

**ROCKVILLE HOUSING ENTERPRISES
BOARD OF COMMISSIONERS REGULAR MEETING**

**ROCKVILLE, MARYLAND 20850
Wednesday July 27, 2022 - 6:30 PM**

MEETING TO BE HELD VIA ZOOM/ TELECONFERENCE

To Join via Zoom Video Conference:

<https://zoom.us/join> Meeting ID: 92765065009 Passcode: 226657

To Join via Zoom Telephone Conference:

Dial In: 301-715-8592 Meeting ID: 927 6506 5009 Passcode: 226657

AGENDA

- | | |
|------------------|---|
| 6:30 p.m. | 1. Consent Items: (T-1) |
| 6:40 p.m. | 3. Citizens Forum: |
| 6:50 p.m. | 4. Information Exchange: <ul style="list-style-type: none">• Executive Director's Report (T-2)• Finance Reports (T-3)• Asset Management (T-4)• HCV Report (T-5)• Fireside Park Report (T-6) |
| 7:00 p.m. | 6. City of Rockville (COR) Report |
| 7:15 p.m. | 5. Action & Discussion Items: (T-7)
Audit Presentation |
| 8:00 p.m. | 7. Commissioners Comments: |
| 8:15 p.m. | 8. Adjourn |

1. Individuals needing special accommodations to fully participate in this meeting, call the RHE office (301) 424-6265
2. This Agenda is subject to change without notice.
3. Times are approximate and may vary depending on length of discussion.
4. Public participation is permitted on Agenda Items in the same manner as if the Agency were holding a legislative-type Public Hearing.
5. Pursuant to The Open Meeting Act (3-302(b)(3)); all or part of any of the above noticed meetings may be held in executive session.
6. The Board meeting is voice recorded

Pursuant to The Open Meeting Act 8 OMCB Opinions 111, 113 (2012); the meeting may be held as a teleconference. The public is invited to join the teleconference by dialing the number provided in the top of this Agenda. The following rules will apply when the RHE Board Meeting is held via Teleconference:

- The chair will call the roll to establish a quorum;
- Members need to identify themselves when they are talking;
- The members may be asked to identify anyone who is present with them during the call;
- The public may be asked to mute the call on their end to avoid interruptions;
- The public may not speak unless the chair asks them to.

TAB 1

**Rockville Housing Enterprises
Board of Commissioners Meeting Minutes
June 22, 2022 Board Meeting**

**The Board of Commissioners for Rockville Housing Enterprises Regular Meeting on
June 22, 2022**

To Join via Zoom Video Conference:
<https://zoom.us/join> Meeting ID: 927 6506 5009 Passcode: 226657
To Join via Zoom Telephone Conference:
Dial In: 301-715-8592 Meeting ID: 927 6506 5009 Passcode: 226657

Present

Chairman – James Hedrick, PhD
Commissioner- Edward J. Duffy
Commissioner – Steve Marr
Commissioner – Stacy Kaplowitz
Commissioner – Nathan Robbins

In Attendance

Jessica Anderson, Executive Director RHE
Christele Etienbla, RHE Staff
Asmara Habte, Director DHCD City of Rockville
Monique Ashton, Councilperson City of Rockville

6:30 PM Call to Order

Chairman Hedrick called the June 22, 2022, meeting of the Rockville Housing Board of Commissioners Meeting to Order.

6:35 PM Consent Items

Chairman Hedrick called for a vote to approve the meeting minutes from the following Board Meeting minutes; May 18, 2022; Commissioner Kaplowitz moved the meeting minutes be approved; Commissioner Duffy seconded the motion. All present voted aye.

6:38 PM Citizen Forum

Chairman Hedrick asked if there were any citizens present that had any comments. There were none.

Chairman Hedrick called for the next item on the agenda, Executive Director's Report:

Activities during the month of May 2022

Meetings/Activities

- Parkside Landing Property Management calls were held bi-weekly.
- Staff are moving toward a 100% in person office experience. RHE continues to work with client virtually or by appointment only due to COVID 19 Social Distancing.
- Food Distributions at the David Scull Community are held twice weekly.
- Mayor and Council approved the formation of the RHE Foundation non profit 501c3 entity at the May 2, 2022, City Council meeting.
- The Annual RHE Report to Mayor and Council was presented on May 16, 2022.
- Staff and RHE Board members attended the Montgomery County 31st Annual Affordable Housing Summit.
- RHE Volunteer Day held with the City of Rockville to be held on Saturday June 11, 2022, was canceled due to pending in climate weather.
- There was a shooting incident at Parkside Landing on June 10, 2022.

Upcoming Activities - Comments

- Management has been working with the HUD Assigned Technical Assistance provide to determine the best conversion vehicle for the David Scull Development. Once the best plan has been determined, Management will present it to the Board for review, discussion and eventual approval. It is hopeful the disposition application can be submitted to HUD before the end of 2022. This activity will involve the creation of a special purpose not for profit entity to hold the units and a letter of support from the City Council.
- RHE is planning an event with HUD on Tuesday June 28, 2022. HUD has not provided any details of the event. Director Anderson will keep everyone apprised as details unfold.
- RHE was notified by Senator Cardin's office that we were not selected for the grant funds to revitalize the community center. Councilmember Ashton suggested we reapply next year. Also apply with Senator Van Hollen's office as well.
- Councilperson Ashton mentioned the dual enrollment program for high school/college enrollments that allow youth to graduate high school with college credit.

Proposed Policy Changes

Housing Choice Voucher Program – Administrative Plan

Section 5.4 Tenant Selection Preferences

Management would like to update the Waiting list selection preferences to add an Emergency Voucher Issuance Preference for the following scenario. The Emergency Voucher Issuance Preference will supersede the other waiting list preferences for instances in which a tenant-based voucher is needed to relocate a Public Housing family from Fireside Park/Parkside Landing Apartments if the family's income under the Public Housing Program reaches a level that exceeds the income compliance levels for the LIHTC program, in the event another Public Housing unit in RHE's portfolio is not available to relocate the family.

Public Housing Program – Admissions and Occupancy Policy

Section 3.1 Tenant Selection Preferences

Due to the extremely long processing times to verify local preferences, Staff have suggested the waiting list preferences be established by time and date of the application received instead of the current preference of living and/or working in the City of Rockville. The waiting list is populated based on a self-certification of preferences. Staff are finding that when families selected from the waiting list, the local preference of living and or working in the city of Rockville is not met, although the families otherwise income qualify. In that scenario, Staff have to put those families back on the waiting list and select the next set of families that claim a locality preference and start the process over again to determine if those families have the required local preference. The process of finding families that actually meet the locality preference can add an additional 30 to 45 days to the eligibility process. While the units are vacant waiting on an eligible family to occupy them. Streamlining the waiting list selection criteria will assist RHE in finding income eligible families and filling the vacant unit quicker which will subsequently reduce the loss in rental income.

RHEP Project Based Voucher Units – Management Plan

Tenant Selection

Staff would like to adopt a similar waiting list policy for the RHEP Scattered Site Project Based Voucher Units due to the same reasons stated above.

Financial Management (See Tab 3)

Finance and Accounting Department has closed out the FYE2021 audit season. The audit reports will be reviewed during the July Board Meeting.

Housing Choice Voucher (HCV) Program (404 Regular Vouchers ;) FYB 10-1-2021

The Net Restricted Assets (HAP) for the month of May 2022 is a positive \$35,650. Year to date the HAP is a negative (\$439,024.75). The RNP based on the prior year balance of \$687,865 carried over is \$248,840.25.

The Un-Restricted Net Assets (Administrative Expenses) for the month ending May 2022 is a positive \$20,840.60. Year to date is a \$ 76,616.72.

Mainstream Vouchers (50 Mainstream) FYB 10-1-2021

The Net Restricted Assets (HAP) for the month of May 2022 is a positive \$ 7,639. Year to date the HAP is negative (\$7,721.48) due from HUD reconciliation against held reserves necessary to reduce equity deficit to zero for financial reporting purpose.

The Unrestricted Net Assets (Administrative Expenses) for the month ending May 2022 is a positive \$1,538.38. Year to date is positive \$11,467.54.

Mod Rehab Program (5 Mod Vouchers) FYB 10-1-2021

The Program cash flow for the month of May 2022 is a negative (\$1,355) due to not receiving the full funding from HUD. Year to date the HAP is negative (\$9,548). The prior year positive carry over amount is \$17,116 resulting in a program balance of \$7,568.

Public Housing Program (PH) (79 PH Units) FYB 10-1-2021

The Net Income on the PH Cash Flow Report for the month of May 2022 indicates a negative (\$13,392.52) due a decrease in rent collections, and a higher-than-average water and sewer invoice. Year to date is a negative (\$74,032.52). Expenses will be reallocated from PH to RHEP Scattered Sites.

RHE Properties Scattered (29 – Scattered Units) FYB 01-1-2022

The Cash Flow Statement for the month ending May 2022 indicates a negative (\$13,342.18) due to staff training invoice, a kitchen cabinet replacement invoice for one unit, flooring replacement invoices for three units, a carpet turnover invoice for 1 unit, and appliances invoices for 4 units. Year to date is a positive \$71,259.89.

RELP – (56 Low Income Housing Tax Credit Units) FYB 01-1-2022

The net income for RELP One for the month of May 2022 is a positive \$20,171.27. Year to date net income is a positive \$19,977.76.

RHE Properties (4 – Affordable Units) FYB 01-1-2022

The Cash Flow Statement for the month ending May 2022 indicates a negative (\$457.44) due to a decrease in rent collections. Year to date is a positive \$2,904.67.

RHE Corporation (the General Partnership entity for RELP One) FYB 01-1-2022

There was no activity for this entity during the month of May 2022. Year to date net income is \$0.

RHE Development Account (bank account that receives and holds non-federal funds) FYB-10-1-2022

The Cash Flow Statement for the month ending May 2022 indicates a positive \$ 6,144.25. Year to date net income is a negative (\$30,789.44).

RHE FIRESIDE PARK FYB 01-2022

The Cash Flow Statement for the month ending May 2022 indicates a positive \$233,697.29. Year to date net income is a positive \$513,681.02.

At the time of the printing of this report, the Financials for the month of May have not yet been received from RHE FIRESIDE PARK.

Asset Management May 2022 (See TAB 4 and TAB 6 of Board Report)

- PH Occupancy (David Scull) was as follows (76 units):
 - 97.4% for the month ending May – (2 vacancy)
 - Rent Collection Percentage 88.4%
- RHEP PBV Scattered Sites Occupancy (Scattered Sites) was as follows (29 units):
 - 89.7% for the month ending May – (3 vacancy)
 - Rent Collection Percentage 95.1%
- RELP One Occupancy was as follows (56 units):

- 96.4% for the month ending May – (2 vacancy)
- Rent Collection Percentage 79.6%
- RHEP Occupancy was as follows: (4 units).
 - 75% for the month ending May- (1 vacancy)
 - Rent Collection Percentage 79.9%
- Fireside Occupancy was as follows as of June 13, 2022:
 - Occupancy – 89% occupancy rate of available units
 - 0– units off-line reserved for current construction/hospitality
 - 25- units vacant available for rent

Maintenance Activity Summary for May

- RHE maintenance staff completed 72 work orders in May.
- RHE maintenance staff conducted preventive maintenance and housekeeping inspections for 19 units on First Street. These were the first preventive maintenance inspections since before Covid-19.
- RHE maintenance staff accompanied pest control on 38 preventive pest control appointments. These were the first preventive pest control treatments since before Covid-19.
- The maintenance department facilitated 24 HQS inspections with third-party landlords in the month of May.
- The maintenance department submitted revised bids for the \$140,000 CDBG grant award. RHE will be replacing the roofs on 44 David Scull units this summer.
- There were 2 move-in and 2 move-outs for May. Vacant units are in process of turnover.

Housing Choice Voucher Program (HCVP) Management

May 2022

- HCV Program voucher units leased for the month ending May 2022 was 83.40%, and calendar year to date in May 2022 was 84.85%. HCV Program budget utilization for the month ending May 2022 was 105.97% and calendar year to date in May 2022 was 106%.
- The 50-unit Mainstream Disabled Voucher program for which funds are allocated dollar for dollar based on utilization is 82% leased for the month of May 2022.
- The 5-unit Moderate Rehabilitation Single Room Occupancy (SRO) program, for which funds are allocated dollar for dollar based on utilization, is 100% leased for the month of May 2022.
- The 10 VASH vouchers are 30% leased. Two additional VASH vouchers have been issued and the clients are searching for a unit.

Fostering Youth into Independence (FYI) Vouchers

- RHE has received twenty (22) referrals from Montgomery County Child Welfare.
- RHE has been awarded eighteen (18) Fostering Youth into Independence Vouchers.
- RHE has issued sixteen (17) vouchers to youth transitioning into housing.
- Thirteen (13) youth has leased.

Fireside Park/Parkside Landing

RHE is planning the ground breaking ceremony for Parkside Landing. RHE is working with event planners the estimated costs is \$13,000. We are looking at ways to decrease those expenses.

Reporting Period: May 2022

Milestones

- RHE conducts bi-weekly transition progress/coordination calls with WINN management.
- Relocation is complete.
- Parkside Landing branding/way-finding signage has been approved for fabrication with and will be released with completion of site work.
- Ribbon cutting event to be planned for *late* Summer 2022.

Schedule

- The project has achieved substantial completion of the unit rehabilitation scope. A few minor parking lot improvements and scope related to the entrance retaining wall have been approved by the City and are pending issuance of permit.
- Development Team is working with GC to complete close-out list for CDA.

Section 3/MBE Participation

	Goal	Actual
Section 3 Goal	10%	11.64%
MBE Goal	29%	31.96%

Construction Look-Ahead

- Site
 - o Site Improvements, pending issuance of permit
 - o Site Package Approval

Family Self Sufficiency/Resident Services Detailed Report-Period YTD: May 2022

25- Public Housing
 15- FSS Progress Reports
 47- Voucher

8- Homeownership
 2- Homeownership Pending

Community/Resident Services

Youth Services/Programs

- After School Programming- K-12 active engagement around health and wellness, sustainability, mindfulness, service, sports, and social-emotional wellness. All youth are provided with snack and dinner.

Adult Services/Programs

- Career Pathways Workshop with Career Catchers (virtual)

City of Rockville

- Community Clean Up Day 6/11/2022
- 7 Referrals for Career Coaching
- 1 Referral for Summer Camp grant

Referrals:

- 2 Phoenix Computers
- 2 A Wider Circle

Newsletter:

- COVID Rent relief
- Personal Finance Workshops
- Job Postings
 - City of Rockville
 - Metrobus Operators
- **Career Fairs**
 - East County Regional Service Center Healthcare and Professional Services with Worksource Montgomery
- **Career Service**
 - Maryland Workforce Exchange
 - Worksource Montgomery
 - Career Catchers
- **Scholarships**
 - Bernie Scholarship
 - Montgomery College
- **Resources:**
 - Computer Pick Up at various locations in Montgomery County
 - Free internet for Low-Income Families
- **Youth Resources:**
 - FREE Summer Camp with So What Else

- FREE Summer Camp with Team of Stars

6:50 PM City of Rockville (COR) Report

Ms. Habte Director DHCD City of Rockville relayed the following.

- The Education Commission, created in May is actively seeking board members. It is an 11-member commission. Ms. Habte requested RHE share the information with our program participants and encourage them to participate in the Education Commission.
- The CDBG NOFA is coming out for FY2024. The funds would be available next year.
- Monday June 27, Mayor and Council will discuss the maximum MPDU rents. The HUD AMI numbers increased by 10% and that results in a 10% increase in MPDU rents. The Council will be discussing alternative rent increase percentages.

Councilmember Ashton noted her concern about the 10% rent increase potential as constituents have express their concern with price increases with rent as well as other items. The Council of Governments (COG) will be presenting to Mayor and Council on Monday. COG has noted that 70% of new housing should be affordable to meet the demand and need.

Director Anderson noted RHE staff is working on green energy initiative with City Staff for the single family scattered site units.

7:00 PM Actions and Discussion –

Emergency Voucher Issuance

Director Anderson discussed the request to allow for the issuance of an emergency voucher in particular situations. The Emergency Voucher Issuance Preference will supersede the other waiting list preferences for instances in which a tenant-based voucher is needed to relocate a Public Housing family from Fireside Park/Parkside Landing Apartments if the family's income under the Public Housing Program reaches a level that exceeds the income compliance levels for the LIHTC program, in the event another Public Housing unit in RHE's portfolio is not available to relocate the family.

Commissioner Hedrick noted we should make the change general instead of specific to Fireside in the event the situation occurs in another RHE redeveloped property.

Commissioner Duffy and Commissioner Kaplowitz and Commissioner Marr noted their support of the emergency voucher.

Commission Marr motioned to approve the Emergency Voucher issuance preference The Emergency Voucher Issuance Preference will supersede the other waiting list preferences for instances in which a tenant-based voucher is needed to relocate a Public Housing family from Fireside Park/Parkside Landing Apartments or any other RHE Owned property that has experienced a refinance or repositioning of the asset if the family's

income under the Public Housing Program reaches a level that exceeds the income compliance levels for the LIHTC program, or other compliance programs required for the refinancing or asset repositioning in the event another Public Housing unit in RHE's portfolio is not available to relocate the family. Commissioner Kaplowitz seconded the motion. All present voted aye.

Suspension of Waiting List Preferences for Living and/or Working in Rockville

The floor was opened for discussion on the proposed change to the waiting list preferences for living and working in the city of Rockville to time and date of application submittal for public housing and RHEP project based voucher program waiting list selection. Director Anderson noted the time it is taking to validate the preferences coupled with a lack of staffing is resulting in abnormally long time to get qualified applicants that meet both the income and asset requirements as well as the preference points.

Commissioner Duffy expressed that the local preferences are important to ensure we are providing services to the residents of Rockville.

Commissioners Hedrick, Kaplowitz and Marr noted their support of removing the preferences.

Commissioner Robbins commented to suspend the process to see if we can do verifications up front at the time of application. Director Anderson noted that if application were validated at the time the waiting list is initially populated, then RHE would have to wait for all documents to be received prior to finalizing the waiting list according to preference, which would mean that staff could not even pull from the waiting list until all validations have been received not removing any time from the process.

After much discussion, it was decided to suspend the local and working preferences for a period of one year, during which time staff will research the most effective way to implement the preferences. Staff will process applications based on time and date of application selections.

Chairman Hedrick called for a motion. Commissioner Robbins, moved to temporarily suspend the waiting list selection preference of living and/or working in the City of Rockville preference and institute waiting list selection based on time and date of application until September 30, 2023. Commissioner Marr seconded the motion. All present voted aye.

Summer Schedule

Director Anderson requested the Board approve a 4-day work week for the months of July and August beginning the week of July 11, 2022. Director Anderson noted the staff work very hard under an extraordinary amount of pressure. Director Anderson noted the four day work week would only apply for staff who are performing. If staff are not performing they will not be able to participate in the 4 day work week. Commissioners

Hedrick, Marr, Kaplowitz and Duffy expressed support. Chairman Hedrick called for a motion.

Commissioner Marr moved to approve the 4-day work week summer schedule starting July 11, 2022 through the week of August 31, 2022, subject to the Executive Director's discretion regarding suspension of the 4 day work week for non-performing employees. Commissioner Robbins seconded the motion. All present voted aye.

8:20 PM Commissioner Comments

Chairman Hedrick asked Director Anderson if there are things that the Agency can do to improve employee retainage to let him know. Chairman Hedrick asked that Director Anderson to inform the Board when additional details on the HUD event.

Chairman Hedrick noted he is not well versed in fundraising for the non-profit. Director Anderson noted she will be researching and taking classes and seminars on the subject. Commissioner Duffy noted that we have a planning session for the non-profit and other future activities.

8:45 PM Adjourned

Chair Hedrick called for a motion to adjourn. Commissioner Marr moved to adjourn; Commissioner Duffy seconded the motion. All present voted Aye.

TAB 2

**Rockville Housing Enterprises
Executive Director's Report
As of July 14, 2022**

Activities during the month of June 2022

Meetings/Activities

- Parkside Landing Property Management calls were held bi-weekly.
- Food Distributions at the David Scull Community are held twice weekly.
- RHE held a grant award event on June 28 with the HUD Field Office representatives to announce RHE's Radon Mitigation grant award of \$157,870
- RHE and Fireside/Parkside Landing staff attended the City of Rockville Town Hall on public safety and security on June 23

Upcoming Activities

- RHE Staff will be presenting the FY2023 Annual Plan and MTW Supplement for public posting in August. A series of required resident meetings will be held in September. The public hearing will be held on October 5, 2022.

Financial Management (See Tab 3)

Finance and Accounting Department has closed out the FYE2021 audit season. See Audit reports and summary in Tab 7 of this board report.

Housing Choice Voucher (HCV) Program (404 Regular Vouchers ;) FYB 10-1-2021

The Net Restricted Assets (HAP) for the month of June 2022 is a negative (\$20,330). Year to date the HAP is a negative (\$458,232.75). The RNP based on the prior year balance of \$687,865 carried over is \$229,632.25.

The Un-Restricted Net Assets (Administrative Expenses) for the month ending June 2022 is a negative (\$19,077.36). Year to date is a \$ 25,757.01.

Mainstream Vouchers (50 Mainstream) FYB 10-1-2021

The Net Restricted Assets (HAP) for the month of June 2022 is a positive \$2,747. Year to date the HAP is negative (\$4,974.48) due from HUD reconciliation against held reserves necessary to reduce equity deficit to zero for financial reporting purpose.

The Unrestricted Net Assets (Administrative Expenses) for the month ending June 2022 is a positive \$1,064.38. Year to date is positive \$12,531.92.

Mod Rehab Program (5 Mod Vouchers) FYB 10-1-2021

The Program cash flow for the month of June 2022 is a positive \$1,001. Year to date the HAP is negative (\$8,547). The prior year positive carry over amount is \$17,116 resulting in a program balance of \$8,569.

Public Housing Program (PH) (76 PH Units) FYB 10-1-2021

The Net Income on the PH Cash Flow Report for the month of June 2022 indicates a positive \$14,277.06. Year to date is a negative (\$59,858.11). Expenses will be reallocated from PH to RHEP Scattered Sites.

RHE Properties Scattered (29 – Scattered Units) FYB 01-1-2022

The Cash Flow Statement for the month ending June 2022 indicates a positive \$24,375.88. Year to date is a positive \$95,635.77.

RELP – (56 Low Income Housing Tax Credit Units) FYB 01-1-2022

The net income for RELP One for the month of June 2022 is a positive \$5,020.99. Year to date net income is a positive \$29,129.79.

RHE Properties (4 – Affordable Units) FYB 01-1-2022

The Cash Flow Statement for the month ending June 2022 indicates a negative (\$5,566.26) due to turnover and flooring replacement invoices for one unit in King Farm. Year to date is a negative (\$2,661.59).

RHE Corporation (the General Partnership entity for RELP One) FYB 01-1-2022

There was no activity for this entity during the month of June 2022. Year to date net income is \$0.

RHE Development Account (bank account that receives and holds non-federal funds) FYB-10-1-2022

The Cash Flow Statement for the month ending June 2022 indicates a positive \$6,144.25. Year to date net income is a negative (\$24,525.44).

RHE FIRESIDE PARK FYB 01-2022

The Cash Flow Statement for the month ending May 2022 indicates a positive \$134,173.79. Year to date net income is a positive \$647,854.81.

At the time of the printing of this report, the Financials for the month of June have not yet been received from RHE FIRESIDE PARK.

Asset Management June 2022 (See TAB 4 and TAB 6 of Board Report)

- PH Occupancy (David Scull) was as follows (76 units):
 - 94.74% for the month ending June – (4 vacancy)
 - Rent Collection Percentage 83%
- RHEP PBV Scattered Sites Occupancy (Scattered Sites) was as follows (29 units):
 - 86.2% for the month ending June – (4 vacancy)
 - Rent Collection Percentage 101.21%
- RELP One Occupancy was as follows (56 units):
 - 96.4% for the month ending June – (2 vacant)
 - Rent Collection Percentage 86%
- RHEP Occupancy was as follows: (4 units).
 - 100% for the month ending June
 - Rent Collection Percentage 95.54
- Fireside Occupancy was as follows:
 - Occupancy – 97% occupancy rate for the month ending June

Maintenance Activity Summary for June

- RHE maintenance staff completed 91 work orders in June.
- RHE maintenance staff conducted preventive maintenance and housekeeping inspections for 19 units on First Street. These were the first preventive maintenance inspections since before Covid-19.
- RHE maintenance staff accompanied pest control on 20 preventive pest control appointments. These were the first preventive pest control treatments since before Covid-19.
- The maintenance department facilitated 26 HQS inspections with third-party landlords in the month of June.
- There were 3 move-in and 4 move-outs for June. Vacant units are in process of turnover.

Housing Choice Voucher Program (HCVP) Management

June 2022

- HCV Program voucher units leased for the month ending June 2022 was 83.4%, and calendar year to date in June 2022 was 84.85%. HCV Program budget utilization for the month ending June 2022 was 101.31% and calendar year to date in June 2022 was 105.97%.

- The 50-unit Mainstream Disabled Voucher program for which funds are allocated dollar for dollar based on utilization is 94% leased for the month of June 2022.
- The 5-unit Moderate Rehabilitation Single Room Occupancy (SRO) program, for which funds are allocated dollar for dollar based on utilization, is 100% leased for the month of June 2022.
- The 10 VASH vouchers are 30% leased. One applicant is conducting housing search. RHE receives referrals from the VA for VASH vouchers.

Fostering Youth into Independence (FYI) Vouchers

- RHE has received sixteen (22) referrals from Montgomery County Child Welfare.
- RHE has been awarded fourteen (18) Fostering Youth into Independence Vouchers.
- RHE has issued fourteen (18) vouchers to youth transitioning into housing.
- Thirteen (13) vouchers are leased.

Parkside Landing

RHE Staff are working to plan for a grand reopening celebration. A date has been set for September 13, 2022.

Reporting Period: June 2022

Schedule

- The project has achieved 100% completion.
- Relocation is complete
- A few minor parking lot improvements and scope related to the entrance retaining wall have been approved by the City and are pending issuance of permit.
- Development Team is working with GC to complete the cost certification.
- Jubilee has identified 100% of the committed clients for the development.

Milestones

- RHE conducts bi-weekly transition progress/coordination calls with WINN management
- Parkside Landing branding/way-finding signage has been approved for fabrication with and will be released with completion of site work.
- Ribbon cutting event projected for Sept. 13, 2022

Section 3/MBE Participation

FINAL	Goal	Actual
Section 3 Goal	10%	11.64%
MBE Goal	29%	31.96%

Look-Ahead

- Fire Alarm System
 - City of Rockville Fire Marshall has found violations at 3 buildings. Cost of repairs and coordination with GC are underway.
- Key Fobs
 - Buildings 741 & 739 have been activated
 - City of Rockville Fire Marshall has requested a master key for the lock boxes.
- Warranty Walks
 - No issues with most recent building turnover. Building . 717 has some appliance issues which are being resolved by management.
- Pre-REAC Assessment under review

Family Self Sufficiency/Resident Services Detailed Report-Period YTD: June 2022

25- Public Housing

47 – Voucher

15 – FSS Progress Reports

9 – Homeownership

Community/Resident Services

Adult Services/Programs

- Career Branding Workshop with Career Catchers (virtual)

Newsletter:

- COVID Rent relief
- Personal Finance Workshops
- Job Postings
 - City of Rockville
 - Metrobus Operators
- **Career Fairs**
 - East County Regional Service Center Healthcare and Professional Services with Worksource Montgomery
- **Career Service**
 - Maryland Workforce Exchange
 - Worksource Montgomery
 - Career Catchers
- **Scholarships**
 - Bernie Scholarship
 - Montgomery College

- **Resources:**
 - Computer Pick Up various locations in Montgomery County
 - Free internet for Low-Income Families
 - FREE Summer Camp with Team of Stars

TAB 3

**Rockville Housing Enterprises
Monthly Financial Statement Review**

Month Ending June 2022

Housing Choice Voucher (HCV) Program (404 Regular Vouchers ;) FYB 10-1-2021

The Net Restricted Assets (HAP) for the month of June 2022 is a negative (\$20,330). Year to date the HAP is a negative (\$458,232.75). The RNP based on the prior year balance of \$687,865 carried over is \$229,632.25.

The Un-Restricted Net Assets (Administrative Expenses) for the month ending June 2022 is a negative (\$19,077.36). Year to date is a \$ 25,757.01.

Mainstream Vouchers (50 Mainstream) FYB 10-1-2021

The Net Restricted Assets (HAP) for the month of June 2022 is a positive \$2,747. Year to date the HAP is negative (\$4,974.48) due from HUD reconciliation against held reserves necessary to reduce equity deficit to zero for financial reporting purpose.

The Unrestricted Net Assets (Administrative Expenses) for the month ending June 2022 is a positive \$1,064.38. Year to date is positive \$12,531.92.

Mod Rehab Program (5 Mod Vouchers) FYB 10-1-2021

The Program cash flow for the month of June 2022 is a positive \$1,001. Year to date the HAP is negative (\$8,547). The prior year positive carry over amount is \$17,116 resulting in a program balance of \$8,569.

Public Housing Program (PH) (79 PH Units) FYB 10-1-2021

The Net Income on the PH Cash Flow Report for the month of June 2022 indicates a positive \$14,277.06. Year to date is a negative (\$59,858.11). Expenses will be reallocated from PH to RHEP Scattered Sites.

RHE Properties Scattered (29 – Scattered Units) FYB 01-1-2022

The Cash Flow Statement for the month ending June 2022 indicates a positive \$24,375.88. Year to date is a positive \$95,635.77.

RELP – (56 Low Income Housing Tax Credit Units) FYB 01-1-2022

The net income for RELP One for the month of June 2022 is a positive \$5,020.99. Year to date net income is a positive \$29,129.79.

RHE Properties (4 – Affordable Units) FYB 01-1-2022

The Cash Flow Statement for the month ending June 2022 indicates a negative (\$5,566.26) due to turnover and flooring replacement invoices for one unit in King Farm. Year to date is a negative (\$2,661.59).

RHE Corporation (the General Partnership entity for RELP One) FYB 01-1-2022

There was no activity for this entity during the month of June 2022. Year to date net income is \$0.

RHE Development Account (bank account that receives and holds non-federal funds) FYB-10-1-2022

The Cash Flow Statement for the month ending June 2022 indicates a positive \$ 6,144.25. Year to date net income is a negative (\$24,525.44).

RHE FIRESIDE PARK FYB 01-2022

The Cash Flow Statement for the month ending May 2022 indicates a positive \$134,173.79. Year to date net income is a positive \$647,854.81.

At the time of the printing of this report, the Financials for the month of June have not yet been received from RHE FIRESIDE PARK.

Public Housing

Financials

June 2022

DAVID AND SCATTERED AND Grants (.ph_all)
CASH FLOW Statement (12 months)

Period = Oct 2021-Jun 2022

Book = Accrual

	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total
2999-99-999 Revenue & Expenses										
3000-00-000 INCOME										
3100-00-000 TENANT INCOME										
3101-00-000 Rental Income										
3111-00-000 Tenant Rent Received	50,744.85	50,052.70	51,215.28	32,658.48	41,149.31	62,641.23	38,807.21	33,597.76	32,544.42	393,411.24
3119-00-000 Total Rental Income	50,744.85	50,052.70	51,215.28	32,658.48	41,149.31	62,641.23	38,807.21	33,597.76	32,544.42	393,411.24
3199-00-000 NET TENANT INCOME	50,744.85	50,052.70	51,215.28	32,658.48	41,149.31	62,641.23	38,807.21	33,597.76	32,544.42	393,411.24
3400-00-000 GRANT INCOME										
3401-00-000 HUD PHA Operating Grants/Subsidy	53,761.00	53,761.00	60,259.00	39,412.00	65,687.00	53,013.00	53,941.00	54,736.50	48,622.00	483,192.50
3401-02-000 HUD PHA Operating Subsidy AMP 2 FII	0.00	0.00	6.00	0.00	2,602.50	0.00	0.00	0.00	0.00	2,608.50
3690-10-000 ROSS-FSS	2,708.00	2,777.50	2,777.50	0.00	9,826.00	4,913.00	4,913.00	4,913.00	4,913.00	37,741.00
3690-00-022 Capital Fund 2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20,152.00	20,152.00
3499-00-000 TOTAL GRANT INCOME	56,469.00	56,538.50	63,042.50	39,412.00	78,115.50	57,926.00	58,854.00	59,649.50	73,687.00	543,694.00
3600-00-000 OTHER INCOME										
3610-00-000 Investment Income - Unrestricted	0.42	0.42	0.39	0.40	0.35	0.39	0.37	0.35	0.00	3.09
3630-00-000 Maintenance Fee Income-RELP	1,180.19	0.00	2,480.68	1,204.82	805.31	1,098.70	419.25	481.33	1,016.78	8,687.06
3650-00-000 Miscellaneous Other Income	0.00	0.00	205.00	0.00	-205.00	0.00	0.00	2,018.96	0.00	2,018.96
3690-22-000 CDBG Grant	0.00	0.00	0.00	0.00	60,000.00	0.00	0.00	0.00	0.00	60,000.00
5210-00-000 Operating Transfers OUT	33,185.00	0.00	30,000.00	31,500.00	15,000.00	0.00	0.00	0.00	15,000.00	124,685.00
3699-00-000 TOTAL OTHER INCOME	34,365.61	0.42	32,686.07	32,705.22	75,600.66	1,099.09	419.62	2,500.64	16,016.78	195,394.11
3999-00-000 TOTAL INCOME	141,579.46	106,591.62	146,943.85	104,775.70	194,865.47	121,666.32	98,080.83	95,747.90	122,248.20	1,132,499.35
4000-00-000 EXPENSES										
4100-00-000 ADMINISTRATIVE										
4100-99-000 Administrative Salaries										
4110-00-000 Administrative Salaries	35,302.38	48,657.30	57,371.72	48,548.94	52,255.59	33,237.36	23,790.33	25,201.65	22,811.26	347,176.53
4410-00-000 Maintenance Salaries	11,039.37	13,839.69	15,627.54	14,659.75	11,319.35	22,878.85	13,845.99	14,243.76	16,749.57	134,203.87
4110-00-050 FSS Salaries	1,346.16	1,346.16	1,346.16	1,346.16	1,346.16	2,911.13	3,076.92	3,076.91	3,076.92	18,872.68
4110-04-000 Employee Benefit Contribution-Admin	11,737.12	14,685.74	12,281.11	12,235.72	12,362.14	17,079.91	10,658.42	13,155.13	13,264.60	117,459.89
4110-05-000 Wage Payable Garnishment	526.87	566.94	526.87	1,637.01	1,482.35	1,402.49	1,362.56	1,362.56	1,362.56	10,230.21
4110-99-000 Total Administrative Salaries	59,951.90	79,095.83	87,153.40	78,427.58	78,765.59	77,509.74	52,734.22	57,040.01	57,264.91	627,943.18
4130-00-000 Legal Expense										
4130-02-000 Criminal Background Checks	266.00	207.25	0.00	0.00	139.45	66.75	118.50	95.60	0.00	893.55
4130-04-000 General Legal Expense	0.00	0.00	0.00	815.50	1,709.00	2,066.46	755.00	1,475.00	1,913.01	8,733.97
4130-05-000 PH Conversion Legal	0.00	0.00	7,754.50	0.00	5,774.20	0.00	0.00	0.00	0.00	13,528.70
4131-00-000 Total Legal Expense	266.00	207.25	7,754.50	815.50	7,622.65	2,133.21	873.50	1,570.60	1,913.01	23,156.22
4139-00-000 Other Admin Expenses										
4140-00-000 Staff Training	448.00	370.00	225.00	0.00	820.79	110.92	0.00	0.00	0.00	1,974.71
4171-00-000 Auditing Fees-RHE	0.00	0.00	0.00	0.00	0.00	0.00	6,240.00	0.00	0.00	6,240.00
4174-00-000 Marketing/Printing	0.00	0.00	0.00	0.00	0.00	242.94	0.00	0.00	0.00	242.94

DAVID AND SCATTERED AND Grants (.ph_all)
CASH FLOW Statement (12 months)

Period = Oct 2021-Jun 2022

Book = Accrual

	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total
4180-00-000 Office Rent	9,888.00	4,944.00	4,944.00	4,944.00	4,944.00	0.00	7,910.40	0.00	3,955.20	41,529.60
4182-00-000 Financial-Consultants	3,827.95	695.62	673.75	300.00	731.25	693.75	975.00	581.25	0.00	8,478.57
4182-00-001 Other Consultant - ROSS HO	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,500.00	2,500.00
4182-02-000 MTW Consultant	0.00	0.00	0.00	0.00	10,520.61	5,823.33	0.00	0.00	0.00	16,343.94
4189-00-000 Total Other Admin Expenses	14,163.95	6,009.62	5,842.75	5,244.00	17,016.65	6,870.94	15,125.40	581.25	6,455.20	77,309.76
4190-00-000 Routine Admin Expenses										
4190-00-020 Document Shredding	0.00	717.40	239.34	242.40	0.00	269.73	0.00	530.74	363.82	2,363.43
4190-01-000 Membership and Fees	0.00	0.00	910.00	0.00	0.00	1,215.00	0.00	0.00	0.00	2,125.00
4190-03-000 Advertising	0.00	0.00	0.00	20.00	122.97	0.00	0.00	0.00	0.00	142.97
4190-04-000 Office Supplies	114.67	11.64	954.82	117.32	1,709.13	2,317.11	120.70	802.18	131.79	6,279.36
4190-06-000 Computer Parts	0.00	0.00	0.00	0.00	421.27	0.00	0.00	0.00	0.00	421.27
4190-07-000 Telephone	149.00	0.00	960.92	158.00	0.00	149.00	940.80	938.03	0.00	3,295.75
4190-08-000 Postage	0.00	694.00	0.00	0.00	0.00	500.00	0.00	553.30	0.00	1,747.30
4190-09-000 Software Liscense Fees	1,056.19	434.71	17,708.36	387.60	756.40	182.26	264.99	734.08	0.00	21,524.59
4190-10-000 Copiers Rental	0.00	0.00	1,098.35	1,098.35	0.00	0.00	131.66	1,098.35	1,098.35	4,525.06
4190-10-010 Copier- Expenses	351.51	641.01	421.64	150.85	0.00	276.50	0.00	0.00	0.00	1,841.51
4190-12-000 Software	0.00	0.00	318.00	0.00	0.00	0.00	0.00	0.00	0.00	318.00
4190-13-000 Internet	144.50	144.50	289.00	435.09	147.68	292.18	292.18	292.18	292.18	2,329.49
4190-15-000 Cell Phones/Pagers	921.84	914.19	892.90	0.00	0.00	902.17	1,063.43	839.41	0.00	5,533.94
4190-20-000 Bank Fees	376.18	373.87	387.35	418.52	361.80	379.97	424.11	449.31	341.76	3,512.87
4190-21-000 Sponsorships- Scholarship	0.00	0.00	1,245.60	0.00	0.00	0.00	0.00	0.00	0.00	1,245.60
4190-22-000 Sundry-Other Misc Admin Expenses	100.00	112.00	100.00	50.00	106.00	51.50	200.00	0.00	0.00	719.50
4191-00-000 Total Routine Admin Expenses	3,213.89	4,043.32	25,526.28	3,078.13	3,625.25	6,535.42	3,437.87	6,237.58	2,227.90	57,925.64
4192-00-000 Finance Fees	0.00	0.00	440.00	0.00	0.00	0.00	0.00	0.00	0.00	440.00
4199-00-000 TOTAL ADMINISTRATIVE EXPENSES	77,595.74	89,356.02	126,716.93	87,565.21	107,030.14	93,049.31	72,170.99	65,429.44	67,861.02	786,774.80
4200-00-000 TENANT SERVICES										
4220-00-000 Resident Services	500.00	0.00	0.00	0.00	0.00	71.15	142.68	0.00	0.00	713.83
4230-02-000 HQS	0.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	300.00
4230-02-002 MOVE IN INSPECTION	0.00	0.00	0.00	60.00	0.00	0.00	300.00	0.00	0.00	360.00
4299-00-000 TOTAL TENANT SERVICES EXPENSES	500.00	0.00	0.00	360.00	0.00	71.15	442.68	0.00	0.00	1,373.83
4300-00-000 UTILITIES										
4310-00-000 Water/Sewer	10,538.29	11,598.68	15,292.23	13,310.95	13,016.26	12,989.88	12,977.97	19,181.73	12,295.54	121,201.53
4320-00-000 Electricity- Tenant Charge	10,131.24	0.00	4,912.24	7,669.40	10,475.79	9,113.79	5,506.21	5,851.87	5,585.61	59,246.15
4320-01-000 Electricity-Vacant Units	0.00	7,282.14	0.00	0.00	0.00	-10.76	0.00	0.00	0.00	7,271.38
4320-02-000 Electricity- Office	0.00	0.00	0.00	0.00	0.00	-421.49	0.00	0.00	0.00	-421.49
4330-00-000 Gas-Tenant Charge	89.27	79.79	774.90	761.62	1,002.49	653.42	806.17	567.14	458.89	5,193.69
4330-01-000 Gas-Vacant Units	582.99	455.51	413.39	47.79	194.64	-527.59	0.00	0.00	629.07	1,795.80
4340-00-000 Garbage/Trash Removal	145.80	229.80	330.60	0.00	0.00	909.60	197.84	0.00	237.60	2,051.24
4399-00-000 TOTAL UTILITY EXPENSES	21,487.59	19,645.92	21,723.36	21,789.76	24,689.18	22,706.85	19,488.19	25,600.74	19,206.71	196,338.30
4400-00-000 MAINTENANCE AND OPERATIONS										
4400-99-000 General Maint Expense										
4413-00-000 Vehicle Gas, Oil, Grease	190.80	133.68	159.36	224.57	150.50	154.94	183.69	322.08	568.14	2,087.76
4419-00-000 Total General Maint Expense	190.80	133.68	159.36	224.57	150.50	154.94	183.69	322.08	568.14	2,087.76

DAVID AND SCATTERED AND Grants (.ph_all)
CASH FLOW Statement (12 months)

Period = Oct 2021-Jun 2022

Book = Accrual

	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total
4420-00-000	Materials									
4420-01-000	50.23	177.87	0.00	0.00	0.00	0.00	45.99	0.00	0.00	274.09
4420-02-000	419.57	813.65	513.89	821.14	233.43	54.46	149.92	132.70	3,301.17	6,439.93
4420-04-000	0.00	0.00	690.29	0.00	188.24	71.91	150.85	101.40	177.73	1,380.42
4420-06-000	0.00	59.88	128.47	62.40	0.00	37.67	5.88	38.27	47.41	379.98
4420-07-000	0.00	0.00	0.00	0.00	0.00	-147.03	0.00	0.00	0.00	-147.03
4420-08-000	132.16	1,625.25	989.62	1,187.26	795.40	279.76	994.59	524.62	519.24	7,047.90
4420-11-000	40.70	1,095.76	772.51	311.01	189.17	867.67	1,335.43	2,458.77	484.10	7,555.12
4420-12-000	0.00	882.62	0.00	0.00	7.70	-163.29	474.46	0.00	0.00	1,201.49
4420-13-000	0.00	145.62	0.00	0.00	283.98	0.00	944.00	0.00	0.00	1,373.60
4429-00-000	642.66	4,800.65	3,094.78	2,381.81	1,697.92	1,001.15	4,101.12	3,255.76	4,529.65	25,505.50
4430-00-000	Contract Costs									
4430-00-010	General Contract Costs									
4430-01-000	0.00	0.00	0.00	0.00	0.00	-20.74	0.00	0.00	0.00	-20.74
4430-01-000	0.00	899.31	0.00	0.00	0.00	0.00	0.00	224.50	0.00	1,123.81
4430-02-000	0.00	0.00	0.00	0.00	0.00	0.00	1,874.00	0.00	0.00	1,874.00
4430-02-002	0.00	893.11	0.00	0.00	0.00	0.00	0.00	0.00	0.00	893.11
4430-02-003	0.00	0.00	440.00	0.00	0.00	0.00	964.00	0.00	482.00	1,886.00
4430-02-005	680.00	340.00	307.00	0.00	0.00	0.00	0.00	0.00	0.00	1,327.00
4430-02-007	0.00	0.00	8,900.00	0.00	0.00	0.00	0.00	0.00	0.00	8,900.00
4430-02-008	600.00	0.00	0.00	0.00	285.00	240.00	0.00	0.00	0.00	1,125.00
4430-02-010	0.00	375.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	375.00
4430-02-011	1,280.00	2,507.42	9,647.00	0.00	285.00	219.26	2,838.00	224.50	482.00	17,483.18
4430-03-000	775.00	2,015.00	3,165.00	2,650.00	12,170.00	805.00	2,350.00	1,725.00	0.00	25,655.00
4430-03-001	145.00	970.00	75.00	150.00	0.00	0.00	0.00	0.00	0.00	1,340.00
4430-04-000	0.00	145.00	145.00	0.00	625.00	165.00	455.00	0.00	0.00	1,535.00
4430-05-000	3,050.00	0.00	850.00	0.00	2,245.00	850.00	1,200.00	0.00	0.00	8,195.00
4430-06-000	0.00	0.00	233.59	0.00	0.00	0.00	3,989.58	0.00	0.00	4,223.17
4430-07-000	0.00	1,100.00	0.00	0.00	1,730.00	0.00	1,351.00	0.00	1,514.00	5,695.00
4430-08-000	570.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	570.00
4430-09-000	0.00	0.00	0.00	0.00	0.00	0.00	7,550.00	3,020.00	0.00	10,570.00
4430-09-010	0.00	0.00	0.00	9,037.50	775.00	0.00	1,475.00	0.00	0.00	11,287.50
4430-11-000	850.00	500.00	4,931.00	2,165.00	582.00	0.00	0.00	0.00	0.00	9,028.00
4430-12-000	0.00	132.18	0.00	0.00	0.00	0.00	0.00	236.61	0.00	368.79
4430-13-000	1,586.00	1,475.00	3,050.00	140.00	0.00	0.00	140.00	0.00	0.00	6,391.00
4430-14-000	0.00	3,652.94	50.00	0.00	0.00	0.00	320.00	0.00	3,767.57	7,790.51
4430-15-000	0.00	0.00	54.99	0.00	0.00	0.00	0.00	0.00	0.00	54.99
4430-18-000	0.00	0.00	299.40	0.00	0.00	721.99	0.00	0.00	0.00	1,021.39
4430-21-000	570.00	285.00	285.00	0.00	795.00	280.00	0.00	0.00	0.00	2,215.00
4430-24-000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,299.00	1,299.00
4431-00-000	0.00	0.00	600.00	20.00	700.00	600.00	0.00	0.00	0.00	1,920.00
4432-00-000	360.00	360.00	360.00	360.00	0.00	792.00	360.00	360.00	360.00	3,312.00
4434-00-000	490.69	293.40	634.05	203.76	163.78	768.27	176.65	50.48	952.05	3,733.13
4439-00-000	8,396.69	10,928.52	14,733.03	14,726.26	19,785.78	4,982.26	19,367.23	5,392.09	7,892.62	106,204.48
4499-00-000	10,510.15	18,370.27	27,634.17	17,332.64	21,919.20	6,357.61	26,490.04	9,194.43	13,472.41	151,280.92
4500-00-000	GENERAL EXPENSES									

