5,000.00	305,000.00	307,500.00
	21-034		258,600.00	5,000.00	54,000.00	115,500.00
	TOTAL		3,384,790.00	2,174,400.00	1,664,500.00	12,394,300.00

Part II: Supporting Pages – Physical Needs Work Statement(s)						
Work Statement for Year 1 FFY 2010	Work Statement for Year: 2010 FFY 2011-2012 – Year 2			Work Statement for Year: 2010 FFY 2012-2013 – Year 3		
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
See Annual Statement	<u>AMP 1 - Goleta</u>			<u>AMP 1 - Goleta</u>		
	<u>CA16-P021-022</u>			<u>CA16-P021-022</u>		
	<u>L.C. Grossman Homes</u>			<u>L.C. Grossman Homes</u>		
	<u>5575 Armitos Avenue</u>			<u>5575 Armitos Avenue</u>		
	<u>Goleta, CA</u>			<u>Goleta, CA</u>		
	Occupancy rehab.		5,000.00	Occupancy rehab.		5,000.00
	Relandscape grounds.	100%	10,000.00			
	Sidewalks, replace.	100%	20,000.00			
	Subtotal of Estimated Cost		\$35,000.00	Subtotal of Estimated Cost		\$5,000.00

Part II: Supporting Pages – Physical Needs Work Statement(s)						
Work Statement for Year 1 FFY 2010	Work Statement for Year: 2010 FFY 2011-2012 – Year 2			Work Statement for Year: 2010 FFY 2012-2013 – Year 3		
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
See Annual Statement	<u>AMP 1 - Goleta</u>			<u>AMP 1 – Goleta</u>		
	<u>CA16-P021-023</u>			<u>CA16-P021-023</u>		
	<u>Aparicio Apts. IV</u>			<u>Aparicio Apts. IV</u>		
	<u>127 Orange Avenue</u>			<u>127 Orange Avenue</u>		
	<u>Goleta, CA</u>			<u>Goleta, CA</u>		
	Occupancy rehab.		5,000.00	Occupancy rehab.		5,000.00
	Subtotal of Estimated Cost		\$5,000.00	Subtotal of Estimated Cost		\$5,000.00

Part II: Supporting Pages – Physical Needs Work Statement(s)						
Work Statement for Year 1 FFY 2010	Work Statement for Year: 2010 FFY 2011-2012 – Year 2			Work Statement for Year: 2010 FFY 2012-2013 – Year 3		
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
See Annual Statement	<u>AMP 1 - Goleta</u>			<u>AMP 1 - Goleta</u>		
	<u>CA16-P021-024</u>			<u>CA16-P021-024</u>		
	<u>Aparicio Apts. V</u>			<u>Aparicio Apts. V</u>		
	<u>Orange/Ellwood/ Magnolia, Goleta, CA</u>			<u>Orange/Ellwood/ Magnolia, Goleta, CA</u>		
	Occupancy rehab.		5,000.00	Occupancy rehab.		5,000.00
		Subtotal of Estimated Cost		\$5,000.00	Subtotal of Estimated Cost	

Part II: Supporting Pages – Physical Needs Work Statement(s)						
Work Statement for Year 1 FFY 2010	Work Statement for Year: 2010 FFY 2011-2012 – Year 2			Work Statement for Year: 2010 FFY 2012-2013 – Year 3		
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
See Annual Statement	<u>AMP 3- Guadalupe, Santa Maria, Orcutt</u>			<u>AMP 3 – Guadalupe, Santa Maria, Orcutt</u>		
	<u>CA16-P021-006</u>			<u>CA16-P021-006</u>		
	<u>Evans Park</u>			<u>Evans Park</u>		
	<u>200 West Williams</u>			<u>200 West Williams</u>		
	<u>Santa Maria, CA</u>			<u>Santa Maria, CA</u>		
	Occupancy rehab.		5,000.00	Occupancy rehab.		5,000.00
	Fence, replace w/block.	100%	8,000.00	Plumbing, upgrade.	69 units	50,000.00
	Laundry drain, hose bib.	69 units	34,500.00			
	Refrigerators, replace.	69 units	21,390.00			
	Parking areas, replace.	100%	250,000.00			
	Playground/basketball.	100%	30,000.00			
	Relandscape grounds.	100%	100,000.00			
	Sewer lines, replace.	100%	50,000.00			
	Sidewalks, replace.	100%	25,000.00			
	Smoke alarms, replace.	69 units	22,080.00			
Stoves, replace.	69 units	18,975.00				
Toilets, replace.	69 units	27,600.00				
Transmitters, replace.	100%	27,600.00				
Trees, replace.		10,000.00				
	Subtotal of Estimated Cost		\$630,145.00	Subtotal of Estimated Cost		\$55,000.00

