



# FINANCIAL REPORTS

MARCH 31, 2022

HOUSING AUTHORITY OF THE CITY OF MILWAUKEE  
FINANCIAL REPORTS  
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HA of the City Milwaukee  
Financial Highlights  
As of March 31, 2022

Financial Position (pp. 3-4)

As of March 31, 2022, HACM has total assets of \$322mm. Agency-wide working capital (difference between current assets & current liabilities) was at \$44mm indicating HACM's strong capacity to meet maturing obligations. Total cash & investments as of the end of March was \$27mm. These funds are invested in Institutional Trust, Local Government Investment Pool, certificate of deposits, money market placements, and regular checking accounts. All deposits are covered under FDIC insurance or are invested in secured US Treasury obligations. Total cash & investments are distributed as follow; (p. 3)

Low Rent Public Housing	\$4.12mm
Unsubsidized Housing	14.47
Rental Assistance Program	3.43
Central Office	0.04

Net unrestricted reserves as of March 31, of the major programs are as follow: (p. 4)

Low Rent Public Housing	\$1.98mm
Unsubsidized Housing	15.64
Rental Assistance Program-Admin	-1.45
Central office	5.57

The unrestricted reserve is indicative of the program's ability to withstand funding or revenue shortfall in the coming years. Changes in funding level have significantly affected the overall financial position of HACM. Low Rent Public Housing and Rental Assistance Program were severely impacted. Given funding trend in the program, management has implemented a Resiliency Plan to address the projected decline in funding levels and subsidies to ensure HACM's long-term fiscal sustainability.

Results of Operations (pp.5-6)

Agency-wide revenues were 5% under budget (p. 5) and total spending was 8% under budget (p.6). Administrative expenses compared to budgeted expenses had a 0% variance. Tenant services were 55% under budget; Utilities were 20% under budget; Maintenance expenses were 13% under budget, protective services were 38% over budget and general expenses were 17% under budget. Consolidated net income from operations for the period ended March 31, 2022 was \$816,580 (p. 6).

### *Low Rent Public Housing (LRPH)*

LRPH operations resulted in a net income from operations of \$610,470 (p. 6) in the first quarter. Operating revenue was \$377,578 over budget and total operating expenses for the period were \$218,158 under budget. All combined, LRPH posted a positive variance of \$595,737.

### *Unsubsidized Housing*

Unsubsidized Housing has a favorable result of operations during the quarter. Net income from operations was \$690,648 (p.6) before amortization of principal on series 2015 bonds. Revenue was \$55,368 under budget and operating expenses were under budget by \$296,136 during the period. All combined, Unsubsidized Housing has a positive variance of \$240,768.

### *Rental Assistance Program (RAP)*

RAP has a net loss of \$73,054 at the end of the period (p. 6). Administrative revenue was \$63,004 under budget and spending was over budget by \$8,700, resulting in an overall negative variance of \$71,703.

### *Central Office Cost Center (COCC)*

COCC posted a net loss of \$411,484 (p.6) at the end of the quarter. Total revenue was under budget by \$756,639. Operating expenses were under budget by \$244,873. All combined, COCC posted a negative variance of \$511,766.

### *Grant Management*

As of March 31, 2022, HACM is on track with its obligation and spending timelines as required by the grant agreements. Currently open grants are Capital Fund Programs 2017-2021. As of end of the quarter 83% has been obligated and 78% has been expended. Around 65% of the total grants will be spent on modernization. The balance is supplementing HACM operations (see p. 9).