DAVID AND SCATTERED AND Grants (.ph_all)
CASH FLOW Statement (12 months)

Period = Oct 2021-Jun 2022

Book = Accrual

	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total
4510-10-000 Property Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4510-20-000 Liability Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4510-30-000 WORKMAN COMP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4520-01-000 Real Estate Taxes/Pilot	0.00	0.00	7,185.43	0.00	0.00	0.00	0.00	0.00	0.00	7,185.43
4521-00-000 Misc. Taxes/Liscenses/Insurance	0.00	0.00	0.00	0.00	0.00	0.00	2,225.00	0.00	0.00	2,225.00
4590-01-000 FIRESIDE DEV FEES (NIX)	2,319.00	2,319.00	2,319.00	2,319.00	0.00	4,638.00	2,389.00	2,389.00	2,389.00	21,081.00
4590-01-100 Fireside Owner Expenses (audit/taxes)	0.00	3,011.00	0.00	0.00	0.00	-12,891.80	0.00	0.00	0.00	-9,880.80
4590-01-300 Fireside Op Subsidy Exp	0.00	0.00	0.00	0.00	2,602.50	0.00	0.00	2,602.50	0.00	5,205.00
4599-00-000 TOTAL GENERAL EXPENSES	2,319.00	5,330.00	9,504.43	2,319.00	2,602.50	-8,253.80	4,614.00	4,991.50	2,389.00	25,815.63
4700-00-000 HOUSING ASSISTANCE PAYMENTS										
4715-01-000 Tenant Utility Payments-Voucher	809.00	1,628.00	1,490.00	781.00	99.00	-1,763.00	-922.00	149.00	136.00	2,407.00
4715-03-000 FSS Escrow Payments	10,081.99	-9,039.00	3,947.99	3,907.00	3,459.00	3,459.00	3,767.00	3,878.00	4,906.00	28,366.98
4799-00-000 TOTAL HOUSING ASSISTANCE PAYMENTS	10,890.99	-7,411.00	5,437.99	4,688.00	3,558.00	1,696.00	2,845.00	4,027.00	5,042.00	30,773.98
8000-00-000 TOTAL EXPENSES	123,303.47	125,291.21	191,016.88	134,054.61	159,799.02	115,627.12	126,050.90	109,243.11	107,971.14	1,192,357.46
9000-00-000 NET INCOME	18,275.99	-18,699.59	-44,073.03	-29,278.91	35,066.45	6,039.20	-27,970.07	-13,495.21	14,277.06	-59,858.11

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	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total	
2999-99-999	Revenue & Expenses										
3000-00-000	INCOME										
3100-00-000	TENANT INCOME										
3101-00-000	Rental Income										
3111-00-000	Tenant Rent	66,933.00	55,821.00	32,966.00	28,985.00	35,835.80	37,804.47	38,987.00	35,156.00	35,000.00	367,488.27
3114-00-000	Less: Concessions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-803.00	0.00	-803.00
3119-00-000	Total Rental Income	66,933.00	55,821.00	32,966.00	28,985.00	35,835.80	37,804.47	38,987.00	34,353.00	35,000.00	366,685.27
3120-00-000	Other Tenant Income										
3120-03-000	Damages	50.00	0.00	109.00	0.00	0.00	0.00	0.00	175.00	0.00	334.00
3120-07-000	Tenant Owed Utilities	3,306.09	2,597.53	2,446.99	2,623.12	2,426.31	1,985.37	2,600.76	1,811.21	2,787.75	22,585.13
3120-09-000	Misc. Tenant Income	47.00	79.79	0.00	-6,257.72	86.29	0.00	26.21	132.50	898.97	-4,986.96
3129-00-000	Total Other Tenant Income	3,403.09	2,677.32	2,555.99	-3,634.60	2,512.60	1,985.37	2,626.97	2,118.71	3,686.72	17,932.17
3129-02-000	TPA/REPAYMENT-Move Out Tenants	0.00	75.00	40.00	40.00	115.00	0.00	40.00	40.00	0.00	350.00
3199-00-000	NET TENANT INCOME	70,336.09	58,573.32	35,561.99	25,390.40	38,463.40	39,789.84	41,653.97	36,511.71	38,686.72	384,967.44
3400-00-000	GRANT INCOME										
3401-00-000	HUD PHA Operating Grants/Subsidy	53,761.00	53,761.00	60,259.00	39,412.00	65,687.00	53,013.00	53,941.00	54,736.50	48,622.00	483,192.50
3401-02-000	HUD PHA Operating Subsidy AMP 2 FII	0.00	0.00	6.00	0.00	2,602.50	0.00	0.00	0.00	0.00	2,608.50
3499-00-000	TOTAL GRANT INCOME	53,761.00	53,761.00	60,265.00	39,412.00	68,289.50	53,013.00	53,941.00	54,736.50	68,774.00	505,953.00
3600-00-000	OTHER INCOME										
3610-00-000	Investment Income - Unrestricted	0.42	0.42	0.39	0.40	0.35	0.39	0.37	0.35	0.00	3.09
3630-00-000	Maintenance Fee Income-RELP	1,180.19	0.00	2,480.68	1,204.82	805.31	1,098.70	419.25	481.33	1,016.78	8,687.06
3650-00-000	Miscellaneous Other Income	0.00	0.00	205.00	0.00	-205.00	0.00	0.00	2,018.96	0.00	2,018.96
3680-00-000	FSS Forfeiture	3,393.00	3,106.00	1,390.00	3,117.09	1,052.00	2,313.00	2,562.00	2,313.00	0.00	19,246.09
3690-00-022	Capital Fund 2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20,152.00	20,152.00
3690-10-000	ROSS-FSS	2,708.00	2,777.50	2,777.50	0.00	9,826.00	4,913.00	4,913.00	4,913.00	4,913.00	37,741.00
3690-22-000	CDBG Grant	0.00	0.00	0.00	0.00	60,000.00	0.00	0.00	0.00	0.00	60,000.00
3699-00-000	TOTAL OTHER INCOME	7,281.61	5,883.92	6,853.57	4,322.31	71,478.66	8,325.09	7,894.62	9,726.64	5,929.78	127,696.20
3999-00-000	TOTAL INCOME	131,378.70	118,218.24	102,680.56	69,124.71	178,231.56	101,127.93	103,489.59	100,974.85	93,238.50	998,464.64
4000-00-000	EXPENSES										
4100-00-000	ADMINISTRATIVE										
4100-99-000	Administrative Salaries										
4110-00-000	Administrative Salaries	35,302.38	48,657.30	57,371.72	48,548.94	52,255.59	33,237.36	23,790.33	25,201.65	22,811.26	347,176.53
4110-00-050	FSS Salaries	1,346.16	1,346.16	1,346.16	1,346.16	1,346.16	2,911.13	3,076.92	3,076.91	3,076.92	18,872.68
4110-04-000	Employee Benefit Contribution-Admin	11,737.12	14,685.74	12,281.11	12,235.72	12,362.14	17,079.91	10,658.42	13,155.13	13,264.60	117,459.89
4110-05-000	Wage Payable Garnishment	526.87	566.94	526.87	1,637.01	1,482.35	1,402.49	1,362.56	1,362.56	1,362.56	10,230.21
4110-99-000	Total Administrative Salaries	48,912.53	65,256.14	71,525.86	63,767.83	67,446.24	54,630.89	38,888.23	42,796.25	40,515.34	493,739.31
4130-00-000	Legal Expense										
4130-02-000	Criminal Background Checks	266.00	207.25	0.00	0.00	139.45	66.75	118.50	95.60	0.00	893.55
4130-04-000	General Legal Expense	0.00	0.00	0.00	815.50	1,709.00	2,066.46	755.00	1,475.00	1,913.01	8,733.97

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4130-05-000 PH Conversion Legal	0.00	0.00	7,754.50	0.00	5,774.20	0.00	0.00	0.00	0.00	13,528.70
4131-00-000 Total Legal Expense	266.00	207.25	7,754.50	815.50	7,622.65	2,133.21	873.50	1,570.60	1,913.01	23,156.22
4139-00-000 Other Admin Expenses										
4140-00-000 Staff Training	448.00	370.00	225.00	0.00	820.79	110.92	0.00	0.00	0.00	1,974.71
4171-00-000 Auditing Fees-RHE	0.00	0.00	0.00	0.00	0.00	0.00	6,240.00	0.00	0.00	6,240.00
4174-00-000 Marketing/Printing	0.00	0.00	0.00	0.00	0.00	242.94	0.00	0.00	0.00	242.94
4180-00-000 Office Rent	9,888.00	4,944.00	4,944.00	4,944.00	4,944.00	0.00	7,910.40	0.00	3,955.20	41,529.60
4182-00-000 Financial-Consultants	3,827.95	695.62	673.75	300.00	731.25	693.75	975.00	581.25	0.00	8,478.57
4182-00-001 Other Consultant - ROSS HO	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,500.00	2,500.00
4182-02-000 MTW Consultant	0.00	0.00	0.00	0.00	10,520.61	5,823.33	0.00	0.00	0.00	16,343.94
4189-00-000 Total Other Admin Expenses	14,163.95	6,009.62	5,842.75	5,244.00	17,016.65	6,870.94	15,125.40	581.25	6,455.20	77,309.76
4190-00-000 Routine Admin Expenses										
4190-00-020 Document Shredding	0.00	717.40	239.34	242.40	0.00	269.73	0.00	530.74	363.82	2,363.43
4190-01-000 Membership and Fees	0.00	0.00	910.00	0.00	0.00	1,215.00	0.00	0.00	0.00	2,125.00
4190-03-000 Advertising	0.00	0.00	0.00	20.00	122.97	0.00	0.00	0.00	0.00	142.97
4190-04-000 Office Supplies	114.67	11.64	954.82	117.32	1,709.13	2,317.11	120.70	802.18	131.79	6,279.36
4190-06-000 Computer Parts	0.00	0.00	0.00	0.00	421.27	0.00	0.00	0.00	0.00	421.27
4190-07-000 Telephone	149.00	0.00	960.92	158.00	0.00	149.00	940.80	938.03	0.00	3,295.75
4190-08-000 Postage	0.00	694.00	0.00	0.00	0.00	500.00	0.00	553.30	0.00	1,747.30
4190-09-000 Software Liscense Fees	1,056.19	434.71	17,708.36	387.60	756.40	182.26	264.99	734.08	0.00	21,524.59
4190-10-000 Copiers Rental	0.00	0.00	1,098.35	1,098.35	0.00	0.00	131.66	1,098.35	1,098.35	4,525.06
4190-10-010 Copier- Expenses	351.51	641.01	421.64	150.85	0.00	276.50	0.00	0.00	0.00	1,841.51
4190-12-000 Software	0.00	0.00	318.00	0.00	0.00	0.00	0.00	0.00	0.00	318.00
4190-13-000 Internet	144.50	144.50	289.00	435.09	147.68	292.18	292.18	292.18	292.18	2,329.49
4190-15-000 Cell Phones/Pagers	921.84	914.19	892.90	0.00	0.00	902.17	1,063.43	839.41	0.00	5,533.94
4190-20-000 Bank Fees	376.18	373.87	387.35	418.52	361.80	379.97	424.11	449.31	341.76	3,512.87
4190-21-000 Sponsorships- Scholarship	0.00	0.00	1,245.60	0.00	0.00	0.00	0.00	0.00	0.00	1,245.60
4190-22-000 Sundry-Other Misc Admin Expenses	100.00	112.00	100.00	50.00	106.00	51.50	200.00	0.00	0.00	719.50
4191-00-000 Total Routine Admin Expenses	52,126.42	69,299.46	97,052.14	66,845.96	71,071.49	61,166.31	42,326.10	49,033.83	42,743.24	551,664.95
4192-00-000 Finance Fees	0.00	0.00	440.00	0.00	0.00	0.00	0.00	0.00	0.00	440.00
4199-00-000 TOTAL ADMINISTRATIVE EXPENSES	66,556.37	75,516.33	111,089.39	72,905.46	95,710.79	70,170.46	58,325.00	51,185.68	51,111.45	652,570.93
4200-00-000 TENANT SERVICES										
4220-00-000 Resident Services	500.00	0.00	0.00	0.00	0.00	71.15	142.68	0.00	0.00	713.83
4230-02-000 HQS	0.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	300.00
4230-02-002 MOVE IN INSPECTION	0.00	0.00	0.00	60.00	0.00	0.00	300.00	0.00	0.00	360.00
4299-00-000 TOTAL TENANT SERVICES EXPENSES	500.00	0.00	0.00	360.00	0.00	71.15	442.68	0.00	0.00	1,373.83
4300-00-000 UTILITIES										
4310-00-000 Water/Sewer	10,538.29	11,598.68	15,292.23	13,310.95	13,016.26	12,989.88	12,977.97	19,181.73	12,295.54	121,201.53
4320-00-000 Electricity- Tenant Charge	10,131.24	0.00	4,912.24	7,669.40	10,475.79	9,113.79	5,506.21	5,851.87	5,585.61	59,246.15
4320-01-000 Electricity-Vacant Units	0.00	7,282.14	0.00	0.00	0.00	-10.76	0.00	0.00	0.00	7,271.38
4320-02-000 Electricity- Office	0.00	0.00	0.00	0.00	0.00	-421.49	0.00	0.00	0.00	-421.49
4330-00-000 Gas-Tenant Charge	89.27	79.79	774.90	761.62	1,002.49	653.42	806.17	567.14	458.89	5,193.69
4330-01-000 Gas-Vacant Units	582.99	455.51	413.39	47.79	194.64	-527.59	0.00	0.00	629.07	1,795.80
4340-00-000 Garbage/Trash Removal	145.80	229.80	330.60	0.00	0.00	909.60	197.84	0.00	237.60	2,051.24

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4399-00-000 TOTAL UTILITY EXPENSES	21,487.59	19,645.92	21,723.36	21,789.76	24,689.18	22,706.85	19,488.19	25,600.74	19,206.71	196,338.30
4400-00-000 MAINTENANCE AND OPERATIONS										
4400-99-000 General Maint Expense										
4410-00-000 Maintenance Salaries	11,039.37	13,839.69	15,627.54	14,659.75	11,319.35	22,878.85	13,845.99	14,243.76	16,749.57	134,203.87
4413-00-000 Vehide Gas, Oil, Grease	190.80	133.68	159.36	224.57	150.50	154.94	183.69	322.08	568.14	2,087.76
4419-00-000 Total General Maint Expense	11,230.17	13,973.37	15,786.90	14,884.32	11,469.85	23,033.79	14,029.68	14,565.84	17,317.71	136,291.63
4420-00-000 Materials										
4420-01-000 Supplies-Grounds	50.23	177.87	0.00	0.00	0.00	0.00	45.99	0.00	0.00	274.09
4420-02-000 Supplies-Appliance	419.57	813.65	513.89	821.14	233.43	54.46	149.92	132.70	3,301.17	6,439.93
4420-04-000 Supplies-Electrical	0.00	0.00	690.29	0.00	188.24	71.91	150.85	101.40	177.73	1,380.42
4420-06-000 Supplies-Janitorial/Cleaning	0.00	59.88	128.47	62.40	0.00	37.67	5.88	38.27	47.41	379.98
4420-07-000 Supplies-Maint/Repairs	0.00	0.00	0.00	0.00	0.00	-147.03	0.00	0.00	0.00	-147.03
4420-08-000 Supplies-Plumbing	132.16	1,625.25	989.62	1,187.26	795.40	279.76	994.59	524.62	519.24	7,047.90
4420-11-000 Supplies-Hardware	40.70	1,095.76	772.51	311.01	189.17	867.67	1,335.43	2,458.77	484.10	7,555.12
4420-12-000 Supplies-Painting	0.00	882.62	0.00	0.00	7.70	-163.29	474.46	0.00	0.00	1,201.49
4420-13-000 HVAC Supplies	0.00	145.62	0.00	0.00	283.98	0.00	944.00	0.00	0.00	1,373.60
4429-00-000 Total Materials	642.66	4,800.65	3,094.78	2,381.81	1,697.92	1,001.15	4,101.12	3,255.76	4,529.65	25,505.50
4430-00-000 Contract Costs										
4430-00-010 General Contract Costs	0.00	0.00	0.00	0.00	0.00	-20.74	0.00	0.00	0.00	-20.74
4430-01-000 Contract-Alarm/Extinguisher	0.00	899.31	0.00	0.00	0.00	0.00	0.00	224.50	0.00	1,123.81
4430-02-000 Appliance Purchase- Refrigerator	0.00	0.00	0.00	0.00	0.00	0.00	1,874.00	0.00	0.00	1,874.00
4430-02-002 Appliance Purchase- Hot water hearter	0.00	893.11	0.00	0.00	0.00	0.00	0.00	0.00	0.00	893.11
4430-02-003 Appliance Purchase-Stove	0.00	0.00	440.00	0.00	0.00	0.00	964.00	0.00	482.00	1,886.00
4430-02-005 Appliance Purchase-Dishwasher	680.00	340.00	307.00	0.00	0.00	0.00	0.00	0.00	0.00	1,327.00
4430-02-007 HVAC Replacement	0.00	0.00	8,900.00	0.00	0.00	0.00	0.00	0.00	0.00	8,900.00
4430-02-008 Flooring Replacement	600.00	0.00	0.00	0.00	285.00	240.00	0.00	0.00	0.00	1,125.00
4430-02-010 Roof Replacement	0.00	375.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	375.00
4430-02-011 Capitalized Maintenance Expenses	1,280.00	1,608.11	9,647.00	0.00	285.00	219.26	2,838.00	0.00	482.00	16,359.37
4430-03-000 Contract-Building Repairs	775.00	2,015.00	3,165.00	2,650.00	12,170.00	805.00	2,350.00	1,725.00	0.00	25,655.00
4430-03-001 Contract- Appliance Repairs	145.00	970.00	75.00	150.00	0.00	0.00	0.00	0.00	0.00	1,340.00
4430-04-000 Contract-General Cleaning	0.00	145.00	145.00	0.00	625.00	165.00	455.00	0.00	0.00	1,535.00
4430-05-000 Contract-Painting	3,050.00	0.00	850.00	0.00	2,245.00	850.00	1,200.00	0.00	0.00	8,195.00
4430-06-000 Contract-Electrical	0.00	0.00	233.59	0.00	0.00	0.00	3,989.58	0.00	0.00	4,223.17
4430-07-000 Contract-Pest Control	0.00	1,100.00	0.00	0.00	1,730.00	0.00	1,351.00	0.00	1,514.00	5,695.00
4430-08-000 Contract-Floor Replacement	570.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	570.00
4430-09-000 Contract-Grounds	0.00	0.00	0.00	0.00	0.00	0.00	7,550.00	3,020.00	0.00	10,570.00
4430-09-010 Contract- Snow	0.00	0.00	0.00	9,037.50	775.00	0.00	1,475.00	0.00	0.00	11,287.50
4430-11-000 Contract-Plumbing	850.00	500.00	4,931.00	2,165.00	582.00	0.00	0.00	0.00	0.00	9,028.00
4430-12-000 Contract-Window Covering	0.00	132.18	0.00	0.00	0.00	0.00	0.00	236.61	0.00	368.79
4430-13-000 Contract-HVAC- Repair	1,586.00	1,475.00	3,050.00	140.00	0.00	0.00	140.00	0.00	0.00	6,391.00
4430-14-000 Contract-Vehide Maintenance	0.00	3,652.94	50.00	0.00	0.00	0.00	320.00	0.00	3,767.57	7,790.51
4430-15-000 Contract-Equipment Rental	0.00	0.00	54.99	0.00	0.00	0.00	0.00	0.00	0.00	54.99
4430-18-000 Contract-Alarm Monitoring	0.00	0.00	299.40	0.00	0.00	721.99	0.00	0.00	0.00	1,021.39
4430-21-000 Unit Turnover	570.00	285.00	285.00	0.00	795.00	280.00	0.00	0.00	0.00	2,215.00
4430-24-000 Movers/ Evictions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,299.00	1,299.00

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4431-00-000 Contract Cost- Lead Inspection	0.00	0.00	600.00	20.00	700.00	600.00	0.00	0.00	0.00	1,920.00
4432-00-000 Contract-Storage	360.00	360.00	360.00	360.00	0.00	792.00	360.00	360.00	360.00	3,312.00
4434-00-000 Contract- Keys	490.69	293.40	634.05	203.76	163.78	768.27	176.65	50.48	952.05	3,733.13
4439-00-000 Total Contract Costs	9,676.69	13,435.94	24,380.03	14,726.26	20,070.78	5,201.52	22,205.23	5,616.59	8,374.62	123,687.66
4499-00-000 TOTAL MAINTENACE EXPENSES	21,549.52	32,209.96	43,261.71	31,992.39	33,238.55	29,236.46	40,336.03	23,438.19	30,221.98	285,484.79
4500-00-000 GENERAL EXPENSES										
4510-10-000 Property Insurance	740.75	740.75	740.75	740.75	740.75	740.75	968.29	968.29	968.29	7,349.37
4510-20-000 Liability Insurance	740.75	740.75	740.75	740.75	740.75	740.75	968.29	968.29	968.29	7,349.37
4510-30-000 WORKMAN COMP	740.75	740.75	740.75	740.75	740.75	740.75	968.29	968.29	968.29	7,349.37
4520-01-000 Real Estate Taxes/Pilot	0.00	0.00	7,185.43	0.00	0.00	0.00	0.00	0.00	0.00	7,185.43
4521-00-000 Misc. Taxes/Liscenses/Insurance	0.00	0.00	0.00	0.00	0.00	0.00	2,225.00	0.00	0.00	2,225.00
4590-01-000 FIRESIDE DEV FEES (NIX)	2,319.00	2,319.00	2,319.00	2,319.00	0.00	4,638.00	2,389.00	2,389.00	2,389.00	21,081.00
4590-01-100 Fireside Owner Expenses (audit/taxes)	0.00	3,011.00	0.00	0.00	0.00	-12,891.80	0.00	0.00	0.00	-9,880.80
4590-01-300 Fireside Op Subsidy Exp	0.00	0.00	0.00	0.00	2,602.50	0.00	0.00	2,602.50	0.00	5,205.00
4599-00-000 TOTAL GENERAL EXPENSES	4,541.25	7,552.25	11,726.68	4,541.25	4,824.75	-6,031.55	7,518.87	7,896.37	5,293.87	47,863.74
4700-00-000 HOUSING ASSISTANCE PAYMENTS										
4715-01-000 Tenant Utility Payments-Voucher	809.00	1,628.00	1,490.00	781.00	99.00	-1,763.00	-922.00	149.00	136.00	2,407.00
4715-03-000 FSS Escrow Payments	10,081.99	-9,039.00	3,947.99	3,907.00	3,459.00	3,459.00	3,767.00	3,878.00	4,906.00	28,366.98
4799-00-000 TOTAL HOUSING ASSISTANCE PAYMENTS	10,890.99	-7,411.00	5,437.99	4,688.00	3,558.00	1,696.00	2,845.00	4,027.00	5,042.00	30,773.98
5000-00-000 NON-OPERATING ITEMS										
5210-00-000 Operating Transfers OUT	-33,185.00	0.00	938,540.05	-31,500.00	-15,000.00	0.00	0.00	0.00	-15,000.00	843,855.05
5999-00-000 TOTAL NON-OPERATING ITEMS	-33,185.00	0.00	938,540.05	-31,500.00	-15,000.00	0.00	0.00	0.00	-15,000.00	843,855.05
8000-00-000 TOTAL EXPENSES	92,340.72	127,513.46	1,131,779.18	104,776.86	147,021.27	117,849.37	128,955.77	112,147.98	95,876.01	2,058,260.62
9000-00-000 NET INCOME	39,037.98	-9,295.22	-1,029,098.62	-35,652.15	31,210.29	-16,721.44	-25,466.18	-11,173.13	-2,637.51	-1,059,795.98

DAVID AND SCATTERED AND Grants (.ph_all)

Balance Sheet

Period = Jun 2022

Book = Accrual

		Current Balance
0999-99-000	All	
1000-00-000	ASSETS	
1001-00-000	CURRENT ASSETS:	
1100-00-000	CASH	
1110-00-000	Unrestricted Cash	
1111-10-000	Cash Operating PH	41,907.78
1111-90-000	Petty Cash	306.10
1111-99-000	Total Unrestricted Cash	42,213.88
1112-00-000	Restricted Cash	
1112-01-000	Cash Restricted-Security Deposits	29,522.63
1112-02-000	Cash Restricted-FSS Escrow	73,332.75
1112-03-000	Cash Restricted-HAP	-4,198.00
1112-99-000	Total Restricted Cash	98,657.38
1116-10-000	GEN FUND INVESTMENTS	28,992.61
1119-00-000	TOTAL CASH	169,863.87
1120-00-000	ACCOUNTS AND NOTES RECEIVABLE	
1122-00-000	A/R-Tenants	48,990.70
1122-01-000	Allowance for Doubtful Accounts-Tenan	-33,058.58
1129-01-000	AR/TPA	64,268.14
1129-02-000	Accounts Receivable - Relp	22,057.02
1129-45-000	Accounts Receivable - Fireside	-2,786.00
1129-99-000	Allowance for Doubtful Accounts-Other	-64,268.14
1135-08-000	Accounts Receivable - HCV	-128,980.65
1135-09-000	Accounts Receivable - RHE PROP	3,000.00
1135-10-000	Account Receivables- DEV	60,252.00
1135-11-000	Accounts Receivable - Rhep 1	-70,000.00
1135-15-000	Accounts Receivable - Rhep-SCA	-1,993.14
1140-00-000	Notes and Loans Receivable-Current	504,046.45
1145-00-000	Accrued Interest Receivable	14,072.95
1149-00-000	TOTAL ACCOUNTS AND NOTES RECEIVAB	415,600.75
1160-00-000	OTHER CURRENT ASSETS	
1211-00-000	Prepaid Expenses and Other Assets	4,095.66
1260-00-000	Inventories-Materials	0.38
1275-00-000	Allowance for Obsolete Inventories	-0.04
1299-00-000	TOTAL OTHER CURRENT ASSETS	4,096.00
1299-02-000	Other Assets	2,681.00
1300-00-000	TOTAL CURRENT ASSETS	592,241.62
1400-00-000	NONCURRENT ASSETS:	

DAVID AND SCATTERED AND Grants (.ph_all)

Balance Sheet

Period = Jun 2022

Book = Accrual

		Current Balance
1400-01-000	FIXED ASSETS	
1400-05-000	Land	126,600.00
1400-06-000	Buildings	8,828,164.00
1400-07-000	Furniture and Equipment-Dwelling	120,035.00
1400-08-000	Furniture and Equipment-Admin.	150,461.12
1405-00-000	Accumulated Depreciation	-8,128,555.66
1420-00-000	TOTAL FIXED ASSETS (NET)	<u>1,096,704.46</u>
1499-00-000	TOTAL NONCURRENT ASSETS	1,096,704.46
1999-00-000	TOTAL ASSETS	<u>1,688,946.08</u>
2000-00-000	LIABILITIES & EQUITY	
2001-00-000	LIABILITIES:	
2100-00-000	CURRENT LIABILITIES:	
2114-00-000	Tenant Security Deposits	49,155.53
2114-01-000	Security Deposit Interest	-1,434.08
2114-02-000	Security Deposit Clearing Account	-13,612.81
2114-03-000	Security Deposit-Pet	1,316.00
2116-06-000	Accounts Payable - Interfund	-128,879.38
2116-08-000	Accounts payable - HCV	77,277.74
2116-20-000	Due to AMP2	784.00
2135-00-000	Accrued Payroll & Payroll Taxes	27,774.02
2240-00-000	Tenant Prepaid Rents	5,357.80
2260-00-000	Accrued Compensated Absences-Curren	5,248.89
2299-00-000	TOTAL CURRENT LIABILITIES	<u>22,987.71</u>
2300-00-000	NONCURRENT LIABILITIES:	
2305-00-000	Accrued Compensated Absences-LT	47,240.05
2307-00-000	FSS Escrow	83,247.44
2399-00-000	TOTAL NONCURRENT LIABILITIES	<u>130,487.49</u>
2499-00-000	TOTAL LIABILITIES	<u>153,475.20</u>
2500-15-000	ROSS Grant 2015	-26,890.50
2800-00-000	EQUITY	
2801-00-000	CONTRIBUTED CAPITAL:	
2802-01-000	Limited Partner Contribution	197,415.00
2805-99-000	TOTAL CONTRIBUTED CAPITAL	<u>197,415.00</u>
2809-00-000	RETAINED EARNINGS:	

DAVID AND SCATTERED AND Grants (.ph_all)

Balance Sheet

Period = Jun 2022

Book = Accrual

		Current Balance
2809-01-000	Invested in Capital Assets-Net of Debt	2,274,619.46
2809-02-000	Retained Earnings-Unrestricted Net Ass	-1,074,962.53
2809-03-000	Restricted Net Assets - HAP	111,508.45
2809-99-000	TOTAL RETAINED EARNINGS:	<u>1,311,165.38</u>
2899-00-000	TOTAL EQUITY	<u>1,535,470.88</u>
2999-00-000	TOTAL LIABILITIES AND EQUITY	<u>1,688,946.08</u>

Housing Choice
Voucher Program

Financials

June 2022

HCV NO PORT IN /MS/MOD/FOSTER (.hcv.all)

Retricted Net Asset Statement (12 months)

Period = Oct 2021-Jun 2022

Book = Accrual

	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total
2999-99-999 Revenue & Expenses										
3000-00-000 INCOME										
3400-00-000 GRANT INCOME										
3410-01-000 Section 8 HAP Earned	412,477.00	300,765.00	166,135.00	443,070.00	447,127.00	436,542.00	436,542.00	457,733.00	453,397.00	3,553,788.00
3499-00-000 TOTAL GRANT INCOME	412,477.00	300,765.00	166,135.00	443,070.00	447,127.00	436,542.00	436,542.00	457,733.00	453,397.00	3,553,788.00
3999-00-000 TOTAL INCOME	412,477.00	300,765.00	166,135.00	443,070.00	447,127.00	436,542.00	436,542.00	457,733.00	453,397.00	3,553,788.00
4000-00-000 EXPENSES										
4700-00-000 HOUSING ASSISTANCE PAYMENTS										
4715-00-000 Housing Assistance Payments	345,748.00	400,938.00	402,752.00	417,796.00	471,721.00	392,177.12	410,563.00	384,657.00	417,361.00	3,643,713.12
4715-01-000 Tenant Utility Payments-Voucher	3,227.00	6,002.00	3,371.00	6,295.00	8,360.00	6,016.00	6,842.00	2,165.00	5,618.00	47,896.00
4715-02-000 Portable Out HAP Payments	32,396.70	30,511.00	7,233.00	30,433.00	38,877.00	18,954.00	37,561.00	36,620.00	42,208.00	274,793.70
4715-03-000 FSS Escrow Payments	4,395.99	4,787.98	4,787.96	6,921.00	7,623.00	6,800.00	3,121.00	-1,359.00	8,540.00	45,617.93
4799-00-000 TOTAL HOUSING ASSISTANCE PAYMENTS	385,767.69	442,238.98	418,143.96	461,445.00	526,581.00	423,947.12	458,087.00	422,083.00	473,727.00	4,012,020.75
8000-00-000 TOTAL EXPENSES	385,767.69	442,238.98	418,143.96	461,445.00	526,581.00	423,947.12	458,087.00	422,083.00	473,727.00	4,012,020.75
9000-00-000 NET INCOME	26,709.31	-141,473.98	-252,008.96	-18,375.00	-79,454.00	12,594.88	-21,545.00	35,650.00	-20,330.00	-458,232.75
Net Income RNP Rollover	\$ 687,865.00									229,632.25

HCV NO PORT IN /MS/MOD/FOSTER (.hcv.all)

Unrestricted Net Asset Statement (12 months)

Period = Oct 2021-Jun 2022

Book = Accrual

	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total
2999-99-999 Revenue & Expenses										
3000-00-000 INCOME										
3400-00-000 GRANT INCOME										
3410-02-000 Port In Admin. Fee Income	10,235.95	10,741.36	11,786.40	10,811.62	11,485.08	10,298.46	13,194.78	13,053.91	14,039.89	105,647.45
3410-02-000 Section 8 Admin. Fee Income	31,891.00	26,104.00	26,104.00	36,339.00	36,339.00	36,339.00	35,238.00	48,105.00	36,452.00	312,911.00
3499-00-000 TOTAL GRANT INCOME	42,126.95	36,845.36	37,890.40	47,150.62	47,824.08	46,637.46	48,432.78	61,158.91	50,491.89	418,558.45
3600-00-000 OTHER INCOME										
3690-10-000 ROSS-FSS	2,708.00	2,777.50	2,777.50	0.00	9,826.00	4,913.00	4,913.00	4,913.00	4,913.00	37,741.00
5210-00-000 Operating Transfers IN	0.00	0.00	0.00	0.00	0.00	31,757.35				31,757.35
MTW FLEX	34,262.25	8,139.94	78,273.28	0.00	81,653.83	0.00	0.00	0.00	0.00	202,329.30
3699-00-000 TOTAL OTHER INCOME	36,970.25	10,917.44	81,050.78	0.00	91,479.83	36,670.35	4,913.00	4,913.00	4,913.00	271,827.65
3999-00-000 TOTAL INCOME	79,097.20	47,762.80	118,941.18	47,150.62	139,303.91	83,307.81	53,345.78	66,071.91	55,404.89	690,386.10
4000-00-000 EXPENSES										
4100-00-000 ADMINISTRATIVE										
4100-99-000 Administrative Salaries										
4110-00-000 Administrative Salaries	20,940.39	26,039.34	29,656.62	27,617.55	28,052.13	33,772.67	26,605.09	24,857.23	26,568.71	244,109.73
4110-00-050 FSS Salaries	3,121.09	1,346.16	1,621.09	1,346.16	1,346.16	4,230.77	3,076.92	3,076.92	3,076.92	22,242.19
4110-04-000 Employee Benefit Contribution-Admin	3,364.37	5,195.90	4,442.37	4,258.90	5,662.26	4,344.93	4,397.09	4,251.81	9,007.50	44,925.13
4110-07-000 Aflac Flex	0.00	0.00	0.00	89.30	0.00	0.00	0.00	0.00	0.00	89.30
4110-99-000 Total Administrative Salaries	27,425.85	32,581.40	35,720.08	33,311.91	35,060.55	42,348.37	34,079.10	32,185.96	38,653.13	311,366.35
4130-00-000 Legal Expense										
4130-02-000 Criminal Background Checks	55.80	132.45	104.65	12.95	1,468.55	94.60	1,609.35	882.50	2,091.85	6,452.70
4130-04-000 General Legal Expense	830.00	664.00	0.00	0.00	1,333.00	0.00	0.00	0.00	2,167.50	4,994.50
4131-00-000 Total Legal Expense	885.80	796.45	104.65	12.95	2,801.55	94.60	1,609.35	882.50	4,259.35	11,447.20
4139-00-000 Other Admin Expenses										
4140-00-000 Staff Training	0.00	1,929.00	0.00	1,457.18	519.00	2,634.68	900.00	25.00	707.50	8,172.36
4145-00-000 Nonemployee compensation	0.00	0.00	0.00	0.00	0.00	500.00	0.00	450.00	0.00	950.00
4171-00-000 Auditing Fees-RHE	0.00	0.00	0.00	0.00	0.00	0.00	3,380.00	0.00	0.00	3,380.00
4172-00-000 Port Out Admin Fee Paid	3,154.16	1,646.55	624.80	1,153.55	1,729.38	1,092.64	1,496.80	1,441.74	1,987.11	14,326.73
4174-00-000 Marketing/Printing	528.96	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	528.96
4180-00-000 Office Rent	4,284.80	2,142.40	2,142.40	2,142.40	2,142.40	0.00	4,284.80	0.00	2,142.40	19,281.60
4182-00-000 Financial-Consultants	97.50	278.13	0.00	0.00	0.00	0.00	1,462.50	0.00	1,068.75	2,906.88
4182-00-002 Other Consultant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	560.00	560.00
4182-02-000 MTW Consultant	4,240.35	805.63	543.02	0.00	10,688.03	0.00	3,062.50	231.22	1,933.23	21,503.98
4189-00-000 Total Other Admin Expenses	12,305.77	6,801.71	3,310.22	4,753.13	15,078.81	4,227.32	14,586.60	2,147.96	8,398.99	71,610.51
4190-00-000 Routine Admin Expenses										
4190-00-020 Document Shredding	0.00	0.00	0.00	0.00	401.92	0.00	0.00	0.00	0.00	401.92
4190-01-000 Membership and Fees	2,710.00	1,000.00	250.00	0.00	1,050.12	0.00	0.00	0.00	0.00	5,010.12
4190-03-000 Advertising	0.00	0.00	5,538.12	0.00	122.96	0.00	0.00	0.00	0.00	5,661.08

HCV NO PORT IN /MS/MOD/FOSTER (.hcv.all)

Unrestricted Net Asset Statement (12 months)

Period = Oct 2021-Jun 2022

Book = Accrual

	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total
4190-04-000 Office Supplies	113.29	0.00	0.00	1,533.92	1,685.27	700.04	585.11	2,166.06	1,308.70	8,092.39
4190-06-000 Computer Parts	0.00	0.00	0.00	0.00	358.50	1,534.92	0.00	1,986.29	0.00	3,879.71
4190-07-000 Telephone	0.00	0.00	653.92	0.00	945.70	746.88	0.00	0.00	939.64	3,286.14
4190-08-000 Postage	500.00	442.98	0.00	750.50	442.98	8.95	1,511.03	350.00	0.00	4,006.44
4190-09-000 Software Liscense Fees	300.00	0.00	42,183.07	590.85	1,115.29	449.89	1,181.85	949.90	411.90	47,182.75
4190-10-000 Copiers Rental	0.00	1,098.35	0.00	0.00	1,098.35	1,098.35	966.69	334.13	0.00	4,595.87
4190-10-010 Copier- Expenses	0.00	0.00	0.00	0.00	628.89	0.00	0.00	0.00	1,753.30	2,382.19
4190-12-000 Software	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	190.67	190.67
4190-13-000 Internet	0.00	244.45	0.00	0.00	0.00	0.00	0.00	0.00	0.00	244.45
4190-15-000 Cell Phones/Pagers	0.00	0.00	0.00	820.04	860.04	0.00	0.00	0.00	810.58	2,490.66
4190-20-000 Bank Fees	501.49	615.46	671.12	701.43	636.96	750.74	767.31	828.05	655.99	6,128.55
4190-21-000 Sponsorships- Scholarship	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,262.74	0.00	1,262.74
4190-27-000 Uniform - RHE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	591.33	0.00	591.33
4191-00-000 Total Routine Admin Expenses	4,124.78	3,401.24	49,296.23	4,396.74	9,346.98	5,289.77	5,011.99	8,468.50	6,070.78	95,407.01
4192-00-000 Finance Fees	0.00	3,732.00	0.00	168.00	162.00	0.00	0.00	0.00	0.00	4,062.00
4199-00-000 TOTAL ADMINISTRATIVE EXPENSES	44,742.20	47,312.80	88,431.18	42,642.73	62,449.89	51,960.06	55,287.04	43,684.92	57,382.25	493,893.07
4200-00-000 TENANT SERVICES										
4230-02-000 HQS	870.00	450.00	510.00	900.00	450.00	0.00	2,610.00	0.00	120.00	5,910.00
4230-02-002 MOVE IN INSPECTION	300.00	0.00	0.00	150.00	210.00	2,070.00	420.00	1,590.00	600.00	5,340.00
4299-00-000 TOTAL TENANT SERVICES EXPENSES	1,170.00	450.00	510.00	1,050.00	660.00	2,070.00	3,030.00	1,590.00	720.00	11,250.00
4300-00-000 UTILITIES										
4320-02-000 Electricity- Office	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-18.61	0.00	-18.61
4399-00-000 TOTAL UTILITY EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-18.61	0.00	-18.61
4400-00-000 MAINTENANCE AND OPERATIONS										
4400-99-000 General Maint Expense										
4410-00-000 Maintenance Salaries	0.00	0.00	0.00	0.00	0.00	48.48	0.00	0.00	0.00	48.48
4413-00-000 Vehicle Gas, Oil, Grease	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	28.00	28.00
4419-00-000 Total General Maint Expense	0.00	0.00	0.00	0.00	0.00	48.48	0.00	0.00	28.00	76.48
4420-00-000 Materials										
4420-04-000 Supplies-Electrical	0.00	0.00	0.00	0.00	0.00	0.00	164.29	0.00	0.00	164.29
4420-11-000 Supplies-Hardware	0.00	0.00	0.00	0.00	1,444.56	0.00	24.95	0.00	263.49	1,733.00
4420-13-000 HVAC Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	633.51	633.51
4429-00-000 Total Materials	0.00	0.00	0.00	0.00	1,444.56	0.00	189.24	0.00	897.00	2,530.80
4432-00-000 Contract-Storage	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	455.00	455.00
4439-00-000 Total Contract Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	455.00	455.00
4499-00-000 TOTAL MAINTENACE EXPENSES	0.00	0.00	0.00	0.00	1,444.56	48.48	189.24	0.00	1,380.00	3,062.28
5000-00-000 NON-OPERATING ITEMS										
5210-00-000 Operating Transfers OUT	33,185.00	0.00	61,757.35	31,500.00	15,000.00	0.00	0.00	0.00	15,000.00	156,442.35
5999-00-000 TOTAL NON-OPERATING ITEMS	33,185.00	0.00	61,757.35	31,500.00	15,000.00	0.00	0.00	0.00	15,000.00	156,442.35
8000-00-000 TOTAL EXPENSES	79,097.20	47,762.80	150,698.53	75,192.73	79,554.45	54,078.54	58,506.28	45,256.31	74,482.25	664,629.09

HCV NO PORT IN /MS/MOD/FOSTER (.hcv.all)

Unrestricted Net Asset Statement (12 months)

Period = Oct 2021-Jun 2022

Book = Accrual

	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total
9000-00-000 NET INCOME	0.00	0.00	-31,757.35	-28,042.11	59,749.46	29,229.27	-5,160.50	20,815.60	-19,077.36	25,757.01

HCV NO PORT IN /MS/MOD/FOSTER (.hcv.all)
Statement (12 months)
 Period = Oct 2021-Jun 2022
 Book = Accrual