Part II: Supporting Pages – Physical Needs Work Statement(s)						
Work Statement for Year 1 FFY 2010	Work Statement for Year: 2010 FFY 2011-2012 – Year 2			Work Statement for Year: 2010 FFY 2012-2013 – Year 3		
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
See Annual Statement	<u>AMP 3 – Guadalupe, Santa Maria, Orcutt</u>			<u>AMP 3 – Guadalupe, Santa Maria, Orcutt</u>		
	<u>CA16-P021-007</u>			<u>CA16-P021-007</u>		
	<u>Evans Park</u>			<u>Evans Park</u>		
	<u>200 West Williams</u>			<u>200 West Williams</u>		
Sewer	<u>Santa Maria, CA</u>			<u>Santa Maria, CA</u>		
	Occupancy rehab.		5,000.00	Occupancy rehab.		5,000.00
	Fence, replace w/block.	100%	8,000.00	Plumbing, upgrade.	81 units	50,000.00
	Refrigerators, replace.	81 units	25,110.00			
	Laundry drain, hose bib.	81 units	40,500.00			
	Parking area, replace.	100%	150,000.00			
	Playground, upgrade.	100%	35,000.00			
	Relandscape grounds.	100%	100,000.00			
	Sewer lines, replace.	100%	50,000.00			
	Sidewalks, replace.	100%	40,000.00			
	Smoke alarms, replace.	81 units	25,920.00			
	Stoves, replace.	81 units	22,275.00			
	Toilets, replace.	81 units	32,400.00			
	Transmitters, replace.		32,400.00			
	Trees, replace.		6,000.00			
	Subtotal of Estimated Cost		\$572,605.00	Subtotal of Estimated Cost		\$55,000.00

Capital Fund Program—Five-Year Action Plan

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
Expires 4/30/2011

Part II: Supporting Pages – Physical Needs Work Statement(s)						
Work Statement for Year 1 FFY 2010	Work Statement for Year: 2010 FFY 2013-2014 – Year 4			Work Statement for Year: 2010 FFY 2014-2015 – Year 5		
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
See Annual Statement:	<u>AMP 1 - Goleta</u>			<u>AMP 1 – Goleta</u>		
	<u>CA16-P021-015</u>			<u>CA16-P021-015</u>		
	<u>Aparicio Apts. I</u>			<u>Aparicio Apts. I</u>		
	<u>332 Ellwood Beach Dr.</u>			<u>332 Ellwood Beach Dr.</u>		
	<u>Goleta, CA</u>			<u>Goleta, CA</u>		
	Occupancy rehab.		5,000.00	Occupancy rehab.		5,000.00
				Accessibility upgrade.		5,000.00
				Appliances, replace.	14 units	14,000.00
				Balconies / walkways.	100%	9,500.00
				Bathrooms, remodel.	14 units	49,000.00
				Concrete.	100%	21,000.00
				Doors (exterior),replace.	14 units	8,000.00
				Electrical, upgrade.	14 units	28,000.00
				Flooring, replace.	14 units	39,200.00
				Kitchens, remodel.	14 units	98,000.00
				Landscaping, irrigation.	100%	5,000.00
			Laundry room, remodel.	1	3,500.00	
			Parking lot, replace.	100%	45,000.00	
	Subtotal of Estimated Cost	Continued on next page		Subtotal of Estimated Cost	Continued on next page	

