



FINANCIAL REPORTS

MARCH 31, 2020

HOUSING AUTHORITY OF THE CITY OF MILWAUKEE
FINANCIAL REPORTS
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HA of the City Milwaukee
Financial Highlights
As of March 31, 2020

Financial Position (pp. 3-4)

As of March 31, 2020, HACM has total assets of \$358mm. Agency-wide working capital (difference between current assets & current liabilities) was at \$50mm indicating HACM's strong capacity to meet maturing obligations. Total cash & investments as of the end of March was \$50mm. 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	\$14.03mm
Unsubsidized Housing	16.51
Rental Assistance Program	5.19
Central Office	0.06

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

Low Rent Public Housing	\$6.50mm
Unsubsidized Housing	11.76
Rental Assistance Program-Admin	0.75
Central office	1.90

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 12% under budget (p. 5) and total spending was 18% under budget (p.6). Administrative expenses compared to budgeted expenses were under budget by about 11%. Tenant services were 20% over budget; Utilities were 55% under budget; Maintenance expenses were 22% under budget, protective services 4% over budget and general expenses were 2% under budget. Consolidated net income from operations for the period ended March 31, 2020 was \$588,502 (p. 6).

Low Rent Public Housing (LRPH)

LRPH operations resulted in a net income from operations of \$730,852 (p. 6) in the first quarter. Operating revenue was \$525,900 under budget and total operating expenses for the period were \$1,270,276 under budget. All combined, LRPH posted a positive variance of \$744,377.

Unsubsidized Housing

Unsubsidized Housing has a favorable result of operations during the quarter. Net income from operations was \$244,738 (p.6) before amortization of principal on series 2015 bonds. Revenue was \$129,862 under budget and operating expenses were over budget by \$95,796 during the period. All combined, Unsubsidized Housing has a negative variance of \$225,658.

Rental Assistance Program (RAP)

RAP has a net loss of \$11,105 at the end of the period (p. 6). Administrative revenue was \$56,431 under budget and spending was under budget by \$91,307, resulting in an overall positive net loss variance of \$149,051.

The Housing Assistance Payment (HAP) grant during the period was \$8.76mm against total disbursement of \$8.52mm, reflecting a utilization of 97%. RAP continues to issue vouchers. HUD continues to offset HAP reserved in accordance with the new accounting guidelines.

Central Office Cost Center (COCC)

COCC posted a net loss of \$375,983 (p.6) at the end of the quarter. Total revenue was under budget by \$510,919 (see p. 10). Operating expenses were under budget by \$426,527. All combined, COCC posted a negative variance of \$84,391.

Grant Management

As of March 31, 2020, HACM is on track with its obligation and spending timelines as required by the grant agreements. Currently open grants are Capital Fund Programs 2016-2020. As of end of the quarter 71% has been obligated and 54% has been expended. Around 63% of the total grants will be spent on modernization. The balance is supplementing HACM operations (see p. 7).