	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total
2999-99-999 Revenue & Expenses										
3000-00-000 INCOME										
3100-00-000 TENANT INCOME										
3129-02-000 TPA/REPAYMENT-Move Out Tenants	162.00	40.00	0.00	0.00	-122.00	40.00	0.00	0.00	0.00	120.00
3199-00-000 NET TENANT INCOME	162.00	40.00	0.00	0.00	-122.00	40.00	0.00	0.00	0.00	120.00
3400-00-000 GRANT INCOME										
3410-01-000 Section 8 HAP Earned	412,477.00	300,765.00	166,135.00	443,070.00	447,127.00	436,542.00	436,542.00	457,733.00	453,397.00	3,553,788.00
3410-02-000 Section 8 Admin. Fee Income	31,891.00	26,104.00	26,104.00	36,339.00	36,339.00	36,339.00	35,238.00	48,105.00	36,452.00	312,911.00
3499-00-000 TOTAL GRANT INCOME	444,368.00	326,869.00	192,239.00	479,409.00	483,466.00	472,881.00	471,780.00	505,838.00	489,849.00	3,866,699.00
3600-00-000 OTHER INCOME										
3640-00-000 Fraud Recovery	3,690.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,690.00
3640-01-000 Fraud Recovery-HAP Restricted	3,690.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,690.00
3690-10-000 ROSS-FSS	2,708.00	2,777.50	2,777.50	0.00	9,826.00	4,913.00	4,913.00	4,913.00	4,913.00	37,741.00
3699-00-000 TOTAL OTHER INCOME	10,088.00	2,777.50	2,777.50	0.00	9,826.00	4,913.00	4,913.00	4,913.00	4,913.00	45,121.00
3999-00-000 TOTAL INCOME	454,618.00	329,686.50	195,016.50	479,409.00	493,170.00	477,834.00	476,693.00	510,751.00	494,762.00	3,911,940.00
4000-00-000 EXPENSES										
4100-00-000 ADMINISTRATIVE										
4100-99-000 Administrative Salaries										
4110-00-000 Administrative Salaries	20,940.39	26,039.34	29,656.62	27,617.55	28,052.13	33,772.67	26,605.09	24,857.23	26,568.71	244,109.73
4110-00-050 FSS Salaries	3,121.09	1,346.16	1,621.09	1,346.16	1,346.16	4,230.77	3,076.92	3,076.92	3,076.92	22,242.19
4110-04-000 Employee Benefit Contribution-Admin	3,364.37	5,195.90	4,442.37	4,258.90	5,662.26	4,344.93	4,397.09	4,251.81	9,007.50	44,925.13
4110-07-000 Aflac Flex	0.00	0.00	0.00	89.30	0.00	0.00	0.00	0.00	0.00	89.30
4110-99-000 Total Administrative Salaries	27,425.85	32,581.40	35,720.08	33,311.91	35,060.55	42,348.37	34,079.10	32,185.96	38,653.13	311,366.35
4130-00-000 Legal Expense										
4130-02-000 Criminal Background Checks	55.80	132.45	104.65	12.95	1,468.55	94.60	1,609.35	882.50	2,091.85	6,452.70
4130-04-000 General Legal Expense	830.00	664.00	0.00	0.00	1,333.00	0.00	0.00	0.00	2,167.50	4,994.50
4131-00-000 Total Legal Expense	885.80	796.45	104.65	12.95	2,801.55	94.60	1,609.35	882.50	4,259.35	11,447.20
4139-00-000 Other Admin Expenses										
4140-00-000 Staff Training	0.00	1,929.00	0.00	1,457.18	519.00	2,634.68	900.00	25.00	707.50	8,172.36
4145-00-000 Nonemployee compensation	0.00	0.00	0.00	0.00	0.00	500.00	0.00	450.00	0.00	950.00
4171-00-000 Auditing Fees-RHE	0.00	0.00	0.00	0.00	0.00	0.00	3,380.00	0.00	0.00	3,380.00
4172-00-000 Port Out Admin Fee Paid	3,154.16	1,646.55	624.80	1,153.55	1,729.38	1,092.64	1,496.80	1,441.74	1,987.11	14,326.73
4174-00-000 Marketing/Printing	528.96	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	528.96
4180-00-000 Office Rent	4,284.80	2,142.40	2,142.40	2,142.40	2,142.40	0.00	4,284.80	0.00	2,142.40	19,281.60
4182-00-000 Financial-Consultants	97.50	278.13	0.00	0.00	0.00	0.00	1,462.50	0.00	1,068.75	2,906.88
4182-00-002 Other Consultant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	560.00	560.00
4182-02-000 MTW Consultant	4,240.35	805.63	543.02	0.00	10,688.03	0.00	3,062.50	231.22	1,933.23	21,503.98
4189-00-000 Total Other Admin Expenses	12,305.77	6,801.71	3,310.22	4,753.13	15,078.81	4,227.32	14,586.60	2,147.96	8,398.99	71,610.51
4190-00-000 Routine Admin Expenses										

HCV NO PORT IN /MS/MOD/FOSTER (.hcv.all)

Statement (12 months)

Period = Oct 2021-Jun 2022

Book = Accrual

	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total
4190-00-020 Document Shredding	0.00	0.00	0.00	0.00	401.92	0.00	0.00	0.00	0.00	401.92
4190-01-000 Membership and Fees	2,710.00	1,000.00	250.00	0.00	1,050.12	0.00	0.00	0.00	0.00	5,010.12
4190-03-000 Advertising	0.00	0.00	5,538.12	0.00	122.96	0.00	0.00	0.00	0.00	5,661.08
4190-04-000 Office Supplies	113.29	0.00	0.00	1,533.92	1,685.27	700.04	585.11	2,166.06	1,308.70	8,092.39
4190-06-000 Computer Parts	0.00	0.00	0.00	0.00	358.50	1,534.92	0.00	1,986.29	0.00	3,879.71
4190-07-000 Telephone	0.00	0.00	653.92	0.00	945.70	746.88	0.00	0.00	939.64	3,286.14
4190-08-000 Postage	500.00	442.98	0.00	750.50	442.98	8.95	1,511.03	350.00	0.00	4,006.44
4190-09-000 Software Liscense Fees	300.00	0.00	42,183.07	590.85	1,115.29	449.89	1,181.85	949.90	411.90	47,182.75
4190-10-000 Copiers Rental	0.00	1,098.35	0.00	0.00	1,098.35	1,098.35	966.69	334.13	0.00	4,595.87
4190-10-010 Copier- Expenses	0.00	0.00	0.00	0.00	628.89	0.00	0.00	0.00	1,753.30	2,382.19
4190-12-000 Software	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	190.67	190.67
4190-13-000 Internet	0.00	244.45	0.00	0.00	0.00	0.00	0.00	0.00	0.00	244.45
4190-15-000 Cell Phones/Pagers	0.00	0.00	0.00	820.04	860.04	0.00	0.00	0.00	810.58	2,490.66
4190-20-000 Bank Fees	501.49	615.46	671.12	701.43	636.96	750.74	767.31	828.05	655.99	6,128.55
4190-21-000 Sponsorships- Scholarship	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,262.74	0.00	1,262.74
4190-27-000 Uniform - RHE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	591.33	0.00	591.33
4191-00-000 Total Routine Admin Expenses	31,550.63	35,982.64	85,016.31	37,708.65	44,407.53	47,638.14	39,091.09	40,654.46	44,723.91	406,773.36
4192-00-000 Finance Fees	0.00	3,732.00	0.00	168.00	162.00	0.00	0.00	0.00	0.00	4,062.00
4199-00-000 TOTAL ADMINISTRATIVE EXPENSES	44,742.20	47,312.80	88,431.18	42,642.73	62,449.89	51,960.06	55,287.04	43,684.92	57,382.25	493,893.07
4200-00-000 TENANT SERVICES										
4230-02-000 HQS	870.00	450.00	510.00	900.00	450.00	0.00	2,610.00	0.00	120.00	5,910.00
4230-02-002 MOVE IN INSPECTION	300.00	0.00	0.00	150.00	210.00	2,070.00	420.00	1,590.00	600.00	5,340.00
4299-00-000 TOTAL TENANT SERVICES EXPENSES	1,170.00	450.00	510.00	1,050.00	660.00	2,070.00	3,030.00	1,590.00	720.00	11,250.00
4300-00-000 UTILITIES										
4320-02-000 Electricity- Office	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-18.61	0.00	-18.61
4399-00-000 TOTAL UTILITY EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-18.61	0.00	-18.61
4400-00-000 MAINTENANCE AND OPERATIONS										
4400-99-000 General Maint Expense										
4410-00-000 Maintenance Salaries	0.00	0.00	0.00	0.00	0.00	48.48	0.00	0.00	0.00	48.48
4413-00-000 Vehicle Gas, Oil, Grease	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	28.00	28.00
4419-00-000 Total General Maint Expense	0.00	0.00	0.00	0.00	0.00	48.48	0.00	0.00	28.00	76.48
4420-00-000 Materials										
4420-04-000 Supplies-Electrical	0.00	0.00	0.00	0.00	0.00	0.00	164.29	0.00	0.00	164.29
4420-11-000 Supplies-Hardware	0.00	0.00	0.00	0.00	1,444.56	0.00	24.95	0.00	263.49	1,733.00
4420-13-000 HVAC Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	633.51	633.51
4429-00-000 Total Materials	0.00	0.00	0.00	0.00	1,444.56	0.00	189.24	0.00	897.00	2,530.80
4432-00-000 Contract-Storage	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	455.00	455.00
4439-00-000 Total Contract Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	455.00	455.00
4499-00-000 TOTAL MAINTENACE EXPENSES	0.00	0.00	0.00	0.00	1,444.56	48.48	189.24	0.00	1,380.00	3,062.28
4700-00-000 HOUSING ASSISTANCE PAYMENTS										
4715-00-000 Housing Assistance Payments	345,748.00	400,938.00	402,752.00	417,796.00	471,721.00	392,177.12	410,563.00	384,657.00	417,361.00	3,643,713.12
4715-01-000 Tenant Utility Payments-Voucher	3,227.00	6,002.00	3,371.00	6,295.00	8,360.00	6,016.00	6,842.00	2,165.00	5,618.00	47,896.00

HCV NO PORT IN /MS/MOD/FOSTER (.hcv.all)

Statement (12 months)

Period = Oct 2021-Jun 2022

Book = Accrual

		Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total
4715-02-000	Portable Out HAP Payments	32,396.70	30,511.00	7,233.00	30,433.00	38,877.00	18,954.00	37,561.00	36,620.00	42,208.00	274,793.70
4715-03-000	FSS Escrow Payments	4,395.99	4,787.98	4,787.96	6,921.00	7,623.00	6,800.00	3,121.00	-1,359.00	8,540.00	45,617.93
4799-00-000	TOTAL HOUSING ASSISTANCE PAYMENTS	385,767.69	442,238.98	418,143.96	461,445.00	526,581.00	423,947.12	458,087.00	422,083.00	473,727.00	4,012,020.75
5000-00-000	NON-OPERATING ITEMS										
5210-00-000	Operating Transfers OUT	33,185.00	0.00	61,757.35	31,500.00	15,000.00	-31,757.35	0.00	0.00	15,000.00	124,685.00
5999-00-000	TOTAL NON-OPERATING ITEMS	33,185.00	0.00	61,757.35	31,500.00	15,000.00	-31,757.35	0.00	0.00	15,000.00	124,685.00
8000-00-000	TOTAL EXPENSES	464,864.89	490,001.78	568,842.49	536,637.73	606,135.45	446,268.31	516,593.28	467,339.31	548,209.25	4,644,892.49
9000-00-000	NET INCOME	-10,246.89	-160,315.28	-373,825.99	-57,228.73	-112,965.45	31,565.69	-39,900.28	43,411.69	-53,447.25	-732,952.49

HCV NO PORT IN /MS/MOD/FOSTER (.hcv.all)

Balance Sheet

Period = Jun 2022

Book = Accrual

		Current Balance
0999-99-000	All	
1000-00-000	ASSETS	
1001-00-000	CURRENT ASSETS:	
1100-00-000	CASH	
1110-00-000	Unrestricted Cash	
1111-10-000	Cash Operating PH	-1,253,710.43
1111-30-000	Cash Operating HCV	15,935,439.70
1111-99-000	Total Unrestricted Cash	<u>14,681,729.27</u>
1112-00-000	Restricted Cash	
1112-02-000	Cash Restricted-FSS Escrow	203,094.17
1112-03-000	Cash Restricted-HAP	-12,336,630.73
1112-99-000	Total Restricted Cash	<u>-12,133,536.56</u>
1119-00-000	TOTAL CASH	2,548,192.71
1120-00-000	ACCOUNTS AND NOTES RECEIVABLE	
1122-00-000	A/R-Tenants	5,009.00
1129-02-000	Accounts Receivable - Relp	-5,529.83
1135-04-000	Accounts Receivable - Interfund	-128,879.38
1135-05-000	Accounts Receivable - PH	182,308.67
1135-06-000	Accounts Receivable - Mainstream	-1,378,220.02
1135-07-000	Accounts Receivable - Moderate Rehab	-56,617.00
1135-08-000	Accounts Receivable - HCV	248,509.00
1135-10-000	Account Receivables- DEV	-50,000.00
1135-12-000	Accounts Receivable - Foster	-206,272.00
1135-14-000	Accounts Receivable - PBV-SCA	-248,509.00
1149-00-000	TOTAL ACCOUNTS AND NOTES RECEIVAB	<u>-1,638,200.56</u>
1300-00-000	TOTAL CURRENT ASSETS	909,992.15
1400-00-000	NONCURRENT ASSETS:	
1400-01-000	FIXED ASSETS	
1400-05-000	Land	1,339.97
1400-08-000	Furniture and Equipment-Admin.	45,908.07
1405-00-000	Accumulated Depreciation	<u>-45,908.07</u>
1420-00-000	TOTAL FIXED ASSETS (NET)	<u>1,339.97</u>
1499-00-000	TOTAL NONCURRENT ASSETS	1,339.97
1999-00-000	TOTAL ASSETS	<u>911,332.12</u>
2000-00-000	LIABILITIES & EQUITY	
2001-00-000	LIABILITIES:	

HCV NO PORT IN /MS/MOD/FOSTER (.hcv.all)

Balance Sheet

Period = Jun 2022

Book = Accrual

		Current Balance
2100-00-000	CURRENT LIABILITIES:	
2111-00-000	A/P Vendors and Contractors	-12,355.30
2114-00-000	Tenant Security Deposits	500.00
2116-03-000	Accounts Payable - Low Rent	-23,949.72
2116-04-000	Accounts Payable - Moderate Rehab	31,012.00
2116-05-000	Accounts payable - Mainstream	535,178.87
2119-46-000	A/P - HAP Port-Ins	-3,168.18
2135-00-000	Accrued Payroll & Payroll Taxes	10,877.59
2260-00-000	Accrued Compensated Absences-Curren	1,487.98
2299-00-000	TOTAL CURRENT LIABILITIES	545,919.60
2300-00-000	NONCURRENT LIABILITIES:	
2305-00-000	Accrued Compensated Absences-LT	13,391.78
2307-00-000	FSS Escrow	208,648.04
2399-00-000	TOTAL NONCURRENT LIABILITIES	222,039.82
2499-00-000	TOTAL LIABILITIES	767,959.42
2800-00-000	EQUITY	
2809-00-000	RETAINED EARNINGS:	
2809-01-000	Invested in Capital Assets-Net of Debt	1,339.97
2809-02-000	Retained Earnings-Unrestricted Net Ass	-91,693.97
2809-03-000	Restricted Net Assets - HAP	233,726.70
2809-99-000	TOTAL RETAINED EARNINGS:	143,372.70
2899-00-000	TOTAL EQUITY	143,372.70
2999-00-000	TOTAL LIABILITIES AND EQUITY	911,332.12

Port In property (portin)
CASH FLOW Statement (12 months)

Period = Oct 2021-Jun 2022

Book = Accrual

	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total
2999-99-999 Revenue & Expenses										
3000-00-000 INCOME										
3100-00-000 TENANT INCOME										
3400-00-000 GRANT INCOME										
3410-06-000 Port In HAP Earned	228,076.46	229,681.28	257,562.98	219,619.31	275,220.49	221,932.70	270,255.99	247,178.46	260,050.12	2,209,577.79
3499-00-000 TOTAL GRANT INCOME	<u>228,076.46</u>	<u>229,681.28</u>	<u>257,562.98</u>	<u>219,619.31</u>	<u>275,220.49</u>	<u>221,932.70</u>	<u>270,255.99</u>	<u>247,178.46</u>	<u>260,050.12</u>	<u>2,209,577.79</u>
3999-00-000 TOTAL INCOME	<u>228,076.46</u>	<u>229,681.28</u>	<u>257,562.98</u>	<u>219,619.31</u>	<u>275,220.49</u>	<u>221,932.70</u>	<u>270,255.99</u>	<u>247,178.46</u>	<u>260,050.12</u>	<u>2,209,577.79</u>
4000-00-000 EXPENSES										
4100-00-000 ADMINISTRATIVE										
4400-00-000 MAINTENANCE AND OPERATIONS										
4700-00-000 HOUSING ASSISTANCE PAYMENTS										
4715-00-000 Housing Assistance Payments	219,748.86	266,564.00	240,202.00	211,689.00	290,150.00	232,577.27	281,524.00	272,420.00	311,078.00	2,325,953.13
4715-01-000 Tenant Utility Payments-Voucher	2,316.00	2,608.00	2,609.00	2,332.00	3,559.00	2,243.00	3,042.00	1,378.00	2,203.00	22,290.00
4799-00-000 TOTAL HOUSING ASSISTANCE PAYMENTS	<u>222,064.86</u>	<u>269,172.00</u>	<u>242,811.00</u>	<u>214,021.00</u>	<u>293,709.00</u>	<u>234,820.27</u>	<u>284,566.00</u>	<u>273,798.00</u>	<u>313,281.00</u>	<u>2,348,243.13</u>
8000-00-000 TOTAL EXPENSES	<u>222,064.86</u>	<u>269,172.00</u>	<u>242,811.00</u>	<u>214,021.00</u>	<u>293,709.00</u>	<u>234,820.27</u>	<u>284,566.00</u>	<u>273,798.00</u>	<u>313,281.00</u>	<u>2,348,243.13</u>
9000-00-000 NET INCOME	<u>6,011.60</u>	<u>-39,490.72</u>	<u>14,751.98</u>	<u>5,598.31</u>	<u>-18,488.51</u>	<u>-12,887.57</u>	<u>-14,310.01</u>	<u>-26,619.54</u>	<u>-53,230.88</u>	<u>-138,665.34</u>

Port In property (portin)
Statement (12 months)
 Period = Oct 2021-Jun 2022
 Book = Accrual

	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total
2999-99-999 Revenue & Expenses										
3000-00-000 INCOME										
3100-00-000 TENANT INCOME										
3400-00-000 GRANT INCOME										
3410-04-000 Port-In Admin Fees Earned	8,829.38	10,732.06	10,736.14	9,348.02	12,364.74	10,549.90	12,836.13	15,406.63	14,486.42	105,289.42
3410-06-000 Port In HAP Earned	213,380.00	240,149.00	222,983.00	212,364.00	295,378.00	218,299.00	265,403.00	278,692.00	296,002.00	2,242,650.00
3499-00-000 TOTAL GRANT INCOME	222,209.38	250,881.06	233,719.14	221,712.02	307,742.74	228,848.90	278,239.13	294,098.63	310,488.42	2,347,939.42
3999-00-000 TOTAL INCOME	222,209.38	250,881.06	233,719.14	221,712.02	307,742.74	228,848.90	278,239.13	294,098.63	310,488.42	2,347,939.42
4000-00-000 EXPENSES										
4100-00-000 ADMINISTRATIVE										
4400-00-000 MAINTENANCE AND OPERATIONS										
4700-00-000 HOUSING ASSISTANCE PAYMENTS										
4715-00-000 Housing Assistance Payments	215,389.00	240,761.00	230,375.00	218,872.00	307,159.00	221,056.00	268,936.00	274,271.00	308,936.00	2,285,755.00
4715-01-000 Tenant Utility Payments-Voucher	2,196.00	2,476.00	1,985.00	2,332.00	3,559.00	1,688.00	3,042.00	1,413.00	2,721.00	21,412.00
4799-00-000 TOTAL HOUSING ASSISTANCE PAYMENTS	217,585.00	243,237.00	232,360.00	221,204.00	310,718.00	222,744.00	271,978.00	275,684.00	311,657.00	2,307,167.00
8000-00-000 TOTAL EXPENSES	217,585.00	243,237.00	232,360.00	221,204.00	310,718.00	222,744.00	271,978.00	275,684.00	311,657.00	2,307,167.00
9000-00-000 NET INCOME	4,624.38	7,644.06	1,359.14	508.02	-2,975.26	6,104.90	6,261.13	18,414.63	-1,168.58	40,772.42

Port In property (portin)

Balance Sheet

Period = Jun 2022

Book = Accrual

		Current Balance
0999-99-000	All	
1000-00-000	ASSETS	
1001-00-000	CURRENT ASSETS:	
1100-00-000	CASH	
1110-00-000	Unrestricted Cash	
1111-10-000	Cash Operating PH	8,265,280.24
1111-99-000	Total Unrestricted Cash	8,265,280.24
1112-00-000	Restricted Cash	
1112-02-000	Cash Restricted-FSS Escrow	0.09
1112-03-000	Cash Restricted-HAP	-8,295,078.99
1112-99-000	Total Restricted Cash	-8,295,078.90
1119-00-000	TOTAL CASH	-29,798.66
1120-00-000	ACCOUNTS AND NOTES RECEIVABLE	
1122-00-000	A/R-Tenants	8,534.00
1130-00-000	A/R Port Ins	373,116.97
1149-00-000	TOTAL ACCOUNTS AND NOTES RECEIVAB	381,650.97
1300-00-000	TOTAL CURRENT ASSETS	351,852.31
1400-00-000	NONCURRENT ASSETS:	
1999-00-000	TOTAL ASSETS	351,852.31
2000-00-000	LIABILITIES & EQUITY	
2001-00-000	LIABILITIES:	
2100-00-000	CURRENT LIABLITIES:	
2111-00-000	A/P Vendors and Contractors	-77,927.22
2114-00-000	Tenant Security Deposits	4,712.00
2299-00-000	TOTAL CURRENT LIABILITIES	-73,215.22
2300-00-000	NONCURRENT LIABILITIES:	
2307-00-000	FSS Escrow	122.09
2399-00-000	TOTAL NONCURRENT LIABILITIES	122.09
2499-00-000	TOTAL LIABILITIES	-73,093.13
2800-00-000	EQUITY	
2809-00-000	RETAINED EARNINGS:	
2809-02-000	Retained Earnings-Unrestricted Net Ass	424,945.44

Port In property (portin)

Balance Sheet

Period = Jun 2022

Book = Accrual

		Current Balance
2809-99-000	TOTAL RETAINED EARNINGS:	424,945.44
2899-00-000	TOTAL EQUITY	<u>424,945.44</u>
2999-00-000	TOTAL LIABILITIES AND EQUITY	<u>351,852.31</u>

Mainstream

Financials

June 2022

Mainstream (ms)

Restricted Net Asset Statement (12 months)

Period = Oct 2021-Jun 2022

Book = Accrual

	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total
2999-99-999 Revenue & Expenses										
3000-00-000 INCOME										
3100-00-000 TENANT INCOME										
3400-00-000 GRANT INCOME										
3410-01-000 Section 8 HAP Earned	10,270.52	61,375.00	61,375.00	59,984.00	59,162.00	58,910.00	58,910.00	62,753.00	56,443.00	489,182.52
3499-00-000 TOTAL GRANT INCOME	10,270.52	61,375.00	61,375.00	59,984.00	59,162.00	58,910.00	58,910.00	62,753.00	56,443.00	489,182.52
3999-00-000 TOTAL INCOME	10,270.52	61,375.00	61,375.00	59,984.00	59,162.00	58,910.00	58,910.00	62,753.00	56,443.00	489,182.52
4000-00-000 EXPENSES										
4700-00-000 HOUSING ASSISTANCE PAYMENTS										
4715-00-000 Housing Assistance Payments	58,452.00	51,087.00	63,863.00	49,766.00	60,008.00	49,050.00	50,666.00	55,439.00	53,528.00	491,859.00
4715-01-000 Tenant Utility Payments-Voucher	270.00	270.00	270.00	270.00	270.00	270.00	171.00	-325.00	168.00	1,634.00
4715-03-000 FSS Escrow Payments	332.00	332.00	332.00	332.00	-664.00	0.00	0.00	0.00	0.00	664.00
4799-00-000 TOTAL HOUSING ASSISTANCE PAYMENTS	59,054.00	51,689.00	64,465.00	50,368.00	59,614.00	49,320.00	50,837.00	55,114.00	53,696.00	494,157.00
8000-00-000 TOTAL EXPENSES	59,054.00	51,689.00	64,465.00	50,368.00	59,614.00	49,320.00	50,837.00	55,114.00	53,696.00	494,157.00
9000-00-000 NET INCOME	-48,783.48	9,686.00	-3,090.00	9,616.00	-452.00	9,590.00	8,073.00	7,639.00	2,747.00	-4,974.48

Mainstream (ms)

Unrestricted Net Asset Statement (12 months)

Period = Oct 2021-Jun 2022

Book = Accrual

	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total
2999-99-999 Revenue & Expenses										
3000-00-000 INCOME										
3100-00-000 TENANT INCOME										
3400-00-000 GRANT INCOME										
3410-02-000 Section 8 Admin. Fee Income	4,695.00	5,021.00	5,021.00	3,747.00	3,747.00	4,815.00	3,914.00	4,483.00	4,009.00	39,452.00
3499-00-000 TOTAL GRANT INCOME	4,695.00	5,021.00	5,021.00	3,747.00	3,747.00	4,815.00	3,914.00	4,483.00	4,009.00	39,452.00
3999-00-000 TOTAL INCOME	4,695.00	5,021.00	5,021.00	3,747.00	3,747.00	4,815.00	3,914.00	4,483.00	4,009.00	39,452.00
4000-00-000 EXPENSES										
4100-00-000 ADMINISTRATIVE										
4100-99-000 Administrative Salaries										
4110-00-000 Administrative Salaries	1,472.31	2,944.62	3,363.13	2,944.62	2,944.62	4,416.92	2,944.62	2,944.62	2,944.62	26,920.08
4110-99-000 Total Administrative Salaries	1,472.31	2,944.62	3,363.13	2,944.62	2,944.62	4,416.92	2,944.62	2,944.62	2,944.62	26,920.08
4190-00-000 Routine Admin Expenses										
4191-00-000 Total Routine Admin Expenses	1,472.31	2,944.62	3,363.13	2,944.62	2,944.62	4,416.92	2,944.62	2,944.62	2,944.62	26,920.08
4199-00-000 TOTAL ADMINISTRATIVE EXPENSES	1,472.31	2,944.62	3,363.13	2,944.62	2,944.62	4,416.92	2,944.62	2,944.62	2,944.62	26,920.08
8000-00-000 TOTAL EXPENSES	1,472.31	2,944.62	3,363.13	2,944.62	2,944.62	4,416.92	2,944.62	2,944.62	2,944.62	26,920.08
9000-00-000 NET INCOME	3,222.69	2,076.38	1,657.87	802.38	802.38	398.08	969.38	1,538.38	1,064.38	12,531.92

Mainstream (ms)
Statement (12 months)

Period = Oct 2021-Jun 2022

Book = Accrual

	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total
2999-99-999 Revenue & Expenses										
3000-00-000 INCOME										
3100-00-000 TENANT INCOME										
3400-00-000 GRANT INCOME										
3410-01-000 Section 8 HAP Earned	10,270.52	61,375.00	61,375.00	59,984.00	59,162.00	58,910.00	58,910.00	62,753.00	56,443.00	489,182.52
3410-02-000 Section 8 Admin. Fee Income	4,695.00	5,021.00	5,021.00	3,747.00	3,747.00	4,815.00	3,914.00	4,483.00	4,009.00	39,452.00
3499-00-000 TOTAL GRANT INCOME	14,965.52	66,396.00	66,396.00	63,731.00	62,909.00	63,725.00	62,824.00	67,236.00	60,452.00	528,634.52
3999-00-000 TOTAL INCOME	14,965.52	66,396.00	66,396.00	63,731.00	62,909.00	63,725.00	62,824.00	67,236.00	60,452.00	528,634.52
4000-00-000 EXPENSES										
4100-00-000 ADMINISTRATIVE										
4100-99-000 Administrative Salaries										
4110-00-000 Administrative Salaries	1,472.31	2,944.62	3,363.13	2,944.62	2,944.62	4,416.92	2,944.62	2,944.62	2,944.62	26,920.08
4110-99-000 Total Administrative Salaries	1,472.31	2,944.62	3,363.13	2,944.62	2,944.62	4,416.92	2,944.62	2,944.62	2,944.62	26,920.08
4190-00-000 Routine Admin Expenses										
4191-00-000 Total Routine Admin Expenses	1,472.31	2,944.62	3,363.13	2,944.62	2,944.62	4,416.92	2,944.62	2,944.62	2,944.62	26,920.08
4199-00-000 TOTAL ADMINISTRATIVE EXPENSES	1,472.31	2,944.62	3,363.13	2,944.62	2,944.62	4,416.92	2,944.62	2,944.62	2,944.62	26,920.08
4400-00-000 MAINTENANCE AND OPERATIONS										
4700-00-000 HOUSING ASSISTANCE PAYMENTS										
4715-00-000 Housing Assistance Payments	58,452.00	51,087.00	63,863.00	49,766.00	60,008.00	49,050.00	50,666.00	55,439.00	53,528.00	491,859.00
4715-01-000 Tenant Utility Payments-Voucher	270.00	270.00	270.00	270.00	270.00	270.00	171.00	-325.00	168.00	1,634.00
4715-03-000 FSS Escrow Payments	332.00	332.00	332.00	332.00	-664.00	0.00	0.00	0.00	0.00	664.00
4799-00-000 TOTAL HOUSING ASSISTANCE PAYMENTS	59,054.00	51,689.00	64,465.00	50,368.00	59,614.00	49,320.00	50,837.00	55,114.00	53,696.00	494,157.00
8000-00-000 TOTAL EXPENSES	60,526.31	54,633.62	67,828.13	53,312.62	62,558.62	53,736.92	53,781.62	58,058.62	56,640.62	521,077.08
9000-00-000 NET INCOME	-45,560.79	11,762.38	-1,432.13	10,418.38	350.38	9,988.08	9,042.38	9,177.38	3,811.38	7,557.44

Mainstream (ms)

Balance Sheet

Period = Jun 2022

Book = Accrual

		Current Balance
0999-99-000	All	
1000-00-000	ASSETS	
1001-00-000	CURRENT ASSETS:	
1100-00-000	CASH	
1110-00-000	Unrestricted Cash	
1111-60-000	Cash Operating- Mainstream	-21,623.39
1111-99-000	Total Unrestricted Cash	-21,623.39
1112-00-000	Restricted Cash	
1112-02-000	Cash Restricted-FSS Escrow	0.49
1112-03-000	Cash Restricted-HAP	-1,895,880.00
1112-99-000	Total Restricted Cash	-1,895,879.51
1119-00-000	TOTAL CASH	-1,917,502.90
1120-00-000	ACCOUNTS AND NOTES RECEIVABLE	
1135-08-000	Accounts Receivable - HCV	3,382,123.48
1149-00-000	TOTAL ACCOUNTS AND NOTES RECEIVAB	3,382,123.48
1300-00-000	TOTAL CURRENT ASSETS	1,464,620.58
1400-00-000	NONCURRENT ASSETS:	
1999-00-000	TOTAL ASSETS	1,464,620.58
2000-00-000	LIABILITIES & EQUITY	
2001-00-000	LIABILITIES:	
2100-00-000	CURRENT LIABILITIES:	
2111-00-000	A/P Vendors and Contractors	-16,980.00
2116-08-000	Accounts payable - HCV	1,468,724.59
2135-00-000	Accrued Payroll & Payroll Taxes	784.62
2260-00-000	Accrued Compensated Absences-Curren	320.55
2299-00-000	TOTAL CURRENT LIABILITIES	1,452,849.76
2300-00-000	NONCURRENT LIABILITIES:	
2305-00-000	Accrued Compensated Absences-LT	2,884.93
2307-00-000	FSS Escrow	1,328.45
2399-00-000	TOTAL NONCURRENT LIABILITIES	4,213.38
2499-00-000	TOTAL LIABILITIES	1,457,063.14
2800-00-000	EQUITY	

Mainstream (ms)

Balance Sheet

Period = Jun 2022

Book = Accrual

		Current Balance
2809-00-000	RETAINED EARNINGS:	
2809-02-000	Retained Earnings-Unrestricted Net Ass	7,557.44
2809-99-000	TOTAL RETAINED EARNINGS:	7,557.44
2899-00-000	TOTAL EQUITY	7,557.44
2999-00-000	TOTAL LIABILITIES AND EQUITY	1,464,620.58

Mod Rehab

Financials

June 2022

MOD REHAB (modr)
CASH FLOW Statement (12 months)

Period = Oct 2021-Jun 2022

Book = Accrual

	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total
2999-99-999 Revenue & Expenses										
3000-00-000 INCOME										
3100-00-000 TENANT INCOME										
3400-00-000 GRANT INCOME										
3410-01-000 Section 8 HAP Earned	3,108.00	3,099.60	3,099.60	0.00	0.00	0.00	0.00	1,120.56	3,099.60	13,527.36
3410-02-000 Section 8 Admin. Fee Income	592.00	590.40	590.40	0.00	0.00	0.00	0.00	213.44	590.40	2,576.64
3499-00-000 TOTAL GRANT INCOME	3,700.00	3,690.00	3,690.00	0.00	0.00	0.00	0.00	1,334.00	3,690.00	16,104.00
3999-00-000 TOTAL INCOME	3,700.00	3,690.00	3,690.00	0.00	0.00	0.00	0.00	1,334.00	3,690.00	16,104.00
4000-00-000 EXPENSES										
4100-00-000 ADMINISTRATIVE										
4400-00-000 MAINTENANCE AND OPERATIONS										
4700-00-000 HOUSING ASSISTANCE PAYMENTS										
4715-00-000 Housing Assistance Payments	2,759.00	2,759.00	2,759.00	2,759.00	2,759.00	2,754.00	2,724.00	2,689.00	2,689.00	24,651.00
4799-00-000 TOTAL HOUSING ASSISTANCE PAYMENTS	2,759.00	2,759.00	2,759.00	2,759.00	2,759.00	2,754.00	2,724.00	2,689.00	2,689.00	24,651.00
8000-00-000 TOTAL EXPENSES	2,759.00	2,759.00	2,759.00	2,759.00	2,759.00	2,754.00	2,724.00	2,689.00	2,689.00	24,651.00
9000-00-000 NET INCOME	941.00	931.00	931.00	-2,759.00	-2,759.00	-2,754.00	-2,724.00	-1,355.00	1,001.00	-8,547.00

MOD REHAB (modr)
Statement (12 months)

Period = Oct 2021-Jun 2022

Book = Accrual

	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total
2999-99-999 Revenue & Expenses										
3000-00-000 INCOME										
3100-00-000 TENANT INCOME										
3400-00-000 GRANT INCOME										
3410-01-000 Section 8 HAP Earned	3,108.00	3,099.60	3,099.60	0.00	0.00	0.00	0.00	1,120.56	3,099.60	13,527.36
3410-02-000 Section 8 Admin. Fee Income	592.00	590.40	590.40	0.00	0.00	0.00	0.00	213.44	590.40	2,576.64
3499-00-000 TOTAL GRANT INCOME	3,700.00	3,690.00	3,690.00	0.00	0.00	0.00	0.00	1,334.00	3,690.00	16,104.00
3999-00-000 TOTAL INCOME	3,700.00	3,690.00	3,690.00	0.00	0.00	0.00	0.00	1,334.00	3,690.00	16,104.00
4000-00-000 EXPENSES										
4100-00-000 ADMINISTRATIVE										
4400-00-000 MAINTENANCE AND OPERATIONS										
4700-00-000 HOUSING ASSISTANCE PAYMENTS										
4715-00-000 Housing Assistance Payments	2,759.00	2,759.00	2,759.00	2,759.00	2,759.00	2,754.00	2,724.00	2,689.00	2,689.00	24,651.00
4799-00-000 TOTAL HOUSING ASSISTANCE PAYMENTS	2,759.00	2,759.00	2,759.00	2,759.00	2,759.00	2,754.00	2,724.00	2,689.00	2,689.00	24,651.00
8000-00-000 TOTAL EXPENSES	2,759.00	2,759.00	2,759.00	2,759.00	2,759.00	2,754.00	2,724.00	2,689.00	2,689.00	24,651.00
9000-00-000 NET INCOME	941.00	931.00	931.00	-2,759.00	-2,759.00	-2,754.00	-2,724.00	-1,355.00	1,001.00	-8,547.00

MOD REHAB (modr)

Balance Sheet

Period = Jun 2022

Book = Accrual

		Current Balance
0999-99-000	All	
1000-00-000	ASSETS	
1001-00-000	CURRENT ASSETS:	
1100-00-000	CASH	
1112-00-000	Restricted Cash	
1112-03-000	Cash Restricted-HAP	-60,350.00
1112-99-000	Total Restricted Cash	-60,350.00
1119-00-000	TOTAL CASH	-60,350.00
1120-00-000	ACCOUNTS AND NOTES RECEIVABLE	
1135-08-000	Accounts Receivable - HCV	87,629.00
1149-00-000	TOTAL ACCOUNTS AND NOTES RECEIVAB	87,629.00
1300-00-000	TOTAL CURRENT ASSETS	27,279.00
1400-00-000	NONCURRENT ASSETS:	
1999-00-000	TOTAL ASSETS	27,279.00
2000-00-000	LIABILITIES & EQUITY	
2001-00-000	LIABILITIES:	
2100-00-000	CURRENT LIABILITIES:	
2116-00-000	A/P-HUD	17,116.00
2299-00-000	TOTAL CURRENT LIABILITIES	17,116.00
2499-00-000	TOTAL LIABILITIES	17,116.00
2800-00-000	EQUITY	
2809-00-000	RETAINED EARNINGS:	
2809-02-000	Retained Earnings-Unrestricted Net Ass	10,163.00
2809-99-000	TOTAL RETAINED EARNINGS:	10,163.00
2899-00-000	TOTAL EQUITY	10,163.00
2999-00-000	TOTAL LIABILITIES AND EQUITY	27,279.00

RELP One. LP

Financials

June 2022

REL LP (relp1)

CASH FLOW Statement (12 months)

Period = Jan 2022-Jun 2022

Book = Accrual

	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total
2999-99-999 Revenue & Expenses							
3000-00-000 INCOME							
3100-00-000 TENANT INCOME							
3101-00-000 Rental Income							
3111-00-000 Tenant Rent Received	62,454.40	46,319.04	70,613.98	40,179.58	32,234.36	40,119.24	291,920.60
3112-00-000 Tenant Assistance Payments Received	18,245.00	23,683.00	21,895.22	20,337.08	23,008.00	20,882.00	128,050.30
3119-00-000 Total Rental Income	80,699.40	70,002.04	92,509.20	60,516.66	55,242.36	61,001.24	419,970.90
3120-00-000 Other Tenant Income							
3199-00-000 NET TENANT INCOME	80,699.40	70,002.04	92,509.20	60,516.66	55,242.36	61,001.24	419,970.90
3999-00-000 TOTAL INCOME	80,699.40	70,002.04	92,509.20	60,516.66	55,242.36	61,001.24	419,970.90
4000-00-000 EXPENSES							
4100-00-000 ADMINISTRATIVE							
4100-99-000 Administrative Salaries							
4110-00-000 Administrative Salaries	651.54	651.54	2,479.62	2,153.84	2,153.84	2,153.84	10,244.22
4110-04-000 Employee Benefit Contribution-Admin	0.00	0.00	0.00	710.70	236.90	236.90	1,184.50
4110-99-000 Total Administrative Salaries	651.54	651.54	2,479.62	2,864.54	2,390.74	2,390.74	11,428.72
4130-00-000 Legal Expense							
4130-02-000 Criminal Background Checks	0.00	76.70	0.00	66.75	0.00	0.00	143.45
4130-04-000 General Legal Expense	0.00	0.00	165.00	-454.96	765.00	700.00	1,175.04
4131-00-000 Total Legal Expense	0.00	76.70	165.00	-388.21	765.00	700.00	1,318.49
4139-00-000 Other Admin Expenses							
4173-00-000 Management Fee	6,226.54	6,107.07	6,148.00	6,035.73	6,144.25	6,264.00	36,925.59
4180-00-000 Office Rent	1,153.60	1,153.60	0.00	2,307.20	0.00	1,153.60	5,768.00
4182-00-002 Other Consultant	0.00	0.00	0.00	3,360.00	0.00	0.00	3,360.00
4189-00-000 Total Other Admin Expenses	7,380.14	7,260.67	6,148.00	11,702.93	6,144.25	7,417.60	46,053.59
4190-00-000 Routine Admin Expenses							
4190-03-000 Advertising	9.99	9.99	0.00	14.99	0.00	0.00	34.97
4190-20-000 Bank Fees	568.75	462.58	468.50	479.91	459.21	420.65	2,859.60

REL LP (relp1)

CASH FLOW Statement (12 months)

Period = Jan 2022-Jun 2022

Book = Accrual

	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total
4190-22-000 Sundry-Other Misc Admin Expenses	0.00	0.00	0.00	0.00	5.00	400.00	405.00
4191-00-000 Total Routine Admin Expenses	578.74	472.57	468.50	494.90	464.21	820.65	3,299.57
4199-00-000 TOTAL ADMINISTRATIVE EXPENSES	8,610.42	8,461.48	9,261.12	14,674.16	9,764.20	11,328.99	62,100.37
4200-00-000 TENANT SERVICES							
4220-01-000 Other Tenant Svcs.	0.00	0.00	0.00	-16.45	0.00	0.00	-16.45
4230-02-000 HQS	60.00	0.00	0.00	0.00	0.00	0.00	60.00
4230-02-002 MOVE IN INSPECTION	30.00	0.00	0.00	0.00	0.00	0.00	30.00
4299-00-000 TOTAL TENANT SERVICES EXPENSES	90.00	0.00	0.00	-16.45	0.00	0.00	73.55
4300-00-000 UTILITIES							
4310-00-000 Water/Sewer	0.00	0.00	0.00	-245.94	0.00	0.00	-245.94
4320-01-000 Electricity-Vacant Units	0.00	0.00	81.15	65.25	26.77	0.00	173.17
4320-02-000 Electricity- Office	0.00	0.00	0.00	-10.02	0.00	0.00	-10.02
4330-00-000 Gas-Tenant Charge	0.00	0.00	0.00	0.00	0.00	70.48	70.48
4330-01-000 Gas-Vacant Units	0.00	521.04	-280.74	198.32	157.17	11.21	607.00
4390-00-000 Sewer	0.00	0.00	0.00	-285.29	0.00	0.00	-285.29
4399-00-000 TOTAL UTILITY EXPENSES	0.00	521.04	-199.59	-277.68	183.94	81.69	309.40
4400-00-000 MAINTENANCE AND OPERATIONS							
4400-99-000 General Maint Expense							
4410-01-000 Maintenance Labor	1,204.82	805.31	1,098.70	419.25	481.33	1,016.78	5,026.19
4413-00-000 Vehicle Gas, Oil, Grease	74.85	50.16	51.64	61.22	107.36	189.37	534.60
4419-00-000 Total General Maint Expense	1,279.67	855.47	1,150.34	480.47	588.69	1,206.15	5,560.79
4420-00-000 Materials							
4420-02-000 Supplies-Appliance	0.00	763.31	0.00	716.00	0.00	83.10	1,562.41
4420-04-000 Supplies-Electrical	0.00	0.00	0.00	0.00	0.00	214.82	214.82
4420-06-000 Supplies-Janitorial/Cleaning	0.00	0.00	0.00	0.00	0.00	34.54	34.54
4420-08-000 Supplies-Plumbing	0.00	0.00	80.33	95.34	0.00	35.92	211.59
4420-11-000 Supplies-Hardware	0.00	0.00	39.45	0.00	0.00	726.83	766.28
4420-12-000 Supplies-Painting	0.00	0.00	550.00	0.00	0.00	0.00	550.00
4429-00-000 Total Materials	0.00	763.31	669.78	811.34	0.00	1,095.21	3,339.64
4430-00-000 Contract Costs							
4430-02-000 Appliance Purchase- Refrigerator	0.00	0.00	0.00	1,152.00	0.00	0.00	1,152.00

REL LP (relp1)

CASH FLOW Statement (12 months)

Period = Jan 2022-Jun 2022

Book = Accrual

	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total	
4430-02-002	Appliance Purchase- Hot water hearter	0.00	1,553.23	713.11	0.00	0.00	0.00	2,266.34
4430-02-003	Appliance Purchase-Stove	0.00	0.00	0.00	1,562.00	0.00	482.00	2,044.00
4430-02-004	Appliance Purchase-Microwave	0.00	222.00	0.00	655.00	0.00	222.00	1,099.00
4430-02-005	Appliance Purchase-Dishwasher	0.00	0.00	0.00	971.00	0.00	0.00	971.00
4430-02-006	Appliance Purchase-Washer/Dryer	0.00	0.00	0.00	487.00	0.00	2,414.00	2,901.00
4430-02-008	Flooring Replacement	0.00	0.00	5,500.00	0.00	0.00	0.00	5,500.00
4430-02-009	Cabinet Replacement	0.00	0.00	0.00	0.00	0.00	195.00	195.00
4430-02-011	Capitalized Maintenance Expenses	0.00	1,775.23	6,213.11	4,827.00	0.00	3,313.00	16,128.34
4430-03-000	Contract-Building Repairs	0.00	745.00	450.00	0.00	555.00	190.00	1,940.00
4430-03-001	Contract- Appliance Repairs	275.00	0.00	300.00	0.00	0.00	535.00	1,110.00
4430-04-000	Contract-General Cleaning	0.00	710.00	195.00	0.00	695.00	0.00	1,600.00
4430-05-000	Contract-Painting	930.00	550.00	1,285.00	0.00	550.00	650.00	3,965.00
4430-06-000	Contract-Electrical	0.00	34.02	0.00	0.00	0.00	0.00	34.02
4430-08-000	Contract-Floor Replacement	0.00	3,160.00	750.00	0.00	0.00	570.00	4,480.00
4430-11-000	Contract-Plumbing	260.00	1,025.00	1,025.00	0.00	1,350.00	675.00	4,335.00
4430-12-000	Contract-Window Covering	0.00	0.00	489.99	1,766.25	0.00	0.00	2,256.24
4430-13-000	Contract-HVAC- Repair	0.00	2,790.00	1,008.00	140.00	0.00	0.00	3,938.00
4430-20-000	Contract- Carpet Turnover	0.00	145.00	0.00	0.00	0.00	0.00	145.00
4430-21-000	Unit Turnover	980.00	1,390.00	1,650.00	0.00	1,550.00	0.00	5,570.00
4430-25-000	Mold Hazard Inspection	0.00	300.00	0.00	0.00	0.00	0.00	300.00
4432-00-000	Contract-Storage	354.00	0.00	778.80	354.00	354.00	354.00	2,194.80
4434-00-000	Contract- Keys	97.92	0.00	195.84	-135.20	5.19	0.00	163.75
4439-00-000	Total Contract Costs	2,896.92	10,849.02	8,127.63	2,125.05	5,059.19	2,974.00	32,031.81
4499-00-000	TOTAL MAINTENACE EXPENSES	4,176.59	14,243.03	16,160.86	8,243.86	5,647.88	8,588.36	57,060.58
4500-00-000	GENERAL EXPENSES							
4510-06-000	Insurance- Excess Liability	784.90	784.90	784.90	784.90	0.00	0.00	3,139.60
4510-10-000	Property Insurance	1,817.66	1,817.66	1,817.66	1,817.66	0.00	0.00	7,270.64
4510-20-000	Liability Insurance	1,528.48	1,528.48	1,528.48	1,528.48	0.00	0.00	6,113.92
4521-00-000	Misc. Taxes/Liscenses/Insurance	0.00	0.00	300.00	0.00	0.00	0.00	300.00
4522-00-000	Tax Preparation	0.00	0.00	0.00	350.00	0.00	0.00	350.00
4590-00-000	Other General Expense	0.00	0.00	0.00	0.00	1,960.00	0.00	1,960.00
4590-02-000	Association Fees	15,417.78	13,384.03	13,384.03	15,908.73	13,384.03	13,384.03	84,862.63
4599-00-000	TOTAL GENERAL EXPENSES	19,548.82	17,515.07	17,815.07	20,389.77	15,344.03	13,384.03	103,996.79