Part II: Supporting Pages – Physical Needs Work Statement(s)						
Work Statement for Year 1 FFY 2010	Work Statement for Year: 2010 FFY 2013-2014 – Year 4			Work Statement for Year: 2010 FFY 2014-2015 – Year 5		
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
See Annual Statement	<u>AMP 1 - Goleta</u>			<u>AMP 1 - Goleta</u>		
	<u>CA16-P021-022</u>			<u>CA16-P021-022</u>		
	<u>L.C. Grossman Homes</u>			<u>L.C. Grossman Homes</u>		
	<u>5575 Armitos Avenue</u>			<u>5575 Armitos Avenue</u>		
	<u>Goleta, CA</u>			<u>Goleta, CA</u>		
	Occupancy rehab.		5,000.00	Occupancy rehab.		5,000.00
				Accessibility upgrade.		5,000.00
				Relandscape grounds.	100%	40,000.00
				Solar, install.	100%	105,000.00
	Subtotal of Estimated Cost		\$5,000.00	Subtotal of Estimated Cost		\$155,000.00

Part II: Supporting Pages – Physical Needs Work Statement(s)						
Work Statement for Year 1 FFY 2010	Work Statement for Year: 2010 FFY 2013-2014 – Year 4			Work Statement for Year: 2010 FFY 2014-2015 – Year 5		
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
See Annual Statement	<u>AMP 1 - Goleta</u>			<u>AMP 1 – Goleta</u>		
	<u>CA16-P021-023</u>			<u>CA16-P021-023</u>		
	<u>Aparicio Apts. IV</u>			<u>Aparicio Apts. IV</u>		
	<u>127 Orange Avenue</u>			<u>127 Orange Avenue</u>		
	<u>Goleta, CA</u>			<u>Goleta, CA</u>		
	Occupancy rehab.		5,000.00	Occupancy rehab.		5,000.00
				Accessibility upgrade.		5,000.00
				Appliances, replace.	11 units	11,000.00
				Bathrooms, remodel.	11 units	45,500.00
				Concrete.	100%	15,000.00
				Doors-exterior, replace.	11 units	6,000.00
				Painting, exterior.	11 units	10,000.00
				Flooring, replace.	11 units	27,500.00
				Kitchens, remodel.	11 units	66,000.00
				Laundry room, remodel.	1	10,000.00
				Painting, exterior.	11 units	30,000.00
				Painting, interior.	11 units	16,500.00
	Subtotal of Estimated Cost		Continued on next page	Subtotal of Estimated Cost		Continued on Next Page

Part II: Supporting Pages – Physical Needs Work Statement(s)						
Work Statement for Year 1 FFY 2010	Work Statement for Year: 2010 FFY 2013-2014 – Year 4			Work Statement for Year: 2010 FFY 2014-2015 – Year 4		
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
See Annual Statement	<u>AMP 1 – Goleta</u>			<u>AMP 1 – Goleta</u>		
	<u>CA16-P021-024</u>			<u>CA16-P021-024</u>		
	<u>Aparicio Apts. V</u>			<u>Aparicio Apts. V</u>		
	<u>145 Orange Avenue</u>			<u>145 Orange Avenue</u>		
	<u>Goleta, CA</u>			<u>Goleta, CA</u>		
				Appliances, replace.	10 units	10,000.00
				Balcony, repair.	100%	42,000.00
				Bathrooms, remodel.	10 units	38,000.00
				Concrete / driveway.	100%	45,000.00
				Doors, replace.	10 units	5,500.00
				Electrical, upgrade.	10 units	50,000.00
				Flooring, replace.	10 units	35,000.00
				Kitchens, remodel.	10 units	70,000.00
				Laundry room, remodel.	1	5,000.00
				Painting, exterior.	100%	15,000.00
			Painting, interior.	10 units	18,000.00	
			Plumbing, upgrade.	10 units	35,000.00	
	Subtotal of Estimated Cost		\$.00	Subtotal of Estimated Cost	Continued on Next Page	

Part II: Supporting Pages – Physical Needs Work Statement(s)						
Work Statement for Year 1 FFY 2010	Work Statement for Year: 2010 FFY 2013-2014 – Year 4			Work Statement for Year: 2010 FFY 2014-2015 – Year 5		
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
See Annual Statement	<u>AMP 3 – Guadalupe, Santa Maria, Orcutt</u>			<u>AMP 3 – Guadalupe, Santa Maria, Orcutt</u>		
	<u>CA16-P021-003</u>			<u>CA16-P021-003</u>		
	<u>Guadalupe Ranch Ac. 1050 Escalante Street Guadalupe, CA</u>			<u>Guadalupe Ranch Ac. 1050 Escalante Street Guadalupe, CA</u>		
	Occupancy rehab.	20 units	5,000.00	Occupancy rehab.		5,000.00
	Electrical, upgrade.	20 units	10,000.00	Accessibility upgrade.		5,000.00
	Exhaust fans.	20 units	5,000.00	Doors, replace.	20 units	140,000.00
	Lighting (area).	100%	15,000.00	Flooring, replace.	20 units	40,000.00
	Relandscape grounds.	100%	20,000.00	Resurface ext. walls.	20 units	75,000.00
				Retexture int. walls.	20 units	100,000.00
				Solar, install.	100%	150,000.00
		Subtotal of Estimated Cost		\$55,000.00	Subtotal of Estimated Cost	