HOUSING AUTHORITY OF THE CITY OF MILWAUKEE

BALANCE SHEETS

AS OF MARCH 31, 2020

	Mar. 31, 2020					Mar. 31, 2019
	LRPH	UNSUBSIDIZED HOUSING	RAP	COCC	GRANTS/DEVT	Total HACM
ASSETS						
CURRENT ASSETS						
CASH						
UNRESTRICTED CASH	13,591,979	10,292,596	3,200,260	0	14,346,121	41,430,956
RESTRICTED CASH (Note 1)		3,703,010	1,659,323	57,976	18,750	5,439,059
TOTAL CASH	13,591,979	13,995,606	4,859,583	57,976	14,364,871	46,870,015
ACCOUNTS RECEIVABLE-TENANTS	941,512	386,333				1,327,845
ALLOWANCE FOR DOUBTFUL ACCOUNTS (Note 2)	(151,592)	(55,316)				(206,908)
NET ACCOUNTS RECEIVABLE-TENANTS	789,920	331,017	0	0	0	1,120,937
ACCOUNTS RECEIVABLE-MISC						
AR-HUD (Note 3)	712,521				1,084,202	1,796,723
AR- DEVELOPMENT FEE (Note 4)				3,035,046		3,035,046
AR - OTHERS	165,422	1,187	31,741	856,512	18,737	1,073,599
TOTAL AR-MISC	877,943	1,187	31,741	3,891,558	1,102,939	5,905,368
INVESTMENTS						
RESTRICTED (Note 1)	442,934	2,512,538	326,570	32		3,282,074
TOTAL INVESTMENTS	442,934	2,512,538	326,570	32	0	3,282,074
PREPAID EXPENSES AND OTHER ASSETS						
PREPAID EXPENSES AND OTHER ASSETS	333,475	62,630	27,472	5,896,332	26,787	6,346,696
TOTAL PREPAID EXPENSES AND OTHER ASSETS	333,475	62,630	27,472	5,896,332	26,787	6,346,696
CURRENT INTERFUNDS						
TOTAL DUE FROM AMOUNTS - CURRENT (Note 5)	0	0	0	919,752	(919,752)	0
TOTAL CURRENT ASSETS	16,036,251	16,902,978	5,245,366	10,765,650	14,574,845	63,525,090
NON-CURRENT ASSETS						
FIXED ASSETS						
LAND & LAND IMPROVEMENTS	32,160,967	2,759,343		291,283	835,493	36,047,086
BUILDINGS	213,066,995	50,296,887		8,516,847	25,971,001	297,851,730
FURNITURES, EQPT. MACHINERY	1,428,388	203,699	72,604	1,817,729	288,109	3,810,529
CONSTRUCTION IN PROGRESS	143,061	11,391		1,737,168	65,792,503	67,684,123
TOTAL FIXED ASSETS	246,799,411	53,271,320	72,604	12,363,027	92,887,106	405,393,468
ACCUMULATED DEPRECIATION	(172,872,936)	(45,144,892)	(72,604)	(5,606,721)	(75,742)	(223,772,895)
FIXED ASSETS, NET OF DEPRECIATION	73,926,475	8,126,428	0	6,756,306	92,811,364	181,620,573
OTHER ASSETS						
NOTES RECEIVABLE (Note 7)	54,812,391	3,000,000		26,332,803	13,440,722	97,585,916
NOTES INTEREST RECEIVABLE (Note 6)	11,017,035			654,897	4,271	11,676,203
FINANCING FEES & OTHER ASSETS	942,255		684,841	2,075,391	199,038	3,901,525
TOTAL OTHER ASSETS	66,771,681	3,000,000	684,841	29,063,091	13,644,031	113,163,644
TOTAL NON-CURRENT ASSETS	140,698,156	11,126,428	684,841	35,819,397	106,455,395	294,784,217
TOTAL ASSETS	156,734,407	28,029,406	5,930,207	46,585,047	121,030,240	358,309,307
LIABILITIES AND EQUITY						