## HOUSING AUTHORITY OF THE CITY OF MILWAUKEE

## BALANCE SHEETS

AS OF MARCH 31, 2022

AS OF MARCH 31, 2022					Mar 31, 2022	Mar. 31, 2021	
	LRPH	UNSUBSIDIZED HOUSING	RAP	COCC	GRANTS/DEVT	Total HACM	Total HACM
<b>ASSETS</b>							
<b>CURRENT ASSETS</b>							
CASH							
UNRESTRICTED CASH	3,651,866	9,640,701	2,276,468	0	4,774,948	20,343,983	26,598,230
RESTRICTED CASH (Note 1)		4,311,153	771,532	39,698		5,122,383	5,988,723
TOTAL CASH	3,651,866	13,951,854	3,048,000	39,698	4,774,948	25,466,366	32,586,953
ACCOUNTS RECEIVABLE-TENANTS	2,315,363	434,720				2,750,083	1,431,484
ALLOWANCE FOR DOUBTFUL ACCOUNTS (Note 2)	(154,322)	(1,468)				(155,790)	(27,226)
NET ACCOUNTS RECEIVABLE-TENANTS	2,161,041	433,252	0	0	0	2,594,293	1,404,258
ACCOUNTS RECEIVABLE-MISC							
AR-HUD (Note 3)	887,588	1,476		334,876		1,223,940	712,521
AR- DEVELOPMENT FEE (Note 4)				3,370,491		3,370,491	2,933,288
AR - OTHERS	262,509	1,494	31,741	1,899,598	555,441	2,750,783	1,894,382
TOTAL AR-MISC	1,150,097	2,970	31,741	5,604,965	555,441	7,345,214	5,540,191
INVESTMENTS							
RESTRICTED (Note 1)	465,106	513,988	378,228	32		1,357,354	3,291,206
TOTAL INVESTMENTS	465,106	513,988	378,228	32	0	1,357,354	3,291,206
PREPAID EXPENSES AND OTHER ASSETS							
PREPAID EXPENSES AND OTHER ASSETS	3,169,967	4,084,488	43,289	14,635,759	6,095,641	28,029,144	9,878,778
TOTAL PREPAID EXPENSES AND OTHER ASSETS	3,169,967	4,084,488	43,289	14,635,759	6,095,641	28,029,144	9,878,778
CURRENT INTERFUNDS							
TOTAL DUE FROM AMOUNTS - CURRENT (Note 5)	0	0	0	1,856,535	(1,856,535)	0	0
TOTAL CURRENT ASSETS	10,598,077	18,986,552	3,501,258	22,136,989	9,569,495	64,792,371	52,701,386
<b>NON-CURRENT ASSETS</b>							
FIXED ASSETS							
LAND & LAND IMPROVEMENTS	30,923,618	2,759,343		461,283	110,000	34,254,244	34,738,636
BUILDINGS	199,293,521	50,214,533		10,204,774		259,712,828	260,215,740
FURNITURES, EQPT. MACHINERY	1,306,030	203,303	72,604	1,775,938		3,357,875	3,314,772
CONSTRUCTION IN PROGRESS	600			749,883	27,342,169	28,092,652	43,355,559
TOTAL FIXED ASSETS	231,523,769	53,177,179	72,604	13,191,878	27,452,169	325,417,599	341,624,707
ACCUMULATED DEPRECIATION	(171,000,308)	(46,202,600)	(72,604)	(6,405,329)		(223,680,841)	(219,433,940)
FIXED ASSETS, NET OF DEPRECIATION	60,523,461	6,974,579	0	6,786,549	27,452,169	101,736,758	122,190,767
OTHER ASSETS							
NOTES RECEIVABLE (Note 7)	56,552,681	3,000,000	425,880	34,992,112	27,729,496	122,700,169	112,179,575
NOTES INTEREST RECEIVABLE (Note 6)	14,072,509			1,248,512	709,670	16,030,691	14,348,221
FINANCING FEES & OTHER ASSETS	7,883,843		2,062,959	6,366,404		16,313,206	16,637,748
TOTAL OTHER ASSETS	78,509,033	3,000,000	2,488,839	42,607,028	28,439,166	155,044,066	143,165,544
TOTAL NON-CURRENT ASSETS	139,032,494	9,974,579	2,488,839	49,393,577	55,891,335	256,780,824	265,356,311
TOTAL ASSETS	149,630,571	28,961,131	5,990,097	71,530,566	65,460,830	321,573,195	318,057,697
<b>LIABILITIES AND EQUITY</b>							
<b>CURRENT LIABILITIES</b>							

**HOUSING AUTHORITY OF THE CITY OF MILWAUKEE**

**BALANCE SHEETS**

**AS OF MARCH 31, 2022**

	<b>Mar 31, 2022</b>					<b>Mar. 31, 2021</b>
	<b>LRPH</b>	<b>UNSUBSIDIZED HOUSING</b>	<b>RAP</b>	<b>COCC</b>	<b>GRANTS/DEVT</b>	<b>Total HACM</b>
ACCOUNTS PAYABLE						
ACCOUNTS PAYABLE	72,653	50,635	415,811	5,961,474	6,653,360	13,153,933
<i>TOTAL ACCOUNTS PAYABLE</i>	<i>72,653</i>	<i>50,635</i>	<i>415,811</i>	<i>5,961,474</i>	<i>6,653,360</i>	<i>13,153,933</i>
ACCRUED LIABILITIES						
ACCRUED SALARIES & BENEFITS	440		292	384,091	44,925	429,748
ACCRUED INTEREST PAYABLE		131,009				131,009
DEFERED REVENUE						0
DUE TO GOVERNMENT - PILOT & OTHERS	713,702	727,874		1,150,994		2,592,570
ACCRUED COMPENSATED ABSENCES (Note 7)	0	0	0	742,101	0	742,101
OTHER ACCRUED LIABILITIES				1,134,814		1,134,814
<i>TOTAL ACCRUED LIABILITIES</i>	<i>714,142</i>	<i>858,883</i>	<i>292</i>	<i>3,412,000</i>	<i>44,925</i>	<i>5,030,242</i>
OTHER CURRENT LIABILITIES						
TENANT SECURITY DEPOSITS	717,801	609,727		8,930		1,336,458
FSS ESCROW ACCOUNT	115,106		378,228			493,334
NOTES PAYABLE						0
CURRENT PORTION-LT DEBT		815,000				815,000
<i>TOTAL OTHER CURRENT LIABILITIES</i>	<i>832,907</i>	<i>1,424,727</i>	<i>378,228</i>	<i>8,930</i>	<i>0</i>	<i>2,644,792</i>
<b><i>TOTAL CURRENT LIABILITIES</i></b>	<b><i>1,619,702</i></b>	<b><i>2,334,245</i></b>	<b><i>794,331</i></b>	<b><i>9,382,404</i></b>	<b><i>6,698,285</i></b>	<b><i>20,828,967</i></b>
NON-CURRENT LIABILITIES						
LONG TERM DEBT						
MORTGAGE REVENUE BONDS		14,641,206				14,641,206
NOTES PAYABLE					23,497,196	23,497,196
TOTAL	0	14,641,206	0	0	23,497,196	38,138,402
LESS CURRENT PORTION		(815,000)				(815,000)
<i>TOTAL LONG TERM DEBT - NET</i>	<i>0</i>	<i>13,826,206</i>	<i>0</i>	<i>0</i>	<i>23,497,196</i>	<i>37,323,402</i>
NONCURRENT LIABILITIES-OTHER						
NET OPEB LIABILITY (Note 8)	3,271,361		2,646,732	7,143,497		13,061,590
NET PENSION LIABILITY	3,724,539		3,226,192	8,305,511		15,256,242
<i>TOTAL NONCURRENT LIABILITIES-OTHER</i>	<i>6,995,900</i>	<i>0</i>	<i>5,872,924</i>	<i>15,449,008</i>	<i>0</i>	<i>28,317,832</i>
<b><i>TOTAL NON-CURRENT LIABILITIES</i></b>	<b><i>6,995,900</i></b>	<b><i>13,826,206</i></b>	<b><i>5,872,924</i></b>	<b><i>15,449,008</i></b>	<b><i>23,497,196</i></b>	<b><i>65,641,234</i></b>
<b>TOTAL LIABILITIES</b>	<b>8,615,602</b>	<b>16,160,451</b>	<b>6,667,255</b>	<b>24,831,412</b>	<b>30,195,481</b>	<b>86,470,201</b>
EQUITY						
INVESTED IN CAPITAL ASSETS, NET OF DEBT	60,523,461	(7,666,627)	0	6,786,549	27,452,169	87,095,552
UNRESTRICTED RESERVE	1,982,475	15,642,166	(1,448,690)	5,571,358	(20,625,986)	1,121,323
RESTRICTED RESERVE (Note 9)	78,509,033	4,825,141	771,532	34,341,247	28,439,166	146,886,119
<b>TOTAL EQUITY</b>	<b>141,014,969</b>	<b>12,800,680</b>	<b>(677,158)</b>	<b>46,699,154</b>	<b>35,265,349</b>	<b>235,102,994</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>149,630,571</b>	<b>28,961,131</b>	<b>5,990,097</b>	<b>71,530,566</b>	<b>65,460,830</b>	<b>321,573,195</b>