Part II: Supporting Pages – Physical Needs Work Statement(s)						
Work Statement for Year 1 FFY 2010	Work Statement for Year: 2010 FFY 2013-2014 – Year 4			Work Statement for Year: 2010 FFY 2014-2015 – Year 5		
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
See Annual Statement	<u>AMP 3 – Guadalupe, Santa Maria, Orcutt</u>			<u>AMP 3 – Guadalupe, Santa Maria, Orcutt</u>		
Sewer	<u>CA16-P021-007 Evans Park 200 West Williams Santa Maria, CA</u>			<u>CA16-P021-007 Evans Park 200 West Williams Santa Maria, CA</u>		
	Occupancy rehab.		5,000.00	Occupancy rehab.		5,000.00
	Bathrooms remodel.	81 units	324,000.00	Accessibility upgrade.		5,000.00
	Dryer vents.	15 duplexes	9,000.00	Carpet, install.	81 units	240,000.00
	Exhaust fans.	81 units	40,500.00	Cmnty. bldg. remodel.	1	100,000.00
				Concrete patios.	100%	94,000.00
				Kitchen counter tops.	81 units	121,500.00
				Painting, exterior.	81 units	75,000.00
				Retexture int. walls.	81 units	405,000.00
				Sheds, upgrade.	81 units	81,000.00
				Solar, install.	100%	607,500.00
				Flooring, replace.	81 units	240,000.00
				Kitchen, remodel.	81 units	1,215,000.00
	Subtotal of Estimated Cost		\$378,500.00	Subtotal of Estimated Cost		\$3,189,000.00

Part II: Supporting Pages – Physical Needs Work Statement(s)						
Work Statement for Year 1 FFY 2010	Work Statement for Year: 2010 FFY 2013-2014 – Year 4			Work Statement for Year: 2010 FFY 2014-2015 – Year 5		
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
See Annual Statement	AMP 3 – Guadalupe, Santa Maria, Orcutt			AMP 3 – Guadalupe, Santa Maria, Orcutt		
	CA16-P021-025 Leland Park Apts. 250-260 N. Pacific Orcutt, CA			CA16-P021-025 Leland Park Apts. 250-260 N. Pacific Orcutt, CA		
	Occupancy rehab.		5,000.00	Occupancy rehab.		5,000.00
	Termite treatment.	16 units	30,000.00	Accessibility upgrade.		5,000.00
				Base molding.	16 units	32,200.00
				Carpet, install.	16 units	30,000.00
				Maint. storage room.	1 building	20,000.00
				Sidewalks, replace.	100%	25,000.00
				Siding, replace.	100%	200,000.00
				Solar, install.	100%	120,000.00
		Subtotal of Estimated Cost		\$35,000.00	Subtotal of Estimated Cost	

Part II: Supporting Pages – Physical Needs Work Statement(s)						
Work Statement for Year 1 FFY 2010	Work Statement for Year: 2010 FFY 2013-2014 – Year 4			Work Statement for Year: 2010 FFY 2014-2015 – Year 5		
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
See Annual Statement	<u>AMP 4 – Lompoc</u>			<u>AMP 4 – Lompoc</u>		
	<u>CA16-P021-017</u>			<u>CA16-P021-017</u>		
	<u>Lompoc Gardens II</u>			<u>Lompoc Gardens II</u>		
	<u>535 North “I” Street</u>			<u>535 North “I” Street</u>		
	<u>Lompoc, CA</u>			<u>Lompoc, CA</u>		
	Occupancy rehab.		5,000.00	Occupancy rehab.		5,000.00
	Parking lots, replace.	100%	150,000.00	Accessibility upgrade.		5,000.00
	Relandscape grounds.	100%	150,000.00	Security screen doors.	35 units	10,500.00
				Sidewalks, replace.	100%	25,000.00
				Solar, install.	100%	262,000.00
		Subtotal of Estimated Cost		\$305,000.00	Subtotal of Estimated Cost	