HOUSING AUTHORITY OF THE CITY OF MILWAUKEE
BALANCE SHEETS
AS OF MARCH 31, 2020

	Mar. 31, 2020					Mar. 31, 2019
	LRPH	UNSUBSIDIZED HOUSING	RAP	COCC	GRANTS/DEVT	Total HACM
CURRENT LIABILITIES						
ACCOUNTS PAYABLE						
ACCOUNTS PAYABLE	61,170	254,440	9,883	1,747,697	1,467,510	3,540,700
TOTAL ACCOUNTS PAYABLE	61,170	254,440	9,883	1,747,697	1,467,510	3,540,700
ACCRUED LIABILITIES						
ACCRUED SALARIES & BENEFITS	(503)		(1,076)	(75,224)	(251)	(77,054)
ACCRUED INTEREST PAYABLE		143,216			284,452	427,668
DEFERED REVENUE						0
DUE TO GOVERNMENT - PILOT & OTHERS	551,227	953,432		199,979		1,704,638
ACCRUED COMPENSATED ABSENCES (Note 7)	0	0	0	846,412	0	846,412
OTHER ACCRUED LIABILITIES	3,518			985,069		988,587
TOTAL ACCRUED LIABILITIES	554,242	1,096,648	(1,076)	1,956,236	284,201	3,890,251
OTHER CURRENT LIABILITIES						
TENANT SECURITY DEPOSITS	669,690	576,285		4,200		1,250,175
FSS ESCROW ACCOUNT	92,934		326,570			419,504
NOTES PAYABLE	16,782					16,782
CURRENT PORTION-LT DEBT		765,000			3,434,260	4,199,260
TOTAL OTHER CURRENT LIABILITIES	779,406	1,341,285	326,570	4,200	3,434,260	5,885,721
TOTAL CURRENT LIABILITIES	1,394,818	2,692,373	335,377	3,708,133	5,185,971	13,316,672
NON-CURRENT LIABILITIES						
LONG TERM DEBT						
MORTGAGE REVENUE BONDS		16,209,083		52,098	3,505,000	19,766,181
NOTES PAYABLE	3,690,000				82,896,757	86,586,757
TOTAL	3,690,000	16,209,083	0	52,098	86,401,757	106,352,938
LESS CURRENT PORTION		(765,000)				(765,000)
TOTAL LONG TERM DEBT - NET	3,690,000	15,444,083	0	52,098	86,401,757	105,587,938
NONCURRENT LIABILITIES-OTHER						
NET OPEB LIABILITY (Note 8)	2,429,447		1,738,950	5,048,615		9,217,012
NET PENSION LIABILITY	2,023,509		1,448,148	4,202,334		7,673,991
TOTAL NONCURRENT LIABILITIES-OTHER	4,452,956	0	3,187,098	9,250,949	0	16,891,003
TOTAL NON-CURRENT LIABILITIES	8,142,956	15,444,083	3,187,098	9,303,047	86,401,757	122,478,941
TOTAL LIABILITIES	9,537,774	18,136,456	3,522,475	13,011,180	91,587,728	135,795,613
EQUITY						
INVESTED IN CAPITAL ASSETS, NET OF DEBT	73,926,475	(8,082,655)	0	6,756,306	92,811,364	165,411,490
UNRESTRICTED RESERVE	6,498,477	11,760,057	748,409	1,898,796	(77,012,883)	(56,107,144)
RESTRICTED RESERVE (Note 9)	66,771,681	6,215,548	1,659,323	24,918,765	13,644,031	113,209,348
TOTAL EQUITY	147,196,633	9,892,950	2,407,732	33,573,867	29,442,512	222,513,694
TOTAL LIABILITIES AND EQUITY	156,734,407	28,029,406	5,930,207	46,585,047	121,030,240	358,309,307