REL LP (relp1)

CASH FLOW Statement (12 months)

Period = Jan 2022-Jun 2022

Book = Accrual

	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total
4800-00-000	FINANCING EXPENSE						
4853-00-000	1,921.90	1,921.90	1,960.34	3,920.68	0.00	1,960.34	11,685.16
4854-00-000	13,548.22	13,523.02	13,497.72	26,919.08	0.00	13,421.14	80,909.18
4855-00-000	5,803.08	5,828.27	5,853.58	11,783.51	0.00	5,930.15	35,198.59
4855-01-000	1,297.79	1,295.37	1,292.93	2,578.50	0.00	1,285.55	7,750.14
4899-00-000	<u>22,570.99</u>	<u>22,568.56</u>	<u>22,604.57</u>	<u>45,201.77</u>	<u>0.00</u>	<u>22,597.18</u>	<u>135,543.07</u>
5000-00-000	NON-OPERATING ITEMS						
5210-00-000	0.00	0.00	31,757.35	0.00	0.00	0.00	31,757.35
5999-00-000	<u>0.00</u>	<u>0.00</u>	<u>31,757.35</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>31,757.35</u>
8000-00-000	<u>54,996.82</u>	<u>63,309.18</u>	<u>97,399.38</u>	<u>88,215.43</u>	<u>30,940.05</u>	<u>55,980.25</u>	<u>390,841.11</u>
9000-00-000	<u>25,702.58</u>	<u>6,692.86</u>	<u>-4,890.18</u>	<u>-27,698.77</u>	<u>24,302.31</u>	<u>5,020.99</u>	<u>29,129.79</u>

REL LP (relp1)

Statement (12 months)

Period = Jan 2022-Jun 2022

Book = Accrual

	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total
2999-99-999	Revenue & Expenses						
3000-00-000	INCOME						
3100-00-000	TENANT INCOME						
3101-00-000	Rental Income						
3111-00-000	Tenant Rent	49,681.33	48,348.47	38,440.13	51,603.00	47,250.00	285,860.26
3112-00-000	Tenant Assistance Payments	21,601.33	20,898.00	21,043.00	23,743.00	24,165.00	132,621.33
3112-02-000	Tax Credit Subsidy	0.00	0.00	-1,087.00	0.00	0.00	-1,087.00
3114-00-000	Less: Concessions	-601.32	0.00	0.00	0.00	0.00	-601.32
3119-00-000	Total Rental Income	70,681.34	69,246.47	58,396.13	75,346.00	71,415.00	416,793.27
3120-00-000	Other Tenant Income						
3120-03-000	Damages	1,339.99	0.00	-489.99	0.00	0.00	850.00
3120-06-000	NSF Charges	39.00	0.00	0.00	0.00	0.00	39.00
3120-09-000	Misc.Tenant Income	593.28	593.28	593.28	593.28	668.28	4,607.99
3129-00-000	Total Other Tenant Income	1,972.27	593.28	103.29	593.28	668.28	5,496.99
3199-00-000	NET TENANT INCOME	72,653.61	69,839.75	58,499.42	75,939.28	72,083.28	422,290.26
3600-00-000	OTHER INCOME						
3610-00-000	Investment Income - Unrestricted	0.80	0.72	0.40	0.00	0.00	1.92
3699-00-000	TOTAL OTHER INCOME	0.80	0.72	0.40	0.00	0.00	1.92
3999-00-000	TOTAL INCOME	72,654.41	69,840.47	58,499.82	75,939.28	72,083.28	422,292.18
4000-00-000	EXPENSES						
4100-00-000	ADMINISTRATIVE						
4100-99-000	Administrative Salaries						
4110-00-000	Administrative Salaries	651.54	651.54	2,479.62	2,153.84	2,153.84	10,244.22
4110-04-000	Employee Benefit Contribution-Admin	0.00	0.00	0.00	710.70	236.90	1,184.50
4110-99-000	Total Administrative Salaries	651.54	651.54	2,479.62	2,864.54	2,390.74	11,428.72
4130-00-000	Legal Expense						
4130-02-000	Criminal Background Checks	0.00	76.70	0.00	66.75	0.00	143.45
4130-04-000	General Legal Expense	0.00	0.00	165.00	-454.96	765.00	1,175.04

REL LP (relp1)

Statement (12 months)

Period = Jan 2022-Jun 2022

Book = Accrual

	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total	
4131-00-000	Total Legal Expense	0.00	76.70	165.00	-388.21	765.00	700.00	1,318.49
4139-00-000	Other Admin Expenses							
4173-00-000	Management Fee	6,226.54	6,107.07	6,148.00	6,035.73	6,144.25	6,264.00	36,925.59
4180-00-000	Office Rent	1,153.60	1,153.60	0.00	2,307.20	0.00	1,153.60	5,768.00
4182-00-002	Other Consultant	0.00	0.00	0.00	3,360.00	0.00	0.00	3,360.00
4189-00-000	Total Other Admin Expenses	7,380.14	7,260.67	6,148.00	11,702.93	6,144.25	7,417.60	46,053.59
4190-00-000	Routine Admin Expenses							
4190-03-000	Advertising	9.99	9.99	0.00	14.99	0.00	0.00	34.97
4190-20-000	Bank Fees	568.75	462.58	468.50	479.91	459.21	420.65	2,859.60
4190-22-000	Sundry-Other Misc Admin Expenses	0.00	0.00	0.00	0.00	5.00	400.00	405.00
4191-00-000	Total Routine Admin Expenses	1,230.28	1,124.11	2,948.12	3,359.44	2,854.95	3,211.39	14,728.29
4199-00-000	TOTAL ADMINISTRATIVE EXPENSES	8,610.42	8,461.48	9,261.12	14,674.16	9,764.20	11,328.99	62,100.37
4200-00-000	TENANT SERVICES							
4220-01-000	Other Tenant Svcs.	0.00	0.00	0.00	-16.45	0.00	0.00	-16.45
4230-02-000	HQS	60.00	0.00	0.00	0.00	0.00	0.00	60.00
4230-02-002	MOVE IN INSPECTION	30.00	0.00	0.00	0.00	0.00	0.00	30.00
4299-00-000	TOTAL TENANT SERVICES EXPENSES	90.00	0.00	0.00	-16.45	0.00	0.00	73.55
4300-00-000	UTILITIES							
4310-00-000	Water/Sewer	0.00	0.00	0.00	-245.94	0.00	0.00	-245.94
4320-01-000	Electricity-Vacant Units	0.00	0.00	81.15	65.25	26.77	0.00	173.17
4320-02-000	Electricity- Office	0.00	0.00	0.00	-10.02	0.00	0.00	-10.02
4330-00-000	Gas-Tenant Charge	0.00	0.00	0.00	0.00	0.00	70.48	70.48
4330-01-000	Gas-Vacant Units	0.00	521.04	-280.74	198.32	157.17	11.21	607.00
4390-00-000	Sewer	0.00	0.00	0.00	-285.29	0.00	0.00	-285.29
4399-00-000	TOTAL UTILITY EXPENSES	0.00	521.04	-199.59	-277.68	183.94	81.69	309.40
4400-00-000	MAINTENANCE AND OPERATIONS							
4400-99-000	General Maint Expense							
4410-01-000	Maintenance Labor	1,204.82	805.31	1,098.70	419.25	481.33	1,016.78	5,026.19
4413-00-000	Vehicle Gas, Oil, Grease	74.85	50.16	51.64	61.22	107.36	189.37	534.60
4419-00-000	Total General Maint Expense	1,279.67	855.47	1,150.34	480.47	588.69	1,206.15	5,560.79
4420-00-000	Materials							

REL LP (relp1)

Statement (12 months)

Period = Jan 2022-Jun 2022

Book = Accrual

	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total	
4420-02-000	Supplies-Appliance	0.00	763.31	0.00	716.00	0.00	83.10	1,562.41
4420-04-000	Supplies-Electrical	0.00	0.00	0.00	0.00	0.00	214.82	214.82
4420-06-000	Supplies-Janitorial/Cleaning	0.00	0.00	0.00	0.00	0.00	34.54	34.54
4420-08-000	Supplies-Plumbing	0.00	0.00	80.33	95.34	0.00	35.92	211.59
4420-11-000	Supplies-Hardware	0.00	0.00	39.45	0.00	0.00	726.83	766.28
4420-12-000	Supplies-Painting	0.00	0.00	550.00	0.00	0.00	0.00	550.00
4429-00-000	Total Materials	0.00	763.31	669.78	811.34	0.00	1,095.21	3,339.64
4430-00-000	Contract Costs							
4430-02-000	Appliance Purchase- Refrigerator	0.00	0.00	0.00	1,152.00	0.00	0.00	1,152.00
4430-02-002	Appliance Purchase- Hot water hearter	0.00	1,553.23	713.11	0.00	0.00	0.00	2,266.34
4430-02-003	Appliance Purchase-Stove	0.00	0.00	0.00	1,562.00	0.00	482.00	2,044.00
4430-02-004	Appliance Purchase-Microwave	0.00	222.00	0.00	655.00	0.00	222.00	1,099.00
4430-02-005	Appliance Purchase-Dishwasher	0.00	0.00	0.00	971.00	0.00	0.00	971.00
4430-02-006	Appliance Purchase-Washer/Dryer	0.00	0.00	0.00	487.00	0.00	2,414.00	2,901.00
4430-02-008	Flooring Replacement	0.00	0.00	5,500.00	0.00	0.00	0.00	5,500.00
4430-02-009	Cabinet Replacement	0.00	0.00	0.00	0.00	0.00	195.00	195.00
4430-02-011	Capitalized Maintenance Expenses	0.00	1,775.23	6,213.11	4,827.00	0.00	3,313.00	16,128.34
4430-03-000	Contract-Building Repairs	0.00	745.00	450.00	0.00	555.00	190.00	1,940.00
4430-03-001	Contract- Appliance Repairs	275.00	0.00	300.00	0.00	0.00	535.00	1,110.00
4430-04-000	Contract-General Cleaning	0.00	710.00	195.00	0.00	695.00	0.00	1,600.00
4430-05-000	Contract-Painting	930.00	550.00	1,285.00	0.00	550.00	650.00	3,965.00
4430-06-000	Contract-Electrical	0.00	34.02	0.00	0.00	0.00	0.00	34.02
4430-08-000	Contract-Floor Replacement	0.00	3,160.00	750.00	0.00	0.00	570.00	4,480.00
4430-11-000	Contract-Plumbing	260.00	1,025.00	1,025.00	0.00	1,350.00	675.00	4,335.00
4430-12-000	Contract-Window Covering	0.00	0.00	489.99	1,766.25	0.00	0.00	2,256.24
4430-13-000	Contract-HVAC- Repair	0.00	2,790.00	1,008.00	140.00	0.00	0.00	3,938.00
4430-20-000	Contract- Carpet Turnover	0.00	145.00	0.00	0.00	0.00	0.00	145.00
4430-21-000	Unit Turnover	980.00	1,390.00	1,650.00	0.00	1,550.00	0.00	5,570.00
4430-25-000	Mold Hazard Inspection	0.00	300.00	0.00	0.00	0.00	0.00	300.00
4432-00-000	Contract-Storage	354.00	0.00	778.80	354.00	354.00	354.00	2,194.80
4434-00-000	Contract- Keys	97.92	0.00	195.84	-135.20	5.19	0.00	163.75
4439-00-000	Total Contract Costs	2,896.92	12,624.25	14,340.74	6,952.05	5,059.19	6,287.00	48,160.15
4499-00-000	TOTAL MAINTENACE EXPENSES	4,176.59	14,243.03	16,160.86	8,243.86	5,647.88	8,588.36	57,060.58

REL LP (relp1)

Statement (12 months)

Period = Jan 2022-Jun 2022

Book = Accrual

	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total	
4500-00-000	GENERAL EXPENSES							
4510-06-000	Insurance- Excess Liability	784.90	784.90	784.90	784.90	0.00	0.00	3,139.60
4510-10-000	Property Insurance	1,817.66	1,817.66	1,817.66	1,817.66	0.00	0.00	7,270.64
4510-20-000	Liability Insurance	1,528.48	1,528.48	1,528.48	1,528.48	0.00	0.00	6,113.92
4521-00-000	Misc. Taxes/Liscenses/Insurance	0.00	0.00	300.00	0.00	0.00	0.00	300.00
4522-00-000	Tax Preparation	0.00	0.00	0.00	350.00	0.00	0.00	350.00
4590-00-000	Other General Expense	0.00	0.00	0.00	0.00	1,960.00	0.00	1,960.00
4590-02-000	Association Fees	15,417.78	13,384.03	13,384.03	15,908.73	13,384.03	13,384.03	84,862.63
4599-00-000	TOTAL GENERAL EXPENSES	19,548.82	17,515.07	17,815.07	20,389.77	15,344.03	13,384.03	103,996.79
4800-00-000	FINANCING EXPENSE							
4853-00-000	Interest Expense-Bond 1	1,921.90	1,921.90	1,960.34	3,920.68	0.00	1,960.34	11,685.16
4854-00-000	Interest Expense-Bond 2	13,548.22	13,523.02	13,497.72	26,919.08	0.00	13,421.14	80,909.18
4855-00-000	Interest Expense-Mortgage Payable	5,803.08	5,828.27	5,853.58	11,783.51	0.00	5,930.15	35,198.59
4855-01-000	INTEREST MORTGAGE PAYABLE 2	1,297.79	1,295.37	1,292.93	2,578.50	0.00	1,285.55	7,750.14
4899-00-000	TOTAL FINANCING EXPENSES	22,570.99	22,568.56	22,604.57	45,201.77	0.00	22,597.18	135,543.07
5000-00-000	NON-OPERATING ITEMS							
5100-00-000	Depreciation Expense	22,255.24	22,255.24	22,255.24	22,255.24	22,255.24	22,255.24	133,531.44
5210-00-000	Operating Transfers OUT	0.00	0.00	31,757.35	0.00	0.00	0.00	31,757.35
5999-00-000	TOTAL NON-OPERATING ITEMS	22,255.24	22,255.24	54,012.59	22,255.24	22,255.24	22,255.24	165,288.79
8000-00-000	TOTAL EXPENSES	77,252.06	85,564.42	119,654.62	110,470.67	53,195.29	78,235.49	524,372.55
9000-00-000	NET INCOME	-4,597.65	-15,723.95	-61,154.80	-34,531.39	18,887.99	-4,960.57	-102,080.37

REL LP (relp1)

Balance Sheet

Period = Jun 2022

Book = Accrual

		Current Balance
0999-99-000	All	
1000-00-000	ASSETS	
1001-00-000	CURRENT ASSETS:	
1100-00-000	CASH	
1110-00-000	Unrestricted Cash	
1111-02-000	Cash- Payroll	10,767.02
1111-10-000	Cash Operating PH	5,917.61
1111-20-000	Cash Operating RELP	232,589.61
1111-40-000	Cash Operating RHEP	-7,665.00
1111-99-000	Total Unrestricted Cash	<u>241,609.24</u>
1112-00-000	Restricted Cash	
1112-01-000	Cash Restricted-Security Deposits	48,182.87
1112-04-000	Cash Restricted-Reserve for Replac	15,152.83
1112-20-000	Mortgage Escrow	20,044.61
1112-99-000	Total Restricted Cash	<u>83,380.31</u>
1119-00-000	TOTAL CASH	<u>324,989.55</u>
1120-00-000	ACCOUNTS AND NOTES RECEIVABLE	
1122-00-000	A/R-Tenants	34,216.32
1122-01-000	Allowance for Doubtful Accounts-Tenan	-30,304.00
1123-00-000	A/R-Affordable Housing Subsidies	29,066.07
1128-00-000	Tenant Repayment Agreement	-475.00
1135-05-000	Accounts Receivable - PH	-20,515.09
1135-08-000	Accounts Receivable - HCV	5,729.83
1135-11-000	Accounts Receivable - Rhep 1	1,000.00
1149-00-000	TOTAL ACCOUNTS AND NOTES RECEIVAB	<u>18,718.13</u>
1160-00-000	OTHER CURRENT ASSETS	
1200-00-000	Prepaid Property Management Fee	14,181.00
1211-00-000	Prepaid Expenses and Other Assets	10,679.49
1299-00-000	TOTAL OTHER CURRENT ASSETS	<u>24,860.49</u>
1300-00-000	TOTAL CURRENT ASSETS	<u>368,568.17</u>
1400-00-000	NONCURRENT ASSETS:	
1400-01-000	FIXED ASSETS	
1400-05-000	Land	259,000.00
1400-06-000	Buildings	6,576,825.56
1400-07-000	Furniture and Equipment-Dwelling	200,736.25
1400-10-000	Site Improvement	217,495.00
1405-00-000	Accumulated Depreciation	-4,871,450.40
1420-00-000	TOTAL FIXED ASSETS (NET)	<u>2,382,606.41</u>

REL LP (relp1)

Balance Sheet

Period = Jun 2022

Book = Accrual

		Current Balance
1499-00-000	TOTAL NONCURRENT ASSETS	2,382,606.41
1520-00-000	Deferred Financing Cost	183,650.50
1520-01-000	Amort. Deferred Financing Cost	88,463.96
1999-00-000	TOTAL ASSETS	<u>2,846,361.12</u>
2000-00-000	LIABILITIES & EQUITY	
2001-00-000	LIABILITIES:	
2100-00-000	CURRENT LIABILITIES:	
2114-00-000	Tenant Security Deposits	33,945.11
2114-01-000	Security Deposit Interest	2,236.30
2114-02-000	Security Deposit Clearing Account	3,292.67
2114-03-000	Security Deposit-Pet	1,179.85
2115-00-000	A/P Other	147,861.00
2116-08-000	Accounts payable - HCV	200.00
2117-06-000	Employee FICA Withholding	-664.84
2119-91-000	Accrued Payable	3,471.00
2130-00-000	Current Portion of LT Debt	71,324.00
2130-02-000	Accrued Int. Payable - Cty Loan	11,971.98
2130-03-000	Accrued Int. Payable - RHE Loan	14,072.95
2131-00-000	Accrued Interest Payable	14,637.73
2150-00-000	Suspense	1,477.00
2240-00-000	Tenant Prepaid Rents	10,013.01
2299-00-000	TOTAL CURRENT LIABILITIES	<u>315,017.76</u>
2300-00-000	NONCURRENT LIABILITIES:	
2310-00-000	Notes Payable-LT	3,049,186.47
2310-10-000	Loan Payable-1	120,000.00
2310-20-000	Loan Payable - 2	1,397,245.40
2323-00-000	RHE Loan Payable	161,102.99
2350-00-000	Bonds Payable-LT	0.02
2399-00-000	TOTAL NONCURRENT LIABILITIES	<u>4,727,534.88</u>
2499-00-000	TOTAL LIABILITIES	<u>5,042,552.64</u>
2800-00-000	EQUITY	
2801-00-000	CONTRIBUTED CAPITAL:	
2802-04-000	Partner Distributions	-340,053.00
2805-99-000	TOTAL CONTRIBUTED CAPITAL	<u>-340,053.00</u>

REL LP (relp1)

Balance Sheet

Period = Jun 2022

Book = Accrual

		Current Balance
2809-00-000	RETAINED EARNINGS:	
2809-01-000	Invested in Capital Assets-Net of Debt	-0.04
2809-02-000	Retained Earnings-Unrestricted Net Ass	-271,463.48
2809-04-000	Retained Earnings	-1,584,675.00
2809-99-000	TOTAL RETAINED EARNINGS:	-1,856,138.52
		<hr/>
2899-00-000	TOTAL EQUITY	-2,196,191.52
		<hr/>
2999-00-000	TOTAL LIABILITIES AND EQUITY	2,846,361.12

RHEP

Financials

June 2022

RHE Property (rhep1)

CASH FLOW Statement (12 months)

Period = Jan 2022-Jun 2022

Book = Accrual

	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total
2999-99-999 Revenue & Expenses							
3000-00-000 INCOME							
3100-00-000 TENANT INCOME							
3101-00-000 Rental Income							
3111-00-000 Tenant Rent Received	2,786.00	2,716.00	2,800.00	2,514.00	1,563.00	2,163.00	14,542.00
3112-00-000 Tenant Assistance Payments Received	1,036.00	1,036.00	996.00	2,175.00	1,503.00	1,503.00	8,249.00
3119-00-000 Total Rental Income	<u>3,822.00</u>	<u>3,752.00</u>	<u>3,796.00</u>	<u>4,689.00</u>	<u>3,066.00</u>	<u>3,666.00</u>	<u>22,791.00</u>
3199-00-000 NET TENANT INCOME	3,822.00	3,752.00	3,796.00	4,689.00	3,066.00	3,666.00	22,791.00
3999-00-000 TOTAL INCOME	<u>3,822.00</u>	<u>3,752.00</u>	<u>3,796.00</u>	<u>4,689.00</u>	<u>3,066.00</u>	<u>3,666.00</u>	<u>22,791.00</u>
4000-00-000 EXPENSES							
4100-00-000 ADMINISTRATIVE							
4100-99-000 Administrative Salaries							
4110-04-000 Employee Benefit Contribution-Admin	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4110-99-000 Total Administrative Salaries	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
4139-00-000 Other Admin Expenses							
4171-00-000 Auditing Fees-RHE	0.00	0.00	0.00	1,560.00	0.00	0.00	1,560.00
4189-00-000 Total Other Admin Expenses	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>1,560.00</u>	<u>0.00</u>	<u>0.00</u>	<u>1,560.00</u>
4190-00-000 Routine Admin Expenses							
4190-20-000 Bank Fees	42.81	57.50	64.08	70.12	359.01	180.64	774.16
4191-00-000 Total Routine Admin Expenses	<u>42.81</u>	<u>57.50</u>	<u>64.08</u>	<u>70.12</u>	<u>359.01</u>	<u>180.64</u>	<u>774.16</u>
4199-00-000 TOTAL ADMINISTRATIVE EXPENSES	42.81	57.50	64.08	1,630.12	359.01	180.64	2,334.16
4300-00-000 UTILITIES							
4320-01-000 Electricity-Vacant Units	0.00	0.00	0.00	0.00	0.00	96.89	96.89
4399-00-000 TOTAL UTILITY EXPENSES	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>96.89</u>	<u>96.89</u>
4400-00-000 MAINTENANCE AND OPERATIONS							
4420-00-000 Materials							
4420-12-000 Supplies-Painting	0.00	0.00	0.00	0.00	0.00	16.31	16.31
4429-00-000 Total Materials	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>16.31</u>	<u>16.31</u>

RHE Property (rhep1)

CASH FLOW Statement (12 months)

Period = Jan 2022-Jun 2022

Book = Accrual

	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total
4430-00-000	Contract Costs						
4430-02-002	0.00	1,025.00	0.00	0.00	0.00	0.00	1,025.00
4430-02-008	0.00	0.00	0.00	0.00	0.00	3,465.00	3,465.00
4430-02-011	0.00	1,025.00	0.00	0.00	0.00	3,465.00	4,490.00 x
4430-03-000	0.00	0.00	0.00	0.00	0.00	895.00	895.00
4430-04-000	0.00	0.00	0.00	0.00	0.00	185.00	185.00
4430-05-000	0.00	0.00	0.00	0.00	0.00	550.00	550.00
4430-06-000	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4430-11-000	0.00	950.00	0.00	0.00	600.00	0.00	1,550.00
4430-21-000	0.00	0.00	0.00	0.00	0.00	1,450.00	1,450.00
4434-00-000	0.00	0.00	0.00	0.00	0.00	73.44	73.44
4439-00-000	0.00	950.00	0.00	0.00	600.00	3,153.44	4,703.44
4499-00-000	0.00	1,975.00	0.00	0.00	600.00	6,634.75	9,209.75
4500-00-000	GENERAL EXPENSES						
4510-10-000	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4510-20-000	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4510-30-000	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4590-02-000	1,180.00	1,212.73	1,212.73	1,212.73	1,212.73	1,212.73	7,243.65
4599-00-000	1,180.00	1,212.73	1,212.73	1,212.73	1,212.73	1,212.73	7,243.65
4800-00-000	FINANCING EXPENSE						
4855-00-000	1,145.55	1,098.25	1,023.17	842.22	1,351.70	1,107.25	6,568.14
4899-00-000	1,145.55	1,098.25	1,023.17	842.22	1,351.70	1,107.25	6,568.14
8000-00-000	2,368.36	4,343.48	2,299.98	3,685.07	3,523.44	9,232.26	25,452.59
9000-00-000	1,453.64	-591.48	1,496.02	1,003.93	-457.44	-5,566.26	-2,661.59

RHE Property (rhep1)

Statement (12 months)

Period = Jan 2022-Jun 2022

Book = Accrual

	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total	
2999-99-999	Revenue & Expenses							
3000-00-000	INCOME							
3100-00-000	TENANT INCOME							
3101-00-000	Rental Income							
3111-00-000	Tenant Rent	4,027.00	4,027.00	4,027.00	4,027.00	2,801.00	4,314.33	23,223.33
3112-00-000	Tenant Assistance Payments	1,260.00	1,260.00	1,260.00	1,260.00	1,036.00	876.00	6,952.00
3119-00-000	Total Rental Income	5,287.00	5,287.00	5,287.00	5,287.00	3,837.00	5,190.33	30,175.33
3199-00-000	NET TENANT INCOME	5,287.00	5,287.00	5,287.00	5,287.00	3,837.00	5,190.33	30,175.33
3600-00-000	OTHER INCOME							
3650-00-000	Miscellaneous Other Income	0.00	0.00	0.08	0.00	0.00	0.00	0.08
3699-00-000	TOTAL OTHER INCOME	0.00	0.00	0.08	0.00	0.00	0.00	0.08
3999-00-000	TOTAL INCOME	5,287.00	5,287.00	5,287.08	5,287.00	3,837.00	5,190.33	30,175.41
4000-00-000	EXPENSES							
4100-00-000	ADMINISTRATIVE							
4100-99-000	Administrative Salaries							
4110-04-000	Employee Benefit Contribution-Admin	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4110-99-000	Total Administrative Salaries	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4139-00-000	Other Admin Expenses							
4171-00-000	Auditing Fees-RHE	0.00	0.00	0.00	1,560.00	0.00	0.00	1,560.00
4189-00-000	Total Other Admin Expenses	0.00	0.00	0.00	1,560.00	0.00	0.00	1,560.00
4190-00-000	Routine Admin Expenses							
4190-20-000	Bank Fees	42.81	57.50	64.08	70.12	359.01	180.64	774.16
4191-00-000	Total Routine Admin Expenses	42.81	57.50	64.08	70.12	359.01	180.64	774.16
4199-00-000	TOTAL ADMINISTRATIVE EXPENSES	42.81	57.50	64.08	1,630.12	359.01	180.64	2,334.16
4300-00-000	UTILITIES							
4320-01-000	Electricity-Vacant Units	0.00	0.00	0.00	0.00	0.00	96.89	96.89
4399-00-000	TOTAL UTILITY EXPENSES	0.00	0.00	0.00	0.00	0.00	96.89	96.89

RHE Property (rhep1)

Statement (12 months)

Period = Jan 2022-Jun 2022

Book = Accrual

	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total	
4400-00-000	MAINTENANCE AND OPERATIONS							
4420-00-000	Materials							
4420-12-000	Supplies-Painting	0.00	0.00	0.00	0.00	0.00	16.31	16.31
4429-00-000	Total Materials	0.00	0.00	0.00	0.00	0.00	16.31	16.31
4430-00-000	Contract Costs							
4430-02-002	Appliance Purchase- Hot water hearer	0.00	1,025.00	0.00	0.00	0.00	0.00	1,025.00
4430-02-008	Flooring Replacement	0.00	0.00	0.00	0.00	0.00	3,465.00	3,465.00
4430-02-011	Capitalized Maintenance Expenses	0.00	1,025.00	0.00	0.00	0.00	3,465.00	4,490.00
4430-03-000	Contract-Building Repairs	0.00	0.00	0.00	0.00	0.00	895.00	895.00
4430-04-000	Contract-General Cleaning	0.00	0.00	0.00	0.00	0.00	185.00	185.00
4430-05-000	Contract-Painting	0.00	0.00	0.00	0.00	0.00	550.00	550.00
4430-11-000	Contract-Plumbing	0.00	950.00	0.00	0.00	600.00	0.00	1,550.00
4430-21-000	Unit Turnover	0.00	0.00	0.00	0.00	0.00	1,450.00	1,450.00
4434-00-000	Contract- Keys	0.00	0.00	0.00	0.00	0.00	73.44	73.44
4439-00-000	Total Contract Costs	0.00	1,975.00	0.00	0.00	600.00	6,618.44	9,193.44
4499-00-000	TOTAL MAINTENACE EXPENSES	0.00	1,975.00	0.00	0.00	600.00	6,634.75	9,209.75
4500-00-000	GENERAL EXPENSES							
4510-10-000	Property Insurance	30.86	30.86	30.86	472.84	472.84	472.84	1,511.10
4510-20-000	Liability Insurance	30.86	30.86	30.86	472.84	472.84	472.84	1,511.10
4510-30-000	WORKMAN COMP	30.86	30.86	30.86	472.84	472.84	472.84	1,511.10
4590-02-000	Association Fees	1,180.00	1,212.73	1,212.73	1,212.73	1,212.73	1,212.73	7,243.65
4599-00-000	TOTAL GENERAL EXPENSES	1,272.58	1,305.31	1,305.31	2,631.25	2,631.25	2,631.25	11,776.95
4800-00-000	FINANCING EXPENSE							
4855-00-000	Interest Expense-Mortgage Payable	1,145.55	1,098.25	1,023.17	842.22	1,351.70	1,107.25	6,568.14
4899-00-000	TOTAL FINANCING EXPENSES	1,145.55	1,098.25	1,023.17	842.22	1,351.70	1,107.25	6,568.14
8000-00-000	TOTAL EXPENSES	2,460.94	4,436.06	2,392.56	5,103.59	4,941.96	10,133.88	29,468.99
9000-00-000	NET INCOME	2,826.06	850.94	2,894.52	183.41	-1,104.96	-4,943.55	706.42

RHEP PBV SCATTERED SITE (rhep-sca)

CASH FLOW Statement (12 months)

Period = Jan 2022-Jun 2022

Book = Accrual

	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total
2999-99-999	Revenue & Expenses						
3000-00-000	INCOME						
3100-00-000	TENANT INCOME						
3101-00-000	Rental Income						
3111-00-000	Tenant Rent Received	13,436.00	7,815.00	10,938.90	9,394.15	8,693.00	61,161.05
3112-00-000	Tenant Assistance Payments Received	59,290.00	55,993.00	51,419.00	55,347.00	55,684.00	332,522.00
3119-00-000	Total Rental Income	72,726.00	63,808.00	62,357.90	64,741.15	64,377.00	393,683.05
3120-00-000	Other Tenant Income						
3199-00-000	NET TENANT INCOME	72,726.00	63,808.00	62,357.90	64,741.15	64,377.00	393,683.05
3999-00-000	TOTAL INCOME	72,726.00	63,808.00	62,357.90	64,741.15	64,377.00	393,683.05
4000-00-000	EXPENSES						
4100-00-000	ADMINISTRATIVE						
4100-99-000	Administrative Salaries						
4110-00-000	Administrative Salaries	0.00	0.00	39,402.52	33,939.72	34,668.33	138,650.89
4110-04-000	Employee Benefit Contribution-Admin	0.00	0.00	341.22	2,333.03	2,041.10	6,583.38
4110-99-000	Total Administrative Salaries	0.00	0.00	39,743.74	36,272.75	36,709.43	145,234.27
4130-00-000	Legal Expense						
4130-04-000	General Legal Expense	0.00	90.00	0.00	0.00	0.00	705.00
4130-05-000	PH Conversion Legal	0.00	0.00	966.00	2,646.00	0.00	3,612.00
4131-00-000	Total Legal Expense	0.00	90.00	966.00	2,646.00	0.00	4,317.00
4139-00-000	Other Admin Expenses						
4140-00-000	Staff Training	0.00	0.00	2,231.25	11,347.11	3,267.88	17,167.74
4171-00-000	Auditing Fees-RHE	0.00	0.00	0.00	1,820.00	0.00	1,820.00
4180-00-000	Office Rent	0.00	0.00	0.00	1,977.60	0.00	2,966.40
4182-00-000	Financial-Consultants	0.00	0.00	0.00	0.00	409.40	409.40
4182-00-001	Other Consultant - ROSS HO	0.00	0.00	0.00	6,000.00	0.00	6,000.00
4182-00-002	Other Consultant	0.00	0.00	0.00	1,330.55	2,891.56	4,631.51
4182-02-000	MTW Consultant	0.00	0.00	5,968.75	0.00	0.00	5,968.75
4189-00-000	Total Other Admin Expenses	0.00	0.00	8,200.00	22,475.26	6,568.84	38,963.80
4190-00-000	Routine Admin Expenses						
4190-01-000	Membership and Fees	0.00	0.00	1,215.00	0.00	0.00	1,215.00

RHEP PBV SCATTERED SITE (rhep-sca)

CASH FLOW Statement (12 months)

Period = Jan 2022-Jun 2022

Book = Accrual

	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total
4190-04-000 Office Supplies	0.00	0.00	0.00	1,765.94	0.00	0.00	1,765.94
4190-06-000 Computer Parts	0.00	0.00	0.00	0.00	1,087.45	0.00	1,087.45
4191-00-000 Total Routine Admin Expenses	0.00	0.00	1,215.00	1,765.94	1,087.45	0.00	4,068.39
4199-00-000 TOTAL ADMINISTRATIVE EXPENSES	0.00	90.00	50,124.74	63,159.95	44,365.72	34,843.05	192,583.46
4200-00-000 TENANT SERVICES							
4220-00-000 Resident Services	0.00	0.00	0.00	0.00	0.00	89.04	89.04
4299-00-000 TOTAL TENANT SERVICES EXPENSES	0.00	0.00	0.00	0.00	0.00	89.04	89.04
4300-00-000 UTILITIES							
4320-00-000 Electricity- Tenant Charge	0.00	0.00	29.27	0.00	0.00	0.00	29.27
4320-01-000 Electricity-Vacant Units	41.60	30.02	16.96	38.57	18.44	62.64	208.23
4330-00-000 Gas-Tenant Charge	0.00	0.00	371.26	476.53	356.92	196.23	1,400.94
4330-01-000 Gas-Vacant Units	79.35	182.64	401.36	146.18	16.26	442.85	1,268.64
4340-00-000 Garbage/Trash Removal	0.00	0.00	0.00	0.00	950.00	0.00	950.00
4399-00-000 TOTAL UTILITY EXPENSES	120.95	212.66	818.85	661.28	1,341.62	701.72	3,857.08
4400-00-000 MAINTENANCE AND OPERATIONS							
4400-99-000 General Maint Expense							
4410-00-000 Maintenance Salaries	0.00	0.00	48.49	0.00	0.00	0.00	48.49
4419-00-000 Total General Maint Expense	0.00	0.00	48.49	0.00	0.00	0.00	48.49
4420-00-000 Materials							
4420-02-000 Supplies-Appliance	0.00	53.86	0.00	0.00	0.00	0.00	53.86
4420-08-000 Supplies-Plumbing	0.00	0.00	0.00	48.24	0.00	0.00	48.24
4420-11-000 Supplies-Hardware	187.13	0.00	0.00	0.00	0.00	0.00	187.13
4429-00-000 Total Materials	187.13	53.86	0.00	48.24	0.00	0.00	289.23
4430-00-000 Contract Costs							
4430-00-010 General Contract Costs	0.00	1,950.00	0.00	0.00	0.00	0.00	1,950.00
4430-02-000 Appliance Purchase- Refrigerator	0.00	0.00	0.00	576.00	1,194.00	0.00	1,770.00
4430-02-003 Appliance Purchase-Stove	0.00	0.00	0.00	482.00	1,212.00	0.00	1,694.00
4430-02-007 HVAC Replacement	0.00	4,725.00	0.00	0.00	0.00	0.00	4,725.00
4430-02-008 Flooring Replacement	0.00	0.00	0.00	0.00	5,065.00	0.00	5,065.00
4430-02-009 Cabinet Replacement	0.00	3,740.00	0.00	4,500.00	3,950.00	0.00	12,190.00
4430-02-011 Capitalized Maintenance Expenses	0.00	10,415.00	0.00	5,558.00	11,421.00	0.00	27,394.00 x
4430-03-000 Contract-Building Repairs	0.00	240.00	425.00	550.00	2,925.00	4,510.00	8,650.00
4430-04-000 Contract-General Cleaning	165.00	830.00	165.00	165.00	165.00	0.00	1,490.00

RHEP PBV SCATTERED SITE (rhep-sca)

CASH FLOW Statement (12 months)

Period = Jan 2022-Jun 2022

Book = Accrual

		Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total
4430-05-000	Contract-Painting	950.00	2,030.00	1,385.00	1,325.00	3,350.00	0.00	9,040.00
4430-06-000	Contract-Electrical	306.00	92.25	0.00	0.00	0.00	1,129.31	1,527.56
4430-07-000	Contract-Pest Control	0.00	0.00	0.00	600.00	0.00	0.00	600.00
4430-08-000	Contract-Floor Replacement	0.00	11,171.00	5,148.00	4,630.00	7,220.00	0.00	28,169.00
4430-11-000	Contract-Plumbing	425.00	1,210.00	1,770.00	1,055.00	1,245.00	0.00	5,705.00
4430-12-000	Contract-Window Covering	1,018.39	0.00	0.00	0.00	0.00	0.00	1,018.39
4430-13-000	Contract-HVAC- Repair	0.00	0.00	140.00	300.00	0.00	0.00	440.00
4430-18-000	Contract-Alarm Monitoring	0.00	0.00	0.00	3,906.99	0.00	0.00	3,906.99
4430-20-000	Contract- Carpet Turnover	0.00	0.00	0.00	0.00	2,200.00	0.00	2,200.00
4430-21-000	Unit Turnover	0.00	800.00	2,925.00	1,975.00	1,850.00	0.00	7,550.00
4431-00-000	Contract Cost- Lead Inspection	0.00	900.00	0.00	0.00	1,440.00	0.00	2,340.00
4434-00-000	Contract- Keys	0.00	0.00	633.40	295.80	195.84	24.00	1,149.04
4439-00-000	Total Contract Costs	2,864.39	17,273.25	12,591.40	14,802.79	20,590.84	5,663.31	73,785.98
4499-00-000	TOTAL MAINTENACE EXPENSES	3,051.52	27,742.11	12,639.89	20,409.03	32,011.84	5,663.31	101,517.70
8000-00-000	TOTAL EXPENSES	3,172.47	28,044.77	63,583.48	84,230.26	77,719.18	41,297.12	298,047.28
9000-00-000	NET INCOME	69,553.53	35,763.23	-1,225.58	-19,489.11	-13,342.18	24,375.88	95,635.77

RHEP PBV SCATTERED SITE (rhep-sca)

Statement (12 months)

Period = Jan 2022-Jun 2022

Book = Accrual

	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total
2999-99-999	Revenue & Expenses						
3000-00-000	INCOME						
3100-00-000	TENANT INCOME						
3101-00-000	Rental Income						
3111-00-000	Tenant Rent	12,779.00	9,486.30	7,835.47	9,160.00	10,731.33	60,632.10
3112-00-000	Tenant Assistance Payments	57,247.00	58,829.70	55,843.00	55,843.00	57,707.00	342,515.70
3119-00-000	Total Rental Income	70,026.00	68,316.00	63,678.47	65,003.00	68,438.33	403,147.80
3120-00-000	Other Tenant Income						
3120-09-000	Misc.Tenant Income	0.00	0.00	0.00	0.00	0.00	2,841.45
3129-00-000	Total Other Tenant Income	0.00	0.00	0.00	0.00	0.00	2,841.45
3199-00-000	NET TENANT INCOME	70,026.00	68,316.00	63,678.47	65,003.00	68,438.33	405,989.25
3999-00-000	TOTAL INCOME	70,026.00	68,316.00	63,678.47	65,003.00	68,438.33	405,989.25
4000-00-000	EXPENSES						
4100-00-000	ADMINISTRATIVE						
4100-99-000	Administrative Salaries						
4110-00-000	Administrative Salaries	0.00	0.00	39,402.52	33,939.72	34,668.33	138,650.89
4110-04-000	Employee Benefit Contribution-Admin	0.00	0.00	341.22	2,333.03	2,041.10	6,583.38
4110-99-000	Total Administrative Salaries	0.00	0.00	39,743.74	36,272.75	36,709.43	145,234.27
4130-00-000	Legal Expense						
4130-04-000	General Legal Expense	0.00	90.00	0.00	0.00	0.00	705.00
4130-05-000	PH Conversion Legal	0.00	0.00	966.00	2,646.00	0.00	3,612.00
4131-00-000	Total Legal Expense	0.00	90.00	966.00	2,646.00	0.00	4,317.00
4139-00-000	Other Admin Expenses						
4140-00-000	Staff Training	0.00	0.00	2,231.25	11,347.11	3,267.88	17,167.74
4171-00-000	Auditing Fees-RHE	0.00	0.00	0.00	1,820.00	0.00	1,820.00
4180-00-000	Office Rent	0.00	0.00	0.00	1,977.60	0.00	2,966.40
4182-00-000	Financial-Consultants	0.00	0.00	0.00	0.00	409.40	409.40
4182-00-001	Other Consultant - ROSS HO	0.00	0.00	0.00	6,000.00	0.00	6,000.00
4182-00-002	Other Consultant	0.00	0.00	0.00	1,330.55	2,891.56	4,631.51

RHEP PBV SCATTERED SITE (rhep-sca)

Statement (12 months)

Period = Jan 2022-Jun 2022

Book = Accrual

	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total
4182-02-000	MTW Consultant	0.00	0.00	5,968.75	0.00	0.00	5,968.75
4189-00-000	Total Other Admin Expenses	0.00	0.00	8,200.00	22,475.26	6,568.84	38,963.80
4190-00-000	Routine Admin Expenses						
4190-01-000	Membership and Fees	0.00	0.00	1,215.00	0.00	0.00	1,215.00
4190-04-000	Office Supplies	0.00	0.00	0.00	1,765.94	0.00	1,765.94
4190-06-000	Computer Parts	0.00	0.00	0.00	0.00	1,087.45	1,087.45
4191-00-000	Total Routine Admin Expenses	0.00	0.00	40,958.74	38,038.69	32,508.35	149,302.66
4199-00-000	TOTAL ADMINISTRATIVE EXPENSES	0.00	90.00	50,124.74	63,159.95	44,365.72	192,583.46
4200-00-000	TENANT SERVICES						
4220-00-000	Resident Services	0.00	0.00	0.00	0.00	0.00	89.04
4299-00-000	TOTAL TENANT SERVICES EXPENSES	0.00	0.00	0.00	0.00	0.00	89.04
4300-00-000	UTILITIES						
4320-00-000	Electricity- Tenant Charge	0.00	0.00	29.27	0.00	0.00	29.27
4320-01-000	Electricity-Vacant Units	41.60	30.02	16.96	38.57	18.44	208.23
4330-00-000	Gas-Tenant Charge	0.00	0.00	371.26	476.53	356.92	1,400.94
4330-01-000	Gas-Vacant Units	79.35	182.64	401.36	146.18	16.26	1,268.64
4340-00-000	Garbage/Trash Removal	0.00	0.00	0.00	0.00	950.00	950.00
4399-00-000	TOTAL UTILITY EXPENSES	120.95	212.66	818.85	661.28	1,341.62	3,857.08
4400-00-000	MAINTENANCE AND OPERATIONS						
4400-99-000	General Maint Expense						
4410-00-000	Maintenance Salaries	0.00	0.00	48.49	0.00	0.00	48.49
4419-00-000	Total General Maint Expense	0.00	0.00	48.49	0.00	0.00	48.49
4420-00-000	Materials						
4420-02-000	Supplies-Appliance	0.00	53.86	0.00	0.00	0.00	53.86
4420-08-000	Supplies-Plumbing	0.00	0.00	0.00	48.24	0.00	48.24
4420-11-000	Supplies-Hardware	187.13	0.00	0.00	0.00	0.00	187.13
4429-00-000	Total Materials	187.13	53.86	0.00	48.24	0.00	289.23
4430-00-000	Contract Costs						
4430-00-010	General Contract Costs	0.00	1,950.00	0.00	0.00	0.00	1,950.00
4430-02-000	Appliance Purchase- Refrigerator	0.00	0.00	0.00	576.00	1,194.00	1,770.00
4430-02-003	Appliance Purchase-Stove	0.00	0.00	0.00	482.00	1,212.00	1,694.00

RHEP PBV SCATTERED SITE (rhep-sca)

Statement (12 months)