**HA OF THE CITY OF MILWAUKEE**  
**CONSOLIDATED STATEMENT OF REVENUE & EXPENSES**  
**BUDGETED PROGRAM ONLY**  
**AS OF MARCH 31, 2022**

	LRPH	UNSUBSIDIZED HSNG	RAP	COCC	YTD ACTUAL	YTD BUDGET	VARIANCE		MARCH 2021
							AMOUNT	PERCENT	
<b>Operating Income</b>									
<i>Operating/admin subsidies</i>	1,714,616		1,030,472		2,745,088	2,744,413	675	0%	2,910,677
<i>Dwelling rents</i>	2,333,743	1,913,931			4,247,674	4,053,497	194,177	5%	3,744,412
<i>Excess utilities &amp; other</i>	19,190	26,668			45,858	67,783	(21,925)	-32%	48,509
<i>Capital fund transfer in (Note 10)</i>	712,521				712,521	595,179	117,342	20%	712,521
<i>Other income</i>	38,056		17,180	260,130	315,366	370,500	(55,134)	-15%	955,815
<i>Management fees</i>				1,046,324	1,046,324	1,035,041	11,283	1%	991,679
<i>Central maintenance revenue</i>				715,619	715,619	1,110,846	(395,227)	-36%	1,072,770
<i>Developers fee</i>					0	326,772	(326,772)	-100%	315,000
<i>Interest on general fund</i>	112			8,435	8,547	30,400	(21,853)	-72%	26,350
<b>Total Income</b>	<b>4,818,238</b>	<b>1,940,599</b>	<b>1,047,652</b>	<b>2,030,508</b>	<b>9,836,997</b>	<b>10,334,431</b>	<b>(497,434)</b>	<b>-5%</b>	<b>10,777,733</b>
<b>Operating Expenditures</b>									
<b>Administrative</b>									
<i>Salaries</i>	307,140	32,419	434,402	794,715	1,568,676	1,577,409	8,733	1%	1,242,153
<i>Employee benefits</i>	144,766	39,947	221,389	365,350	771,452	674,376	(97,076)	-14%	628,732
<i>Legal and accounting</i>	1,871	894		25,395	28,160	39,727	11,567	29%	0
<i>Audit</i>	17,559	7,402	4,862	2,593	32,416	32,677	261	1%	73,773
<i>Travel and training</i>			2,112	11,928	14,040	65,100	51,060	78%	6,657
<i>Contracted property management</i>				55,825	55,825	194,989	139,164	71%	74,108
<i>Management fees</i>	663,107	183,220	199,997		1,046,324	1,035,041	(11,283)	-1%	991,680
<i>Housing intake</i>	117,965				117,965	109,808	(8,157)	-7%	142,442
<i>Office supplies &amp; printing</i>	4,148	555	3,010	6,135	13,848	44,728	30,880	69%	14,769
<i>Telephone</i>	340		645	7,023	8,008	16,063	8,055	50%	11,064
<i>Postage</i>				251	251	11,149	10,898	98%	1,231
<i>Other contracted services</i>	36,984	2,030	68,263	72,257	179,534	255,950	76,416	30%	411,738
<i>Other</i>	154,989	43,283	182,580	133,312	514,164	307,852	(206,313)	-67%	475,456
<b>Total admin</b>	<b>1,448,869</b>	<b>309,750</b>	<b>1,117,260</b>	<b>1,474,784</b>	<b>4,350,663</b>	<b>4,364,867</b>	<b>14,204</b>	<b>0%</b>	<b>4,073,803</b>
<b>Tenant Services</b>									
<i>Salaries &amp; benefits</i>	31,366			2,832	34,198	43,713	9,515	22%	32,831
<i>Contracts, trainings, others</i>	7,836			5,000	12,836	60,025	47,189	79%	6,820
<b>Total tenant services</b>	<b>39,202</b>	<b>0</b>	<b>0</b>	<b>7,832</b>	<b>47,034</b>	<b>103,738</b>	<b>56,704</b>	<b>55%</b>	<b>39,651</b>



