

HACM

SEPTEMBER 30, 2018 FINANCIAL REPORT

DISCUSSION POINTS- BOARD PRESENTATION

ENTITY-WIDE

- ❖ FINANCIAL POSITION – major changes compared to June 2018
 - Unrestricted reserve = about \$11mm
 - Liquidity will become tight in the coming months as we are construction financing the Victory Manor Project to save on interest cost. Construction financing commitment on the Victory Manor Project is around \$7mm.

- ❖ RESULTS OF OPERATIONS
 - Consolidated Net Income from operations = \$2.3mm
 - Expenses were about \$2.7mm under budget, income was about \$1.3mm over budget
 - Individual program results follows:

LOW RENT PUBLIC HOUSING PROGRAM

- ❖ Net Income for the period = \$2.2mm vs. budgeted Net Loss of \$733,000
- ❖ Revenue was \$1.5mm over budget
 - Average operating subsidy proration through September was 92% vs. budgeted funding at 86%
 - Average vacancy rate through September = 10%
 - Improvement from last quarter at 11%
 - Average vacancy rate for the month of September = 7%
- ❖ Expenses were about \$1.7mm under budget

UNSUBSIDIZED HOUSING

- ❖ Net income for the period = \$1.4mm
- ❖ Revenue was \$112,000 under budget
 - Average vacancy rate through September = 7%
 - Improvement from last quarter at 8%
 - Average vacancy rate for the month of September = 7%
- ❖ Expenses were under budget by \$333,000

RAP PROGRAM

- ❖ Net Income for the period= \$279,000
- ❖ Revenue was over budget by about \$58,000
- ❖ HAP utilization
 - 100% of HAP revenue was utilized
 - RAP continues to issue vouchers to replace regular turnovers
 - Unit lease up at end of period = 5,845 of the total 6,215 allowable
 - 94% of available vouchers were used
- ❖ Expenses were under budget by about \$296,000

CENTRAL OFFICE

- ❖ Net loss for the period = \$1.5mm vs. budgeted Net Loss of \$1.6mm
- ❖ Revenue was lower than budget by about \$147,000
 - Asset Management fees are not recognized until year end
 - Management fees and bookkeeping fees income were lower than budgeted
 - Budgeted occupancy rate was 98% for Public Housing vs actual occupancy rate of 90%
 - Budgeted occupancy rate was 95% for Unsubsidized Housing vs actual occupancy rate of 93%
- ❖ Expenses were under budget by about \$312,000

Special Projects

- ❖ Net loss for the period = \$103,000
 - Operations will continue to be funded by the COCC

GRANTS/DEVT

- ❖ Total grants still open = \$25.4mm (see page 11)
 - Obligated = 67%
 - Expended = 53%
 - All grants are in compliance with obligation and expenditure deadlines.