HA OF THE CITY OF MILWAUKEE
CONSOLIDATED STATEMENT OF REVENUE & EXPENSES
BUDGETED PROGRAM ONLY
AS OF MARCH 31, 2020

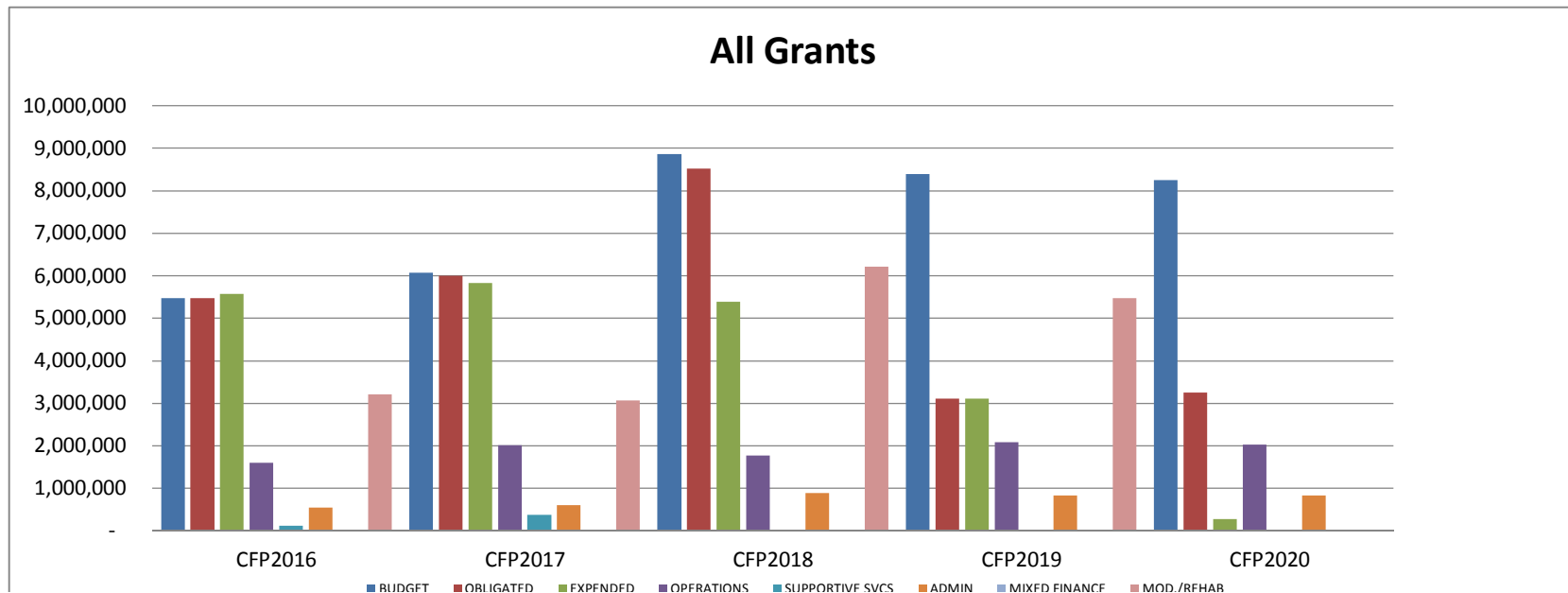
	LRPH	UNSUBSIDIZED HSNG	RAP	COCC	YTD ACTUAL	YTD BUDGET	VARIANCE		MARCH 2019
							AMOUNT	PERCENT	
Operating Income									
<i>Operating/admin subsidies</i>	1,260,745		843,211		2,103,956	2,422,511	(318,555)	-13%	2,344,404
<i>Dwelling rents</i>	2,172,830	1,769,787			3,942,617	4,388,749	(446,132)	-10%	4,230,407
<i>Excess utilities & other</i>	13,834	17,152			30,986	90,063	(59,077)	-66%	72,411
<i>Capital fund transfer in (Note 10)</i>	803,729				803,729	712,527	91,202	13%	768,750
<i>Other income</i>	88,620	26,520	21,155	54,051	190,346	310,395	(120,049)	-39%	320,536
<i>Management fees</i>				964,232	964,232	1,021,075	(56,843)	-6%	1,004,211
<i>Central maintenance revenue</i>				535,960	535,960	860,874	(324,914)	-38%	599,359
<i>Developers fee</i>				0	0	0	0	0%	0
<i>Interest on general fund</i>	635	29,406	2	15,037	45,080	33,825	11,255	33%	57,529
Total Income	4,340,393	1,842,865	864,368	1,569,280	8,616,906	9,840,018	(1,223,112)	-12%	9,397,607
Operating Expenditures									
Administrative									
<i>Salaries</i>	232,382	90,900	353,103	645,391	1,321,776	1,586,679	264,903	17%	1,407,156
<i>Employee benefits</i>	125,771	55,496	230,833	371,127	783,227	676,463	(106,765)	-16%	889,865
<i>Legal and accounting</i>	1,080	448		37,770	39,298	50,374	11,076	22%	1,422
<i>Audit</i>					0	35,563	35,563	100%	0
<i>Travel and training</i>	271		5,295	9,626	15,192	58,300	43,108	74%	24,115
<i>Contracted property management</i>				73,655	73,655	96,449	22,794	24%	49,147
<i>Management fees</i>	620,480	168,749	175,003		964,232	1,021,075	56,843	6%	1,004,211
<i>Housing intake</i>	139,337				139,337	116,819	(22,518)	-19%	151,292
<i>Office supplies & printing</i>	6,862	2,197	3,660	8,184	20,903	28,313	7,410	26%	20,102
<i>Telephone</i>	6,820	772	3,968	13,192	24,752	18,313	(6,440)	-35%	26,662
<i>Postage</i>	2,080	305		49	2,434	17,165	14,731	86%	3,251
<i>Other contracted services</i>	3,767	17,500	37,739	74,512	133,518	167,900	34,382	20%	117,133
<i>Other</i>	58,961	24,489	34,265	66,481	184,196	275,415	91,219	33%	237,845
Total admin	1,197,811	360,856	843,866	1,299,987	3,702,520	4,148,826	446,306	11%	3,932,201
Tenant Services									
<i>Salaries & benefits</i>	31,584				31,584	36,437	4,853	13%	64,435
<i>Contracts, trainings, others</i>	85,881			4,567	90,448	65,025	(25,423)	-39%	193,472
Total tenant services	117,465	0	0	4,567	122,032	101,462	(20,570)	-20%	257,907
Utilities									
<i>Water</i>	81,404	67,165	625	926	150,120	617,474	467,354	76%	305,000
<i>Electric</i>	176,180	11,187		4,390	191,757	332,265	140,508	42%	216,617
<i>Gas</i>	166,417	10,486		2,232	179,135	213,518	34,383	16%	239,084
Total utilities	424,001	88,838	625	7,548	521,012	1,163,256	642,244	55%	760,701