Housing Authority of the County of Santa Barbara

P.O. Box 397 • Lompoc, CA 93438-0397
815 West Ocean Avenue • Lompoc, CA 93436-6526
(805) 736-3423 • FAX (805) 735-7672 • TDD (800) 545-1833 Ext. 594

October 1, 2009

K. J. Brockington, Director
Office of Public Housing
U.S. DEPT. OF HOUSING AND URBAN DEVELOPMENT
611 West Sixth Street, Suite 1040
Los Angeles, California 90017

Subject: Submission of PHA 5 Year and Fiscal Year 2010 Annual Plan -
Certifications

Dear Ms. Brockington:

We successfully completed electronic transmission to HUD of the above-captioned plan. To fulfill all of the HUD requirements related to the plan submission, we have enclosed the signed certification documents:

- PHA Certifications of Compliance with the PHA Plan HUD 50077
- Civil Rights Certification HUD 50077CR
- Certification for Drug Free Workplace HUD 50070
- Certification of Payments to Influence Federal Transactions HUD 50071
- Disclosure of Lobbying Activities SF-LLL
- Summary of Resident Work Item Suggestions - RAB

Please contact the undersigned at (805) 736-3423 ext. 221 with any questions.

Respectfully,

A handwritten signature in black ink, appearing to read 'Frederick C. Lamont', written in a cursive style.

Frederick C. Lamont
Executive Director

Enclosures

**PHA Certifications of Compliance with the PHA Plans and Related Regulations:
Board Resolution to Accompany the PHA 5-Year and Annual PHA Plan**

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the X 5-Year and/or X Annual PHA Plan for the PHA fiscal year beginning 2010, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

1. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
2. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.
3. The PHA certifies that there has been no change, significant or otherwise, to the Capital Fund Program (and Capital Fund Program/Replacement Housing Factor) Annual Statement(s), since submission of its last approved Annual Plan. The Capital Fund Program Annual Statement/Annual Statement/Performance and Evaluation Report must be submitted annually even if there is no change.
4. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, consulted with this Board or Boards in developing the Plan, and considered the recommendations of the Board or Boards (24 CFR 903.13). The PHA has included in the Plan submission a copy of the recommendations made by the Resident Advisory Board or Boards and a description of the manner in which the Plan addresses these recommendations.
5. The PHA made the proposed Plan and all information relevant to the public hearing available for public inspection at least 45 days before the hearing, published a notice that a hearing would be held and conducted a hearing to discuss the Plan and invited public comment.
6. The PHA certifies that it will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
7. The PHA will affirmatively further fair housing by examining their programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions.
8. For PHA Plan that includes a policy for site based waiting lists:
 - The PHA regularly submits required data to HUD's 50058 PIC/IMS Module in an accurate, complete and timely manner (as specified in PIH Notice 2006-24);
 - The system of site-based waiting lists provides for full disclosure to each applicant in the selection of the development in which to reside, including basic information about available sites; and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types at each site;
 - Adoption of site-based waiting list would not violate any court order or settlement agreement or be inconsistent with a pending complaint brought by HUD;
 - The PHA shall take reasonable measures to assure that such waiting list is consistent with affirmatively furthering fair housing;
 - The PHA provides for review of its site-based waiting list policy to determine if it is consistent with civil rights laws and certifications, as specified in 24 CFR part 903.7(c)(1).
9. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
10. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
11. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.

12. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.
13. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
14. The PHA will provide the responsible entity or HUD any documentation that the responsible entity or HUD needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58 or Part 50, respectively.
15. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under Section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
16. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
17. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act, the Residential Lead-Based Paint Hazard Reduction Act of 1992, and 24 CFR Part 35.
18. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments), 2 CFR Part 225, and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).
19. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the regulations and included in its Plan.
20. All attachments to the Plan have been and will continue to be available at all times and all locations that the PHA Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its PHA Plan and will continue to be made available at least at the primary business office of the PHA.
21. The PHA provides assurance as part of this certification that:
 - (i) The Resident Advisory Board had an opportunity to review and comment on the changes to the policies and programs before implementation by the PHA;
 - (ii) The changes were duly approved by the PHA Board of Directors (or similar governing body); and
 - (iii) The revised policies and programs are available for review and inspection, at the principal office of the PHA during normal business hours.
22. The PHA certifies that it is in compliance with all applicable Federal statutory and regulatory requirements.