**HA OF THE CITY OF MILWAUKEE**  
**CONSOLIDATED STATEMENT OF REVENUE & EXPENSES**  
**BUDGETED PROGRAM ONLY**  
**AS OF MARCH 31, 2022**

	LRPH	UNSUBSIDIZED HSNG	RAP	COCC	YTD ACTUAL	YTD BUDGET	VARIANCE		MARCH 2021
							AMOUNT	PERCENT	
<b>Utilities</b>									
Water	278,231	74,135		132	352,498	671,091	318,593	47%	144,130
Electric	201,972	11,050		6,144	219,166	280,952	61,786	22%	173,353
Gas	293,790	18,460		6,154	318,404	154,146	(164,258)	-107%	202,138
<b>Total utilities</b>	<b>773,993</b>	<b>103,645</b>	<b>0</b>	<b>12,430</b>	<b>890,068</b>	<b>1,106,189</b>	<b>216,121</b>	<b>20%</b>	<b>519,621</b>
<b>Ordinary maintenance</b>									
Salaries	262,809	10,632		465,508	738,949	815,182	76,233	9%	598,056
Employee benefits Maint	131,126	25,358		288,667	445,151	341,300	(103,852)	-30%	362,102
Maintenance materials	225,472	31,031	434	14,909	271,846	399,039	127,193	32%	295,619
Maintenance contracts	712,350	401,382	(21,649)	159,886	1,251,969	1,556,363	304,394	20%	1,473,247
<b>Total maintenance</b>	<b>1,331,757</b>	<b>468,403</b>	<b>(21,215)</b>	<b>928,970</b>	<b>2,707,915</b>	<b>3,111,883</b>	<b>403,968</b>	<b>13%</b>	<b>2,729,024</b>
<b>Protective Services</b>									
Public safety allocation	280,933	23,659	424	2,272	307,288	224,176	(83,112)	-37%	283,715
Contracts, others	884		9,999	52	10,935	6,050	(4,885)	-81%	8,217
<b>Total protective services</b>	<b>281,817</b>	<b>23,659</b>	<b>10,423</b>	<b>2,324</b>	<b>318,223</b>	<b>230,226</b>	<b>(87,997)</b>	<b>-38%</b>	<b>291,932</b>
<b>General</b>									
Insurance	162,333	62,388	12,808	15,337	252,866	317,125	64,259	20%	269
Pilot	159,536	151,097			310,633	298,363	(12,271)	-4%	305,861
Interest Expense		131,009			131,009	127,307	(3,702)	-3%	137,451
Subsidy to Mixed finance dev't.					0	47,960	47,960	100%	0
Other general expense	9,403		65		9,468	60,689	51,221	84%	12,047
<b>Total general</b>	<b>331,272</b>	<b>344,494</b>	<b>12,873</b>	<b>15,337</b>	<b>703,976</b>	<b>851,443</b>	<b>147,467</b>	<b>17%</b>	<b>455,628</b>
<b>Total Operating Expenditures</b>	<b>4,206,910</b>	<b>1,249,951</b>	<b>1,119,341</b>	<b>2,441,677</b>	<b>9,017,879</b>	<b>9,768,346</b>	<b>750,467</b>	<b>8%</b>	<b>8,109,659</b>
<b>Excess (deficiency) of total revenue over expenses</b>	<b>611,328</b>	<b>690,648</b>	<b>(71,689)</b>	<b>(411,169)</b>	<b>819,118</b>	<b>566,085</b>	<b>253,033</b>	<b>45%</b>	<b>2,668,074</b>
Extra-ordinary maintenance	858		1,365	315	2,538	521,427	518,889	100%	164,773
Program Income					0	(374,998)	(374,998)	100%	0
<b>Net income(loss) from operations</b>	<b>610,470</b>	<b>690,648</b>	<b>(73,054)</b>	<b>(411,484)</b>	<b>816,580</b>	<b>419,656</b>	<b>396,924</b>	<b>95%</b>	<b>2,503,301</b>
Depreciation expense	941,832	102,925		87,035	1,131,792				1,183,610
<b>Net Income (loss)</b>	<b>(331,362)</b>	<b>587,723</b>	<b>(73,054)</b>	<b>(498,519)</b>	<b>(315,212)</b>				<b>1,319,691</b>