Period = Jan 2022-Jun 2022

Book = Accrual

	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total
4430-02-007 HVAC Replacement	0.00	4,725.00	0.00	0.00	0.00	0.00	4,725.00
4430-02-008 Flooring Replacement	0.00	0.00	0.00	0.00	5,065.00	0.00	5,065.00
4430-02-009 Cabinet Replacement	0.00	3,740.00	0.00	4,500.00	3,950.00	0.00	12,190.00
4430-02-011 Capitalized Maintenance Expenses	0.00	10,415.00	0.00	5,558.00	11,421.00	0.00	27,394.00
4430-03-000 Contract-Building Repairs	0.00	240.00	425.00	550.00	2,925.00	4,510.00	8,650.00
4430-04-000 Contract-General Cleaning	165.00	830.00	165.00	165.00	165.00	0.00	1,490.00
4430-05-000 Contract-Painting	950.00	2,030.00	1,385.00	1,325.00	3,350.00	0.00	9,040.00
4430-06-000 Contract-Electrical	306.00	92.25	0.00	0.00	0.00	1,129.31	1,527.56
4430-07-000 Contract-Pest Control	0.00	0.00	0.00	600.00	0.00	0.00	600.00
4430-08-000 Contract-Floor Replacement	0.00	11,171.00	5,148.00	4,630.00	7,220.00	0.00	28,169.00
4430-11-000 Contract-Plumbing	425.00	1,210.00	1,770.00	1,055.00	1,245.00	0.00	5,705.00
4430-12-000 Contract-Window Covering	1,018.39	0.00	0.00	0.00	0.00	0.00	1,018.39
4430-13-000 Contract-HVAC- Repair	0.00	0.00	140.00	300.00	0.00	0.00	440.00
4430-18-000 Contract-Alarm Monitoring	0.00	0.00	0.00	3,906.99	0.00	0.00	3,906.99
4430-20-000 Contract- Carpet Turnover	0.00	0.00	0.00	0.00	2,200.00	0.00	2,200.00
4430-21-000 Unit Turnover	0.00	800.00	2,925.00	1,975.00	1,850.00	0.00	7,550.00
4431-00-000 Contract Cost- Lead Inspection	0.00	900.00	0.00	0.00	1,440.00	0.00	2,340.00
4434-00-000 Contract- Keys	0.00	0.00	633.40	295.80	195.84	24.00	1,149.04
4439-00-000 Total Contract Costs	2,864.39	27,688.25	12,591.40	20,360.79	32,011.84	5,663.31	101,179.98
4499-00-000 TOTAL MAINTENACE EXPENSES	3,051.52	27,742.11	12,639.89	20,409.03	32,011.84	5,663.31	101,517.70
8000-00-000 TOTAL EXPENSES	3,172.47	28,044.77	63,583.48	84,230.26	77,719.18	41,297.12	298,047.28
9000-00-000 NET INCOME	66,853.53	40,271.23	94.99	-19,227.26	-9,280.85	29,230.33	107,941.97

RHE Property (rhep1)

Balance Sheet

Period = Jun 2022

Book = Accrual

		Current Balance
0999-99-000	All	
1000-00-000	ASSETS	
1001-00-000	CURRENT ASSETS:	
1100-00-000	CASH	
1110-00-000	Unrestricted Cash	
1111-40-000	Cash Operating RHEP	-66,741.50
1111-99-000	Total Unrestricted Cash	-66,741.50
1112-00-000	Restricted Cash	
1112-01-000	Cash Restricted-Security Deposits	810.00
1112-99-000	Total Restricted Cash	810.00
1119-00-000	TOTAL CASH	-65,931.50
1120-00-000	ACCOUNTS AND NOTES RECEIVABLE	
1122-00-000	A/R-Tenants	9,370.38
1122-01-000	Allowance for Doubtful Accounts-Tenan	-5,807.65
1129-02-000	Accounts Receivable - Relp	-1,000.00
1135-04-000	Accounts Receivable - Interfund	-5,000.00
1135-05-000	Accounts Receivable - PH	70,000.00
1135-15-000	Accounts Receivable - Rhep-SCA	4,419.72
1149-00-000	TOTAL ACCOUNTS AND NOTES RECEIVAB	71,982.45
1160-00-000	OTHER CURRENT ASSETS	
1211-00-000	Prepaid Expenses and Other Assets	-1,696.02
1299-00-000	TOTAL OTHER CURRENT ASSETS	-1,696.02
1300-00-000	TOTAL CURRENT ASSETS	4,354.93
1400-00-000	NONCURRENT ASSETS:	
1400-01-000	FIXED ASSETS	
1400-05-000	Land	3,000,000.00
1400-06-000	Buildings	10,262,077.96
1400-07-000	Furniture and Equipment-Dwelling	4,444.88
1400-10-000	Site Improvement	7,092.90
1405-00-000	Accumulated Depreciation	-136,251.09
1420-00-000	TOTAL FIXED ASSETS (NET)	13,137,364.65
1499-00-000	TOTAL NONCURRENT ASSETS	13,137,364.65
1999-00-000	TOTAL ASSETS	13,141,719.58
2000-00-000	LIABILITIES & EQUITY	
2001-00-000	LIABILITIES:	

RHE Property (rhep1)

Balance Sheet

Period = Jun 2022

Book = Accrual

		Current Balance
2100-00-000	CURRENT LIABILITIES:	
2114-00-000	Tenant Security Deposits	1,900.00
2116-06-000	Accounts Payable - Interfund	-2,347.80
2116-08-000	Accounts payable - HCV	2,347.80
2116-09-000	Accounts Payable - PH	3,000.00
2116-10-000	Accounts Payable - RHE DEV	4,015.00
2130-00-000	Current Portion of LT Debt	11,096.76
2131-00-000	Accrued Interest Payable	682.86
2150-00-000	Suspense	-58.00
2299-00-000	TOTAL CURRENT LIABILITIES	<u>20,636.62</u>
2300-00-000	NONCURRENT LIABILITIES:	
2320-00-000	Mortgage Payable - Falls Grove xx9001	70,469.03
2320-01-000	Mortgage Payable - Jay Drive xx9002	65,809.27
2320-02-000	Mortgage Payable - Garden View xx9004	69,100.22
2320-03-000	Mortgage Payable - Cork Tree xx9003	69,024.07
2399-00-000	TOTAL NONCURRENT LIABILITIES	<u>274,402.59</u>
2499-00-000	TOTAL LIABILITIES	<u>295,039.21</u>
2800-00-000	EQUITY	
2809-00-000	RETAINED EARNINGS:	
2809-01-000	Invested in Capital Assets-Net of Debt	60,410.04
2809-02-000	Retained Earnings-Unrestricted Net Ass	12,786,270.33
2809-99-000	TOTAL RETAINED EARNINGS:	<u>12,846,680.37</u>
2899-00-000	TOTAL EQUITY	<u>12,846,680.37</u>
2999-00-000	TOTAL LIABILITIES AND EQUITY	<u>13,141,719.58</u>

Dev/Corp
Financials
June 2022

DEV (dev)
CASH FLOW Statement (12 months)

Period = Oct 2021-Jun 2022

Book = Accrual

	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total
Beginning Balance as of 10/01/2021	\$770,757.29	\$ 767,218.49	\$ 670,705.49	\$ 654,706.26	\$ 660,932.80	\$ 721,639.87	\$ 727,787.87	\$ 733,823.60	\$ 739,967.85	
2999-99-999 Revenue & Expenses										
3000-00-000 INCOME										
3100-00-000 TENANT INCOME										
3600-00-000 OTHER INCOME										
3620-00-000 Mgmt Fee Income RELP-DEV	6,461.20	0.00	12,748.77	6,226.54	6,107.07	6,148.00	6,035.73	6,144.25	6,264.00	56,135.56
Wire in	0.00	0.00	0.00	0.00	60,000.00	0.00	0.00			60,000.00
3699-00-000 TOTAL OTHER INCOME	6,461.20	0.00	12,748.77	6,226.54	66,107.07	6,148.00	6,035.73	6,144.25	6,264.00	116,135.56
3999-00-000 TOTAL INCOME	6,461.20	0.00	12,748.77	6,226.54	66,107.07	6,148.00	6,035.73	6,144.25	6,264.00	116,135.56
4000-00-000 EXPENSES										
4100-00-000 ADMINISTRATIVE										
4100-99-000 Administrative Salaries										
4110-00-000 Administrative Salaries	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4110-99-000 Total Administrative Salaries	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4190-00-000 Routine Admin Expenses										
4191-00-000 Total Routine Admin Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4199-00-000 TOTAL ADMINISTRATIVE EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4400-00-000 MAINTENANCE AND OPERATIONS										
4440-00-000 CDBG	0.00	54,600.00	0.00	0.00	5,400.00	0.00	0.00	0.00	0.00	60,000.00
4499-00-000 TOTAL MAINTENACE EXPENSES	0.00	54,600.00	0.00	0.00	5,400.00	0.00	0.00	0.00	0.00	60,000.00
4500-00-000 GENERAL EXPENSES										
4590-01-000 FIRESIDE DEV FEES (NIX)	0.00	41,913.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	41,913.00
4599-00-000 TOTAL GENERAL EXPENSES	0.00	41,913.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	41,913.00
Wire out	10,000.00	0.00	28,748.00	0.00		0.00	0.00	0.00		38,748.00
8000-00-000 TOTAL EXPENSES	10,000.00	96,513.00	28,748.00	0.00	5,400.00	0.00	0.00	0.00	0.00	140,661.00
9000-00-000 NET INCOME	-3,538.80	-96,513.00	-15,999.23	6,226.54	60,707.07	6,148.00	6,035.73	6,144.25	6,264.00	-24,525.44
Bank Statement Balance	\$ 767,218.49	\$ 670,705.49	\$ 654,706.26	\$ 660,932.80	\$ 721,639.87	\$ 727,787.87	\$ 733,823.60	\$ 739,967.85	746,231.85	

DEV (dev)

Balance Sheet

Period = Jun 2022

Book = Accrual

		Current Balance
0999-99-000	All	
1000-00-000	ASSETS	
1001-00-000	CURRENT ASSETS:	
1100-00-000	CASH	
1110-00-000	Unrestricted Cash	
1111-50-000	CASH OPERATING DEV	746,231.85
1111-99-000	Total Unrestricted Cash	<u>746,231.85</u>
1119-00-000	TOTAL CASH	746,231.85
1120-00-000	ACCOUNTS AND NOTES RECEIVABLE	
1135-04-000	Accounts Receivable - Interfund	7,000.00
1135-05-000	Accounts Receivable - PH	-60,252.00
1135-08-000	Accounts Receivable - HCV	50,000.00
1135-09-000	Accounts Receivable - RHE PROP	2,015.00
1145-00-000	Accrued Interest Receivable	<u>2,929.14</u>
1149-00-000	TOTAL ACCOUNTS AND NOTES RECEIVAB	<u>1,692.14</u>
1300-00-000	TOTAL CURRENT ASSETS	747,923.99
1300-01-000	Notes Receivable - Legacy	992,300.00
1300-02-000	Investment in Relp	660.00
1300-03-000	Notes Receivable - FPA, LP	197,415.00
1400-00-000	NONCURRENT ASSETS:	
1400-01-000	FIXED ASSETS	
1420-00-000	TOTAL FIXED ASSETS (NET)	<u>1,190,375.00</u>
1499-00-000	TOTAL NONCURRENT ASSETS	<u>1,190,375.00</u>
1999-00-000	TOTAL ASSETS	<u>1,938,298.99</u>
2000-00-000	LIABILITIES & EQUITY	
2001-00-000	LIABILITIES:	
2100-00-000	CURRENT LIABILITIES:	
2111-00-000	A/P Vendors and Contractors	-8,166.00
2135-00-000	Accrued Payroll & Payroll Taxes	1,280.30
2260-00-000	Accrued Compensated Absences-Curren	<u>409.10</u>
2299-00-000	TOTAL CURRENT LIABILITIES	-6,476.60
2300-00-000	NONCURRENT LIABILITIES:	
2305-00-000	Accrued Compensated Absences-LT	<u>3,681.93</u>
2399-00-000	TOTAL NONCURRENT LIABILITIES	<u>3,681.93</u>

DEV (dev)

Balance Sheet

Period = Jun 2022

Book = Accrual

		Current Balance
2499-00-000	TOTAL LIABILITIES	-2,794.67
2800-00-000	EQUITY	
2809-00-000	RETAINED EARNINGS:	
2809-02-000	Retained Earnings-Unrestricted Net Ass	1,941,093.66
2809-99-000	TOTAL RETAINED EARNINGS:	1,941,093.66
2899-00-000	TOTAL EQUITY	1,941,093.66
2999-00-000	TOTAL LIABILITIES AND EQUITY	1,938,298.99

RHE CORPORATION (rhecorp)

Statement (12 months)

Period = Jan 2022-Jun 2022

Book = Accrual

	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Total
2999-99-999 Revenue & Expenses							
3000-00-000 INCOME							
3100-00-000 TENANT INCOME							
4000-00-000 EXPENSES							
4100-00-000 ADMINISTRATIVE							
4400-00-000 MAINTENANCE AND OPERATIONS							

RHE CORPORATION (rhecorp)

Balance Sheet

Period = Jun 2022

Book = Accrual

		Current Balance
0999-99-000	All	
1000-00-000	ASSETS	
1001-00-000	CURRENT ASSETS:	
1100-00-000	CASH	
1110-00-000	Unrestricted Cash	
1111-40-000	Cash Operating RHEP	750,000.00
1111-50-000	CASH OPERATING DEV	-750,000.00
1111-70-000	Cash RHE Corp	1,134.72
1111-99-000	Total Unrestricted Cash	<u>1,134.72</u>
1119-00-000	TOTAL CASH	1,134.72
1160-00-000	OTHER CURRENT ASSETS	
1162-00-000	Investments-Unrestricted	<u>332,297.00</u>
1299-00-000	TOTAL OTHER CURRENT ASSETS	<u>332,297.00</u>
1300-00-000	TOTAL CURRENT ASSETS	333,431.72
1400-00-000	NONCURRENT ASSETS:	
1999-00-000	TOTAL ASSETS	<u>333,431.72</u>
2000-00-000	LIABILITIES & EQUITY	
2001-00-000	LIABILITIES:	
2800-00-000	EQUITY	
2809-00-000	RETAINED EARNINGS:	
2809-02-000	Retained Earnings-Unrestricted Net Ass	<u>333,431.72</u>
2809-99-000	TOTAL RETAINED EARNINGS:	<u>333,431.72</u>
2899-00-000	TOTAL EQUITY	<u>333,431.72</u>
2999-00-000	TOTAL LIABILITIES AND EQUITY	<u>333,431.72</u>

Fireside Park

Financials

June 2022

Fireside Apartments - 3379
Budget Comparison
June 01, 2022

Reporting Book: ACCRUAL
As of Date: 06/01/2022
Property: Fireside Apartments - 3379

	Month Ending 05/31/2022				Year to Date 05/31/2022				Annual
	Actual	Budget	Variance	%	Actual	Budget	Variance	%	Budget
OPERATING INCOME									
Rental Income	357,472.80	342,964.55	14,508.25	4.23	1,775,340.80	1,708,914.03	66,426.77	3.88	4,117,755.36
Vacancy	(81,411.90)	(18,560.35)	(62,851.55)	(338.63)	(396,666.90)	(160,503.78)	(236,163.12)	(147.13)	(292,393.73)
Bad Debt	0.00	(2,000.00)	2,000.00	100.00	0.00	(10,000.00)	10,000.00	100.00	(24,000.00)
Other Income	(1,393.00)	1,711.67	(3,104.67)	(181.38)	20,749.03	8,558.35	12,190.68	142.44	23,415.04
TOTAL OPERATING INCOME	274,667.90	324,115.87	(49,447.97)	(15.25)	1,399,422.93	1,546,968.60	(147,545.67)	(9.53)	3,824,776.67
OPERATING EXPENSES									
Renting Expenses	3,113.54	1,883.62	(1,229.92)	(65.29)	16,017.61	10,154.10	(5,863.51)	(57.74)	23,339.44
Administrative Expenses	21,826.73	22,787.98	961.25	4.21	78,027.59	81,082.54	3,054.95	3.76	181,140.96
Payroll	48,178.70	30,312.00	(17,866.70)	(58.94)	184,917.12	157,550.00	(27,367.12)	(17.37)	412,563.00
Utility Expenses	19,221.62	21,941.67	2,720.05	12.39	227,641.96	109,708.35	(117,933.61)	(107.49)	263,300.04
Operating and Maint Expenses	24,375.96	19,749.31	(4,626.65)	(23.42)	127,992.74	107,758.55	(20,234.19)	(18.77)	248,853.72
Taxes and Insurance	19,656.54	19,503.75	(152.79)	(0.78)	99,456.21	97,518.75	(1,937.46)	(1.98)	236,775.00
Activities	4,121.02	5,925.00	1,803.98	30.44	17,514.89	6,726.00	(10,788.89)	(160.40)	32,101.00
TOTAL OPERATING EXPENSES	140,494.11	122,103.33	(18,390.78)	(15.06)	751,568.12	570,498.29	(181,069.83)	(31.73)	1,398,073.16
TOTAL NET OPERATING INCOME (LOSS)	134,173.79	202,012.54	(67,838.75)	(33.58)	646,854.81	976,470.31	(328,615.50)	(33.65)	2,426,703.51
Non-Operating Income (Expenses)									
Financial Expenses	0.00	0.00	0.00	0.00	(1,000.00)	0.00	(1,000.00)	(100.00)	(492,559.00)
Total Non-Operating Income (Expenses)	0.00	0.00	0.00	0.00	(1,000.00)	0.00	(1,000.00)	(100.00)	(492,559.00)
TOTAL TAXABLE INCOME (LOSS)	134,173.79	202,012.54	(67,838.75)	(33.58)	646,854.81	976,470.31	(329,615.50)	(33.75)	1,934,144.51
CASH FLOW ADJUSTMENTS									
Capital Expenditures	(1,129.54)	(7,058.00)	5,928.46	83.99	(1,129.54)	(14,116.00)	12,986.46	91.99	(21,794.00)
Res for Replacement Funding	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(17,700.00)
TOTAL CASH FLOW ADJUSTMENTS	(1,129.54)	(7,058.00)	5,928.46	83.99	(1,129.54)	(14,116.00)	12,986.46	91.99	(39,494.00)
TOTAL NET CASH FLOW (DEF)	133,044.25	194,954.54	(61,910.29)	(31.75)	645,725.27	962,354.31	(316,629.04)	(32.90)	1,894,650.51
OPERATING INCOME									
Rental Income									
5112-0002 - Short Term Lease Premiu	(100.00)	0.00	(100.00)	(100.00)	198.00	0.00	198.00	100.00	0.00
5120-0000 - Rental Income	373,937.20	361,207.00	12,730.20	3.52	1,550,739.20	1,806,035.00	(255,295.80)	(14.13)	4,373,834.00
5150-0000 - Rental Assistance	30,945.80	0.00	30,945.80	100.00	353,516.80	0.00	353,516.80	100.00	0.00
5160-0000 - Housing Assistance	0.00	0.00	0.00	0.00	0.00	1,646.00	(1,646.00)	(100.00)	6,584.00
5221-0000 - Gain/(Loss) to Lease	(47,310.20)	(18,242.45)	(29,067.75)	(159.34)	(129,113.20)	(98,766.97)	(30,346.23)	(30.72)	(262,662.64)
Total Rental Income	357,472.80	342,964.55	14,508.25	4.23	1,775,340.80	1,708,914.03	66,426.77	3.88	4,117,755.36
Vacancy									
5220-0000 - Vacancies Apartment	(81,336.90)	(18,060.35)	(63,276.55)	(350.36)	(396,491.90)	(158,003.78)	(238,488.12)	(150.93)	(286,393.73)
5227-0003 - Resident Rent Concessio	(75.00)	(500.00)	425.00	85.00	(175.00)	(2,500.00)	2,325.00	93.00	(6,000.00)
Total Vacancy	(81,411.90)	(18,560.35)	(62,851.55)	(338.63)	(396,666.90)	(160,503.78)	(236,163.12)	(147.13)	(292,393.73)
Bad Debt									
6370-0000 - Bad Debt	0.00	(2,000.00)	2,000.00	100.00	0.00	(10,000.00)	10,000.00	100.00	(24,000.00)
Total Bad Debt	0.00	(2,000.00)	2,000.00	100.00	0.00	(10,000.00)	10,000.00	100.00	(24,000.00)
Other Income									
5170-0001 - Parking Income-Covered	132.00	1,000.00	(868.00)	(86.80)	1,220.00	5,000.00	(3,780.00)	(75.60)	12,000.00
5330-0000 - Tenant Services	30.00	45.00	(15.00)	(33.33)	90.00	225.00	(135.00)	(60.00)	540.00
5331-0000 - Pet Income	70.00	166.67	(96.67)	(58.00)	193.00	833.35	(640.35)	(76.84)	2,000.04
5331-0001 - Pet Fee Non Refundable	175.00	300.00	(125.00)	(41.66)	1,137.00	1,500.00	(363.00)	(24.20)	3,600.00
5332-0000 - Application Fees	350.00	50.00	300.00	600.00	860.00	250.00	610.00	244.00	600.00
5385-0000 - Late/Term Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,875.00
5390-0000 - Miscellaneous Income	(2,160.00)	0.00	(2,160.00)	(100.00)	16,233.03	0.00	16,233.03	100.00	0.00
5390-0002 - Damages	10.00	150.00	(140.00)	(93.33)	1,016.00	750.00	266.00	35.46	1,800.00
Total Other Income	(1,393.00)	1,711.67	(3,104.67)	(181.38)	20,749.03	8,558.35	12,190.68	142.44	23,415.04
TOTAL OPERATING INCOME	274,667.90	324,115.87	(49,447.97)	(15.25)	1,399,422.93	1,546,968.60	(147,545.67)	(9.53)	3,824,776.67
OPERATING EXPENSES									

Renting Expenses									
6204-0000 - Management Consultant	891.84	788.00	(103.84)	(13.17)	4,595.60	3,940.00	(655.60)	(16.63)	9,456.00
6210-0000 - Rental Advertising	1,149.16	893.50	(255.66)	(28.61)	5,745.80	4,467.50	(1,278.30)	(28.61)	10,722.00
6212-0000 - Collateral Materials/Brand	919.09	180.12	(738.97)	(410.26)	4,905.48	1,636.60	(3,268.88)	(199.73)	2,897.44
6290-0000 - Miscellaneous Renting Ex	153.45	22.00	(131.45)	(597.50)	770.73	110.00	(660.73)	(600.66)	264.00
Total Renting Expenses	3,113.54	1,883.62	(1,229.92)	(65.29)	16,017.61	10,154.10	(5,863.51)	(57.74)	23,339.44
Administrative Expenses									
6311-0000 - Office Expenses	1,623.70	1,487.91	(135.79)	(9.12)	8,692.31	8,478.19	(214.12)	(2.52)	18,893.56
6312-0000 - Copy Machine	188.85	200.00	11.15	5.57	944.25	1,000.00	55.75	5.57	4,200.00
6313-0000 - Postage	0.00	25.00	25.00	100.00	100.77	125.00	24.23	19.38	300.00
6316-0000 - Travel/Mileage	0.00	50.00	50.00	100.00	21.73	250.00	228.27	91.30	600.00
6316-0003 - Training	0.00	1,343.00	1,343.00	100.00	1,270.00	4,029.00	2,759.00	68.47	6,918.00
6316-0004 - Training - New Employee	222.74	0.00	(222.74)	(100.00)	1,072.74	850.00	(222.74)	(26.20)	850.00
6320-0000 - Management Fees	9,440.00	9,440.00	0.00	0.00	49,875.64	47,200.00	(2,675.64)	(5.66)	113,280.00
6340-0000 - Legal Expense	0.00	800.00	800.00	100.00	0.00	4,900.00	4,900.00	100.00	10,500.00
6350-0000 - Auditing	6,040.00	8,240.00	2,200.00	26.69	6,040.00	8,240.00	2,200.00	26.69	8,240.00
6360-0000 - Telephone	893.31	941.74	48.43	5.14	4,975.52	4,708.70	(266.82)	(5.66)	11,300.88
6380-0000 - Advertising - Employees	1,925.00	0.00	(1,925.00)	(100.00)	2,350.00	0.00	(2,350.00)	(100.00)	0.00
6385-0000 - Dues and Memberships	1,030.64	0.00	(1,030.64)	(100.00)	1,030.64	0.00	(1,030.64)	(100.00)	2,934.56
6390-0000 - Miscellaneous	118.41	0.00	(118.41)	(100.00)	118.41	0.00	(118.41)	(100.00)	0.00
Bank Charges	344.08	260.33	(83.75)	(32.17)	1,535.58	1,301.65	(233.93)	(17.97)	3,123.96
Total Administrative Expenses	21,826.73	22,787.98	961.25	4.21	78,027.59	81,082.54	3,054.95	3.76	181,140.96
Payroll									
Payroll									
6310-0000 - Office Payroll	13,604.93	6,560.00	(7,044.93)	(107.39)	54,551.42	32,800.00	(21,751.42)	(66.31)	88,013.00
6330-0000 - Managers Payroll	15,750.00	5,638.00	(10,112.00)	(179.35)	32,010.48	31,200.00	(810.48)	(2.59)	81,578.00
6539-0000 - Maintenance Payroll Ger	8,995.84	7,370.00	(1,625.84)	(22.06)	55,578.51	36,610.00	(18,968.51)	(51.81)	97,706.00
6540-0000 - Maintenance PayrollSup	7,422.26	5,537.00	(1,885.26)	(34.04)	25,936.47	27,685.00	1,748.53	6.31	74,198.00
Payroll Taxes	1,440.75	1,895.00	454.25	23.97	10,462.90	12,553.00	2,090.10	16.65	28,705.00
Health Insurance and Other Benefits	963.15	2,894.00	1,930.85	66.71	6,368.49	14,561.00	8,192.51	56.26	36,657.00
Workers Compensation	1.77	418.00	416.23	99.57	8.85	2,141.00	2,132.15	99.58	5,706.00
Total Payroll	48,178.70	30,312.00	(17,866.70)	(58.94)	184,917.12	157,550.00	(27,367.12)	(17.37)	412,563.00
Utility Expenses									
6430-0000 - Electricity Vacant	704.44	625.00	(79.44)	(12.71)	3,562.31	3,125.00	(437.31)	(13.99)	7,500.00
6440-0000 - Gas/Oil Heat Vacant	245.35	750.00	504.65	67.28	8,651.81	3,750.00	(4,901.81)	(130.71)	9,000.00
6450-0000 - Electricity	378.23	1,800.00	1,421.77	78.98	5,779.23	9,000.00	3,220.77	35.78	21,600.00
6451-0000 - Water and Sewer	14,658.00	17,000.00	2,342.00	13.77	190,470.91	85,000.00	(105,470.91)	(124.08)	204,000.00
6452-0000 - Natural Gas Heat	3,079.98	1,666.67	(1,413.31)	(84.79)	18,011.35	8,333.35	(9,678.00)	(116.13)	20,000.04
6454-0000 - Utility Processing	137.95	100.00	(37.95)	(37.95)	1,122.91	500.00	(622.91)	(124.58)	1,200.00
6456-0000 - Utility Late Fee	17.67	0.00	(17.67)	(100.00)	43.44	0.00	(43.44)	(100.00)	0.00
Total Utility Expenses	19,221.62	21,941.67	2,720.05	12.39	227,641.96	109,708.35	(117,933.61)	(107.49)	263,300.04
Operating and Maint Expenses									
6462-0000 - Exterminating Contract	905.00	700.00	(205.00)	(29.28)	3,915.00	10,462.00	6,547.00	62.57	15,362.00
6470-0000 - Rubbish Removal	0.00	2,965.22	2,965.22	100.00	7,853.80	14,826.10	6,972.30	47.02	35,582.64
6470-0001 - Rubbish Removal - Bulk	6,450.00	500.00	(5,950.00)	(1,190.00)	33,155.00	2,500.00	(30,655.00)	(1,226.20)	6,000.00
6471-0000 - Recycling Project	(125.00)	0.00	125.00	100.00	0.00	0.00	0.00	0.00	0.00
6472-0000 - Snow Removal Supplies	0.00	0.00	0.00	0.00	0.00	500.00	500.00	100.00	1,100.00
6473-0000 - Snow Removal Contract	0.00	0.00	0.00	0.00	3,980.00	2,200.00	(1,780.00)	(80.90)	4,400.00
6511-0000 - Security Contract and Rep	0.00	150.00	150.00	100.00	0.00	850.00	850.00	100.00	2,950.00
6521-0000 - Grounds Supplies	0.00	50.00	50.00	100.00	0.00	100.00	100.00	100.00	350.00
6522-0000 - Grounds Contract	2,450.00	3,390.00	940.00	27.72	4,521.50	16,950.00	12,428.50	73.32	40,680.00
6531-0000 - Cleaning Supplies	0.00	41.67	41.67	100.00	30.76	208.35	177.59	85.23	500.04
6532-0000 - Cleaning Contract	2,925.00	6,800.00	3,875.00	56.98	30,125.00	34,000.00	3,875.00	11.39	81,600.00
6541-0000 - Maintenance Supplies	1,496.89	1,030.00	(466.89)	(45.32)	7,438.92	4,925.00	(2,513.92)	(51.04)	11,985.00
6545-0000 - Repairs Contract General	450.15	500.00	49.85	9.97	2,799.15	2,500.00	(299.15)	(11.96)	6,000.00
6546-0000 - Repairs Contract Electric	0.00	100.00	100.00	100.00	0.00	500.00	500.00	100.00	1,200.00
6547-0000 - Repairs - Contract - HVAC	1,664.74	500.00	(1,164.74)	(232.94)	2,952.64	2,125.00	(827.64)	(38.94)	4,875.00
6548-0000 - Repairs - Contract - Plum	4,030.23	1,200.00	(2,830.23)	(235.85)	13,523.90	6,000.00	(7,523.90)	(125.39)	14,400.00
6552-0000 - Uniforms	0.00	39.09	39.09	100.00	177.12	195.45	18.33	9.37	469.08
6561-0000 - Decorator Supplies	203.95	200.00	(3.95)	(1.97)	203.95	1,000.00	796.05	79.60	2,400.00
6562-0000 - Decorator Contract Serv	3,925.00	1,250.00	(2,675.00)	(214.00)	13,335.00	6,250.00	(7,085.00)	(113.36)	15,000.00
6586-0000 - Fire and Safety Systems	0.00	333.33	333.33	100.00	3,981.00	1,666.65	(2,314.35)	(138.86)	3,999.96
Total Operating and Maint Expenses	24,375.96	19,749.31	(4,626.65)	(23.42)	127,992.74	107,758.55	(20,234.19)	(18.77)	248,853.72
Taxes and Insurance									
6710-0000 - Taxes Real Estate	10,344.34	10,468.75	124.41	1.18	51,721.70	52,343.75	622.05	1.18	125,625.00
6712-0000 - Taxes Other	0.00	0.00	0.00	0.00	378.96	0.00	(378.96)	(100.00)	0.00
6720-0000 - Insurance Property	9,306.17	9,035.00	(271.17)	(3.00)	47,051.25	45,175.00	(1,876.25)	(4.15)	111,150.00
6722-0000 - Insurance - Consultant	6.03	0.00	(6.03)	(100.00)	304.30	0.00	(304.30)	(100.00)	0.00
Total Taxes and Insurance	19,656.54	19,503.75	(152.79)	(0.78)	99,456.21	97,518.75	(1,937.46)	(1.98)	236,775.00
Activities									
6981-0000 - Resident Supplies	221.02	200.00	(21.02)	(10.51)	837.39	600.00	(237.39)	(39.56)	1,800.00
6982-0000 - Resident Services Contra	0.00	100.00	100.00	100.00	0.00	500.00	500.00	100.00	1,200.00
6991-0000 - Pool Supplies	0.00	500.00	500.00	100.00	4,977.50	501.00	(4,476.50)	(893.51)	2,501.00

6992-0000 - Pool Contract	3,900.00	5,125.00	1,225.00	23.90	11,700.00	5,125.00	(6,575.00)	(128.29)	26,600.00
Total Activities	4,121.02	5,925.00	1,803.98	30.44	17,514.89	6,726.00	(10,788.89)	(160.40)	32,101.00
TOTAL OPERATING EXPENSES	140,494.11	122,103.33	(18,390.78)	(15.06)	751,568.12	570,498.29	(181,069.83)	(31.73)	1,398,073.16
TOTAL NET OPERATING INCOME (LOSS)	134,173.79	202,012.54	(67,838.75)	(33.58)	647,854.81	976,470.31	(328,615.50)	(33.65)	2,426,703.51

Created on: 06/14/2022 3:20 PM EST

Fireside Apartments - 3379

Comparative Balance Sheet

Reporting Book:
As of Date:
Property:

ACCRUAL
06/01/2022
Fireside Apartments - 3379

	Current Month 05/31/2022	Prior Month 04/30/2022	Period Change	Year Ending 12/31/2021	YTD Increase (Decrease)
ASSETS					
CASH UNRESTRICTED					
1110-0000 - Cash Operating	(26,555.40)	53,991.22	(80,546.62)	153,009.41	(179,564.81)
1110-0002 - Holdback Cash - Check Run	58,621.18	58,621.18	0.00	42,433.00	16,188.18
1111-0000 - Petty Cash	1,500.00	1,500.00	0.00	3,000.00	(1,500.00)
1121-0005 - Workers Comp Reserve	585.00	520.00	65.00	260.00	325.00
TOTAL CASH UNRESTRICTED	34,150.78	114,632.40	(80,481.62)	198,702.41	(164,551.63)
CASH RESTRICTED					
1191-0000 - Cash Security Deposit	106,251.67	99,389.84	6,861.83	95,053.34	11,198.33
TOTAL CASH RESTRICTED	106,251.67	99,389.84	6,861.83	95,053.34	11,198.33
ACCOUNTS RECEIVABLE - RESIDENT					
1129-0000 - Reserve for Uncollectible A/R	(161,870.88)	(161,870.88)	0.00	(182,272.88)	20,402.00
1130-0000 - Accounts Receivable Residents	478,365.75	398,581.36	79,784.39	414,886.86	63,478.89
1130-0002 - Accounts Receivable-Closing Aj	0.00	0.00	0.00	(23,644.34)	23,644.34
TOTAL ACCOUNTS RECEIVABLE - RESIDENT	316,494.87	236,710.48	79,784.39	208,969.64	107,525.23
ACCOUNTS RECEIVABLE - SUBSIDY					
1135-0000 - Accounts Receivable Local Housing	66,392.18	97,572.12	(31,179.94)	65,941.23	450.95
TOTAL ACCOUNTS RECEIVABLE - SUBSIDY	66,392.18	97,572.12	(31,179.94)	65,941.23	450.95
ACCOUNTS RECEIVABLE - MISCELLANEOUS					
1144-0000 - Accounts Receivable Prior Mgmt	(88,307.27)	(88,307.27)	0.00	(88,307.27)	0.00
TOTAL ACCOUNTS RECEIVABLE - MISCELLA	(88,307.27)	(88,307.27)	0.00	(88,307.27)	0.00
MORTGAGE ESCROW DEPOSITS					
1324-0001 - Escrow - Ins/Tax - Non Lender	265,745.47	246,535.45	19,210.02	169,695.37	96,050.10
TOTAL MORTGAGE ESCROW DEPOSITS	265,745.47	246,535.45	19,210.02	169,695.37	96,050.10
PROPERTY AND EQUIPMENT					
1440-0002 - Carpet/Flooring	696.00	0.00	696.00	0.00	696.00
1486-0000 - Appliances	433.54	0.00	433.54	0.00	433.54
TOTAL PROPERTY AND EQUIPMENT	1,129.54	0.00	1,129.54	0.00	1,129.54
CONSTRUCTION IN PROGRESS					
1900-0000 - Construction in Progress	78,831.77	77,551.77	1,280.00	56,560.34	22,271.43
TOTAL CONSTRUCTION IN PROGRESS	78,831.77	77,551.77	1,280.00	56,560.34	22,271.43
PREPAID EXPENSES AND DEPOSITS					
1241-0000 - Prepaid Insurance	3,442.06	12,748.23	(9,306.17)	49,972.91	(46,530.85)
1244-0000 - Prepaid Workers Comp	5.31	7.08	(1.77)	14.16	(8.85)
1253-0000 - Prepaid Benefits	2,984.20	2,984.20	0.00	0.00	2,984.20
1271-0000 - Prepaid Real Estate Taxes	10,344.33	20,688.67	(10,344.34)	62,066.03	(51,721.70)
TOTAL PREPAID EXPENSES AND DEPOSITS	16,775.90	36,428.18	(19,652.28)	112,053.10	(95,277.20)
TOTAL ASSETS	797,464.91	820,512.97	(23,048.06)	818,668.16	(21,203.25)
LIABILITIES and PARTNER EQUITY					

LIABILITIES

ACCOUNTS PAYABLE					
2110-0000 - AP Trade	5,411.29	22,147.68	(16,736.39)	110,610.96	(105,199.67)
TOTAL ACCOUNTS PAYABLE	5,411.29	22,147.68	(16,736.39)	110,610.96	(105,199.67)
ACCRUED EXPENSES					
2113-0000 - Accrued Expenses	63,183.50	9,873.77	53,309.73	4,244.41	58,939.09
2123-0003 - Accrued Management Fee Payabl	9,440.00	9,440.00	0.00	9,440.00	0.00
2130-0000 - Accrued Utility Expense	70,953.39	56,937.44	14,015.95	27,376.74	43,576.65
2148-0000 - Accrued Expense Payroll	3,479.42	3,479.42	0.00	3,479.42	0.00
TOTAL ACCRUED EXPENSES	147,056.31	79,730.63	67,325.68	44,540.57	102,515.74
OTHER LIABILITIES					
2160-0000 - Escheatment Liabilities	2,667.28	1,188.18	1,479.10	0.00	2,667.28
TOTAL OTHER LIABILITIES	2,667.28	1,188.18	1,479.10	0.00	2,667.28
SECURITY DEPOSIT LIABILITY					
2191-0000 - Security Deposit Liability	104,751.67	99,232.84	5,518.83	93,653.34	11,098.33
2198-0001 - Security Deposit Clearing Account	(3,160.00)	0.00	(3,160.00)	0.00	(3,160.00)
TOTAL SECURITY DEPOSIT LIABILITY	101,591.67	99,232.84	2,358.83	93,653.34	7,938.33
PREPAID REVENUE					
2210-0000 - Prepay	94,437.49	81,086.56	13,350.93	70,417.23	24,020.26
TOTAL PREPAID REVENUE	94,437.49	81,086.56	13,350.93	70,417.23	24,020.26
TOTAL LIABILITIES	351,164.04	283,385.89	67,778.15	319,222.10	31,941.94
EQUITY					
CONTRIBUTIONS/DISTRIBUTIONS					
2940-0000 - Distribution to Owners	(2,218,173.20)	(1,993,173.20)	(225,000.00)	(1,518,173.20)	(700,000.00)
TOTAL CONTRIBUTIONS/DISTRIBUTIONS	(2,218,173.20)	(1,993,173.20)	(225,000.00)	(1,518,173.20)	(700,000.00)
3190-0000 Retained Earnings	2,664,474.07	2,530,300.28	134,173.79	2,017,619.26	646,854.81
TOTAL EQUITY	446,300.87	537,127.08	(90,826.21)	499,446.06	(53,145.19)
TOTAL LIABILITIES and PARTNER EQUITY	797,464.91	820,512.97	(23,048.06)	818,668.16	(21,203.25)

TAB 4

Asset Management

DAVID SCULL MONTHLY OCCUPANCY REPORT

MONTH: JUNE YEAR: 2022

Total Units	76
# Move-Ins	0
# Move-Outs	2
Total Units Occupied	72
# Units Vacant (available)	4
% of Total Units Occupied/Available	94.74% / 5.26%

Tenant Account Receivable Balance accrued for the Fiscal Year to date: **\$57,135.37**

Rent Charged: **\$39,171**

Rent Collected: **\$32,544.21**

Collection Percentage: **83.10%**

SCATTERED SITES MONTHLY OCCUPANCY REPORT

MONTH: JUNE YEAR: 2022

Total Units	29
# Move-Ins	0
# Move-Outs	1
Total Units Occupied	25
# Units Vacant (available)	4
% of Total Units Occupied/Available	86.20% / 13.80%

Tenant Account Receivable Balance accrued Fiscal Year to Date: **\$15,979.22**

Rent Charged: **\$64,885.00**

Rent Collected: **\$65,673.00**

Collection Percentage: **101.21%**

RELP ONE MONTHLY COMPLIANCE REPORT

The undersigned, as the authorized representative of the RELP One, hereby certifies that for the month recorded, (i) the following number of units in the Development were occupied by Lower Income Tenants and (ii) the following number and percentages of dwelling units in the Development were either occupied by Lower Income Tenants or were held vacant and available to such occupancy for all or part of such period:

MONTH: JUNE YEAR: 2022

Tax Credit Qualified Residents
100% @ 60% AMI
(56 Units)

Total Units	56
# Move-Ins	2
# Move-Outs	1
Total Units Occupied	54
# Units Vacant (available)	2
% of Total Units Occupied/Available	96.4% / 3.6%

Tenant Account Receivable Balance accrued Fiscal Year to date: **\$57,265.16**

Rent Charged: **\$70,927.20**

Rent Collected: **\$61,001.24**

Collection Percentage: **86%**

RHEP MONTHLY OCCUPANCY REPORT

MONTH: JUNE YEAR: 2022

Total Units	4
# Move-Ins	1
# Move-Outs	0
Total Units Occupied	4
# Units Vacant (available)	0
% of Total Units Occupied/Available	100%

Tenant Account Receivable Balance accrued Fiscal Year to date: **\$3,664.00**

Rent Charged: **\$3,837.00**

Rent Collected: **\$3,666.00**

Collection Percentage: **95.54%**

TAB 5

Homeownership Coordinator Report

By Susan A. Cheney

July 12, 2022

For month of June, 2022

Legacy at Lincoln Park, RHE Homeownership, Money Management and Credit Counseling Programs, Home Purchases and Tax Preparation assistance

Legacy at Lincoln Park

- A townhouse at Legacy at Lincoln Park came on the market for sale on June 23, 2022. This is the 3rd resale for 160 Moore Dr. It is listed for \$549,000. In 2008 it initially sold for \$428,900, in 2014 it resold for \$400,000, and in 2017 for \$420,000.

Homeownership, MPDUs, Tax Preparation and Counseling

- The 2-bedroom, 1.5-bath MPDU resale in Falls Grove that became available in May is now under contract for sale with Makom, formerly the Jewish Foundation for Group Homes. They expect to go to settlement before the end of July.
- A Rockville Housing Enterprises family purchased the MPDU resale at 103 Jersey Lane in Falls Grove. This is a 3 bedroom and 2 bath townhouse. They settled June 17th. Everything went extremely smoothly. Now the family of 5 is happily residing in their new home.
- A 1-bedroom, 1-bath condominium resale MPDU at 38 Maryland Ave. came on the market in June for \$255,100. Unfortunately, we do not have any residents ready to buy a 1-bedroom property. Nor do any of the non-profit organization want a 1-bedroom condominium.
- We are still following up with our current HCV homeowners to make certain they are compliant with our revised HCV Homeownership requirements.
- We have been in touch with the two HCV homeowners who will be cycling off of the program at the end of 2022. This is the end of their 15th year as homeowners participating in the Housing Choice Voucher Homeownership Program. Both residents have been employed with their same employer since their initial purchase. However, their incomes never rose enough to have them exceed the use of the HAP payment. They both feel confident they will be able to manage.

TAB 6

FIRESIDE PARK APARTMENTS MONTHLY OCCUPANCY REPORT

FOR THE PERIOD OF: Jun-22

HOUSEHOLD INCOME # OF UNITS	AFFORDABLE		MARKET RATE	TOTALS
	30% AMI	60% AMI		
4	173	59	236	
UNITS DOWN FOR CONSTRUCTION	0	0	0	0
AVAILABLE FOR OCCUPANCY	4	173	59	236
AVAILABLE UNITS THAT ARE VACANT	0	5	3	8
1 BR	0	0	0	0
2 BR	0	5	3	8
3 BR	0	0	0	0
AVAILABLE UNITS THAT ARE OCCUPIED UNITS	4	168	56	228
1 BR	4	72	17	93
2 BR	0	84	39	123
3 BR	0	12	0	12
OCCUPANCY % FOR AVAILABLE UNITS	100%	97%	95%	97%

Fireside Park Apartments Asset Manager's Monthly Report

Reporting Period: June 2022

Schedule

- The project has achieved 100% completion.
- Relocation is complete.
- A few minor parking lot improvements and scope related to the entrance retaining wall have been approved by the City and are pending issuance of permit.
- Development Team is working with GC to complete the cost certification.
- Jubilee has identified 100% of the committed clients for the development.

Milestones

- RHE conducts bi-weekly transition progress/coordination calls with WINN management
- Parkside Landing branding/way-finding signage has been approved for fabrication with and will be released with completion of site work.
- Ribbon cutting event projected for Sept. 13, 2022

Section 3/MBE Participation

FINAL	Goal	Actual
Section 3 Goal	10%	11.64%
MBE Goal	29%	31.96%

Look-Ahead

- Fire Alarm System
 - City of Rockville Fire Marshall has found violations at 3 buildings. Cost of repairs and coordination with GC are underway.
- Key Phobs
 - Buildings 741 & 739 have been activated
 - City of Rockville Fire Marshall has requested a master key for the lock boxes.
- Warranty Walks
 - No issues w/ most recent building turnover. Bldg . 717 has some appliance issues which are being resolved by management.
- Pre-Reac Assessment under review
- RHE Voucher inspections
 - 4 inspections have been rescheduled.
- Occupancy Report attached.

TAB 7

Audit Reports

Audit Reviews



**U.S. Department of Housing and Urban
Development**
District of Columbia Office
820 First Street, NE
Washington, DC 20002-4205

IN REPLY REFER TO: 3GPH/JL

July 8, 2022

Ms. Jessica Anderson
Executive Director
Rockville Housing Enterprises
1300 Piccard Drive Suite #203
Rockville, MD 20850

SUBJECT: Housing Authority Fiscal Year Ending September 30, 2021, Independent Public
Accountant (IPA) Audit Report

Dear Ms. Anderson:

This letter is to acknowledge receipt of the audit report performed by Rubino & Company for Fiscal Year Ending September 30, 2021, on behalf of the Rockville Housing Enterprises (the Authority).