HA OF THE CITY OF MILWAUKEE
CONSOLIDATED STATEMENT OF REVENUE & EXPENSES
BUDGETED PROGRAM ONLY
AS OF MARCH 31, 2020

	LRPH	UNSUBSIDIZED HSNG	RAP	COCC	YTD ACTUAL	YTD BUDGET	VARIANCE		MARCH 2019
							AMOUNT	PERCENT	
<i>Ordinary maintenance</i>									
<i>Salaries</i>	195,532	68,990		328,051	592,573	863,634	271,061	31%	597,773
<i>Employee benefits Maint</i>	132,709	46,504		229,090	408,303	360,692	(47,611)	-13%	419,248
<i>Maintenance materials</i>	258,051	47,285	60	13,441	318,837	349,796	30,959	9%	252,171
<i>Maintenance contracts</i>	681,637	219,240	656	26,715	928,248	1,295,465	367,217	28%	929,230
Total maintenance	1,267,929	382,019	716	597,297	2,247,961	2,869,587	621,626	22%	2,198,422
<i>Protective Services</i>									
<i>Public safety allocation</i>	309,447	27,497	123	1,795	338,862	303,988	(34,874)	-11%	355,462
<i>Contracts, others</i>	12,097				12,097	32,550	20,453	63%	5,854
Total protective services	321,544	27,497	123	1,795	350,959	336,538	(14,421)	-4%	361,316
<i>General</i>									
<i>Insurance</i>	169,618	62,614	30,143	32,692	295,067	303,029	7,962	3%	312,809
<i>Pilot</i>	15,872	405,503			421,375	326,581	(94,795)	-29%	238,816
<i>Interest Expense</i>		143,192			143,192	140,303	(2,889)	-2%	148,489
<i>Subsidy to Mixed finance dev't.</i>					0	49,673	49,673	100%	42,648
<i>Other general expense</i>	6,861				6,861	64,042	57,181	89%	10,023
Total general	192,351	611,309	30,143	32,692	866,495	883,627	17,132	2%	752,785
Total Operating Expenditures	3,521,101	1,470,519	875,473	1,943,886	7,810,979	9,503,294	1,692,315	18%	8,263,332
Excess (deficiency) of total revenue over expenses	819,292	372,346	(11,105)	(374,606)	805,927	336,723	469,204	139%	1,134,275
<i>Extra-ordinary maintenance</i>	88,440	127,608		1,377	217,425	241,402	23,977	10%	41,092
<i>Program Income</i>					0	(52,500)	(52,500)	100%	(11,381)
Net income(loss) from operations	730,852	244,738	(11,105)	(375,983)	588,502	147,822	440,680	298%	1,104,564
<i>Depreciation expense</i>	3,186,396	318,565		268,090	3,773,051				1,244,571
Net Income (loss)	(2,455,544)	(73,827)	(11,105)	(644,073)	(3,184,549)				(82,840)