Housing Authority of the
County of Santa Barbara

CA021

PHA Name

PHA Number/HA Code

5-Year PHA Plan for Fiscal Years 2010 - 2014

Annual PHA Plan for Fiscal Years 2010 - 2010

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

Name of Authorized Official James E. Pearson	Title Chair
Signature 	Date 09/17/09

Civil Rights Certification

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
Expires 4/30/2011

Civil Rights Certification

Annual Certification and Board Resolution

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioner, I approve the submission of the Plan for the PHA of which this document is a part and make the following certification and agreement with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

The PHA certifies that it will carry out the public housing program of the agency in conformity with title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990, and will affirmatively further fair housing.

HOUSING AUTHORITY OF THE
COUNTY OF SANTA BARBARA

CA021

PHA Name

PHA Number/HA Code

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

Name of Authorized Official
FREDERICK C. LAMONT

Title
EXECUTIVE DIRECTOR

Signature



Date

SEPTEMBER 17, 2009

Certification for a Drug-Free Workplace

U.S. Department of Housing and Urban Development

Applicant Name

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA

Program/Activity Receiving Federal Grant Funding

PUBLIC HOUSING AND SECTION 8 HOUSING CHOICE VOUCHER PROGRAMS

Acting on behalf of the above named Applicant as its Authorized Official, I make the following certifications and agreements to the Department of Housing and Urban Development (HUD) regarding the sites listed below:

I certify that the above named Applicant will or will continue to provide a drug-free workplace by:

a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Applicant's workplace and specifying the actions that will be taken against employees for violation of such prohibition.

b. Establishing an on-going drug-free awareness program to inform employees ---

(1) The dangers of drug abuse in the workplace;

(2) The Applicant's policy of maintaining a drug-free workplace;

(3) Any available drug counseling, rehabilitation, and employee assistance programs; and

(4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.

c. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph a.;

d. Notifying the employee in the statement required by paragraph a. that, as a condition of employment under the grant, the employee will ---

(1) Abide by the terms of the statement; and

(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

e. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph d.(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

f. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph d.(2), with respect to any employee who is so convicted ---

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs a. thru f.

2. Sites for Work Performance. The Applicant shall list (on separate pages) the site(s) for the performance of work done in connection with the HUD funding of the program/activity shown above: Place of Performance shall include the street address, city, county, State, and zip code. Identify each sheet with the Applicant name and address and the program/activity receiving grant funding.)

SEE ATTACHED LIST

Check here if there are workplaces on file that are not identified on the attached sheets.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties.

(18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

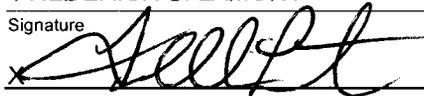
Name of Authorized Official

FREDERICK C. LAMONT

Title

EXECUTIVE DIRECTOR

Signature



Date

SEPTEMBER 17, 2009

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA

PUBLIC HOUSING DEVELOPMENTS

PROJECT NAME AND NUMBER	STREET ADDRESS/ CITY	ZIP CODE	CENSUS TRACT	ELDERLY BR SIZE		FAMILY BR SIZE				TOTAL NO. UNITS
				1	2	1	2	3	4	
Aparicio Apts. I CA P021-015	332 Ellwood Beach Goleta	93117	29.04			14				14
Aparicio Apts. IV CA P021-023	127 Orange Goleta	93017	30.01			7	4			11
Aparicio Apts. V CA P021-024	145 Orange 301 Ellwood Beach 120 Magnolia Goleta	93017	30.01 29.04 30.01			10 1 12	5	1		10 7 12
L.C. Grossman Homes CA P021-022	5575 Armitos Ave. Goleta	93017	30.01				14			14
Lompoc Terrace CA P021-04	815 West Ocean Lompoc	93436	27.02			6	10	28	6	50
Miller Plaza CA P021-013	301 West Maple Lompoc	93436	27.02	24						24
Stanley Horn Homes CA P021-014	640 N. "Q" Street Lompoc	93436	27.05	40	4					44
Lompoc Gardens I CA P021-016	300 W. College Lompoc	93436	27.02	6			22	10	2	40
Lompoc Gardens II CA P021-017	535 N. "I" Street Lompoc	93436	27.02				24	11		35
Scattered-Site CA16021034	Lompoc Area	93436						9	1	10
Guadalupe Ranch Acres CA P021-02	1050 Escalante/ 10th St., Guad.	93434	25.00				10	6		16
CA P021-03							6	8	6	20
CA P021-05				4		2		8	6	20
Evans Park CA P021-06, 07	200 W. Williams Santa Maria	93454	23.02	30			36	60	23	149
Leland Park Apts. CA P021-025 (925)	250-260 N. Pacific Orcutt	93454	20.03			2	14			16
TOTAL UNITS UNDER MANAGEMENT				104	4	54	145	141	44	492