We are pleased to note that the report contained no audit findings or questioned costs, therefore, a response is not required at this time.

If you have any questions regarding this correspondence, please contact Jean Lucas, Financial Analyst, at (202) 275-6337 or via e-mail at jean.m.lucas@hud.gov.

Sincerely,

A handwritten signature in black ink that reads "Christine Jenkins". The signature is written in a cursive, flowing style.

Christine Jenkins
Director
Office of Public Housing

Rockville Housing Enterprises

Year End Review Financials
FYE 2021

RHE Program Overview

6 Major Programs/Assets

- **Public Housing -80**
 - 76 – David Scull Courts
 - 4 – Fireside Park
- **Housing Choice Voucher Program - 471**
 - Regular Vouchers – 359
 - Mainstream (Non-Elderly Disabled) – 50
 - Moderate Rehabilitation (Mod Rehab) – 5
 - VASH (Veterans) – 10
 - FYI (Foster)-18
 - Tenant Protection/Scattered Site Project Based-29
- **RELP One-56**
 - 56 Low Income Housing Tax Credit Units
 - City Of Rockville MPDU
 - Scattered Throughout King Farm and Falls Grove

RHE Program Overview

6 Major Programs/Assets

- **RHE Properties – 4 affordable units**
 - City of Rockville MPDU
 - Scattered throughout King Farm and Falls Grove
- **RHE Properties Scattered-29 Scattered units**
 - 29 – Scattered Sites

RHE Program Overview Cont

- **RHE Development**

- Bank Account that hold non-federal funds received from development activities such as
 - Legacy Home Sales and developer fees earned

- **RHE Corporation**

- General Partner entity for RELP One.

- **Fireside Park**

- 197 – Affordable Units
 - 179 LIHTC only
 - 4 ACC
 - 14 - Project Based Vouchers
- 39 – Market Rate

Public Housing

What is Public Housing?

- Public housing was established to provide decent and safe rental housing for eligible low-income families, the elderly, and persons with disabilities.
- Residents Pay approximately 30% of their adjusted income toward rent
- There is a waiting list of approximately **1265** people. RHE opened the waiting list on December 15-16 2021, and March 16-18 2022.

How is Public Housing Funded?

- HUD provides two sources of grant funding
 - Capital Fund
 - Operating Subsidy
- Capital Fund
 - Typically Used for capital repairs
 - RHE as a small PHA can use for overall operations
- Operating Subsidy
 - Used to fund general operations
 - Maintenance, salaries, overhead

Housing Choice Voucher Program (HCVP)

- **5 Main Voucher Programs – 471 total vouchers**
 - HUD Funded separately
- **Regular Vouchers - 359**
 - Project Based Assistance Voucher
 - Homeownership
 - Tenant Protection
- **Mainstream 5 – 50**
 - Families with disabilities
- **Moderate Rehabilitation – 5**
- **VASH – 10**
- **FOSTER-18**
- **Tenant Protection/Scattered Site Project Based-29**

HCVP – 2 Buckets of Funding

- Two Buckets of HUD Funding
 - **Net Restricted Assets (NRA)-**
 - HAP Funding –
 - only to pay HAP
 - **Unrestricted Net Assets (UNA) -**
 - Administrative Fees
 - Can pay overhead expenses
 - Voucher Program funded on a calendar year
- ***As a MTW Agency – RHE can now flex our voucher funding***

HVCP – Net Restricted Assets (NRA)

- Funds to be used only to pay HAP Rental Payments to Landlords, FSS Escrow accruals, Participant Utility Payments
- HUD determines funding based on average of last 3 months of actual HAP funds paid as reported in the Voucher Management System (VMS) – (estimated funded)
 - Sometimes HUD gives more, Sometimes HUD gives less
- HAP funds cannot be accumulated. HUD does not allow PHAs to hold excess HAP – RHE cannot spend it on anything other than HAP Payments
- ***As a MTW Agency – RHE can now flex our voucher funding***

HCVP – Unrestricted Net Assets (UNA)

- Administrative Fees Earned are UNA
- UNA Used to pay the following expenses
 - Salaries
 - Overhead
 - Cost of Inspections
 - Anything Else (unrestricted)
- *As a MTW Agency – RHE can now flex our voucher funding*

HCVP – Funding Proration

- HUD typically prorates administrative Fee Funding based on Congress appropriation.
- HCVP was funded at 84% from January through April 2022.
- HCVP is currently funded at 92% May through October 2022.
- HAP Funding is also prorated
 - Current proration for HAP is 100%

HCVP Funding Method

- HUD funds HCVP Administrative Fees based on the number of units leased as of the first day of each month
- Administrative Fee Rate is \$128.94 per unit leased
- Current proration due to congressional cuts is \$118.02 at 90%. 2020 funding was as low as 61.95%.

RELP One LLC

- 56 Low Income Housing Tax Credit Units
- Also MPDU
- The MPDU program rents are more restrictive than the LIHTC rents.

RHE FYE 2021 Audit Review

RHE AUDIT FYE 9-30-2021
Comparative Statement of Revenues, Expenses and Changes in Net Position

	<u>2021</u>	<u>2020</u>	<u>Dollar Change</u>	<u>% Change</u>	
Revenue:					
Tenant Revenue	\$ 627,518	\$ 573,573	\$ 53,945	9.41%	
Grant Funding	\$ 8,055,052	\$ 7,285,105	\$ 769,944	10.57%	
Interest Income	\$ 11	\$ 1,745	\$ (1,734)	-99.37%	
Other Income	<u>\$ 2,715,333</u>	<u>\$ 3,106,073</u>	<u>\$ (390,740)</u>	<u>-12.58%</u>	
Total Revenue	<u>\$ 11,397,914</u>	<u>\$ 10,966,499</u>	<u>\$ 431,415</u>	<u>3.93%</u>	
Expenses:					
Administration	\$ 1,687,201	\$ 1,294,894	\$ 392,307	30.30%	
Tenant Services	\$ 32,797	\$ 63,110	\$ (30,313)	-48.03%	RHE no longer gets the Resident Services G
Utilities	\$ 211,055	\$ 305,584	\$ (94,529)	-30.93%	
Maintenance	\$ 470,176	\$ 446,018	\$ 24,158	5.42%	maintenance expenses
Protective Services	\$ 0	\$ 0	\$ 0	0%	
General Expense	\$ 151,788	\$ 191,958	\$ (40,170)	(20.93)%	
Housing Assistance Payments	\$ 8,113,947	\$ 7,739,822	\$ 374,125	4.83%	
Interest	\$ 15,835	\$ 14,987	\$ 848	5.66%	
Depreciation	\$ 234,814	\$ 283,074	\$ (48,260)	(17.05)%	
Extraordinary Maintenance	<u>\$ 0</u>	<u>0</u>	<u>\$ 0</u>	<u>0%</u>	
Total Expenses	<u>\$ 10,917,613</u>	<u>\$ 10,339,447</u>	<u>\$ 578,166</u>	<u>5.59%</u>	
Net Position:					
Change in Net Position	\$ 480,301	\$ 627,052	\$ (146,751)	-23.40%	
Beginning Net Position	\$ 5,548,915	\$ 4,921,863	\$ 627,052	12.74%	
Ending Net Position	<u>\$ 6,029,216</u>	<u>\$ 5,548,915</u>	<u>\$ 480,301</u>	<u>8.66%</u>	

2021 Audited Financial Summary

Fireside Park Apartments

Condensed Net Cashflow Statement for the period ending December, 2021 (Audited)

Income

Rental Income	\$3,122,496
---------------	-------------

Total Effective Gross Income	\$3,122,496
-------------------------------------	--------------------

Operating Expenses

Operating Expenses	(\$1,740,263)
--------------------	---------------

Total Gross Operating Expenses	\$1,740,263
---------------------------------------	--------------------

Net Operating Income	\$1,416,740
-----------------------------	--------------------

Debt Service Expenditures

Total Debt Service Expenditures	(\$678,561)
--	--------------------

Net Cash Flow	\$1,150,499
----------------------	--------------------

Fireside Park Apartments

Cashflow Comparison (2021 Audited)

	2021	2020
Net Operating Income	\$1,416,740	\$306,067
Debt Service Expenditures	\$678,561	\$613,612
Net Cashflow	\$1,150,499	\$1,020,810

2021 Audited Financial Summary

RELP One LP

Condensed Net Cashflow Statement for the period ending December 31, 2021 (Audited)

Income

Rental Income	\$829,102
---------------	-----------

Total Effective Gross Income	\$829,102
-------------------------------------	------------------

Operating Expenses

Operating Expenses	(\$507,541)
--------------------	-------------

Total Gross Operating Expenses	\$507,541
---------------------------------------	------------------

Net Operating Income	\$321,561
-----------------------------	------------------

Debt Service /Other Expenditures

Total Debt Service Expenditures	(\$511,240)
--	--------------------

Net Loss	\$(189,679)
-----------------	--------------------

Note Depreciation expense was \$255,266 leaves a net cash of \$65,587

2021 Audited Financial Summary

RHEP

Condensed Net Cashflow Statement for the period ending December 31, 2021 (Audited)

Income

Rental Income	\$79,646
---------------	----------

Total Effective Gross Income	\$79,646
-------------------------------------	-----------------

Operating Expenses

Operating Expenses	(\$70,618)
--------------------	------------

Total Gross Operating Expenses	\$70,618
---------------------------------------	-----------------

Net Operating Income	\$9,028
-----------------------------	----------------

Debt Service /Other Expenditures

Total Debt Service Expenditures	(\$19,840)
--	-------------------

Net Loss	\$(10,812)
-----------------	-------------------

Note Depreciation expense was \$25,389 leaves a net cash of \$14,577

Post Conversion Asset Balance at 12 Million.

TAB 7

**RHE Audit
Report**

FYE 9-30-2022

ROCKVILLE HOUSING ENTERPRISES

**FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION
WITH INDEPENDENT AUDITOR'S REPORT**

YEAR ENDED SEPTEMBER 30, 2021

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STRENGTH IN NUMBERS

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Rockville Housing Enterprises
Rockville, Maryland

Report on the Financial Statements

We have audited the accompanying financial statements of Rockville Housing Enterprises (the Authority) as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Auditor's Responsibility

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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the significant

circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Rockville Housing Enterprises as of September 30, 2021, and the changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 4 - 9 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedure did not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The Financial Data Schedule, Combining Statements of Blended Component Units, and Statement and Certification of Actual Capital Fund Program Costs are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and is also not a required part of the basic financial statements.

The Financial Data Schedule, Combining Statements of Blended Component Units, Statement and Certification of Actual Capital Fund Program Costs, and Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting data and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Financial Data Schedule, Combining Statements of Blended Component Units, Statement and Certification of Actual Capital Fund Program Costs, and Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 8, 2022 on our consideration of the Authority's internal control over financial reporting and 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 control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Bethesda, Maryland
April 8, 2022



ROCKVILLE HOUSING ENTERPRISES
MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)
September 30, 2021

Management’s Discussion and Analysis

The management of the Rockville Housing Enterprises (the “Authority” or “RHE”) offers the readers of the Authority’s financial statements this narrative overview and analysis of the Authority’s financial activities for the year ended September 30, 2021. This discussion and analysis is designed to assist the reader in focusing on significant financial issues, provide an overview of the Authority’s financial activity, identify changes in the Authority’s financial position, and identify individual program issues or concerns. Readers should consider the information presented here in conjunction with the Authority’s financial statements to obtain a full understanding of its financial position.

This management’s discussion and analysis is presented in accordance with the requirements of the Governmental Accounting Standards Board Statement No. 34 (“GASB 34”) to allow the reader to gain an adequate understanding of the Authority’s annual operating results and financial position as of September 30, 2021.

Questions concerning the information provided in this discussion or requests for additional information should be addressed to the Authority’s Executive Director, at 1300 Piccard Drive, Suite 203, Rockville, Maryland 20850.

Financial Highlights

- The assets of the Authority exceeded its liabilities at the close of the most recent fiscal year by \$6,029,216 (net position) as compared to \$5,548,915 for the prior fiscal year.
- The Authority’s cash and investments balance as of September 30, 2021 was \$2,151,804, representing an increase of \$702,504 or 46.47% from September 30, 2020.
- The Authority had total revenues of \$11,397,914 and total expenses of \$10,91,613 for the year ended September 30, 2021.

Overview of the Financial Reports

The following outline describes the integral parts of this financial presentation and is a guideline for understanding its components:

- I. Management’s Discussion and Analysis (MD&A) - Serves as an introduction to the Authority’s basic financial statements
- II. Basic Financial Statements - Authority-wide financial statements and notes to the financial statements
- III. Other Supplementary Information

ROCKVILLE HOUSING ENTERPRISES
MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)
September 30, 2021

Overview of the Financial Reports (continued)

The financial statements in this report are those of a special purpose governmental entity engaged in a business type activity. The following statements are included:

- Statement of Net Position – presents information about the Authority’s assets and liabilities and is similar to a balance sheet. The Statement of Net Position reports all financial and capital resources for the Authority. The statement is presented in the format where assets, minus liabilities, equal “Net Position”, formerly known as equity. Assets and liabilities are presented in order of liquidity and are classified as “current” (convertible to cash within one year), and “non-current.” Increases or decreases in net position will serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.
- Statement of Revenues, Expenses and Changes in Net Position – reports the Authority’s revenues by source and type and its expenses by category to substantiate the change in net position for the fiscal year.
- Statement of Cash Flows – discloses net cash provided by, or used for operating activities, non-capital financing activities, and capital and related financing activities.

Our analysis of the Authority as a whole follows with the most important question, “Has the Authority’s financial health improved or worsened as a result of the year’s activities?” The following analysis of entity-wide net position, revenues, and expenses is provided to assist with answering the above question. This analysis includes all assets and liabilities using the accrual method of accounting, which recognizes revenue when earned and expenses when incurred regardless of when cash is received or paid.

ROCKVILLE HOUSING ENTERPRISES
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
September 30, 2021

Analysis of Authority-wide Net Position (Statement of Net Position)

Rockville Housing Enterprises
Comparative Statement of Net Position
TABLE I

	<u>2021</u>	<u>2020</u>	<u>Total Change</u>	<u>% Change</u>
Cash & Investments	\$ 2,151,144	\$ 1,449,300	\$ 701,844	48.43%
Other Current Assets	1,078,267	554,463	523,804	94.47%
Capital Assets	2,620,413	2,815,691	(195,278)	-6.94%
Other Noncurrent Assets	992,960	1,589,506	(596,546)	-37.53%
Total Assets	\$ 6,842,784	\$ 6,408,960	\$ 433,824	6.77%
Current Liabilities	\$ 201,073	\$ 247,803	\$ (46,730)	-18.86%
Noncurrent Liabilities	612,495	612,242	253	0.04%
Total Liabilities	813,568	860,045	(46,477)	-5.40%
Investment in Capital Assets	2,329,133	2,513,347	(184,214)	-7.33%
Restricted	750,000	983,452	(233,452)	-23.74%
Unrestricted, as restated	2,950,083	2,052,116	897,967	43.76%
Total Net Position	6,029,216	5,548,915	480,301	8.66%
Total Liabilities & Net Position	\$ 6,842,784	\$ 6,408,960	\$ 433,824	6.77%

Total assets increased by \$433,824 or 6.77%. This increase was mainly due to the increase in grant funds. There was also a decrease of capital assets due to depreciation expenses.

Total liabilities decreased by \$46,477 or 5.40%. Current liabilities decreased by \$46,730 or 18.86% due mainly to a decrease in accounts payable. Noncurrent liabilities remained essentially unchanged as decreases in long-term debt and noncurrent accrued compensated absences were offset by an increase in liabilities for the Family Self Sufficiency program.

Total Net Position increased by \$480,301 or 8.66%, which is outlined in detail on the Statement of Revenues, Expenses and Changes in Net Position.

ROCKVILLE HOUSING ENTERPRISES
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
September 30, 2021

Analysis of Authority-Wide Revenue and Expenses (Statement of Revenues, Expenses and Change in Net Position)

The following table illustrates changes in revenues and expenses from FY 2020 to FY 2021:

Rockville Housing Enterprises
Comparative Statement of Revenues, Expenses and Changes in Net Position
TABLE II

	<u>2021</u>	<u>2020</u>	<u>Total Change</u>	<u>% Change</u>
Revenue				
Tenant Revenue	\$ 627,518	\$ 573,573	\$ 53,945	9.41%
Grant Funding	8,055,052	7,285,108	769,944	10.57%
Interest Income	11	1,745	(1,734)	-99.37%
Other Income	2,715,333	3,106,073	(390,740)	-12.58%
Total Revenue	11,397,914	10,966,499	431,415	3.93%
Expenses				
Administration	1,687,201	1,294,894	392,307	30.30%
Tenant Services	32,797	63,110	(30,313)	-48.03%
Utilities	211,055	305,584	(94,529)	-30.93%
Maintenance	470,176	446,018	24,158	5.42%
General expense	151,788	191,958	(40,170)	-20.93%
Housing Assistance Payments	8,113,947	7,739,822	374,125	4.83%
Interest	15,835	14,987	848	5.66%
Depreciation	234,814	283,074	(48,260)	-17.05%
Total Expenses	10,917,613	10,339,447	578,166	5.59%
Net Position				
Change in Net Position	480,301	627,052	(146,751)	-23.40%
Beginning Net Position	5,548,915	4,921,863	627,052	12.74%
Ending Net Position	\$ 6,029,216	\$ 5,548,915	\$ 480,301	8.66%

The federal government continued to fund operating grants at a level below total eligibility for the period ended September 30, 2021. With no signs of improvement in federal funding or economic conditions in the foreseeable future, the Authority is using proactive measures to review staff responsibilities and implementing cost management strategies. The Authority continuously looks for new ways to improve operations, control costs, maximize effectiveness, and demonstrate accountability.

ROCKVILLE HOUSING ENTERPRISES
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
September 30, 2021

Analysis of Authority-Wide Revenue and Expenses (Statement of Revenues, Expenses and Change in Net Position) (continued)

During the year, total revenue increased by \$431,415 or 3.93%. Tenant revenue increased by \$53,945 or 9.41%. Total grant revenue increased by \$769,944 or 10.57%. Other revenue decreased by \$390,740 or 12.58% due mainly to prior year gain on asset disposal and sale of Fireside.

Total expenses increased by \$578,166 or 5.59%. Administrative costs increased by \$392,307 or 30.30%. Utilities decreased by \$94,529 or 30.93%. Tenant services decreased by \$30,313 or 48.03%. Maintenance and operations increased by \$24,158 or 5.42% due to an increase in payroll taxes. Housing Assistance Payments funding increased by \$374,125 or 4.83% due to the increase in HUD HAP funding. Depreciation expense decreased by \$48,260, or 17.05%. General expenses were \$40,170 lower than last year due to cost cutting. Interest expense increased by \$848, or 5.66%.

Capital Assets

During FY 2021, the Authority's net capital asset additions were \$39,536, consisting of improvements funded from operations and funded by the Community Development Block Grant program ("CDBG").

Rockville Housing Enterprises
Comparative Statement of Capital Assets
TABLE III

	<u>2021</u>	<u>2020</u>	<u>Total Change</u>	<u>% Change</u>
Land	\$ 425,575	\$ 425,575	\$ -	0.00%
Buildings & improvements	12,242,842	12,214,849	27,993	0.23%
Furniture & equipment	320,849	316,399	4,450	1.41%
Infrastructure	7,093	-	7,093	
Construction in progress	-	-	-	100.00%
	12,996,359	12,956,823	39,536	0.31%
Accumulated Depreciation	(10,375,946)	(10,141,132)	(234,814)	2.32%
Total Capital Assets	\$ 2,620,413	\$ 2,815,691	\$ (195,278)	-6.94%

ROCKVILLE HOUSING ENTERPRISES
MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)
September 30, 2021

Reconciliation of Capital Assets

Balance as of October 1, 2020	\$ 2,815,691
Additions from operations	4,450
Additions from CDBG	35,086
Depreciation expense	<u>(234,814)</u>
Balance as of September 30, 2021	\$ <u>2,620,413</u>

Debt Outstanding

As of the year-end, the Authority had outstanding debt of \$291,280 which was a reduction of \$11,064 from last year’s balance of \$302,344. There were no new debt obligations during the year.

Economic Factors

Several significant economic factors are present that may impact the Authority in the future.

- Congressional funding of the Department of Housing and Urban Development, including any subsidy proration.
- The expiration of the frozen formula income provision has substantially decreased operating subsidy eligibility.
- Local inflationary, recessionary, and employment trends, which can affect resident incomes and therefore the amount of rental income.
- Inflationary pressure on utility rates, supplies and other costs.
- Health care and other insurance costs are expected to increase dramatically over the next several years especially due to the Affordable Care Act.

Financial Contact

Questions concerning any of the information provided in this Management’s Discussion & Analysis should be addressed to:

Jessica Anderson, Executive Director
Rockville Housing Enterprises
1300 Piccard Drive, Suite 203
Rockville, MD 20850
(301) 424-6265

ROCKVILLE HOUSING ENTERPRISES
STATEMENT OF NET POSITION
September 30, 2021

ASSETS

Current assets

Cash and cash equivalents, unrestricted	\$ 1,081,425
Cash and cash equivalents, restricted	1,069,719
Accounts receivable, net	515,455
Notes receivable, current	504,046
Prepaid expenses and other current assets	<u>58,766</u>

Total current assets 3,229,411

Noncurrent assets

Capital assets	
Land	425,575
Buildings and improvements	12,242,842
Furniture and equipment	320,849
Infrastructure	7,093
Less: Accumulated depreciation	<u>(10,375,946)</u>

Total capital assets 2,620,413

Notes receivable, noncurrent	649,357
Related party receivable	342,943
Other assets	<u>660</u>

Total noncurrent assets 3,613,373

TOTAL ASSETS \$ 6,842,784

The accompanying notes are an integral part of these financial statements.

ROCKVILLE HOUSING ENTERPRISES
STATEMENT OF NET POSITION
September 30, 2021

LIABILITIES AND NET POSITION

Current liabilities	
Accounts payable	\$ 34,645
Accrued liabilities	56,564
Accrued compensated absences, current	7,467
Tenant security deposits	54,801
Unearned revenue	36,694
Current portion of long-term debt	<u>10,902</u>
Total current liabilities	<u>201,073</u>
Noncurrent liabilities	
Long-term debt, net of current	280,378
Accrued compensated absences, noncurrent	67,199
Other noncurrent liabilities	<u>264,918</u>
Total noncurrent liabilities	<u>612,495</u>
Total liabilities	<u>813,568</u>
Net position	
Net investment in capital assets	2,329,133
Restricted net position	750,000
Unrestricted net position	<u>2,950,083</u>
Total net position	<u>6,029,216</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 6,842,784</u></u>

The accompanying notes are an integral part of these financial statements.

ROCKVILLE HOUSING ENTERPRISES
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Year ended September 30, 2021

Operating Revenues	
Dwelling rent	\$ 696,147
Government grants and subsidy	8,055,052
Other operating income	<u>2,611,633</u>
Total operating revenues	<u>11,362,832</u>
Operating Expenses	
Administration	1,687,201
Tenant services	32,797
Utilities	211,055
Maintenance and operations	470,176
General expense	151,788
Housing assistance payments	8,113,947
Depreciation	<u>234,814</u>
Total operating expenses	<u>10,901,778</u>
Net operating income	<u>461,054</u>
Non-operating revenues (expenses)	
Gain on disposition	35,071
Investment income	11
Interest expense	<u>(15,835)</u>
Total non-operating revenues (expenses)	<u>19,247</u>
Change in net position	<u>480,301</u>
Net position, beginning of period	<u>5,548,915</u>
Net position, end of period	<u><u>\$ 6,029,216</u></u>

The accompanying notes are an integral part of these financial statements.

ROCKVILLE HOUSING ENTERPRISES
STATEMENT OF CASH FLOWS
Year ended September 30, 2021

Cash flows from operating activities	
Receipts from tenants	\$ 723,617
Government grants and subsidy - operations	7,953,810
Other income receipts	2,708,745
Payments to suppliers	(1,249,856)
Payment to housing assistance	(8,113,947)
Payment to employees	(1,407,176)
Net cash provided (used) by operating activities	<u>615,193</u>
Cash flows from investing activities	
Proceeds from notes receivable payments	92,500
Interest received	1,622
Net cash provided (used) by investing activities	<u>94,122</u>
Cash flows from capital and related financing activities	
Payment on mortgage and notes payable	(11,064)
Payment of interest	(15,835)
Proceeds from disposal of assets	35,071
Purchase of capital assets	(39,536)
Net cash provided (used) by capital and related financing activities	<u>(31,364)</u>
NET INCREASE (DECREASE) IN CASH	677,951
CASH AND CASH EQUIVALENTS, beginning	<u>1,473,193</u>
CASH AND CASH EQUIVALENTS, ending	<u><u>\$ 2,151,144</u></u>

**RECONCILIATION OF CASH AND CASH EQUIVALENTS PER STATEMENT
OF CASH FLOWS TO THE STATEMENT OF NET POSITION**

Cash and Cash Equivalents - Unrestricted	\$ 1,081,425
Cash and Cash Equivalents - Restricted	<u>1,069,719</u>
Cash and Cash Equivalents per Statement of Net Position	<u><u>\$ 2,151,144</u></u>

The accompanying notes are an integral part of these financial statements.

ROCKVILLE HOUSING ENTERPRISES
STATEMENT OF CASH FLOWS
Year ended September 30, 2021

Reconciliation of net operating income to net cash provided (used) by operating activities

Net operating income	\$	461,054
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Adjustments to reconcile net operating income to net cash provided by (used) operating activities:

Depreciation		234,814
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Changes in operating assets and liabilities

Decrease (increase) in accounts receivable		45,629
Decrease (increase) in prepaid expenses		(58,766)
Increase (decrease) in accounts payable		(40,824)
Increase (decrease) in accrued liabilities		15,848
Increase (decrease) in accrued compensated absences		(14,743)
Increase (decrease) in tenant security deposits		1,557
Increase (decrease) in unearned revenue		(48,315)
Increase (decrease) in other current liabilities		(5,530)
Increase (decrease) in FSS deposits		<u>24,469</u>

Net cash provided (used) by operating activities	\$	<u>615,193</u>
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The accompanying notes are an integral part of these financial statements.

ROCKVILLE HOUSING ENTERPRISES
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2021

1. ORGANIZATION

Rockville Housing Enterprises (the “Authority” or “RHE”) is a public body and a body corporate and politic organized under the laws of the state of Maryland for the purpose of providing adequate housing for qualified low-income individuals. The Authority is governed by a board of commissioners appointed by the mayor of the city of Rockville, Maryland, subject to approval by the City Council, and has substantial autonomy. Additionally, the Authority has entered into annual contribution contracts with the U. S. Department of Housing and Urban Development (“HUD”) to be the administrator of the housing and housing-related programs described herein.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Rockville Housing Enterprises have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the Authority are described below.

A. Reporting Entity

In determining how to define the reporting entity, management has considered all potential component units by applying the criteria established by the GASB. Based on these criteria, the following entities are included in the accompanying financial statements:

Rockville Housing Enterprises Corporation - This not-for-profit corporation was established to be the general partner in a low-income tax credit project known as RELP One, LP.

RHE Properties, Inc. - Established by Rockville Housing Enterprises to account for properties purchased and other future non-subsidies properties.

RHE Fireside Park, Inc. - Established by Rockville Housing Enterprises to acquire, hold, maintain and operate a 236-unit multi-family apartment which was sold during June 2020. RHE Fireside Park, Inc.’ activities currently consist of being a 0.0049% general partner in FPA, LP.

ROCKVILLE HOUSING ENTERPRISES
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Reporting Entity (continued)

A joint venture is a legal entity or other organization that results from a contractual agreement and that is owned, operated or governed by two or more participants as a separate and specific activity subject to joint control in which the participants retain (a) an ongoing financial interest or (b) an ongoing financial responsibility. The Authority participates in the following joint ventures:

REL P One, LP - This is a limited partnership formed for the purpose of acquiring Moderately Priced Dwelling Units (MPDU). Rockville Housing Enterprises Corporation is the general partner and the Agency is entitled to its respective share of annual operating income or loss. The Authority has a .01% interest in the equity. The Authority made no contributions to the partnership during the year ended September 30, 2021. If terminated, the partnership would be distributed pro rata based on contributions.

FPA, LP (a Maryland Limited Partnership) (the “Partnership”) was formed on July 23, 2018 for the purpose of acquiring, developing, owning and operating 236 total units in 22 multi-family buildings located in Rockville, Maryland, known as Fireside Park Apartments (the “Property”). The Partnership acquired the Property on June 30, 2020. Upon acquisition, the Property began substantial rehabilitation. Rehabilitation was completed on 6 of the buildings in 2020 with the remainder to be partially completed in 2021 and fully complete in 2022. The Partnership has been approved for an allocation of Federal low-income housing tax credits of \$1,122,602. Pursuant to the Amended and Restated Agreement of Limited Partnership (the “Partnership Agreement”) dated June 30, 2020, the Investor Limited Partner is PNC Bank, N.A., a National Banking Association (the “Investor Limited Partner”) with a 99.99% interest, the Special Limited Partner is Columbia Housing SLP Corporation, an Oregon Corporation (the “Special Limited Partner”) with a 0.00% interest. General Partners include RHE Fireside Park, Inc., a Maryland Nonstock Corporation (“RHE General Partner”), and Hampstead Fireside, LLC, a Maryland Limited Liability Company (“HGI General Partner”), (collectively, the “General Partners”), with a 0.0049% and 0.0051% interest, respectively. As a result, the Authority has a 0.0049% ownership of this entity as RHE Fireside Park, Inc. is considered a blended component unit that is included in this report.

Financial Accountability - The Authority is responsible for its debts, does not impose a financial burden on the City of Rockville and is entitled to all surpluses. No separate agency receives a financial benefit nor imposes a financial burden on the Authority.

ROCKVILLE HOUSING ENTERPRISES
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Reporting Entity (continued)

Imposition of Will - The City has no influence over the management, budget, or policies of the Authority. The Authority's Board of Commissioners has the responsibility to significantly influence the Authority's operations. This includes, but is not limited to, adoption of the budget, personnel management, sole title to, and residual interest in all assets (including facilities and properties), signing contracts, issuing bonds, and deciding which programs are to be provided.

The Authority operates the following programs under Annual Contributions Contracts:

Low Rent Public Housing Program - The objective of this program is to provide decent safe and sanitary housing and related facilities for eligible low-income families and the elderly.

Capital Fund Program - The objective of this program is to improve the physical condition of the Low-Income Public Housing units and upgrade the management of the program.

Housing Choice Voucher Program - This program provides rental assistance to help low-income families afford decent, safe and sanitary rental housing. The Authority provides rental assistance in the form of a Housing Assistance Payment to a landlord on behalf of the tenant.

Public Housing Self-Sufficiency under ROSS - This program promotes the development of local strategies to coordinate the use of assistance under the Public Housing program with public and private resources to enable participating families to achieve economic independence and housing self-sufficiency.

Moderate Rehabilitation - This program provides project-based rental assistance for low income families. The program was repealed in 1991 and no new projects are authorized for development. Assistance is limited to properties previously rehabilitated pursuant to a housing assistance payments (HAP) contract between an owner and a Public Housing Agency (PHA).

Mainstream Vouchers - This program enable families having a person with disabilities to lease affordable private housing of their choice. Mainstream program vouchers also assist persons with disabilities who often face difficulties in locating suitable and accessible housing on the private market.

ROCKVILLE HOUSING ENTERPRISES
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Reporting Entity (continued)

Blended Component Units - The Authority administers three blended component units, known as Rockville Housing Enterprises Corporation, RHE Properties, Inc., and RHE Fireside Park, Inc. These entities are considered blended component units because the Authority has financial accountability over them and controls their Board of Directors and management. Rockville Housing Enterprises Corporation is a not-for-profit corporation established to be the general partner in a low-income tax credit project known as RELP One, LP. RHE Properties, Inc. is established by Rockville Housing Enterprises to account for properties purchased and other future non-subsidized properties. RHE Fireside Park, Inc. currently acts as a general partner in a low-income tax credit project known as FPA, LP.

B. Basis of Presentation

Basis of Accounting - The Authority uses the accrual basis of accounting in the proprietary funds. Under this method, revenues are recorded when earned, and expenses are recorded when liabilities are incurred, regardless of when the related cash flow takes place.

Basis of Presentation - The financial statements of the Authority are presented from a fund perspective. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain Authority functions. The accounting and financial reporting method applied by a fund is determined by the fund's measurement focus. The accounting objectives are determination of net income, financial position and cash flows. All assets and liabilities associated with the Proprietary Fund's activities are included on the statement of net position. Proprietary fund equity is segregated into three broad components:

Net investment in capital assets – This category consists of capital assets (including restricted capital assets), net of accumulated depreciation and reduced by any outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, and improvements of those assets.

Restricted net position – This category consists of resources restricted in their use by (1) external groups such as grantors, creditors, or laws and regulations of other governments; or (2) law, through constitutional provisions and enabling legislation.

Unrestricted net position – This category includes all of the remaining resources that do not meet the definition of the other two categories.

ROCKVILLE HOUSING ENTERPRISES
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation (continued)

The Authority uses the following fund:

Proprietary fund:

Enterprise fund - This type of fund is reported using an economic resources measurement focus. Additionally, it is used to account for operations that are financed and operated in a manner similar to private businesses where a fee is charged to external users for services provided.

C. Revenue and Expenses

Revenues and expenses are recognized in essentially the same manner as used in commercial accounting. Revenues relating to the Authority's operating activities include rental related income, interest income and other sources of revenues that are recognized in the accounting period in which they are earned. Other major sources of revenues include the operating subsidy from HUD and other HUD funding for capital and operating expenses.

D. Budgets

The Authority adopts budgets on the basis of accounting consistent with the basis of accounting for the fund to which the budget applies. The Authority prepares annual operating budgets that are formally adopted by its Governing Board of Commissioners. The budgets for programs funded by HUD form the basis of the Federal Financial Assistance received through HUD.

E. Use of Estimates in Preparing Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses in the financial statements and in the disclosures of contingent assets and liabilities. Actual results could differ from those estimates.

ROCKVILLE HOUSING ENTERPRISES
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Cash and Investments

The Authority cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with an original maturity of three months or less when purchased.

Restricted cash includes cash held with financial institutions until grantor restrictions are met to release the funds for their specified use, as well as for debt service payments and refunds of tenant security deposits.

G. Accounts Receivable

All tenant receivables are shown net of an allowance for uncollectible. The allowance for doubtful accounts is established based on periodic aging of receivables. No allowance is established for HUD and other governmental receivables since management believes that these amounts are fully collectible.

H. Capital Assets and Depreciation

Capital assets are stated at historical cost. Depreciation is calculated using the straight-line method. Donated capital assets are stated at their fair value on the date donated. This includes site acquisition and improvement, structures and equipment. All infrastructure assets were capitalized at the conclusion of development then dedicated to the County for maintenance and repairs. Depreciation of exhaustible capital assets used by proprietary funds is charged as an expense against operations, and accumulated depreciation is reported on the Statement of Net Position. All assets will be capitalized if they have a useful life beyond one year and an original cost greater than \$5,000.

The estimated useful lives for each major class of depreciable capital assets are as follows:

Buildings and improvements	10-40 years
Furniture and fixtures	5-10 years
Equipment	3-10 years

I. Compensated Absences

Compensated absences are absences for which employees will be paid, i.e., sick leave, vacation, and other approved leaves. The Authority accrues the liability for those absences that the employee has earned the rights to the benefits. Accrued amounts are based on the current salary rates. The Authority's policy allows employees to accumulate unused vacation leave. Sick leave can be accumulated but not paid upon termination. Vacation and sick pay is recorded as an expense and related liability in the year earned by employees.

ROCKVILLE HOUSING ENTERPRISES
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. Impairment of Long-Lived Assets

Prominent events or changes in circumstances affecting capital assets are required to be evaluated to determine whether impairment of a capital asset has occurred. Impaired capital assets that will no longer be used will be reported at the lower of carrying value or fair value. Impairment of capital assets with physical damage generally will be measured using the restoration cost approach, which uses the estimated cost to restore the capital asset to identify the portion of the historical cost of the capital asset that should be written off. No such impairment loss was incurred during the year ended September 30, 2021.

K. Operating Revenue and Expenses

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Authority are charges to customers for rents. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Subsidies received from HUD or other grantor agencies, for operating purposes, are recorded as operating revenue in the operating statement while capital grant funds are added to the net position in the non-operating revenue and expense.

L. Insurance

The primary technique used for risk financing is the purchase of insurance policies from commercial insurers that include a large deductible amount. The use of a large deductible clause reduces the cost of insurance, but, should losses occur, the portion of the uninsured loss is not expected to be significant with respect to the financial position of the Authority. The Authority secures required insurance coverage through the competitive bid process. As of the date of the fieldwork, the Authority had the required coverage in force.

M. New Accounting Pronouncements

The following Governmental Accounting Standards Board (GASB) pronouncements became effective for the Authority during the year ended September 30, 2021:

GASB Statement No. 84, *Fiduciary Activities* establishes criteria for identifying and reporting of fiduciary activities of all state and local governments. The adoption of this Statement had no material effect on the financial statements.

ROCKVILLE HOUSING ENTERPRISES
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

M. New Accounting Pronouncements (continued)

GASB Statement No. 90, *Majority Equity Interests* – an Amendment of GASB Statements No. 14 and 61 will improve financial reporting by providing users of financial statements with essential information related to presentation of majority equity interests in legally separate organizations that previously was reported inconsistently. In addition, this Statement also provides guidance for reporting a component unit if a government acquires a 100 percent equity interest in that component unit. This adoption of this Statement had no material effect on the financial statements.

The following pending GASB Pronouncements will be effective for the Authority in future years. The Authority is currently assessing the impact of these Statements:

GASB Statement No. 87, *Leases* establishes a single model for lease accounting based on the principal that leases are financings of the right to use an underlying asset. The requirements of this statement are effective for reporting periods beginning after June 15, 2021.

GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period* will improve financial reporting by providing users of financial statements with more relevant information about capital assets and the cost of borrowing for a reporting period. The requirements of this statement are effective for periods beginning after December 15, 2021.

GASB Statement No. 91, *Conduit Debt Obligations* will improve financial reporting by eliminating the existing option for issuers to report conduit debt obligations as their own liabilities, thereby ending significant diversity in practice. The requirements of this statement are effective for reporting periods beginning after December 15, 2021.

GASB Statement No. 92, *Omnibus 2020* will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. The statement addresses a variety of topics and effective immediately except for those topics related to standards not yet effective. The Authority will adopt as required.

GASB Statement No. 93, *Replacement of Interbank Offered Rates* will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistence of authoritative literature. The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods beginning after December 31, 2021. All other requirements of the statement are effective for reporting periods beginning after June 15, 2020.

ROCKVILLE HOUSING ENTERPRISES
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

M. New Accounting Pronouncements (continued)

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* will improve financial reporting by establishing definitions of Public-Private and Public-Public Partnerships and Availability Payment Arrangements and by providing uniform guidance on accounting and financial reporting for transactions that meet those definitions. The requirements of this statement are effective for fiscal years beginning after June 15, 2022.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* will improve financial reporting by establishing definitions for Subscription-Based Information Technology Arrangements and by providing uniform guidance on accounting and financial reporting for transactions that meet that definition. The requirements of this statement are effective for fiscal years beginning after June 15, 2022.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and supersession of GASB Statement No. 32* will result in more consistent financial reporting of defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans, while mitigating the costs associated with reporting those plans. The requirements of this statement are effective for fiscal years beginning after June 15, 2021.

GASB Statement No. 98, *The Annual Comprehensive Financial Report* replaces the term Comprehensive Annual Financial Report with the term Annual Comprehensive Financial Report. The requirements of this statement are effective for fiscal years ending after December 15, 2021.

N. Board Terms

<u>Board Member</u>	<u>Term Expires</u>
James Hedrick, Chairman	06/01/2023
Stacy Kaplowitz, Vice Chairman	05/01/2022
Steven Marr, Commissioner	02/01/2022
Edward Duffy, Commissioner	09/01/2021

In addition to the above Commissioners, the Administrator of the Authority is Jessica Anderson, who serves on the Board as Secretary and is the Executive Director.

ROCKVILLE HOUSING ENTERPRISES
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2021

3. CASH AND INVESTMENTS

All the deposits of Rockville Housing Enterprises are either insured or collateralized by using the Dedicated Method whereby all deposits that exceed the federal depository insurance coverage level are collateralized with securities held by the Authority’s agents in these units’ names. Rockville Housing Enterprises has no policy regarding custodial credit risk for deposits.

At September 30, 2021, the Authority’s cash and investments had a carrying amount of \$2,151,144 and bank balances of \$2,176,964. Of the bank balances held in various financial institutions, \$250,000 was covered by federal depository insurance and the remainder was covered by collateral held under the dedicated method.

Fair value is determined using a hierarchy of inputs for fair value assessments. This hierarchy has three levels:

- Level 1 - Inputs are quoted prices in active markets for identical assets or liabilities.
- Level 2 - These are quoted market prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other than quoted prices that are not observable.
- Level 3 - These are unobservable inputs, such as a property valuation or an appraisal.

Interest rate risk - As a means of limiting its exposure to fair value losses arising from rising interest rates, the Authority typically limits its investment portfolio to maturities of 12 months or less.

Credit risk - The Authority has no policy regarding credit risk.

Custodial credit risk - The Authority has no policy on custodial credit risk.

Concentration of credit risk - The Authority places no limit on the amount that it invests in certificates of deposits. The Authority has no policy regarding credit risk.

Restricted Cash and Investments

FSS escrow	\$ 264,918
Development funds	750,000
Security deposits	<u>54,801</u>
	<u>\$ 1,069,719</u>

Collateralization

As of September 30, 2021, the following securities were pledged as collateral to secure the deposits of Rockville Housing Enterprises:

ROCKVILLE HOUSING ENTERPRISES
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2021

3. CASH AND INVESTMENTS (continued)

<u>Description</u>	<u>CUSIP</u>	<u>Maturity Date</u>	<u>Coupon Rate</u>	<u>Value</u>
FNMA Pool AK4047	3138E8P97	2/1/2027	3.00%	\$ 901,681
FNMA Pool MA1256	31418AME5	11/1/2027	2.50%	587,759
FHLMC Gold Pool G1475	3128MDPJ6	4/1/2028	2.50%	1,009,250
				<u>\$ 2,498,690</u>

4. ACCOUNTS RECEIVABLE & RELATED PARTY RECEIVABLE

Accounts receivable at September 30, 2021 consisted of the following:

Tenants (net of allowance of \$40,005)	\$ 40,767
Fraud recovery	43,525
Accounts receivable - related party	342,182
Accounts receivable - miscellaneous	15,376
Accounts receivable - HUD	64,299
Accrued interest receivable	<u>9,306</u>
	<u>\$ 515,455</u>
Related party receivable:	
Long-term receivable from FPA	<u>\$ 342,943</u>
	<u>\$ 342,943</u>

5. CAPITAL ASSETS

A summary of changes in capital assets is as follows:

	<u>Beginning</u> <u>Balances</u>	<u>Additions</u>	<u>Disposals</u>	<u>Adjustments</u>	<u>Ending</u> <u>Balances</u>
Land	\$ 425,575	\$ -	\$ -	\$ -	\$ 425,575
Total capital assets not being depreciated	<u>425,575</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>425,575</u>
Buildings and improvements	12,214,849	27,993	-	-	12,242,842
Furniture and equipment	316,399	4,450	-	-	320,849
Infrastructure	-	7,093	-	-	7,093
Total capital assets being depreciated	<u>12,531,248</u>	<u>39,536</u>	<u>-</u>	<u>-</u>	<u>12,570,784</u>
Accumulated Depreciation	(10,141,132)	(234,814)	-	-	(10,375,946)
Enterprise activity capital assets, net	<u>\$ 2,815,691</u>	<u>\$ (195,278)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,620,413</u>

ROCKVILLE HOUSING ENTERPRISES
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2021

6. NOTES RECEIVABLE

RHE obtained a \$250,000 grant to assist in financing units for RELP One, LP from the City of Rockville. RHE then entered into a Note to lend the money to RELP One, LP dated March 19, 2002. The note is due 42 years from the date of the note based on 1% interest after the first two years. Payments shall commence on December 31, 2005. Payments are limited to available cash flow. The balance at September 30, 2021 of this notes was \$161,103 all of which is non-current.

As a part of the agreement with HUD to demolish the Public Housing units known as Lincoln Terrace, the developer for the Legacy Development is required to make Release Payments as the new units are sold. As a part of the development agreement for the Legacy Development, when the buyers purchase property of the Legacy Development, the Authority obtains equity in a second mortgage which is noninterest bearing and not forgivable. The cumulative total of these second mortgage receivables at September 30, 2021, was \$992,300.

As part of the sale of Fireside Park Apartments, FPA, LP received notes from the Authority of \$197,415 and \$500,000. The notes bear interest at 1% per annum and have a maturity date of June 30, 2062. Payment of interest and principal is deferred until maturity. As collection of interest and principal is uncertain, the notes are considered to represent a contingent gain. Accordingly, the notes and associated interest have not been recorded on the Authority's financial statements, but will be recorded when payments of interest or principal are received.

7. INVESTMENT IN JOINT VENTURES

The Authority's Investment in Joint Ventures as of September 30, 2021 consisted of the tax-credit rental property, RELP One and the value of that ownership interest was \$660 which is included in other assets on the statement of net position and is non-current.

