HACM
SEPT. 30, 2015 FINANCIAL REPORT
DISCUSSION POINTS- BOARD PRESENTATION

ENTITY-WIDE

- FINANCIAL POSITION – major changes compared to June 2015.
  - No major change in total assets
  - Total cash balances increased by $810,000 resulting from favorable operations.
  - Unrestricted reserve = $17mm. About $10mm pertained to COCC and VETs.

- RESULTS OF OPERATIONS
  - Consolidated Net Income from operations = $1.12 against budgeted net loss of $436,000
  - The positive results were largely driven by higher HUD revenue on LRPH and lower expenditures on VETs housing & RAP program.
  - Individual program results follows:

LOW RENT PUBLIC HOUSING PROGRAM

- Net Income for the period = $1,050,229 vs. budget loss of $461,907
- Revenue was $1,775,967 above budget
  - Operating subsidy funding was adjusted to 86% vs. budget of 82%
  - Capital fund funding was at $5.1mm compared to budget at $4.7mm
  - Capital fund transfer was increased by 15% (from 20%) with the approval of the public safety waiver request. Proration funding is still subject to final adjustments
  - All CFP drawdowns for year ware done in May & July.
  - Average vacancy rate= 2%
- Expenses were $263,831 higher than budget resulting largely from the upfront pension payment, higher maintenance cost and the delayed implementation of Resiliency Plan.
  - Resiliency plan for public safety was not implemented with the approval of the waiver request from HUD

VETS DEVELOPMENT

- Net income for the period = $1,795,164 (125% of budgeted net income for the year)
- Revenue was $95,069 over budget
  - Average vacancy rate = 5%
- Expenses were also lower by $622,658 compared to budget largely due to timing
- Major rehab work is expected had started.

RAP PROGRAM

- Net Income for the period= $179,497
- Revenue was lower by $2,679 compared to budget
  - Admin fee funding = 76%, subject to final adjustments
- Expenses were lower by $182,176 compared to budget
- HAP Budget utilization = 99.1%
  - HAP funding for the period was 99%
  - RAP continues to issue vouchers to replace regular turnovers
  - Unit lease up end of period= 5,530 of the total 6,200 allowable.

CENTRAL OFFICE

- Net loss for the period = $1,525,870 (150% of projected loss of $1mm for the year)
- Revenue was higher by $127,527 compared to budget largest driven by the receipt of oversight fees from the tax credit properties.
- Revenue expected to increase once billing for unit rehabs are done.
- Expenses were higher by $600,340 compared to budget mainly due to pension payment and timing

HOME OWNERSHIP PROGRAM

- Net loss for the period = $234,849
  - Operations will continue to be funded by the COCC
  - 5 rehab units were sold during the period
  - 9 units sold under the 8(y) program

GRANTS/DEVT

- Total grants still open = $23.8mm (see page 11)
  - Obligated amount = 75%
  - Expended amount = 64%
  - 2015 CFP received = $5.09mm ($320,000 higher than 2014)
  - All grants are in compliance with obligation and expenditure deadlines.