# HOUSING AUTHORITY OF THE CITY OF MILWAUKEE

## THREE YEAR TREND ANALYSIS

	March 31, 2022				MARCH 31, 2021				MARCH 31, 2020			
	YTD ACTUAL	YTD BUDGET	VARIANCE AMOUNT	PERCENT	YTD ACTUAL	YTD BUDGET	VARIANCE AMOUNT	PERCENT	YTD ACTUAL	YTD BUDGET	VARIANCE AMOUNT	PERCENT
<b>Operating Income</b>												
<i>Operating/admin subsidies</i>	2,745,088	2,744,413	675	0%	2,910,677	2,341,655	569,022	24%	2,103,956	2,422,511	(318,555)	-13%
<i>Dwelling rents</i>	4,247,674	4,053,497	194,177	5%	3,744,412	4,220,037	(475,625)	-11%	3,942,617	4,388,749	(446,132)	-10%
<i>Excess utilities &amp; other</i>	45,858	67,783	(21,925)	-32%	48,509	82,568	(34,059)	-41%	30,986	90,063	(59,077)	-66%
<i>Capital fund transfer in (Note 10)</i>	712,521	595,179	117,342	20%	712,521	713,888	(1,367)	0%	803,729	712,527	91,202	13%
<i>Other income</i>	315,366	370,500	(55,134)	-15%	955,815	198,746	757,069	381%	190,346	310,395	(120,049)	-39%
<i>Management fees</i>	1,046,324	1,035,041	11,283	1%	991,679	1,059,192	(67,513)	-6%	964,232	1,021,075	(56,843)	-6%
<i>Central maintenance revenue</i>	715,619	1,110,846	(395,227)	-36%	1,072,770	857,760	215,010	25%	535,960	860,874	(324,914)	-38%
<i>Developers fee</i>	0	326,772	(326,772)	-100%	315,000	430,913	(115,913)	-27%	0	0	0	0%
<i>Interest on general fund</i>	8,547	30,400	(21,853)	-72%	26,350	40,625	(14,275)	-35%	45,080	33,825	11,255	33%
<b>Total Income</b>	9,836,997	10,334,431	(497,434)	-5%	10,777,733	9,945,384	832,349	8%	8,616,906	9,840,018	(1,223,112)	-12%
<b>Operating Expenditures</b>												
<b>Administrative</b>												
<i>Salaries</i>	1,568,676	1,577,409	8,733	1%	1,242,153	1,532,699	290,546	19%	1,321,776	1,586,679	264,903	17%
<i>Employee benefits</i>	771,452	674,376	(97,076)	-14%	628,732	651,161	22,429	3%	783,227	676,463	(106,765)	-16%
<i>Legal and accounting</i>	28,160	39,727	11,567	29%	0	43,353	43,353	100%	39,298	50,374	11,076	22%
<i>Audit</i>	32,416	32,677	261	1%	73,773	31,694	(42,079)	-133%	0	35,563	35,563	100%
<i>Travel and training</i>	14,040	65,100	51,060	78%	6,657	58,300	51,643	89%	15,192	58,300	43,108	74%
<i>Contracted property management</i>	55,825	194,989	139,164	71%	74,108	73,949	(160)	0%	73,655	96,449	22,794	24%
<i>Management fees</i>	1,046,324	1,035,041	(11,283)	-1%	991,680	1,059,192	67,512	6%	964,232	1,021,075	56,843	6%
<i>Housing intake</i>	117,965	109,808	(8,157)	-7%	142,442	133,471	(8,971)	-7%	139,337	116,819	(22,518)	-19%
<i>Office supplies &amp; printing</i>	13,848	44,728	30,880	69%	14,769	28,588	13,819	48%	20,903	28,313	7,410	26%
<i>Telephone</i>	8,008	16,063	8,055	50%	11,064	17,313	6,249	36%	24,752	18,313	(6,440)	-35%
<i>Postage</i>	251	11,149	10,898	98%	1,231	18,704	17,473	93%	2,434	17,165	14,731	86%
<i>Other contracted services</i>	179,534	255,950	76,416	30%	411,738	258,700	(153,038)	-59%	133,518	167,900	34,382	20%
<i>Other</i>	514,164	307,852	(206,313)	-67%	475,456	276,995	(198,461)	-72%	184,196	275,415	91,219	33%
<b>Total admin</b>	4,350,663	4,364,867	14,204	0%	4,073,803	4,184,118	110,315	3%	3,702,520	4,148,826	446,306	11%
<b>Tenant Services</b>												
<i>Salaries &amp; benefits</i>	34,198	43,713	9,515	22%	32,831	41,180	8,349	20%	31,584	36,437	4,853	13%
<i>Contracts, trainings, others</i>	12,836	60,025	47,189	79%	6,820	60,025	53,205	89%	90,448	65,025	(25,423)	-39%
<b>Total tenant services</b>	47,034	103,738	56,704	55%	39,651	101,205	61,554	61%	122,032	101,462	(20,570)	-20%