8. ACCOUNTS PAYABLE AND CURRENT LIABILITIES

Accounts payable and current liabilities at September 30, 2021 consisted of the following:

Accrued wages/payroll taxes payable	\$	56,564
Accrued compensated absences - current		7,467
Accounts payable - HUD PHA programs		2,809
Accounts payable - vendors		31,836
Unearned revenue - prepaid rents		36,694
Long-term capital debt - current portion		10,902
Security deposits		54,801
		<u>54,801</u>
	\$	<u>201,073</u>

ROCKVILLE HOUSING ENTERPRISES
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2021

9. NON-CURRENT LIABILITIES

Non-current liabilities at September 30, 2021 consisted of the following:

	Balance at 9/30/20	Increases	Decreases	Balance at 9/30/21	Current Portion of Balance
Long-term debt	\$ 302,344	\$ -	\$ (11,064)	\$ 291,280	\$ 10,902
Compensated absences	89,409	-	(14,743)	74,666	7,467
FSS escrows	240,449	24,469	-	264,918	-
	<u>\$ 632,202</u>	<u>\$ 24,469</u>	<u>\$ (25,807)</u>	<u>\$ 630,864</u>	<u>\$ 18,369</u>

10. LONG-TERM DEBT

On October 25, 2012, the Agency purchased a property at 343 Falls Grove Drive, Rockville, Maryland which was partially funded through a mortgage payable. The mortgage matures on October 25, 2022. The interest rate on the mortgage is a fixed rate of 4.65%. The required monthly payments were \$555. The mortgage payable as of September 30, 2021, was \$74,235.

On November 30, 2012, the Agency obtained a mortgage on a property at 219 Jay Drive, Rockville, Maryland that the Agency had previously purchased for the purposes of obtaining funds to purchase future properties. The mortgage matures on November 30, 2022. The interest rate on the mortgage is a fixed rate of 4.57%. The required monthly payments were \$522. The mortgage payable as of September 30, 2021, was \$70,474.

On July 15, 2013, the Agency obtained a mortgage on a property at 722 Garden View Drive, Rockville, Maryland that the Agency had previously purchased for the purposes of obtaining funds to purchase future properties. The mortgage matures on July 15, 2023. The interest rate on the mortgage is a fixed rate of 5.89%. The required monthly payments were \$582. The mortgage payable as of September 30, 2021, was \$73,319.

On July 15, 2013, the Agency purchased a property at 229 Cork Tree Lane, Rockville, Maryland which was partially funded through a mortgage payable. The mortgage matures on July 15, 2023. The interest rate on the mortgage is a fixed rate of 5.89%. The required monthly payments were \$582. The mortgage payable as of September 30, 2021, was \$73,252.

ROCKVILLE HOUSING ENTERPRISES
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2021

10. LONG-TERM DEBT (Continued)

A summary of changes in long-term debt is as follows:

	Beginning			Ending	
	<u>Balances</u>	<u>Issued</u>	<u>Retired</u>	<u>Balances</u>	<u>Current</u>
343 Falls Grove Drive	\$ 77,320	\$ -	\$ (3,085)	\$ 74,235	\$ 2,344
219 Jay Drive	73,404	-	(2,930)	70,474	3,104
722 Garden View Way	75,780	-	(2,461)	73,319	2,723
229 Cork Tree Lane	75,840	-	(2,588)	73,252	2,731
	<u>\$ 302,344</u>	<u>\$ -</u>	<u>\$ (11,064)</u>	<u>\$ 291,280</u>	<u>\$ 10,902</u>

Principal and interest requirements for the long-term debt are as follows:

	Principal	Interest	Total
2022	\$ 10,902	\$ 15,013	\$ 25,915
2023	280,378	7,600	287,978
	<u>\$ 291,280</u>	<u>\$ 22,613</u>	<u>\$ 313,893</u>

11. OTHER NOTE DISCLOSURES

A. Annual Contributions by Federal Agencies

Annual Contributions Contract D-131 - Pursuant to the Annual Contributions Contract HUD contributes an operating subsidy approved in the operating budget. For the year ended September 30, 2021, the subsidy paid was \$627,216.

B. Risk Management

The Authority is exposed to various risks of losses related to torts; theft or, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Claims and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. There were no claims in excess of commercial coverage during the previous three years.

12. PENSION AND PROFIT-SHARING PLANS

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 accounts are to be determined instead of specifying the amount of benefits the individual is to receive.

ROCKVILLE HOUSING ENTERPRISES
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2021

12. PENSION AND PROFIT-SHARING PLANS (continued)

The Authority has a profit-sharing plan with John Hancock where eligible employees open separate accounts with the plan's administrator. The Authority contributes 6.5% of the employees' gross salary bi-weekly. The Authority has no liability once the employee is terminated. The Authority's contributions for the year ended September 30, 2021, were \$53,400 and covered wages totaled \$1,038,436.

13. ECONOMIC DEPENDENCY

The PHA Owned Housing Program is economically dependent on annual contributions and grants from HUD. The program operates at a loss prior to receiving the contributions and grants.

14. COMMITMENTS AND CONTINGENCIES

Legal

The Authority is party to no pending or threatened legal actions arising from the normal course of its operations.

Grants and contracts

The Authority participates in various federally-assisted grant programs that are subject to review and audit by the grantor agencies. Entitlement to these resources is generally conditional based upon compliance with terms and conditions of grant agreements and applicable federal regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from a federal audit may become a liability of the Authority. There were no such liabilities recorded as of September 30, 2021.

Capital fund

The Authority receives capital funding each year for ongoing capital improvements and repairs and maintenance.

15. RESTRICTED NET POSITION

Restricted net position as of September 30, 2021 consisted of \$750,000 restricted for development.

ROCKVILLE HOUSING ENTERPRISES
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2021

17. SUPPLEMENTAL INFORMATION

The supplemental information has been included in order to show the financial statements of the Authority on the GAAP basis of accounting but in the format of the HUD Handbook 7476.3, Audit Guide. This is due to the fact that some supplemental information is reviewed by the field office and provides greater detail concerning the operations of the Authority.

18. CONDENSED COMBINING INFORMATION FOR BLENDED COMPONENT UNITS

Condensed combining information for the Authority's blended component units as of, and for the year ended September 30, 2021 is provided as follows:

Combining Statement of Net Position Information

	<u>RHE Properties</u>	<u>RHE Corporation</u>	<u>Fireside Park, Inc.</u>	<u>TOTAL</u>
ASSETS				
Current assets	\$ 8,655	\$ 1,135	\$ -	\$ 9,790
Interprogram receivable/(payable)	(12,956)	126,190	-	113,234
Capital assets	350,610	-	-	350,610
Total assets	346,309	127,325	-	473,634
LIABILITIES				
Current liabilities	21,967	-	-	21,967
Noncurrent liabilities	280,378	-	-	280,378
Total liabilities	302,345	-	-	302,345
NET POSITION				
Net investment in capital assets	59,330	-	-	59,330
Unrestricted net position	(15,366)	127,325	-	111,959
Total net position	\$ 43,964	\$ 127,325	\$ -	\$ 171,289

ROCKVILLE HOUSING ENTERPRISES
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2021

18. CONDENSED COMBINING INFORMATION FOR BLENDED COMPONENT UNITS (Continued)

Combining Statement of Revenues, Expenses, and Changes in Net Position Information

	<u>RHE Properties</u>	<u>RHE Corporation</u>	<u>Fireside Park, Inc.</u>	<u>TOTAL</u>
REVENUE				
Dwelling rent	\$ 59,859	\$ -	\$ -	\$ 59,859
Other operating income	-	-	-	-
Gain on disposition	-	-	-	-
Total revenues	<u>59,859</u>	<u>-</u>	<u>-</u>	<u>59,859</u>
EXPENSES				
Operating expense	44,962	-	-	44,962
Depreciation	12,144	-	-	12,144
Interest expense	15,835	-	-	15,835
Total expenses	<u>72,941</u>	<u>-</u>	<u>-</u>	<u>72,941</u>
CHANGE IN NET POSITION	(13,082)	-	-	(13,082)
Equity transfers	-	(1,930,481)	-	(1,930,481)
BEGINNING NET POSITION	<u>57,046</u>	<u>2,057,806</u>	<u>-</u>	<u>2,114,852</u>
ENDING NET POSITION	<u>\$ 43,964</u>	<u>\$ 127,325</u>	<u>\$ -</u>	<u>\$ 171,289</u>

Combining Statement of Cash Flows Information

	<u>RHE Properties</u>	<u>RHE Corporation</u>	<u>Fireside Park, Inc.</u>	<u>TOTAL</u>
Net Cash Provided/ (Used) by				
Operating Activities	\$ 20,337	\$ -	\$ (23,893)	\$ (3,556)
Capital and Related Financing Activities	(26,899)	-	-	(26,899)
Financing Activities	-	(751,076)	-	(751,076)
Net Increase/(Decrease) in Cash	(6,562)	(751,076)	(23,893)	(781,531)
Cash and Cash Equivalents - Beginning of Year	<u>11,362</u>	<u>752,211</u>	<u>23,893</u>	<u>787,466</u>
Cash and Cash Equivalents - End of Year	<u>\$ 4,800</u>	<u>\$ 1,135</u>	<u>\$ -</u>	<u>\$ 5,935</u>

ROCKVILLE HOUSING ENTERPRISES
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2021

19. SUBSEQUENT EVENTS

Events that occur after the statement of net position date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. Management evaluated the activity of the Authority through April 8, 2022 (the date the financial statements were available to be issued). Effective November 23, 2021, the maturity date of the long-term debt described in Note 10 was extended until November 23, 2041 (twenty years from the effective date of the modification). The interest rate was changed to 4.49%, and monthly payments based on a thirty-year amortization are required. Additionally, the lender has the option to call the debt after ten years. There are no other subsequent events requiring disclosure.

20. CORONAVIRUS PANDEMIC

Coronavirus Pandemic: In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) originated in Wuhan, China and has since spread to other countries, including the United States. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the U.S. have declared a state of emergency. It is anticipated that these impacts will continue for some time. While the Authority's operation has experienced closures of its offices to the general public, the immediate financial impact to the Authority's operations has been minimized. Future potential impacts may include disruptions or restrictions on employees' ability to work or the tenants' ability to pay the required monthly rent. Operating functions that may be changed include intake, recertifications and maintenance. Changes to the operating environment may increase operating costs. Additional impacts may include the ability of tenants to continue making rental payments as a result of job loss or other pandemic related issues. The future effects of these issues are unknown.

ROCKVILLE HOUSING ENTERPRISES
FINANCIAL DATA SCHEDULE
ENTITY-WIDE BALANCE SHEET SUMMARY
September 30, 2021

		6.2 Component	14.896 PIH	14.879	14.MSC Mainstream	14.871 Housing	14.HCC HCV CARES	14.269 Community	14.856 Lower Income
	Project Total	Unit - Blended	Family Self-Sufficiency Program	Mainstream Vouchers	CARES Act Funding	Choice Vouchers	Act Funding	Development Block Grant Disaster Recovery Grants (CDBG-DR)	Housing Assistance Program_Section 8 Moderate
111	Cash - Unrestricted	\$ 28,993	\$ 4,035	\$ 20,322	\$ -	\$ -	\$ -	\$ -	\$ -
113	Cash - Other Restricted	74,125	-	-	664	-	-	-	-
114	Cash - Tenant Security Deposits	52,901	1,900	-	-	-	-	-	-
100	Total Cash	156,019	5,935	20,322	664	-	-	-	-
121	Accounts Receivable - PHA Projects	-	-	-	-	-	-	-	-
122	Accounts Receivable - HUD Other Projects	-	-	-	64,299	-	-	-	-
125	Accounts Receivable - Miscellaneous	-	-	-	15,376	-	-	-	-
126	Accounts Receivable - Tenants	42,843	5,745	-	-	-	-	-	-
126.1	Allowance for Doubtful Accounts - Tenants	(11,000)	(1,890)	-	-	-	-	-	-
127	Notes, Loans, & Mortgages Receivable - Current	504,046	-	-	-	-	-	-	-
128	Fraud Recovery	87,432	-	-	-	-	-	-	-
128.1	Allowance for Doubtful Accounts - Fraud	(43,907)	-	-	-	-	-	-	-
129	Accrued Interest Receivable	9,240	-	-	-	-	-	-	-
120	Total Receivables, Net of Allowances for Doubtful Accounts	588,654	3,855	-	79,675	-	-	-	-
131	Investments - Unrestricted	-	-	-	-	-	-	-	-
142	Prepaid Expenses and Other Assets	10,872	-	-	-	-	-	-	-
144	Inter Program Due From	3,570	113,234	-	-	-	-	-	54,247
150	Total Current Assets	759,115	123,024	20,322	80,339	-	-	-	54,247
161	Land	424,235	-	-	-	-	-	-	-
162	Buildings	11,780,764	462,078	-	-	-	-	-	-
163	Furniture, Equipment & Machinery - Dwellings	120,035	4,445	-	-	-	-	-	-
164	Furniture, Equipment & Machinery - Administration	150,461	-	-	-	-	-	-	-
166	Accumulated Depreciation	(10,207,032)	(123,006)	-	-	-	-	-	-
167	Construction in Progress	-	-	-	-	-	-	-	-
168	Infrastructure	-	7,093	-	-	-	-	-	-
160	Total Capital Assets, Net of Accumulated Depreciation	2,268,463	350,610	-	-	-	-	-	-
171	Notes, Loans and Mortgages Receivable - Non-Current & Related Party Receivable	-	-	-	-	-	-	-	-
180	Total Non-Current Assets	2,268,463	350,610	-	-	-	-	-	-
200	Deferred Outflow of Resources	-	-	-	-	-	-	-	-
290	Total Assets	\$ 3,027,578	\$ 473,634	\$ 20,322	\$ 80,339	\$ -	\$ -	\$ -	\$ 54,247

ROCKVILLE HOUSING ENTERPRISES
FINANCIAL DATA SCHEDULE
ENTITY-WIDE BALANCE SHEET SUMMARY
September 30, 2021

	14.881 Moving to Work Demonstration Program	14.OPS MTW Demonstration Program for Low Rent	14.HCV MTW Demonstration Program for HCV program	14.CFP MTW Demonstration Program for Capital Fund	Business Activities	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$ 1,007,318	\$ -	\$ -	\$ -	\$ 20,757	\$ 1,081,425	\$ -	\$ 1,081,425
113 Cash - Other Restricted	190,129	-	-	-	750,000	1,014,918	-	1,014,918
114 Cash - Tenant Security Deposits	-	-	-	-	-	54,801	-	54,801
100 Total Cash	1,197,447	-	-	-	770,757	2,151,144	-	2,151,144
121 Accounts Receivable - PHA Projects	342,182	-	-	-	-	342,182	-	342,182
122 Accounts Receivable - HUD Other Projects	-	-	-	-	-	64,299	-	64,299
125 Accounts Receivable - Miscellaneous	-	-	-	-	-	15,376	-	15,376
126 Accounts Receivable - Tenants	5,069	-	-	-	-	53,657	-	53,657
126.1 Allowance for Doubtful Accounts -Tenants	-	-	-	-	-	(12,890)	-	(12,890)
127 Notes, Loans, & Mortgages Receivable - Current	-	-	-	-	-	504,046	-	504,046
128 Fraud Recovery	-	-	-	-	-	87,432	-	87,432
128.1 Allowance for Doubtful Accounts - Fraud	-	-	-	-	-	(43,907)	-	(43,907)
129 Accrued Interest Receivable	-	-	-	-	66	9,306	-	9,306
120 Total Receivables, Net of Allowances for Doubtful Accounts	347,251	-	-	-	66	1,019,501	-	1,019,501
131 Investments - Unrestricted	-	-	-	-	660	660	-	660
142 Prepaid Expenses and Other Assets	39,728	-	-	-	8,166	58,766	-	58,766
144 Inter Program Due From	-	-	-	-	111,472	282,523	(282,523)	-
150 Total Current Assets	1,584,426	-	-	-	891,121	3,512,594	(282,523)	3,230,071
161 Land	1,340	-	-	-	-	425,575	-	425,575
162 Buildings	-	-	-	-	-	12,242,842	-	12,242,842
163 Furniture, Equipment & Machinery - Dwellings	-	-	-	-	-	124,480	-	124,480
164 Furniture, Equipment & Machinery - Administration	45,908	-	-	-	-	196,369	-	196,369
166 Accumulated Depreciation	(45,908)	-	-	-	-	(10,375,946)	-	(10,375,946)
167 Construction in Progress	-	-	-	-	-	-	-	-
168 Infrastructure	-	-	-	-	-	7,093	-	7,093
160 Total Capital Assets, Net of Accumulated Depreciation	1,340	-	-	-	-	2,620,413	-	2,620,413
171 Notes, Loans and Mortgages Receivable - Non-Current & Related Party Receivable	-	-	-	-	992,300	992,300	-	992,300
180 Total Non-Current Assets	1,340	-	-	-	992,300	3,612,713	-	3,612,713
200 Deferred Outflow of Resources	-	-	-	-	-	-	-	-
290 Total Assets	\$ 1,585,766	\$ -	\$ -	\$ -	\$ 1,883,421	\$ 7,125,307	\$ (282,523)	\$ 6,842,784

ROCKVILLE HOUSING ENTERPRISES
FINANCIAL DATA SCHEDULE
ENTITY-WIDE BALANCE SHEET SUMMARY
September 30, 2021

	Project Total	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	14.879 Mainstream Vouchers	14.MSC Mainstream CARES Act Funding	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	14.269 Community Development Block Grant Disaster Recovery Grants (CDBG-DR)	14.856 Lower Income Housing Assistance Program Section 8 Moderate
312	Accounts Payable <= 90 Days	\$ 26,161	\$ 5,675	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
321	Accrued Wage/Payroll Taxes Payable	38,322	-	-	784	-	-	-	-
322	Accrued Compensated Absences - Current Portion	5,249	-	-	321	-	-	-	-
331	Accounts Payable - HUD PHA Programs	-	-	-	-	-	-	-	2,809
341	Tenant Security Deposits	52,901	1,900	-	-	-	-	-	-
342	Unearned Revenue	12,882	3,490	20,322	-	-	-	-	-
343	Current Portion of L-T Debt - Capital Projects/Mortgage Revenue	-	10,902	-	-	-	-	-	-
347	Inter Program - Due To	117,283	-	-	63,456	-	-	-	-
310	Total Current Liabilities	252,798	21,967	20,322	64,561	-	-	-	2,809
351	L-T Debt, Net of Current - Capital Projects/Mortgage Revenue	-	280,378	-	-	-	-	-	-
353	Non-current Liabilities - Other	74,125	-	-	664	-	-	-	-
354	Accrued Compensated Absences - Non Current	47,240	-	-	2,885	-	-	-	-
350	Total Non-Current Liabilities	121,365	280,378	-	3,549	-	-	-	-
300	Total Liabilities	374,163	302,345	20,322	68,110	-	-	-	2,809
508.4	Net Investment in Capital Assets	2,268,463	59,330	-	-	-	-	-	-
511.4	Restricted Net Position	-	-	-	-	-	-	-	-
512.4	Unrestricted Net Position	384,952	111,959	-	12,229	-	-	-	51,438
513	Total Equity - Net Assets / Position	2,653,415	171,289	-	12,229	-	-	-	51,438
600	Total Liabilities and Equity - Net	\$ 3,027,578	\$ 473,634	\$ 20,322	\$ 80,339	\$ -	\$ -	\$ -	\$ 54,247

ROCKVILLE HOUSING ENTERPRISES
FINANCIAL DATA SCHEDULE
ENTITY-WIDE BALANCE SHEET SUMMARY
September 30, 2021

	14.881 Moving to Work Demonstration Program	14.OPS MTW Demonstration Program for Low Rent	14.HCV MTW Demonstration Program for HCV program	14.CFP MTW Demonstration Program for Capital Fund	Business Activities	Subtotal	ELIM	Total
312	Accounts Payable <= 90 Days	\$ -	\$ -	\$ -	\$ -	\$ 31,836	\$ -	\$ 31,836
321	Accrued Wage/Payroll Taxes Payable	15,645	-	-	1,813	56,564	-	56,564
322	Accrued Compensated Absences - Current Portion	1,488	-	-	409	7,467	-	7,467
331	Accounts Payable - HUD PHA Programs	-	-	-	-	2,809	-	2,809
341	Tenant Security Deposits	-	-	-	-	54,801	-	54,801
342	Unearned Revenue	-	-	-	-	36,694	-	36,694
343	Current Portion of L-T Debt - Capital Projects/Mortgage Revenue	-	-	-	-	10,902	-	10,902
347	Inter Program - Due To	101,784	-	-	-	282,523	(282,523)	-
310	Total Current Liabilities	118,917	-	-	2,222	483,596	(282,523)	201,073
351	L-T Debt, Net of Current - Capital Projects/Mortgage Revenue	-	-	-	-	280,378	-	280,378
353	Non-current Liabilities - Other	190,129	-	-	-	264,918	-	264,918
354	Accrued Compensated Absences - Non Current	13,392	-	-	-	3,682	-	67,199
350	Total Non-Current Liabilities	203,521	-	-	-	3,682	-	612,495
300	Total Liabilities	322,438	-	-	5,904	1,096,091	(282,523)	813,568
508.4	Net Investment in Capital Assets	1,340	-	-	-	2,329,133	-	2,329,133
511.4	Restricted Net Position	-	-	-	750,000	750,000	-	750,000
512.4	Unrestricted Net Position	1,261,988	-	-	1,127,517	2,950,083	-	2,950,083
513	Total Equity - Net Assets / Position	1,263,328	-	-	-	1,877,517	-	6,029,216
600	Total Liabilities and Equity - Net	\$ 1,585,766	\$ -	\$ -	\$ -	\$ 1,883,421	\$ (282,523)	\$ 6,842,784

ROCKVILLE HOUSING ENTERPRISES
FINANCIAL DATA SCHEDULE
REVENUE AND EXPENSE SUMMARY
Year ended September 30, 2021

	Project Total	14.PHC Public Housing CARES Act Funding	6.2 Component Unit - Blended	14.896 PHH Family Self-Sufficiency Program	14.879 Mainstream Vouchers	14.MSC Mainstream CARES Act Funding	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	14.269 Community Development Block Grant Disaster Recovery Grants (CDBG-DR)	14.856 Lower Income Housing Assistance Program_Section 8 Moderate
70300 Net Tenant Rental Revenue	\$ 567,659	\$ -	\$ 59,859	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
70400 Tenant Revenue - Other	68,629	-	-	-	-	-	-	-	-	-
70500 Total Tenant Revenue	636,288	-	59,859	-	-	-	-	-	-	-
70600 HUD PHA Operating Grants	-	7	-	49,821	790,263	24,699	295,299	46,143	-	58,934
70800 Other Government Grants	-	-	-	-	-	-	-	-	35,086	-
71100 Investment Income - Unrestricted	10	-	-	-	-	-	-	-	-	-
71400 Fraud Recovery	-	-	-	-	-	-	-	-	-	-
71500 Other Revenue	90,853	-	-	-	-	-	-	-	-	-
71600 Gain or Loss on Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-
70000 Total Revenue	727,151	7	59,859	49,821	790,263	24,699	295,299	46,143	35,086	58,934
91100 Administrative Salaries	489,513	-	-	49,821	48,371	24,699	-	46,143	-	-
91200 Auditing Fees	13,063	-	-	-	-	-	-	-	-	-
91400 Advertising and Marketing	347	-	-	-	-	-	-	-	-	-
91500 Employee Benefit contributions - Administrative	149,398	-	-	-	-	-	-	-	-	-
91600 Office Expenses	245,865	-	532	-	5,287	-	-	-	-	-
91700 Legal Expense	18,468	-	800	-	-	-	-	-	-	-
91800 Travel	2,815	-	-	-	1,048	-	-	-	-	-
91900 Other	25,509	-	-	-	-	-	-	-	-	-
91000 Total Operating - Administrative	944,978	-	1,332	49,821	54,706	24,699	-	46,143	-	-
92400 Tenant Services - Other	5,746	7	16,593	-	-	-	-	-	-	-
92500 Total Tenant Services	5,746	7	16,593	-	-	-	-	-	-	-
93100 Water	61,436	-	165	-	-	-	-	-	-	-
93200 Electricity	90,754	-	-	-	-	-	-	-	-	-
93300 Gas	8,499	-	-	-	-	-	-	-	-	-
93600 Sewer	50,201	-	-	-	-	-	-	-	-	-
93000 Total Utilities	210,890	-	165	-	-	-	-	-	-	-
94100 Ordinary Maintenance and Operations - Labor	152,305	-	-	-	-	-	-	-	-	-
94200 Ordinary Maintenance and Operations - Materials and Other	57,778	-	-	-	-	-	-	-	-	-
94300 Ordinary Maintenance and Operations Contracts	153,885	-	810	-	-	-	-	-	-	-
94000 Total Maintenance	363,968	-	810	-	-	-	-	-	-	-
96110 Property Insurance	8,889	-	-	-	-	-	-	-	-	-
96120 Liability Insurance	8,889	-	-	-	-	-	-	-	-	-
96130 Workmen's Compensation	8,776	-	-	-	-	-	-	-	-	-
96140 All Other Insurance	-	-	11,349	-	-	-	-	-	-	-
96100 Total insurance Premiums	26,554	-	11,349	-	-	-	-	-	-	-
96200 Other General Expenses	5,662	-	5,850	-	-	-	-	-	-	-
96210 Compensated Absences	28,082	-	-	-	3,038	-	-	-	-	-
96300 Payments in Lieu of Taxes	13,723	-	3,781	-	-	-	-	-	-	-
96000 Total Other General Expenses	47,467	-	9,631	-	3,038	-	-	-	-	-
96710 Interest of Mortgage (or Bonds) Payable	-	-	15,835	-	-	-	-	-	-	-
96700 Total Interest Expense and Amortization Cost	-	-	15,835	-	-	-	-	-	-	-
96900 Total Operating Expenses	1,599,603	7	55,715	49,821	57,744	24,699	-	46,143	-	-
97000 Excess of Operating Revenue over Operating Expenses	(872,452)	-	4,144	-	732,519	-	295,299	-	35,086	58,934
97100 Extraordinary Maintenance	37,323	-	5,082	-	-	-	-	-	-	-
97300 Housing Assistance Payments	20,836	-	-	-	710,176	-	295,299	-	-	35,699
97350 HAP Portability-In	-	-	-	-	-	-	-	-	-	-
97400 Depreciation Expense	222,670	-	12,144	-	-	-	-	-	-	-
90000 Total Expenses	1,880,432	7	72,941	49,821	767,920	24,699	295,299	46,143	-	35,699
10010 Operating Transfer In	1,141,894	-	-	-	-	-	-	-	-	-
10020 Operating Transfer Out	(234,948)	-	-	-	-	-	-	-	-	-
10100 Total Other financing Sources (Uses)	906,946	-	-	-	-	-	-	-	-	-
10000 Excess of Total Revenue Over Total Expenses	(246,335)	-	(13,082)	-	22,343	-	-	-	35,086	23,235
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	35,086	-	(1,930,481)	-	-	-	(551,310)	-	(35,086)	-
11030 Beginning Net Position	2,864,664	-	2,114,852	-	(10,114)	-	551,310	-	-	28,203
Ending Net Position	\$ 2,653,415	\$ -	\$ 171,289	\$ -	\$ 12,229	\$ -	\$ -	\$ -	\$ -	\$ 51,438
11190 Unit Months Available	1,296	-	48	-	600	-	251	-	-	60
11210 Number of Unit Months Leased	1,247	-	48	-	590	-	251	-	-	60

ROCKVILLE HOUSING ENTERPRISES
FINANCIAL DATA SCHEDULE
REVENUE AND EXPENSE SUMMARY
Year ended September 30, 2021

	14.881 Moving to Work Demonstration Program	14.OPS MTW Demonstration Program for Low Rent	14.HCV MTW Demonstration Program for HCV program	14.CFP MTW Demonstration Program for Capital Fund	Business Activities	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 627,518	\$ -	\$ 627,518
70400 Tenant Revenue - Other	-	-	-	-	-	68,629	-	68,629
70500 Total Tenant Revenue	-	-	-	-	-	696,147	-	696,147
70600 HUD PHA Operating Grants	-	621,998	5,897,854	234,948	-	8,019,966	-	8,019,966
70800 Other Government Grants	-	-	-	-	-	35,086	-	35,086
71100 Investment Income - Unrestricted	-	-	-	-	1	11	-	11
71400 Fraud Recovery	2,315	-	-	-	-	2,315	-	2,315
71500 Other Revenue	2,492,841	-	-	-	25,624	2,609,318	-	2,609,318
71600 Gain or Loss on Sale of Capital Assets	-	-	-	-	35,071	35,071	-	35,071
70000 Total Revenue	2,495,156	621,998	5,897,854	234,948	60,696	11,397,914		11,397,914
91100 Administrative Salaries	333,765	-	-	-	-	992,312	-	992,312
91200 Auditing Fees	22,193	-	-	-	-	35,256	-	35,256
91400 Advertising and Marketing	-	-	-	-	-	347	-	347
91500 Employee Benefit contributions - Administrative	60,910	-	-	-	-	210,308	-	210,308
91600 Office Expenses	90,112	-	-	-	7,635	349,431	-	349,431
91700 Legal Expense	5,306	-	-	-	-	24,574	-	24,574
91800 Travel	3,688	-	-	-	-	7,551	-	7,551
91900 Other	-	-	-	-	41,913	67,422	-	67,422
91000 Total Operating - Administrative	515,974	-	-	-	49,548	1,687,201	-	1,687,201
92400 Tenant Services - Other	10,451	-	-	-	-	32,797	-	32,797
92500 Total Tenant Services	10,451	-	-	-	-	32,797	-	32,797
93100 Water	-	-	-	-	-	61,601	-	61,601
93200 Electricity	-	-	-	-	-	90,754	-	90,754
93300 Gas	-	-	-	-	-	8,499	-	8,499
93600 Sewer	-	-	-	-	-	50,201	-	50,201
93000 Total Utilities	-	-	-	-	-	211,055	-	211,055
94100 Ordinary Maintenance and Operations - Labor	-	-	-	-	-	152,305	-	152,305
94200 Ordinary Maintenance and Operations - Materials and Other	-	-	-	-	-	57,778	-	57,778
94300 Ordinary Maintenance and Operations Contracts	3,338	-	-	-	-	158,033	-	158,033
94000 Total Maintenance	3,338	-	-	-	-	368,116	-	368,116
96110 Property Insurance	-	-	-	-	-	8,889	-	8,889
96120 Liability Insurance	-	-	-	-	-	8,889	-	8,889
96130 Workmen's Compensation	-	-	-	-	-	8,776	-	8,776
96140 All Other Insurance	10,539	-	-	-	-	21,888	-	21,888
96100 Total insurance Premiums	10,539	-	-	-	-	48,442	-	48,442
96200 Other General Expenses	19,027	-	-	-	61,602	92,141	-	92,141
96210 Compensated Absences	19,726	-	-	-	2,510	53,356	-	53,356
96300 Payments in Lieu of Taxes	-	-	-	-	-	17,504	-	17,504
96000 Total Other General Expenses	38,753	-	-	-	64,112	163,001	-	163,001
96710 Interest of Mortgage (or Bonds) Payable	-	-	-	-	-	15,835	-	15,835
96700 Total Interest Expense and Amortization Cost	-	-	-	-	-	15,835	-	15,835
96900 Total Operating Expenses	579,055	-	-	-	113,660	2,526,447	-	2,526,447
97000 Excess of Operating Revenue over Operating Expenses	1,916,101	621,998	5,897,854	234,948	(52,964)	8,871,467	-	8,871,467
97100 Extraordinary Maintenance	-	-	-	-	-	42,405	-	42,405
97300 Housing Assistance Payments	4,611,760	-	-	-	-	5,673,770	-	5,673,770
97350 HAP Portability-In	2,440,177	-	-	-	-	2,440,177	-	2,440,177
97400 Depreciation Expense	-	-	-	-	-	234,814	-	234,814
90000 Total Expenses	7,630,992	-	-	-	113,660	10,917,613	-	10,917,613
10010 Operating Transfer In	5,897,854	-	-	-	-	7,039,748	(7,039,748)	-
10020 Operating Transfer Out	(50,000)	(621,998)	(5,897,854)	(234,948)	-	(7,039,748)	7,039,748	-
10100 Total Other financing Sources (Uses)	5,847,854	(621,998)	(5,897,854)	(234,948)	-	-	-	-
10000 Excess of Total Revenue Over Total Expenses	712,018	-	-	-	(52,964)	480,301	-	480,301
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	551,310	-	-	-	1,930,481	-	-	-
11030 Beginning Net Position	-	-	-	-	-	5,548,915	-	5,548,915
Ending Net Position	\$ 1,263,328	\$ -	\$ -	\$ -	\$ 1,877,517	\$ 6,029,216	\$ -	\$ 6,029,216
11190 Unit Months Available	4,057	-	-	-	-	6,312	-	6,312
11210 Number of Unit Months Leased	3,728	-	-	-	-	5,924	-	5,924

ROCKVILLE HOUSING ENTERPRISES
FINANCIAL DATA SUBMISSION SUMMARY
NET POSITION ACCOUNTS - AMPs
September 30, 2021

<u>Account Description</u>	<u>MD007000001</u>	<u>MD007000002</u>	<u>TOTAL</u>
ASSETS:			
CURRENT ASSETS:			
Cash:			
113 Cash - Other Restricted	\$ 74,125	\$ -	\$ 74,125
114 Cash - Tenant Security Deposits	52,334	567	52,901
100 Total Cash	<u>126,459</u>	<u>567</u>	<u>127,026</u>
126 Accounts Receivable - Tenants	22,067	20,776	42,843
126.1 Allowance for Doubtful Accounts -Tenants	(11,000)	-	(11,000)
127 Notes, Loans, & Mortgages Receivable - Current	504,046	-	504,046
128 Fraud Recovery	87,432	-	87,432
128.1 Allowance for Doubtful Accounts - Fraud	(43,907)	-	(43,907)
129 Accrued Interest Receivable	9,240	-	9,240
120 Total Receivables, Net of Allowances for Doubtful Accounts	<u>567,878</u>	<u>20,776</u>	<u>588,654</u>
131 Investments - Unrestricted	28,993	-	28,993
142 Prepaid Expenses and Other Assets	10,872	-	10,872
144 Inter Program Due From	-	3,570	3,570
150 Total Current Assets	<u>734,202</u>	<u>24,913</u>	<u>759,115</u>
161 Land	424,235	-	424,235
162 Buildings	11,506,879	273,885	11,780,764
163 Furniture, Equipment & Machinery - Dwellings	120,035	-	120,035
164 Furniture, Equipment & Machinery - Administration	150,461	-	150,461
166 Accumulated Depreciation	(10,136,366)	(70,666)	(10,207,032)
160 Total Capital Assets, Net of Accumulated Depreciation	<u>2,065,244</u>	<u>203,219</u>	<u>2,268,463</u>
180 Total Non-Current Assets	<u>2,065,244</u>	<u>203,219</u>	<u>2,268,463</u>
290 Total Assets	<u>\$ 2,799,446</u>	<u>\$ 228,132</u>	<u>\$ 3,027,578</u>

ROCKVILLE HOUSING ENTERPRISES
FINANCIAL DATA SUBMISSION SUMMARY
NET POSITION ACCOUNTS - AMPs
September 30, 2021

<u>Account Description</u>	<u>MD007000001</u>	<u>MD007000002</u>	<u>TOTAL</u>
LIABILITIES AND NET POSITION:			
LIABILITIES:			
312 Accounts Payable <= 90 Days	\$ 25,120	\$ 1,041	\$ 26,161
321 Accrued Wage/Payroll Taxes Payable	38,322	-	38,322
322 Accrued Compensated Absences - Current Portion	5,249	-	5,249
341 Tenant Security Deposits	52,334	567	52,901
342 Unearned Revenue	12,882	-	12,882
347 Inter Program - Due To	117,283	-	117,283
310 Total Current Liabilities	<u>251,190</u>	<u>1,608</u>	<u>252,798</u>
353 Non-current Liabilities - Other	74,125	-	74,125
354 Accrued Compensated Absences - Non Current	47,240	-	47,240
350 Total Non-Current Liabilities	<u>121,365</u>	<u>-</u>	<u>121,365</u>
300 Total Liabilities	<u>372,555</u>	<u>1,608</u>	<u>374,163</u>
508.4 Net Investment in Capital Assets	2,065,244	203,219	2,268,463
512.4 Unrestricted Net Position	361,647	23,305	384,952
513 Total Equity - Net Assets / Position	<u>2,426,891</u>	<u>226,524</u>	<u>2,653,415</u>
600 Total Liabilities and Equity	<u>\$ 2,799,446</u>	<u>\$ 228,132</u>	<u>\$ 3,027,578</u>

ROCKVILLE HOUSING ENTERPRISES
FINANCIAL DATA SUBMISSION SUMMARY
REVENUES, EXPENSES AND CHANGE IN NET POSITION
ACCOUNTS - AMPs
Year ended September 30, 2021

<u>Account Description</u>	<u>MD007000001</u>	<u>MD007000002</u>	<u>TOTAL</u>
REVENUES:			
70300 Net Tenant Rental Revenue	\$ 547,450	\$ 20,209	\$ 567,659
70400 Tenant Revenue - Other	68,629	-	68,629
70500 Total Tenant Revenue	<u>616,079</u>	<u>20,209</u>	<u>636,288</u>
71100 Investment income - unrestricted	10	-	10
71500 Other revenue	90,853	-	90,853
TOTAL REVENUES	<u>706,942</u>	<u>20,209</u>	<u>727,151</u>
EXPENSES:			
Administrative			
91100 Administrative Salaries	489,513	-	489,513
91200 Auditing Fees	13,063	-	13,063
91400 Advertising and Marketing	347	-	347
91500 Employee Benefit contributions - Administrative	149,398	-	149,398
91600 Office Expenses	245,865	-	245,865
91700 Legal Expense	18,468	-	18,468
91800 Travel	2,815	-	2,815
91900 Other operating - administrative	25,509	-	25,509
91000 Total Administrative Expense	<u>944,978</u>	<u>-</u>	<u>944,978</u>
Tenant services			
92400 Tenant services - other	5,746	-	5,746
92500 Total Tenant Services	<u>5,746</u>	<u>-</u>	<u>5,746</u>
Utilities			
93100 Water	111,637	-	111,637
93200 Electricity	90,754	-	90,754
93300 Gas	8,499	-	8,499
93000 Total Utilities Expense	<u>210,890</u>	<u>-</u>	<u>210,890</u>
Ordinary Maintenance & Operation			
94100 Labor	152,305	-	152,305
94200 Materials	57,778	-	57,778
94300 Contracts	153,885	-	153,885
94000 Total Ordinary Maintenance & Operation	<u>363,968</u>	<u>-</u>	<u>363,968</u>
Insurance Premiums			
96110 Property Insurance	8,889	-	8,889
96120 Liability Insurance	8,889	-	8,889
96130 Workmen's Compensation	8,776	-	8,776
96100 Total insurance Premiums	<u>26,554</u>	<u>-</u>	<u>26,554</u>
General Expenses			
96200 Other General Expenses	5,662	-	5,662
96210 Compensated Absences	28,082	-	28,082
96300 Payments in lieu of taxes	13,723	-	13,723
96000 Total General Expenses	<u>47,467</u>	<u>-</u>	<u>47,467</u>
96900 TOTAL OPERATING EXPENSE	<u>1,599,603</u>	<u>-</u>	<u>1,599,603</u>
97000 EXCESS OPERATING REVENUE	<u>(892,661)</u>	<u>20,209</u>	<u>(872,452)</u>
Other Expenses			
97100 Extraordinary maintenance	37,323	-	37,323
97300 Housing assistance payments	20,362	474	20,836
97400 Depreciation Expense	208,976	13,694	222,670
Total Other Expenses	<u>266,661</u>	<u>14,168</u>	<u>280,829</u>
TOTAL EXPENSES	<u>1,866,264</u>	<u>14,168</u>	<u>1,880,432</u>
10010 Operating transfer in	1,139,108	2,786	1,141,894
10020 Operating transfer out	(234,948)	-	(234,948)
10100 Total Other Financing Sources (Uses)	<u>904,160</u>	<u>2,786</u>	<u>906,946</u>
EXCESS OF REVENUE OVER (UNDER) EXPENSES	<u>(255,162)</u>	<u>8,827</u>	<u>(246,335)</u>
11040 Equity transfers	35,086	-	35,086
11030 Beginning Net Position	2,646,967	217,697	2,864,664
Ending Net Position	\$ <u>2,426,891</u>	\$ <u>226,524</u>	\$ <u>2,653,415</u>
Units Available	1,260	36	1,296
Units Leased	1,212	35	1,247

RHE PROPERTIES, INC.
a Blended Component Unit of Rockville Housing Enterprises
STATEMENT OF NET POSITION
September 30, 2021

ASSETS

Current assets		
Cash and cash equivalents, unrestricted	\$	2,900
Cash and cash equivalents, restricted		1,900
Accounts receivable, net		3,855
Inter program due from		<u>(12,956)</u>
Total current assets		<u>(4,301)</u>
Noncurrent assets		
Capital assets		
Buildings		462,078
Furniture and equipment		4,445
Infrastructure		7,093
Less: Accumulated depreciation		<u>(123,006)</u>
Total capital assets		<u>350,610</u>
TOTAL ASSETS	\$	<u><u>346,309</u></u>

LIABILITIES AND NET POSITION

Current liabilities		
Accounts payable	\$	5,675
Tenant security deposits		1,900
Unearned revenue		3,490
Current portion of long-term debt		<u>10,902</u>
Total current liabilities		<u>21,967</u>
Noncurrent liabilities		
Long-term debt, net of current		<u>280,378</u>
Total non-current liabilities		<u>280,378</u>
Total liabilities		<u>302,345</u>
Net position		
Net investment in capital assets		59,330
Unrestricted net position		<u>(15,366)</u>
Total net position		<u>43,964</u>
TOTAL LIABILITIES AND NET POSITION	\$	<u><u>346,309</u></u>

RHE PROPERTIES, INC.
a Blended Component Unit of Rockville Housing Enterprises
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
Year ended September 30, 2021

Operating Revenues	
Dwelling rent	\$ <u>59,859</u>
Total operating revenues	59,859
 Operating Expenses	
Administration	1,332
Tenant services	16,593
Utilities	165
Maintenance and operations	5,892
Insurance	11,349
General expense	9,631
Depreciation	<u>12,144</u>
Total operating expenses	<u>57,106</u>
Net operating income	<u>2,753</u>
 Non-operating revenues (expenses)	
Interest expense	<u>(15,835)</u>
Total non-operating revenues (expenses)	<u>(15,835)</u>
Change in net position	<u>(13,082)</u>
Net position, beginning of period	<u>57,046</u>
Net position, end of period	<u><u>\$ 43,964</u></u>

ROCKVILLE HOUSING ENTERPRISES
September 30, 2021

Statement and Certification of Actual Capital Fund Program Costs

Grant Year MD39P007501-21

1 The actual program costs of Grant MD39P007501-21 are as follows:

Funds Approved	\$ 233,708
Funds Expended	<u>233,708</u>
Excess/(Deficiency) of Funds	<u><u>\$ -</u></u>
Funds Advanced	\$ 233,708
Funds Expended	<u>233,708</u>
Excess/(Deficiency) of Funds Advanced	<u><u>\$ -</u></u>

2 There were \$233,708 of requisitions received during the fiscal year.

3 The total program costs as stated on the Annual Statement/Performance and Evaluation Report is in agreement with the Actual Modernization Cost Certificate as submitted to HUD for approval is in agreement with the PHA's records.

4 All Capital Fund Program costs have been paid and all related liabilities have been discharged through payment.



RUBINO

STRENGTH IN NUMBERS

**INDEPENDENT AUDITOR'S 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***

Board of Commissioners
Rockville Housing Enterprises
Rockville, Maryland

We have audited, in accordance with the 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, the financial statements of Rockville Housing Enterprises (the Authority) as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Rockville Housing Enterprises' basic financial statements, and have issued our report thereon dated April 8, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from 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 test disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bethesda, Maryland
April 8, 2022



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Commissioners
Rockville Housing Enterprises
Rockville, Maryland

Report on Compliance for Each Major Federal Program

We have audited the Rockville Housing Enterprises' (the Authority's) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the Authority's major federal programs for the year ended September 30, 2021. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Authority's major federal programs based on our audit of the types of compliance requirements referred to above. 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Authority's compliance.

Opinion on Each Major Federal Program

In our opinion, Rockville Housing Enterprises complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2021.