HACM
MAJOR GRANTS SUMMARY
31-Mar-20

	SPENDING PLAN								END DATE
	BUDGET	OBLIGATED	EXPENDED	OPERATIONS	SUPPORTIVE SVCS	ADMIN	MIXED FINANCE	MOD./REHAB	
CFP2016	5,467,349	5,467,349	5,567,349	1,601,933	115,000	546,734		3,203,682	4/12/2020
CFP2017	6,071,406	6,000,530	5,825,096	2,017,528	376,583	607,140		3,070,155	8/16/2021
CFP2018	8,869,415	8,528,240	5,394,793	1,773,883	-	886,941		6,208,591	5/28/2022
CFP2019	8,399,756	3,109,849	3,109,848	2,089,464	-	835,786		5,474,506	4/15/2023
CFP2020	8,255,755	3,255,755	270,817	2,029,978	-	825,575		5,400,202	3/25/2024
TOTAL	37,063,681	26,361,723	20,167,903	9,512,786	491,583	3,702,176	-	23,357,136	
PERCENT	100%	71%	54%	26%	1%	10%	0%	63%	



YTD Budget vs Actuals

LRPH

Unsubsidized Housing

RAP

COCC

Revenue vs Budget
\$8,616,906
Budget: 9,840,018 -12%

Revenue vs Budget
\$4,340,393
Budget: 4,866,293 -11%

Revenue vs Budget
\$1,842,865
Budget: 1,972,727 -7%

Revenue vs Budget
\$864,368
Budget: 920,799 -6%

Revenue vs Budget
\$1,569,280
Budget: 2,080,199 -25%

Tenant Ser vs Budget
\$122,032
Budget: 101,462 -20%

Total Exp vs Budget
\$3,521,101
Budget: 4,791,377 27%

Total Exp vs Budget
\$1,470,519
Budget: 1,374,723 -7%

Total Exp vs Budget
\$875,473
Budget: 966,781 9%

Total Exp vs Budget
\$1,943,886
Budget: 2,370,413 18%

Ord Maint vs Budget
\$2,247,961
Budget: 2,869,587 22%

Net Income (loss) vs Budget
\$819,292
Budget: 74,915 994%

Net Income (loss) vs Budget
\$372,346
Budget: 598,004 -38%

Net Income (loss) vs Budget
(\$11,105)
Budget: (45,982) 76%

Net Income (loss) vs Budget
(\$374,606)
Budget: (290,214) -29%

General vs Budget
\$866,495
Budget: 883,627 18%

Admin vs Budget
\$3,702,520
Budget: 4,148,826 11%

Utilities vs Budget
\$521,012
Budget: 1,163,256 55%

Protective Ser vs Budget
\$350,959
Budget: 336,538 -4%

Total Exp vs Budget
\$7,810,979
Budget: 9,503,294 18%

Net Income (loss) vs Budget
\$588,502
Budget: 147,822 139%

Under budget greater than 10%
10% over or under budget
Over budget greater than 10%

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 2nd 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