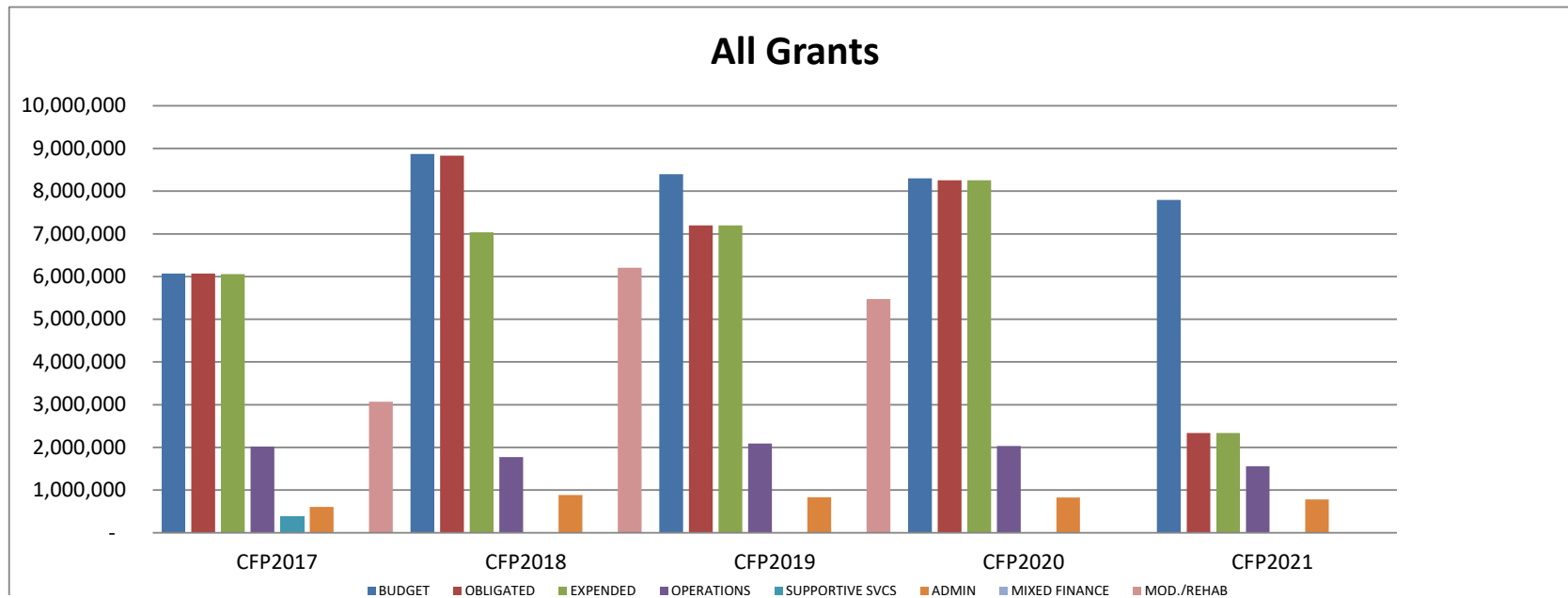
# HOUSING AUTHORITY OF THE CITY OF MILWAUKEE

## THREE YEAR TREND ANALYSIS

	March 31, 2022				MARCH 31, 2021				MARCH 31, 2020			
	YTD ACTUAL	YTD BUDGET	VARIANCE AMOUNT	PERCENT	YTD ACTUAL	YTD BUDGET	VARIANCE AMOUNT	PERCENT	YTD ACTUAL	YTD BUDGET	VARIANCE AMOUNT	PERCENT
<b>Utilities</b>												
Water	352,498	671,091	318,593	47%	144,130	631,594	487,464	77%	150,120	617,474	467,354	76%
Electric	219,166	280,952	61,786	22%	173,353	275,767	102,414	37%	191,757	332,265	140,508	42%
Gas	318,404	154,146	(164,258)	-107%	202,138	169,155	(32,983)	-19%	179,135	213,518	34,383	16%
<b>Total utilities</b>	<b>890,068</b>	<b>1,106,189</b>	<b>216,121</b>	<b>20%</b>	<b>519,621</b>	<b>1,076,516</b>	<b>556,895</b>	<b>52%</b>	<b>521,012</b>	<b>1,163,256</b>	<b>642,244</b>	<b>55%</b>
<b>Ordinary maintenance</b>												
Salaries	738,949	815,182	76,233	9%	598,056	840,038	241,982	29%	592,573	863,634	271,061	31%
Employee benefits Maint	445,151	341,300	(103,852)	-30%	362,102	333,762	(28,340)	-8%	1,205,013	1,323,596	118,583	9%
Maintenance materials	271,846	399,039	127,193	32%	295,619	407,016	111,397	27%	1,706,956	1,693,200	(13,756)	-1%
Maintenance contracts	1,251,969	1,556,363	304,394	20%	1,473,247	1,193,865	(279,382)	-23%	4,923,596	5,194,409	270,813	5%
<b>Total maintenance</b>	<b>2,707,915</b>	<b>3,111,883</b>	<b>403,968</b>	<b>13%</b>	<b>2,729,024</b>	<b>2,774,681</b>	<b>45,657</b>	<b>2%</b>	<b>10,666,295</b>	<b>11,440,922</b>	<b>774,627</b>	<b>7%</b>
<b>Protective Services</b>												
Public safety allocation	307,288	224,176	(83,112)	-37%	283,715	204,261	(79,455)	-39%	338,862	303,988	(34,874)	-11%
Contracts, others	10,935	6,050	(4,885)	-81%	8,217	6,050	(2,167)	-36%	12,097	32,550	20,453	63%
<b>Total protective services</b>	<b>318,223</b>	<b>230,226</b>	<b>(87,997)</b>	<b>-38%</b>	<b>291,932</b>	<b>210,311</b>	<b>(81,622)</b>	<b>-39%</b>	<b>350,959</b>	<b>336,538</b>	<b>(14,421)</b>	<b>-4%</b>
<b>General</b>												
Insurance	252,866	317,125	64,259	20%	269	298,151	297,882	100%	295,067	303,029	7,962	3%
Pilot	310,633	298,363	(12,271)	-4%	305,861	320,570	14,709	5%	421,375	326,581	(94,795)	-29%
Interest Expense	131,009	127,307	(3,702)	-3%	137,451	134,218	(3,233)	-2%	143,192	140,303	(2,889)	-2%
Subsidy to Mixed finance dev't.	0	47,960	47,960	100%	0	46,710	46,710	100%	0	49,673	49,673	100%
Other general expense	9,468	60,689	51,221	84%	12,047	62,334	50,287	81%	6,861	64,042	57,181	89%
<b>Total general</b>	<b>703,976</b>	<b>851,443</b>	<b>147,467</b>	<b>17%</b>	<b>455,628</b>	<b>861,982</b>	<b>406,354</b>	<b>47%</b>	<b>866,495</b>	<b>883,627</b>	<b>17,132</b>	<b>2%</b>
<b>Total Operating Expenditures</b>	<b>9,017,879</b>	<b>9,768,346</b>	<b>750,467</b>	<b>8%</b>	<b>8,109,659</b>	<b>9,208,813</b>	<b>1,099,154</b>	<b>12%</b>	<b>7,810,979</b>	<b>9,503,294</b>	<b>1,692,315</b>	<b>18%</b>
<b>Excess (deficiency) of total revenue over expenses</b>	<b>819,118</b>	<b>566,085</b>	<b>253,033</b>	<b>45%</b>	<b>2,668,074</b>	<b>736,571</b>	<b>1,931,503</b>	<b>262%</b>	<b>805,927</b>	<b>336,723</b>	<b>469,204</b>	<b>139%</b>
Extra-ordinary maintenance	2,538	521,427	518,889	100%	164,773	268,216	103,443	39%	217,425	241,402	23,977	10%
Program Income	0	(374,998)	(374,998)	100%	0	(52,500)	(52,500)	100%	0	(52,500)	(52,500)	100%
<b>Net income(loss) from operations</b>	<b>816,580</b>	<b>419,656</b>	<b>396,924</b>	<b>95%</b>	<b>2,503,301</b>	<b>520,855</b>	<b>1,982,446</b>	<b>381%</b>	<b>588,502</b>	<b>147,822</b>	<b>440,680</b>	<b>298%</b>