Report on Internal Control over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Rubins & Company

Bethesda, Maryland
April 8, 2022

ROCKVILLE HOUSING ENTERPRISES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended September 30, 2021

<u>Federal Grantor/Program or Cluster Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-through Identifying Number</u>	<u>Total Federal Expenditures</u>
Department of Housing and Urban Development Programs			
Moving to Work Demonstration Program	14.881	N/A	\$ 6,754,800
Public and Indian Housing - CARES	14.850	N/A	7
Housing Voucher Cluster:			
Section 8 Housing Choice Vouchers	14.871	N/A	295,299
Section 8 Housing Choice Vouchers - CARES	14.871	N/A	46,143
Mainstream Vouchers	14.879	N/A	790,263
Mainstream Vouchers - CARES	14.879	N/A	24,699
			<u>1,156,404</u>
Section 8 Project-Based Cluster:			
Lower Income Housing Assistance Program - Section 8 Moderate Rehabilitation	14.856	N/A	58,934
Family Self-Sufficiency Program	14.896	N/A	<u>49,821</u>
Total Direct Expenditures			8,019,966
Pass-through from the City of Rockville:			
Community Development Block Grants	14.218	1064794	<u>35,086</u>
Total Department of Housing and Urban Development Expenditures			<u>8,055,052</u>
TOTAL FEDERAL EXPENDITURES			<u><u>\$ 8,055,052</u></u>

See Accompanying Notes to the Schedule of Expenditures of Federal Awards

ROCKVILLE HOUSING ENTERPRISES
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended September 30, 2021

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Rockville Housing Enterprises (the “Authority”) under programs of the federal government for the year ended September 30, 2020. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 INDIRECT COST RATE

The Authority has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**ROCKVILLE HOUSING ENTERPRISES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended September 30, 2021**

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

- | | |
|--|---------------|
| 1. Type of auditor’s report issued: | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material Weakness(es) identified? | No |
| b. Significant deficiency(ies) identified that are not considered to be material weakness(es)? | None reported |
| 3. Noncompliance material to financial statements noted? | No |

Federal Awards

- | | |
|---|---------------|
| 4. Internal control over major programs: | |
| a. Material weakness(es) identified? | No |
| b. Significant deficiency(ies) identified that are not considered to be material weakness(es)? | None reported |
| 5. Type of auditor’s report issued on compliance for major programs: | Unmodified |
| 6. Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)? | No |

7. Identification of Major Programs:

<u>Federal Grantor/Program Title</u>	<u>Federal Assistance Listing No.</u>	
U.S. Department of Housing and Urban Development (HUD):		
Moving to Work Demonstration Program	14.881	\$ 6,754,807

- | | |
|---|------------|
| 8. Dollar threshold used to distinguish between Type A and Type B programs: | \$ 750,000 |
| 9. Auditee qualified as low-risk auditee? | Yes |

ROCKVILLE HOUSING ENTERPRISES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
For the Year Ended September 30, 2021

SECTION II – FINANCIAL STATEMENT FINDINGS

None.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.

ROCKVILLE HOUSING ENTERPRISES
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
September 30, 2021

SECTION I – PRIOR YEAR FINANCIAL STATEMENT FINDINGS

None.

SECTION II – PRIOR YEAR FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.

TAB 7

RHEP Audit

Report

FYE 12-31-2022

RHE PROPERTIES, INC.
A Blended Component Unit of Rockville Housing Enterprises

**FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION
WITH INDEPENDENT AUDITOR'S REPORT**

FIFTEEN MONTHS ENDED DECEMBER 31, 2021

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INDEPENDENT AUDITOR'S REPORT	1-2
FINANCIAL STATEMENTS	
Statement of Net Position	3
Statement of Revenues, Expenses, and Changes in Net Position	4
Statement of Cash Flows	5-6
Notes to the Financial Statements	7-14

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Rockville Housing Enterprises
Rockville, Maryland

Opinion

We have audited the accompanying financial statements of RHE Properties, Inc., a component unit of Rockville Housing Enterprises, which comprise the statement of net position as of December 31, 2021, and the related statements of revenues, expenses and changes in net position, and cash flows for the fifteen months then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of RHE Properties, Inc. as of December 31, 2021, and the changes in net position and its cash flows for the fifteen months then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of RHE Properties, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about RHE Properties, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting

from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of RHE Properties, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about RHE Properties, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Bethesda, Maryland
April 29, 2022

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

RHE PROPERTIES, INC.
a Blended Component Unit of Rockville Housing Enterprises
STATEMENT OF NET POSITION
December 31, 2021

ASSETS

Current assets	
Cash and cash equivalents, unrestricted	\$ 13,165
Cash and cash equivalents, tenant security deposits	860
Accounts receivable, net	220
Prepaid expenses and other current assets	<u>2,897</u>
Total current assets	<u>17,142</u>
Noncurrent assets	
Capital assets	
Land	3,000,000
Buildings	10,262,078
Furniture and equipment	4,445
Infrastructure	7,093
Less: Accumulated depreciation	<u>(136,251)</u>
Total capital assets	<u>13,137,365</u>
TOTAL ASSETS	<u><u>\$ 13,154,507</u></u>

LIABILITIES AND NET POSITION

Current liabilities	
Accrued interest payable	\$ 683
Tenant security deposits	1,900
Unearned revenue	4,042
Current portion of long-term debt	4,690
Due to RHE	<u>13,015</u>
Total current liabilities	<u>24,330</u>
Noncurrent liabilities	
Long-term debt, net of current	<u>283,943</u>
Total non-current liabilities	<u>283,943</u>
Total liabilities	<u>308,273</u>
Net position	
Net investment in capital assets	12,848,732
Unrestricted net position	<u>(2,498)</u>
Total net position	<u>12,846,234</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 13,154,507</u></u>

The accompanying notes are an integral part of these financial statements.

RHE PROPERTIES, INC.
a Blended Component Unit of Rockville Housing Enterprises
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
Fifteen Months Ended December 31, 2021

Operating Revenues	
Rental income - tenants	\$ 59,079
Rental income - housing assistance payments	15,680
Other operating income	<u>4,887</u>
Total operating revenues	79,646
Operating Expenses	
Utilities	330
Maintenance and operations	5,953
Insurance	2,837
Real estate taxes / PILOT	3,781
Miscellaneous taxes, licenses and insurance	6,850
Bad debts	3,917
Association fees	20,133
Other expenses	1,428
Depreciation	<u>25,389</u>
Total operating expenses	<u>70,618</u>
Net operating income	<u>9,028</u>
Non-operating revenues (expenses)	
Interest expense	<u>(19,840)</u>
Total non-operating revenues (expenses)	<u>(19,840)</u>
Change in net position	<u>(10,812)</u>
RHE equity contribution	12,800,000
Net position, beginning of period	<u>57,046</u>
Net position, end of period	\$ <u><u>12,846,234</u></u>

The accompanying notes are an integral part of these financial statements.

RHE PROPERTIES, INC.
a Blended Component Unit of Rockville Housing Enterprises
STATEMENT OF CASH FLOWS
Fifteen Months Ended December 31, 2021

Cash flows from operating activities	
Receipts from tenants	\$ 64,765
Rental income - housing assistance payments	15,680
Other income receipts	4,887
Payments to suppliers	(49,801)
Net cash provided (used) by operating activities	<u>35,531</u>
 Cash flows from capital and related financing activities	
Payment on mortgage and notes payable	(13,711)
Payment of interest	(19,157)
Net cash provided (used) by capital and related financing activities	<u>(32,868)</u>
 NET INCREASE (DECREASE) IN CASH	 2,663
 CASH AND CASH EQUIVALENTS, beginning	 <u>11,362</u>
 CASH AND CASH EQUIVALENTS, ending	 <u>\$ 14,025</u>

**RECONCILIATION OF CASH AND CASH EQUIVALENTS PER STATEMENT
OF CASH FLOWS TO THE STATEMENT OF NET POSITION**

Cash and Cash Equivalents - Unrestricted	\$ 13,165
Cash and Cash Equivalents - Tenant security deposits	<u>860</u>
Cash and Cash Equivalents per Statement of Net Position	<u>\$ 14,025</u>

SCHEDULE OF NON-CASH CAPITAL AND RELATED FINANCING ACTIVITY

Contribution of land and buildings from RHE	\$ 12,800,000
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The accompanying notes are an integral part of these financial statements.

RHE PROPERTIES, INC.
a Blended Component Unit of Rockville Housing Enterprises
STATEMENT OF CASH FLOWS
Fifteen Months Ended December 31, 2021

Reconciliation of net operating income to net cash provided (used) by operating activities

Net operating income	\$	9,028
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Adjustments to reconcile net operating income to net cash provided by (used) operating activities:

Depreciation		25,389
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Changes in operating assets and liabilities

Decrease (increase) in accounts receivable		1,671
Decrease (increase) in prepaid expenses		(2,897)
Increase (decrease) in accounts payable		(5,675)
Increase (decrease) in unearned revenue		4,015
Increase (decrease) in due to RHE		4,000
		<hr/>

Net cash provided (used) by operating activities	\$	35,531
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The accompanying notes are an integral part of these financial statements.

RHE PROPERTIES, INC.
A Blended Component Unit of Rockville Housing Enterprises
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

1. ORGANIZATION

RHE Properties, Inc. (the “Company”) is an affiliate of Rockville Housing Enterprises (the “Authority” or “RHE”) and was established to account for properties purchased by RHE other non-subsidy properties. The Company is considered to be a blended component unit of RHE. These financial statements represent the activity of RHE Properties, Inc. and not the entire Rockville Housing Enterprises reporting entity.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Company have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the Authority are described below.

A. Reporting Entity

In determining how to define the reporting entity, management has considered all potential component units by applying the criteria established by the GASB. Based on these criteria, the Company is considered to be a blended component unit of Rockville Housing Enterprises. The Company has no component units to include in its financial statements.

B. Basis of Presentation

Basis of Accounting - The Company uses the accrual basis of accounting in the proprietary funds. Under this method, revenues are recorded when earned, and expenses are recorded when liabilities are incurred, regardless of when the related cash flow takes place.

Basis of Presentation - The financial statements of the Company are presented from a fund perspective. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain Company functions. The accounting and financial reporting method applied by a fund is determined by the fund’s measurement focus. The accounting objectives are determination of net income, financial position and cash flows. All assets and liabilities associated with the Proprietary Fund’s activities are included on the statement of net position. Proprietary fund equity is segregated into three broad components:

Net investment in capital assets – This category consists of capital assets (including restricted capital assets), net of accumulated depreciation and reduced by any outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, and improvements of those assets.

RHE PROPERTIES, INC.
A Blended Component Unit of Rockville Housing Enterprises
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation (continued)

Restricted net position – This category consists of resources restricted in their use by (1) external groups such as grantors, creditors, or laws and regulations of other governments; or (2) law, through constitutional provisions and enabling legislation.

Unrestricted net position – This category includes all of the remaining resources that do not meet the definition of the other two categories.

The Company uses the following fund:

Proprietary fund:

Enterprise fund - This type of fund is reported using an economic resources measurement focus. Additionally, it is used to account for operations that are financed and operated in a manner similar to private businesses where a fee is charged to external users for services provided.

C. Revenue and Expenses

Revenues and expenses are recognized in essentially the same manner as used in commercial accounting. Revenues relating to the Company's operating activities include rental related income, interest income and other sources of revenues that are recognized in the accounting period in which they are earned.

D. Use of Estimates in Preparing Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses in the financial statements and in the disclosures of contingent assets and liabilities. Actual results could differ from those estimates.

E. Cash and Investments

The Authority cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with an original maturity of three months or less when purchased.

Restricted cash includes cash held for tenant security deposits.

RHE PROPERTIES, INC.
A Blended Component Unit of Rockville Housing Enterprises
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Accounts Receivable

All tenant receivables are shown net of an allowance for uncollectible. The allowance for doubtful accounts is established based on periodic aging of receivables.

G. Capital Assets and Depreciation

Capital assets are stated at historical cost. Depreciation is calculated using the straight-line method. Donated capital assets are stated at their fair value on the date donated. This includes site acquisition and improvement, structures and equipment. Depreciation of exhaustible capital assets used by proprietary funds is charged as an expense against operations, and accumulated depreciation is reported on the Statement of Net Position. All assets will be capitalized if they have a useful life beyond one year and an original cost greater than \$5,000.

The estimated useful lives for each major class of depreciable capital assets are as follows:

Buildings and improvements	10-40 years
Furniture and fixtures	5-10 years
Equipment	3-10 years

H. Impairment of Long-Lived Assets

Prominent events or changes in circumstances affecting capital assets are required to be evaluated to determine whether impairment of a capital asset has occurred. Impaired capital assets that will no longer be used will be reported at the lower of carrying value or fair value. Impairment of capital assets with physical damage generally will be measured using the restoration cost approach, which uses the estimated cost to restore the capital asset to identify the portion of the historical cost of the capital asset that should be written off. No such impairment loss was incurred during the period ended December 31, 2021.

I. Operating Revenue and Expenses

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Authority are charges to customers for rents. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

RHE PROPERTIES, INC.
A Blended Component Unit of Rockville Housing Enterprises
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. Insurance

The primary technique used for risk financing is the purchase of insurance policies from commercial insurers that include a large deductible amount. The use of a large deductible clause reduces the cost of insurance, but, should losses occur, the portion of the uninsured loss is not expected to be significant with respect to the financial position of the Company. The Company secures required insurance coverage through the competitive bid process. As of the date of the fieldwork, the Company had the required coverage in force.

K. New Accounting Pronouncements

The following Governmental Accounting Standards Board (GASB) pronouncements became effective for the Company during the year ended December 31, 2021:

GASB Statement No. 84, *Fiduciary Activities* establishes criteria for identifying and reporting of fiduciary activities of all state and local governments. The adoption of this Statement had no material effect on the financial statements.

GASB Statement No. 90, *Majority Equity Interests* – an Amendment of GASB Statements No. 14 and 61 will improve financial reporting by providing users of financial statements with essential information related to presentation of majority equity interests in legally separate organizations that previously was reported inconsistently. In addition, this Statement also provides guidance for reporting a component unit if a government acquires a 100 percent equity interest in that component unit. This adoption of this Statement had no material effect on the financial statements.

The following pending GASB Pronouncements will be effective for the Company in future years. The Company is currently assessing the impact of these Statements:

GASB Statement No. 87, *Leases* establishes a single model for lease accounting based on the principal that leases are financings of the right to use an underlying asset. The requirements of this statement are effective for reporting periods beginning after June 15, 2021.

GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period* will improve financial reporting by providing users of financial statements with more relevant information about capital assets and the cost of borrowing for a reporting period. The requirements of this statement are effective for periods beginning after December 15, 2021.

RHE PROPERTIES, INC.
A Blended Component Unit of Rockville Housing Enterprises
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. New Accounting Pronouncements (continued)

GASB Statement No. 91, *Conduit Debt Obligations* will improve financial reporting by eliminating the existing option for issuers to report conduit debt obligations as their own liabilities, thereby ending significant diversity in practice. The requirements of this statement are effective for reporting periods beginning after December 15, 2021.

GASB Statement No. 92, *Omnibus 2020* will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. The statement addresses a variety of topics and effective immediately except for those topics related to standards not yet effective. The Company will adopt as required.

GASB Statement No. 93, *Replacement of Interbank Offered Rates* will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistence of authoritative literature. The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods beginning after December 31, 2021. All other requirements of the statement are effective for reporting periods beginning after June 15, 2020.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* will improve financial reporting by establishing definitions of Public-Private and Public-Public Partnerships and Availability Payment Arrangements and by providing uniform guidance on accounting and financial reporting for transactions that meet those definitions. The requirements of this statement are effective for fiscal years beginning after June 15, 2022.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* will improve financial reporting by establishing definitions for Subscription-Based Information Technology Arrangements and by providing uniform guidance on accounting and financial reporting for transactions that meet that definition. The requirements of this statement are effective for fiscal years beginning after June 15, 2022.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and supersession of GASB Statement No. 32* will result in more consistent financial reporting of defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans, while mitigating the costs associated with reporting those plans. The requirements of this statement are effective for fiscal years beginning after June 15, 2021.

RHE PROPERTIES, INC.
A Blended Component Unit of Rockville Housing Enterprises
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. New Accounting Pronouncements (continued)

GASB Statement No. 98, *The Annual Comprehensive Financial Report* replaces the term Comprehensive Annual Financial Report with the term Annual Comprehensive Financial Report. The requirements of this statement are effective for fiscal years ending after December 15, 2021.

3. CASH AND INVESTMENTS

All the deposits of the Company are either insured or collateralized by using the Dedicated Method whereby all deposits that exceed the federal depository insurance coverage level are collateralized with securities held by the Company's agents in these units' names. The Company has no policy regarding custodial credit risk for deposits.

At December 31, 2021, the Company's cash and investments had a carrying amount of \$14,025 and bank balances of \$14,025, all of which was covered by federal depository insurance.

Interest rate risk - As a means of limiting its exposure to fair value losses arising from rising interest rates, the Authority typically limits its investment portfolio to maturities of 12 months or less.

Credit risk - The Authority has no policy regarding credit risk.

Custodial credit risk - The Authority has no policy on custodial credit risk.

Concentration of credit risk - The Authority places no limit on the amount that it invests in certificates of deposits. The Authority has no policy regarding credit risk.

4. CAPITAL ASSETS

A summary of changes in capital assets is as follows:

	Beginning Balances	Additions	Disposals	Contributed by RHE	Ending Balances
Land	\$ -	\$ -	\$ -	\$ 3,000,000	\$ 3,000,000
Total capital assets not being depreciated	-	-	-	3,000,000	3,000,000
Buildings and improvements	462,078	-	-	9,800,000	10,262,078
Furniture and equipment	4,445	-	-	-	4,445
Infrastructure	7,093	-	-	-	7,093
Total capital assets being depreciated	473,616	-	-	9,800,000	10,273,616
Accumulated depreciation	(110,862)	(25,389)	-	-	(136,251)
Capital assets, net	<u>\$ 362,754</u>	<u>\$ (25,389)</u>	<u>\$ -</u>	<u>\$ 12,800,000</u>	<u>\$ 13,137,365</u>

RHE PROPERTIES, INC.
A Blended Component Unit of Rockville Housing Enterprises
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

5. LONG-TERM DEBT

On October 25, 2012, the Company purchased a property at 343 Falls Grove Drive, Rockville, Maryland which was partially funded through a mortgage payable. The mortgage matures on October 25, 2022. The interest rate on the mortgage is a fixed rate of 4.65%. The required monthly payments were \$555. Effective November 23, 2021, the maturity date was extended until November 23, 2041 (twenty years from the effective date of the modification). The interest rate was changed to 4.49%, and monthly payments based on a thirty-year amortization are required. Additionally, the lender has the option to call the debt after ten years. The mortgage payable as of December 31, 2021, was \$73,668.

On November 30, 2012, the Company obtained a mortgage on a property at 219 Jay Drive, Rockville, Maryland that the Company had previously purchased for the purposes of obtaining funds to purchase future properties. The mortgage matures on November 30, 2022. The interest rate on the mortgage is a fixed rate of 4.57%. The required monthly payments were \$522. Effective November 23, 2021, the maturity date was extended until November 23, 2041 (twenty years from the effective date of the modification). The interest rate was changed to 4.49%, and monthly payments based on a thirty-year amortization are required. Additionally, the lender has the option to call the debt after ten years. The mortgage payable as of December 31, 2021, was \$69,716.

On July 15, 2013, the Company obtained a mortgage on a property at 722 Garden View Drive, Rockville, Maryland that the Company had previously purchased for the purposes of obtaining funds to purchase future properties. The mortgage matures on July 15, 2023. The interest rate on the mortgage is a fixed rate of 5.89%. The required monthly payments were \$582. Effective November 23, 2021, the maturity date was extended until November 23, 2041 (twenty years from the effective date of the modification). The interest rate was changed to 4.49%, and monthly payments based on a thirty-year amortization are required. Additionally, the lender has the option to call the debt after ten years. The mortgage payable as of December 31, 2021, was \$72,659.

On July 15, 2013, the Company purchased a property at 229 Cork Tree Lane, Rockville, Maryland which was partially funded through a mortgage payable. The mortgage matures on July 15, 2023. The interest rate on the mortgage is a fixed rate of 5.89%. The required monthly payments were \$582. Effective November 23, 2021, the maturity date was extended until November 23, 2041 (twenty years from the effective date of the modification). The interest rate was changed to 4.49%, and monthly payments based on a thirty-year amortization are required. Additionally, the lender has the option to call the debt after ten years. The mortgage payable as of December 31, 2021, was \$72,590.

RHE PROPERTIES, INC.
A Blended Component Unit of Rockville Housing Enterprises
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

5. LONG-TERM DEBT (continued)

A summary of changes in long-term debt is as follows:

	Beginning			Ending	
	Balances	Issued	Retired	Balances	Current
343 Fallsgrove Drive	\$ 77,320	\$ -	\$ (3,652)	\$ 73,668	\$ 1,195
219 Jay Drive	73,404	-	(3,688)	69,716	1,134
722 Garden View Way	75,780	-	(3,121)	72,659	1,180
229 Cork Tree Lane	75,840	-	(3,250)	72,590	1,181
	<u>\$ 302,344</u>	<u>\$ -</u>	<u>\$ (13,711)</u>	<u>\$ 288,633</u>	<u>\$ 4,690</u>

Principal and interest requirements for the long-term debt are as follows:

	Principal	Interest	Total
2022	\$ 4,690	\$ 12,869	\$ 17,559
2023	4,910	12,649	17,559
2024	5,135	12,424	17,559
2025	5,370	12,189	17,559
2026	5,616	11,943	17,559

19. SUBSEQUENT EVENTS

Events that occur after the statement of net position date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. Management evaluated the activity of the Authority through April 29, 2022 (the date the financial statements were available to be issued). There are no subsequent events requiring disclosure.

20. CORONAVIRUS PANDEMIC

Coronavirus Pandemic: In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) originated in Wuhan, China and has since spread to other countries, including the United States. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the U.S. have declared a state of emergency. It is anticipated that these impacts will continue for some time. Future potential impacts may include disruptions or restrictions on employees' ability to work or the tenants' ability to pay the required monthly rent. Operating functions that may be changed include intake, recertifications and maintenance. Changes to the operating environment may increase operating costs. Additional impacts may include the ability of tenants to continue making rental payments as a result of job loss or other pandemic related issues. The future effects of these issues are unknown.

TAB 7

**RELP Audit
Report**

FYE 12-31-2022

REL P One Limited Partnership

Financial Statements
(With Supplementary Information)
and Independent Auditor's Report

December 31, 2021 and 2020

REL P One Limited Partnership

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Independent Auditor's Report

To the General Partner
RELP One Limited Partnership

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of RELP One Limited Partnership, which comprise the balance sheets as of December 31, 2021 and 2020, and the related statements of operations, partners' equity (deficit), and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of RELP One Limited Partnership as of December 31, 2021 and 2020, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of RELP One Limited Partnership and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about RELP One Limited Partnership's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of RELP One Limited Partnership's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about RELP One Limited Partnership's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of certain income and expenses is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of certain income and expenses is fairly stated in all material respects in relation to the financial statements as a whole.

CohnReznick LLP

Boston, Massachusetts
May 3, 2022

REL P One Limited Partnership

**Balance Sheets
December 31, 2021 and 2020**

Assets

	2021	2020
Investment in rental property, net	\$ 2,516,138	\$ 2,709,445
Cash and cash equivalents	206,243	209,168
Restricted deposits and funded reserves		
Mortgage escrow deposits	20,045	19,974
Tenants' security deposits	46,672	35,734
Replacement reserve	21,846	57,771
Operating reserve	-	300,496
	88,563	413,975
Total restricted deposits and funded reserves		
Tenants' accounts receivable, net	22,124	31,945
Prepaid expenses	23,274	36,073
Accounts receivable - subsidy	-	35,378
Accounts receivable - other	1,000	7,665
	\$ 2,857,342	\$ 3,443,649
Total assets		

Liabilities and Partners' Equity (Deficit)

Liabilities		
Accounts payable - operations	\$ 2,508	\$ 5,255
Other accrued liabilities	12,210	32,879
Accrued interest - first mortgage	14,638	14,638
Accrued interest - other loans	26,045	79,888
Tenants' security deposits liability	38,024	24,341
Payable to general partner and affiliates	179,618	119,461
Mortgages and notes payable	4,698,706	4,759,617
	4,971,749	5,036,079
Total liabilities		
Contingency	-	-
Partners' equity (deficit)	(2,114,407)	(1,592,430)
	\$ 2,857,342	\$ 3,443,649
Total liabilities and partners' equity (deficit)		

See Notes to Financial Statements.

REL P One Limited Partnership
Statements of Operations
Years Ended December 31, 2021 and 2020

	2021	2020
Revenue		
Rental income	\$ 860,749	\$ 936,114
Vacancies and concessions	(36,807)	(24,101)
Other operating income	5,160	2,746
Total revenue	829,102	914,759
Operating expenses		
Salaries and employee benefits	48,090	70,304
Repairs and maintenance	50,296	105,357
Utilities	1,958	4,334
Property management fee	77,598	77,952
Real estate taxes	22,150	21,319
Property insurance	44,306	42,548
Miscellaneous operating expenses	263,143	309,470
Total operating expenses	507,541	631,284
Net operating income	321,561	283,475
Other income (expense)		
Interest expense - first mortgage	(170,305)	(175,103)
Interest expense - other loans	(15,583)	(15,583)
Other financial income (expense)	46	138
Miscellaneous other income (expense)	(34,306)	132
Other related party fees and expenses	(35,826)	(35,285)
Depreciation	(255,266)	(245,466)
Total other income (expense)	(511,240)	(471,167)
Net loss	\$ (189,679)	\$ (187,692)

See Notes to Financial Statements.

REL P One Limited Partnership
Statements of Partners' Equity (Deficit)
Years Ended December 31, 2021 and 2020

Balance, January 1, 2020	\$ (1,404,738)
Net loss	<u>(187,692)</u>
Balance, December 31, 2020	(1,592,430)
Net loss	(189,679)
Distributions	<u>(332,298)</u>
Balance, December 31, 2021	<u>\$ (2,114,407)</u>

See Notes to Financial Statements.

REL P One Limited Partnership

Statements of Cash Flows
Years Ended December 31, 2021 and 2020

	2021	2020
Cash flows from operating activities		
Net loss	\$ (189,679)	\$ (187,692)
Adjustments to reconcile net loss to net cash provided by operating activities		
Depreciation	255,266	245,466
Amortization of debt issuance costs	5,532	5,464
Changes in		
Tenants' accounts receivable, net	9,821	(456)
Prepaid expenses	12,799	11,601
Accounts receivable - other	6,665	(1,000)
Accounts receivable - subsidy	35,378	(10,206)
Accounts payable - operations	(2,747)	2,935
Other accrued liabilities	(20,669)	(67,076)
Accrued interest - other loans	(53,843)	15,583
Tenants' security deposits liability	13,683	(1,786)
Payable to general partner and affiliates	18,636	28,004
Net cash provided by operating activities	90,842	40,837
Cash flows from investing activities		
Expenditures on rental property	(61,959)	-
Net cash used in investing activities	(61,959)	-
Cash flows from financing activities		
Principal payments on mortgage note payable	(66,443)	(62,577)
Distributions to partners	(332,298)	-
Advances from general partner	41,521	-
Net cash used in financing activities	(357,220)	(62,577)
Net increase (decrease) in cash, cash equivalents and restricted cash	(328,337)	(21,740)
Cash, cash equivalents and restricted cash, beginning	623,143	644,883
Cash, cash equivalents and restricted cash, end	\$ 294,806	\$ 623,143
Supplemental disclosure of cash flow information		
Cash paid for interest	\$ 238,065	\$ 169,639

See Notes to Financial Statements.

REL P One Limited Partnership

Notes to Financial Statements December 31, 2021 and 2020

Note 1 - Organization and nature of operations

REL P One Limited Partnership (the "Partnership") was organized as a limited partnership on October 4, 2001, under the laws of the State of Maryland for the purpose of acquiring, constructing and operating a 56-unit scattered site rental housing project. The properties are located in Rockville, Maryland, and are currently known as the Rockville Housing MDPU Program (the "Project"). The major activities of the Partnership are governed by the partnership agreement and the Internal Revenue Code Section 42.

RHE Corporation is the General Partner having a .01% ownership interest; Transamerica Life Insurance Company is the Investor Limited Partner having a 99.98% ownership interest; and Transamerica Affordable Housing, Inc. is the Special Limited Partner having an ownership interest of .01%.

Effective December 3, 2021, Transamerica Life Insurance Company assigned its 99.98% ownership interest, rights, and obligations to RHE Corporation as evidenced by an executed Agreement for Purchase and Sale of Partnership Interest dated December 3, 2021.

The major activities of the Partnership are governed by the partnership agreement and Internal Revenue Code Section 42 ("Section 42"). Each building of the Project has qualified for and been allocated low-income housing tax credits pursuant to Section 42, which regulates the use of the Project as to occupant eligibility and unit gross rent, among other requirements. Each building of the Project must meet the provisions of these regulations during each of 15 consecutive years in order to continue to qualify to receive the tax credits. Failure to comply with occupant eligibility and/or unit gross rent or to correct noncompliance within a specified time period could result in recapture of previously taken low-income housing tax credits plus interest. Such potential noncompliance may require an adjustment to the contributed capital by the Investor Limited Partner. Additionally, the Partnership has entered into an Extended Use Housing Agreement with the Maryland Department of Housing and Community Development. This agreement requires the Project to maintain the provisions of Section 42 of the Internal Revenue Code for a minimum of 30 years. The Partnership is required to set aside all available units in the Project for low-income occupants.

Note 2 - Significant accounting policies

Cash and cash equivalents

The Partnership considers cash on hand, deposits in banks, certificates of deposit and short-term money marketable securities maturing in less than 90 days as cash and cash equivalents.

Accounts receivable and bad debts

Tenant receivables are reported net of an allowance for doubtful accounts. Management's estimate of the allowance is based on historical collection experience and a review of the current status of tenant accounts receivable. It is reasonably possible that management's estimate of the allowance will change. As of December 31, 2021 and 2020 there was an allowance for doubtful accounts of \$30,304 and \$30,304, respectively.

REL P One Limited Partnership

Notes to Financial Statements December 31, 2021 and 2020

Rental property

Fixed assets are recorded at cost. Depreciation is provided for in amounts sufficient to relate the costs of depreciable assets to operations over their estimated service lives as follows:

Apartment units	Straight-line	27.5 years
Personal property	Straight-line	5 years
Site improvements	Straight-line	15 years

Impairment of long-lived assets

In accordance with the accounting guidance for impairment or disposal of long lived assets, the Partnership reviews its rental property and certain intangibles to determine if the carrying value exceeds the undiscounted cash flows expected to be derived from the asset. If the carrying value exceeds the cash flows, then recorded amounts of the assets will be reduced to their fair value. No impairment losses have been recognized during the years ended December 31, 2021 and 2020.

Debt issuance costs

Debt issuance costs, net of accumulated amortization, are reported as a direct deduction from the face amount of the mortgage loan payable to which such costs relate. Amortization of debt issuance costs is reported as a component of interest expense and is computed using an imputed interest rate on the related loan.

Rental income

Rental income is recognized as rentals become due. Rental payments received in advance are deferred until earned. All leases between the Partnership and the tenants of the property are operating leases.

Advertising

The Partnership's policy is to expense advertising costs when incurred.

Income taxes

The Partnership has elected to be treated as a pass-through entity for income tax purposes and, as such, is not subject to income taxes. Rather, all items of taxable income, deductions and tax credits are passed through to and are reported by its owners on their respective income tax returns. The Partnership's federal tax status as a pass-through entity is based on its legal status as a partnership. Accordingly, the Partnership is not required to take any tax positions in order to qualify as a pass-through entity. The Partnership is required to file and does file tax returns with the Internal Revenue Service and other taxing authorities. Accordingly, these financial statements do not reflect a provision for income taxes and the Partnership has no other tax positions which must be considered for disclosure. Income tax returns filed by the Partnership are subject to examination by the Internal Revenue Service for a period of three years. While no income tax returns are currently being examined by the Internal Revenue Service, tax years since 2018 remain open. Effective December 31, 2021, the Partnership became a disregarded entity for tax purposes with the assignment of the Investor Limited Partner interest to the General Partner.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results may differ from those estimates.

REL P One Limited Partnership

**Notes to Financial Statements
December 31, 2021 and 2020**

Note 3 - Investment in rental property

Investment in rental property is comprised of the following at December 31, 2021 and 2020:

	2021	2020
Land	\$ 259,000	\$ 259,000
Land improvements	217,495	217,495
Buildings and improvements	6,576,826	6,569,021
Equipment	200,736	146,582
Subtotal	7,254,057	7,192,098
Accumulated depreciation	(4,737,919)	(4,482,653)
Net	\$ 2,516,138	\$ 2,709,445

Note 4 - Restricted deposits and funded reserves

Replacement reserve

Under the terms of the partnership agreement, the Partnership established a reserve for capital replacements with an initial amount of \$30,500 from capital contributions and is required to fund \$25 per unit per month, increasing at the rate of 2% per annum. Activity for the years ended December 31, 2021 and 2020 is as follows:

	2021	2020
Balance, January 1	\$ 57,771	\$ 58,431
Deposits	38,718	22,427
Withdrawals	(74,643)	(23,087)
Balance, December 31	\$ 21,846	\$ 57,771

Operating reserve

The General Partner is required to establish and maintain an operating reserve. The operating reserve is to be funded in the amount of \$290,000. Activity for the years ended December 31, 2021 and 2020 is as follows:

	2021	2020
Balance, January 1	\$ 300,358	\$ 300,058
Interest earnings	183	300
Withdrawals	(300,541)	-
Balance, December 31	\$ -	\$ 300,358

REL P One Limited Partnership

Notes to Financial Statements December 31, 2021 and 2020

Note 5 - Rental revenues

Tenants' rent is being subsidized pursuant to various federal and state programs intended to assist low-income tenants. Such rental subsidies totaled \$227,439 and \$266,970 during 2021 and 2020, respectively.

Note 6 - Related party transactions

Affiliate reimbursement

Rockville Housing Enterprises ("RHE"), an affiliate of the General Partner, makes payments for operating expenses, deposits and fees on behalf of the Partnership and is later reimbursed. In addition, RHE charged the Partnership \$1,000 per month for office rent in 2021 and 2020. At December 31, 2021 and 2020, no amounts are payable.

Asset management fee

Pursuant to the partnership agreement, an annual asset management fee of \$5,200 is payable to an affiliate of the Investor Limited Partner out of available cash flow, as defined in the partnership agreement. The fee is to be increased at a rate of 2% per annum. For the years ended December 31, 2020 and 2019, asset management fees of \$7,426 and \$7,281, respectively, were charged to operations and \$0 and \$132 remains payable at December 31, 2021 and 2020, respectively, and is included in other accrued liabilities.

Partnership management fee

Under the terms of the partnership agreement, the General Partner is entitled to receive an annual fee equal to the lesser of 80% of operating cash flow, as defined, or \$20,000 commencing in the first year that credits are allocated to the partners and increasing at a rate of 2% per annum. During the years ended December 31, 2021 and 2020, partnership management fees of \$28,400 and \$28,004, respectively, were charged to operations. No payments were made during either 2021 or 2020. At December 31, 2021 and 2020, amounts remaining payable totaled \$147,861 and \$119,461, respectively.

Management fee

The Partnership has entered into an agreement with an affiliate of the General Partner, in connection with the management of the rental operations of the Project. The management fee is equal to \$116 per unit per month for 2021 and 2020, based upon the rate set in the annual budget. For the years ended December 31, 2021 and 2020, management fees of \$77,598 and \$77,952, respectively, were incurred. As of December 31, 2021 and 2020, there were prepaid management fees of \$14,181 and \$14,181, respectively.

REL P One Limited Partnership

Notes to Financial Statements December 31, 2021 and 2020

Note 7 - Statements of cash flows

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the balance sheets as of December 31, 2021 and 2020 that sum to the total of the same such amounts in the statements of cash flows:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 206,243	\$ 209,168
Restricted cash		
Mortgage escrow deposits	20,045	19,864
Tenants' security deposits	46,672	35,734
Replacement reserve	21,846	57,881
Operating reserve	-	300,358
	<u> </u>	<u> </u>
Total cash, cash equivalents and restricted cash shown in the statements of cash flows	<u>\$ 294,806</u>	<u>\$ 623,005</u>

Amounts included in restricted cash are comprised of security deposits held in trust for the future benefit of tenants upon moving out of the property, a mortgage escrow, a replacement reserve, and an operating reserve as required by regulatory authority and the partnership agreement.

Note 8 - Mortgage payable

The Partnership entered into a nonrecourse 40-year mortgage note provided through the sale of tax-exempt bonds in the principal amount of \$3,900,000 in January 2005. The bonds were credit-enhanced through the issuance of HUD risk-sharing mortgage insurance. Interest on the mortgage loan is at a rate of 5.21% per annum, plus a 0.05% mortgage insurance premium. Installments of \$19,351 are due monthly until February 1, 2045. Interest incurred for the years ended December 31, 2021 and 2020 amounted to \$170,305 and \$175,103, respectively, which includes amortization of debt issuance costs of \$5,532 and \$5,464, respectively. At December 31, 2021 and 2020, accrued interest amounted to \$14,638 and \$14,638, respectively. At December 31, 2021 and 2020, the principal balance outstanding was \$3,120,510 and \$3,186,953, respectively.

Debt issuance costs, net of accumulated amortization, totaled \$100,152 and \$105,684 as of December 31, 2021 and 2020, respectively, and are related to the first mortgage. Debt issuance costs on the above note are being amortized using an imputed interest rate of 5.5716%.

The liability of the Partnership under the mortgage note is limited to the underlying value of the real estate collateral plus other amounts deposited with the lender.

REL P One Limited Partnership

Notes to Financial Statements December 31, 2021 and 2020

Aggregate annual maturities of the mortgage note payable over each of the next five years and thereafter are as follows:

December 31, 2022	\$	71,324
2023		75,130
2024		79,139
2025		83,362
2026		87,811
Thereafter		<u>2,723,743</u>
Total balance due		3,120,510
Unamortized debt issuance costs		<u>(100,152)</u>
Net balance	\$	<u>3,020,358</u>

The Partnership obtained additional financing from Montgomery County in the original amount of \$1,500,000. As of December 31, 2021 and 2020, the remaining balance was \$1,397,245 and \$1,397,245, respectively. No interest was accrued and no payments were due through July 31, 2004. Thereafter, the note provides for annual installments of principal and interest accruing at a rate of 1.0% per annum. Payments of principal and interest, commencing on August 1, 2005, equal to the lesser of 50% of cash flow from operations after certain priority payments, as defined, or an amount equal to interest, and principal amortized over 40 years until maturity of the note on August 1, 2044. The note is secured by a deed of trust and a regulatory agreement. Interest incurred for both the years ended December 31, 2021 and 2020 amounted to \$13,972. During both the years ended December 31, 2021 and 2020, the Partnership made loan payments of \$69,426. During both the years ended December 31, 2020, the Partnership did not make any loan payments. As of December 31, 2021 and 2020, accrued interest amounted to \$11,972 and \$67,426, respectively.

The Mayor and Council of Rockville advanced funds, amounting to \$120,000 to aid in the acquisition of affordable dwelling units. The advances were made under the terms of a note issued by the City in connection with a loan agreement dated March 19, 2002. The note accrues no interest and must be repaid in full on or before June 13, 2043. The note is secured by a mortgage on certain property and an assignment of rents. As of December 31, 2021 and 2020, the remaining balance was \$120,000.

RHE Corporation has provided financing in the amount of \$250,000. This note, funded from a grant by the City of Rockville to the General Partner, accrues no interest and requires no payments through December 31, 2004. Thereafter, interest accrues at the rate of 1.0% per annum and annual payments equal to 50% of the net cash flow, as defined, or the amount which would pay interest and amortize the loan principal over 40 years, are due each December 31, commencing in 2005. Any unpaid principal and interest under this note shall be payable in full on December 31, 2044. As of both December 2021 and 2020, the principal balance on the note was \$161,103. Interest incurred for both the years ended December 31, 2021 and 2020 was \$1,611. As of December 31, 2021 and 2020, accrued interest amounted to \$14,073 and \$12,462, respectively. During both the years ended December 31, 2021 and 2020, the Partnership did not make any loan payments.

REL P One Limited Partnership

Notes to Financial Statements December 31, 2021 and 2020

Note 9 - Capital contributions

Under the terms of the partnership agreement, the General Partner has contributed \$1,000 and the Special Limited Partner is obligated to contribute \$100. The Investor Limited Partner was admitted to the Partnership in June 2003 in return for agreed upon capital contributions, which had been adjusted to \$1,893,016 as specified in the partnership agreement.

Note 10 - Partnership profits and losses and distributions

All profits and losses are allocated 99.98% to the Investor Limited Partner, 0.01% to the General Partner, and 0.01% to the Special Limited Partner.

On December 3, 2021, the Investor Limited Partner assigned its interest in the Partnership to RHE Corporation.

In accordance with the partnership agreement, the Partnership shall make cash distributions to the partners in the following order of priority:

1. To payment of the debt service due and payable on the first mortgage loan and other partnership expenses, including any loans from Investor Limited Partner, except for partnership expenses listed below;
2. To fund the capital replacement reserve;
3. To payment of the current and any accrued and unpaid annual asset management fee;
4. To fund additional deposits to the capital replacement reserve until the annual unit deposit for all units equals \$300, as inflated by 2% per year;
5. 80% of the remaining gross cash receipts from operations to payment of any development and acquisition fee note until such development and acquisition fee note is paid in full;
6. To repayment of any operating deficit loans;
7. To payment of the partnership management fee to the General Partner;
8. 50% of the remaining gross cash receipts from operations to the county towards payment of the second mortgage loan;
9. 65% of the remaining gross cash receipts from operations to the sponsor towards payment of the sponsor loan; and
10. Operating cash flow remaining after the application of the above shall be distributed to the partners in accordance with their respective percentage interests.

REL P One Limited Partnership

Notes to Financial Statements December 31, 2021 and 2020

Note 11 - Concentration of credit risk

The Partnership maintains its cash balances and certain reserves with financial institutions. At times, these balances may exceed the federal insurance limits; however, the Partnership has not experienced any losses with respect to its bank balances in excess of government provided insurance. Management believes that no significant concentration of credit risk exists with respect to these balances at December 31, 2021.

Note 12 - Commitments and contingencies

Tax credit compliance

The Project's tax credits are contingent on its ability to maintain compliance with applicable sections of Section 42. Failure to maintain compliance with occupant eligibility, and/or unit gross rent, or to correct noncompliance within a specified time period could result in recapture of previously-taken tax credits plus interest. In addition, such potential noncompliance may require an adjustment to the contributed capital by the Investor Limited Partner.

Coronavirus pandemic

In early 2020, an outbreak of a novel strain of coronavirus (COVID-19) emerged globally. As a result, events have occurred including mandates from federal, state and local authorities leading to an overall decline in economic activity which could result in a loss of lease revenue and other material adverse effects to the Partnership's financial position, results of operations, and cash flows. The Partnership is currently unable to fully determine the extent of COVID-19's impact on its business in future periods. The Partnership's performance in future periods will be heavily influenced by the timing, length, and intensity of any business disruptions from COVID-19 and the related effects on the Partnership's operations. Management continues to monitor the results of operations to evaluate the actual and potential economic impact on the project.

Note 13 - Homeowner's association's dues

The Partnership is obligated to pay monthly dues as required by agreements with the units and the homeowner's associations where the Projects are located. For both the years ended December 31, 2021 and 2020, the Partnership was required to pay between \$101 and \$270 per unit monthly, subject to any increases in the agreements. Homeowner's association's dues were \$162,935 and \$161,611 for the years ended December 31, 2021 and 2020, respectively.

Note 14 - Economic dependency

The Partnership's principal asset is a 56-unit apartment project located in Rockville, Maryland. The Partnership's future operations could be affected by changes in the economic or other conditions in that geographical area or the demand for such housing.

REL P One Limited Partnership

Notes to Financial Statements December 31, 2021 and 2020

Note 15 - Subsequent events

Events that occur after the balance sheet date but before the financial statements were issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the balance sheet date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the balance sheet date require disclosure in the accompanying notes. Management evaluated the activity of the Partnership through May 3, 2022 (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

Supplementary Information

REL P One Limited Partnership

**Schedules of Certain Revenues and Expenses
Years Ended December 31, 2021 and 2020**

	2021	2020
Rental income		
Rent revenue - gross potential	\$ 633,310	\$ 669,144
Tenant assistance payments	227,439	266,970
Total rental income	\$ 860,749	\$ 936,114
Vacancies and concessions		
Apartments vacancies	\$ 36,441	\$ 19,935
Rental concessions	366	4,166
Total vacancies and concessions	\$ 36,807	\$ 24,101
Other operating income		
Tenant charges	\$ 5,160	\$ 2,746
Total other operating income	\$ 5,160	\$ 2,746
Salaries and employee benefits		
Salaries - administrative	\$ 37,539	\$ 63,470
Salaries - maintenance	10,551	6,834
Total salaries and employee benefits	\$ 48,090	\$ 70,304
Repairs and maintenance		
Supplies	\$ 3,627	\$ 9,383
HVAC expense	979	6,525
Repairs and maintenance - other than contracts	21,100	51,838
Repairs and maintenance - contracts	24,590	37,611
Total repairs and maintenance	\$ 50,296	\$ 105,357
Utilities		
Electricity	\$ 986	\$ 1,180
Water	286	2,976
Gas	686	178
Total utilities	\$ 1,958	\$ 4,334

REL P One Limited Partnership

**Schedules of Certain Revenues and Expenses
Years Ended December 31, 2021 and 2020**

	2021	2020
Miscellaneous operating expenses		
Office supplies and expense	\$ -	\$ 2,280
Training and travel	-	3,484
Computer supplies and expense	3,500	8,982
Bad debt expense	1,858	40,524
Other rent expense	15,524	6,637
Miscellaneous administrative	27,333	33,620
Advertising and newspaper	10	14
Legal	11,559	1,735
Audit	19,736	19,635
Accounting	1,907	1,705
Other taxes, licenses and insurance	2,975	13,153
MIP expense	15,806	16,090
Homeowner's associations dues	162,935	161,611
	\$ 263,143	\$ 309,470
Interest expense - other loans		
Interest expense - second mortgage	\$ 13,972	\$ 13,972
Interest expense - fourth mortgage	1,611	1,611
	\$ 15,583	\$ 15,583
Other financial income (expense)		
Miscellaneous financial income	\$ 46	\$ 138
	\$ 46	\$ 138
Miscellaneous other income (expense)		
Miscellaneous other income (expense)	\$ (11,806)	\$ 132
Legal - entity	(22,500)	-
	\$ (34,306)	\$ 132
Other related party fees and expenses		
Asset management fee	\$ 7,426	\$ 7,281
Partnership management fee	28,400	28,004
	\$ 35,826	\$ 35,285

See Independent Auditor's Report.



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