(hsgdev)

08/24/09

Certification of Payments to Influence Federal Transactions

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

Applicant Name

HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA

Program/Activity Receiving Federal Grant Funding

PUBLIC HOUSING AND SECTION 8 HOUSING CHOICE VOUCHER PROGRAMS

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying, in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties.
(18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official

FREDERICK C. LAMONT

Title

EXECUTIVE DIRECTOR

Signature



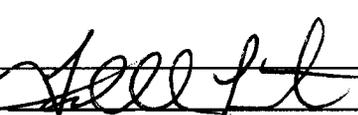
Date (mm/dd/yyyy)

09/17/2009

DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352
(See reverse for public burden disclosure.)

Approved by OMB
0348-0046

1. Type of Federal Action: <input type="checkbox"/> a. contract <input type="checkbox"/> b. grant <input type="checkbox"/> c. cooperative agreement <input type="checkbox"/> d. loan <input type="checkbox"/> e. loan guarantee <input type="checkbox"/> f. loan insurance	2. Status of Federal Action: <input type="checkbox"/> a. bid/offer/application <input type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award	3. Report Type: <input type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change For Material Change Only: year _____ quarter _____ date of last report _____
4. Name and Address of Reporting Entity: <input checked="" type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier _____, if known: Congressional District, if known: 24th		5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime: Congressional District, if known: 24th
6. Federal Department/Agency: U. S. Department of Housing and Urban Development	7. Federal Program Name/Description: Public Housing and Section 8 Housing Choice Voucher Programs CFDA Number, if applicable: _____	
8. Federal Action Number, if known: CA16-P021 and SF-218	9. Award Amount, if known: \$	
10. a. Name and Address of Lobbying Registrant (if individual, last name, first name, MI):	b. Individuals Performing Services (including address if different from No. 10a) (last name, first name, MI):	
11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.	Signature:  Print Name: <u>Frederick C. Lamont</u> Title: <u>Executive Director</u> Telephone No.: <u>(805) 736-3423</u> Date: <u>09/17/2009</u>	
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HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA

CAPITAL FUND PROGRAM CA16-PO21-501-10 (FEDERAL FISCAL YEAR 2010)

WORK ITEM SUGGESTIONS RECEIVED AFTER PREPARATION OF "DRAFT" ANNUAL SUBMISSION

<u>Location</u>	<u>Work Item</u>	<u>Budgeted Amount</u>	<u>Suggestion Source</u>	<u>Comment</u>
Santa Maria	Painting (interior).	\$0.00	Resident Suggestion	Interior painting will only be completed in conjunction with a modernization project under the Capital Fund Program on a per unit basis under the Operating Budget.
Santa Maria	Flooring replacement (tile).	\$447,000.00	Resident Suggestion	Work item added to Five-Year Plan.
Santa Maria	Kitchen remodel, including cabinets.	\$2,250,000.00	Resident Suggestion	Work item added to Five-Year Plan.
Guadalupe	Sheds, enlarge.	\$78,000.00	Resident Suggestion	Work item is currently in the Five-Year Plan (Sheds, upgrade).
Guadalupe	Carpet, installation.	\$168,000.00	Resident Suggestion	Work item is currently in Five-Year Plan.
21-014 (640 North "Q" St.) Lompoc	Painting (interior).	\$0.00	Resident Suggestions	Interior painting will only be completed in conjunction with a modernization project under the Capital Fund Program on a per unit basis under the Operating Budget.