HACM  
MAJOR GRANTS SUMMARY  
31-Mar-22

	SPENDING PLAN								END DATE
	BUDGET	OBLIGATED	EXPENDED	OPERATIONS	SUPPORTIVE SVCS	ADMIN	MIXED FINANCE	MOD./REHAB	
CFP2017	6,071,406	6,071,406	6,057,964	2,017,528	376,583	607,140		3,070,155	8/15/2023
CFP2018	8,869,415	8,831,929	7,033,959	1,773,883	-	886,941		6,208,591	5/28/2024
CFP2019	8,399,756	7,195,439	7,195,439	2,089,464	-	835,786		5,474,506	4/15/2025
CFP2020	8,301,779	8,255,755	8,255,755	2,029,978	-	825,575		5,446,226	3/25/2026
CFP2021	7,791,782	2,337,534	2,337,534	1,558,356	-	779,178		5,454,248	2/22/2025
<b>TOTAL</b>	<b>39,434,138</b>	<b>32,692,063</b>	<b>30,880,651</b>	<b>9,469,209</b>	<b>376,583</b>	<b>3,934,620</b>	<b>-</b>	<b>25,653,726</b>	
<b>PERCENT</b>	<b>100%</b>	<b>83%</b>	<b>78%</b>	<b>24%</b>	<b>1%</b>	<b>10%</b>	<b>0%</b>	<b>65%</b>	



HOUSING AUTHORITY OF THE CITY OF MILWAUKEE  
NOTES TO FINANCIAL REPORT

1. Restricted Cash & investments

The amount presented is restricted either by regulation or contractual agreements. RAP restricted cash represents the net housing assistance payments (HAP). Excess of HAP grants over HAP disbursements to landlords can be spent only for rental assistance. Under the terms of mortgage agreement, certain developments (VETS Housing) are required to maintain replacement reserved to pay major rehabilitation expenses in the future. Disbursements from this money need the approval of lender or investor. Hence, restricted cash is not available to be used for general operations of the agency.

2. Allowance for Doubtful Accounts

This amount represents charges to tenants who have already moved out/evicted from the housing units. These amounts are deemed uncollectible and will be written off or removed from the records once the board approval is obtained to charge off the accounts. Collection is pursued through tax lien or when the tenants try to re-apply for public housing or RAP assistance in the future.

3. Accounts Receivable (AR) – HUD

These represent advanced disbursements on grants (from capital fund & stimulus grants) that are yet to be reimbursed by Housing and Urban Development (HUD). Grants are operated on reimbursement type basis. Grant expenditures during the month are usually paid or reimbursed the following month. Also included in this account are accruals of management fee on capital grant programs.

4. AR Development Fee

This represents development fee income from the mixed finance developments. The amount is usually paid once the tax credit investors pay their final capital contribution to the project.

5. Due From Accounts

This represents inter-program receivable (payable) balances. HACM maintains a central disbursing account under the Central Office Cost Center (COCC). Cost/expense allocation and charges result in inter-program transactions. Each program regularly settles their accounts through cash transfers.

6. Notes Receivable & Accrued Interest

This represents various loans extended to the different mixed finance developments. The loans have various terms of up to a maximum of 50 yrs. Interest rates vary from zero to 8%. Principal and accrued interest are payable depending the excess cash flow of each development. Considering that the mixed finance developments are supposed to operate at breakeven, loans and accrued interest are usually not paid until the end of the compliance period (15 years). After the 15 years, HACM will exercise its option to purchase the property. The Notes & accrued

interest accumulated balances are set-off during the process. Also included in this account are 2<sup>nd</sup> loans extended to the homeownership program participants. These loans are forgivable over a certain period of time.

7. Accrued Compensated Absences

This is the accumulated unused vacation & sick leave balances of employees. The leave balances are paid out when employees resign or retire from the agency.

8. Net OPEB Liability

This amount represents the accrued actuarial liability on Other Post Employment Benefits (OPEB). HACM provides post-employment health care benefits through a non-contributory single employer defined benefit health care plan. The plan provides medical insurance benefits to eligible retirees and their spouses. In 2007, an actuarial valuation was made to determine the amount of future liabilities. The total projected unfunded actuarial accrued liability (UAAL) was \$5,200,400. Every year, HACM accrues 1/10 of the UAAL as required under Governmental Accounting Standards Board (GASB) statement 45.

9. Restricted Reserved

This is the difference between restricted cash & investments and the related liabilities. Notes receivables from mixed finance developments are also restricted as these are expected to pay off the acquisition of the property at the end of the compliance period, hence may not available for general operations.

10. Capital Fund Transfer – in

This is the amount of money transferred from capital fund program to support the operations of the housing developments. HUD regulations allows up to a maximum of 40% of the capital fund grant to supplement the operating subsidy received by the public housing development. The amount of capital transfer is determined based on the current operating needs of the project.

11. Contingent Liabilities

Under the terms of the mixed finance agreements, HACM provides guarantee on the low-income tax credits generated by the project and operating deficit subsidies to the various mixed finance projects. The total cumulative not to exceed guarantee is \$8,926,000, broken down as follows:

Highland Park	\$1,000,000
Olga Village	1,026,000
Town Homes at Carver Park	800,000
Cherry Court	300,000
Convent Hill	100,000
Scattered Sites I	100,000
Scattered Sites II	100,000
Lapham Park LLC	2,000,000
Westlawn Renaissance	3,500,000
Total	\$8,926,000

HACM

FINANCIAL REPORTS

GLOSSARY OF TERMS & BASIC DEFINITIONS

AMP – Asset management projects. These are the various developments or rental property sites that HACM owned.

ARRA – American Recovery and Reinvestments Act, otherwise known as “stimulus”

CFP – Capital fund program

COCC – Central office cost center

FSS – Family self sufficiency

HAP – Housing assistance payment

HUD – Housing and Urban Development

IT – Information technology

LRPH – Low rent public housing

OPEX – operating expenses

PILOT – Payment in-lieu of taxes

RAP – Rental assistance program. Also, referred to Section 8 or Housing Voucher Choice Program

ROSS – Resident opportunity and supportive services

VETS – Veterans housing projects

NL – Now looks. As presented in the trend graph, Now looks is the expected balance of the revenue, expense or income item at the end of the year. Now looks is calculated at: ***Actual year to date expense plus the remaining budget or projected balances if known at the time of the report presentation.***

## Balance Sheets

A **balance sheet** is a snapshot of a business' financial condition at a specific moment in time, usually at the close of an accounting period. A **balance sheet** comprises assets, liabilities, and owners' or stockholders' equity. Assets and liabilities are divided into short- and long-term obligations including cash accounts such as checking, money market, or government securities. At any given time, assets must equal liabilities plus owners' equity. An asset is anything the business owns that has monetary value. Liabilities are the claims of creditors against the assets of the business.

What is a **balance sheet** used for?

A **balance sheet** helps a small business owner quickly get a handle on the financial strength and capabilities of the business. Is the business in a position to expand? Can the business easily handle the normal financial ebbs and flows of revenues and expenses? Or should the business take immediate steps to bolster cash reserves?

**Balance** sheets can identify and analyze trends, particularly in the area of receivables and payables. Is the receivables cycle lengthening? Can receivables be collected more aggressively? Is some debt uncollectable? Has the business been slowing down payables to forestall an inevitable cash shortage?

**Balance** sheets, along with income statements, are the most basic elements in providing financial reporting to potential lenders such as banks, investors, and vendors who are considering how much credit to grant the firm.

## Statement of revenue and expenses

Otherwise known as income statement or a profit and loss **statement**, is a summary of a company's profit or loss during any one given period of time, such as a month, three months, or one year. The **income statement** records all revenues for a business during this given period, as well as the operating expenses for the business.

**What are income statements used for?**

You use an **income statement** to track revenues and expenses so that you can determine the operating performance of your business over a period of time. Small business owners use these statements to find out what areas of their business are over budget or under budget. Specific items that are causing unexpected expenditures can be pinpointed, such as phone, fax, mail, or supply expenses

**Income** statements, along with balance sheets, are the most basic elements required by potential lenders, such as banks, investors, and vendors. They will use the financial reporting contained therein to determine credit limits.

Source: [www.businesstown.com](http://www.businesstown.com)