



August 5, 2025

Mr. Kevin Jackson
Village Manager
Village of Oak Park
123 Madison Street
Oak Park, IL 60302

Dear Mr. Jackson:

The Housing Authority of the Village of Oak Park (OPHA) is requesting financial assistance from the Village of Oak Park in the amount of \$35,000 for FY 2026. This request provides for a continuation of the current funding that the Village has provided for FY 2025. The requested funds will be used to help offset the projected 11% shortfall in federal funding for OPHA's Housing Choice Voucher (HCV) Program.

As has been discussed in the past, in 2011 HUD reduced its funding of the total amount required to cover all administrative costs of the HCV Program and has continued to do so each successive year (with 2026 projected to be covered at approximately 89% of full funding). We do not yet know any further implications of policy changes under consideration, and their impacts upon what next year's Federal budget for the HCV Program will be, but we do not anticipate a return to full funding of administrative costs.

In turn, OPHA has endeavored to be highly efficient in its administration of the program, to help make up some of the difference in the amount provided from HUD and the projected amount required to run the program. This efficiency, together with the assistance of this Village grant, should enable us to maintain the level of HCV program services for at-risk members of our community (as well as for property owners who rent to HCV program participant households and who benefit from OPHA's services). With the operationalizing of the 33 mainstream vouchers obtained from HUD in 2020 and 2021 (designated for non-elderly persons with disabilities), we have had significant success partnering with Housing Forward to identify and house individuals and families experiencing homelessness. We have also maintained 15 Fostering Youth to Independence (FYI) Vouchers to serve youth who are transitioning out of the foster care system and are at imminent risk of homelessness.

The HCV Program continues to advance the Village's overall housing policy objectives. OPHA has been operating the HCV Program for more than forty years, is attuned to the needs of the community, and is

responsive to local concerns. Through our engagement, we administer not only our own allocated housing choice vouchers, but we also serve the needs of households utilizing port-in vouchers from other jurisdictions (including those porting in from DuPage Housing Authority, Chicago Housing Authority, the Housing Authority of Cook County, Joliet Housing Authority, and DeKalb Housing Authority), assisting them as they seek housing mobility options and the opportunity to move into Oak Park.

This funding provided by the Village is one of the most impactful investments that the Village makes in its commitment to affordable housing, in that it benefits those most at risk who are living at the lowest end of the economic spectrum.

As requested, I have attached the following documents:

1. Statement of HCV Program Accomplishments to date in FY 2025
2. Narrative Detailing HCV Program Goals/Activities for 2026
3. 2023 Audit (We have not received the 2024 Audit at this time)
4. Combined Financial Statement (YTD Summary) and preliminary 2026 Budget (unapproved draft)
5. Chart of existing OPHA staff with salary and benefits. (Please note that a number of staff members, including myself, split our time between OPHA and the Oak Park Residence Corporation).

We appreciate very much the support that the Village provides, and we look forward to continuing to work cooperatively with you to advance the best interests of the community and of all of the residents whom we serve. Please do not hesitate to contact me if you have any questions.

Kindest Regards,



David Pope
Executive Director

Cc: Noemy Diaz
Beth Swaggerty
LaTaunda Cobb

Housing Choice Voucher Program Accomplishments through June 30, 2025

OPHA is currently serving a total of 516 Housing Choice Voucher holders as follows:

- 420 Regular Vouchers (which includes 16 Payable Port-Out Vouchers, 5 Project-Based Vouchers and 3 Foster to Independence Vouchers).
- 64 Mainstream Vouchers (All are persons with disabilities, and this total includes 4 Payable Port-Out Vouchers). We are required to allocate 10% of the original 50 Mainstream Vouchers allocated to persons with disabilities who are Chronically Homeless. Currently, five (5) families meet those criteria. Of the 83 total allocated Mainstream Vouchers, 33 Vouchers for persons experiencing or at imminent risk of experiencing homelessness will be targeted and served.
- 4 Non-Elderly Disabled/Nursing Home Transition (NED/NHT) Vouchers.
- 28 Billable Port-In Vouchers to Oak Park (which includes 7 Vouchers that are used by Veterans through the Veterans Affairs Supportive Housing Program – VASH)

In 2023, HUD awarded the OPHA fifteen (15) Foster Youth to Independence (FYI) Housing Vouchers. The FYI vouchers will provide rental assistance to eligible youths and young adults ages 18 through 24 who are transitioning out of foster care. *The OPHA has received three (15) referrals from assisting foster care agencies and has issued five (5) vouchers.

Program demographics are as follows:

- 42% are non-elderly heads of household without disabilities
- 13% are elderly heads of households without disabilities
- 20% are non-elderly heads of households with disabilities
- 25% are elderly heads of households with disabilities

Landlords

Currently there are approximately 262 individual landlords participating in the Program, ranging in size from the Oak Park Residence Corporation with approximately 176 voucher residents to several landlords with single-unit properties.

Other Information

In 2024, the OPHA submitted a Request for Proposal to conduct HQS/NSPIRE Inspections for the Oak Pak Housing Authority's HCV Program.

For its Fiscal Year 2024, the OPHA has been notified by HUD that we have received a HUD SEMAP (Section Eight Management Assessment Program) Certification rating of High Performer (90%, which includes Bonus Points).

On March 04, 2024, the OPHA opened its waiting list and received over 18,000 pre-applications. OPHA has issued a total of 11 Vouchers, currently 130 applicants remain on the waiting list.

OPHA continues to work with the Regional Housing Initiative as one of eight Housing Authorities that create a pool of vouchers to provide affordable housing in areas of opportunity. Through this

program the OPHA has allocated 5 of its regular vouchers as Project-Based Vouchers (located within The Grove Avenue Apartments).

The Housing Choice Voucher Program staff continues to meet with landlords to provide information about the Housing Choice Voucher Program. We expect to continue to assist the Village of Oak Park's and the landlord community in its landlord management seminar. The Housing Choice Voucher Program staff anticipates working with HOPE Fair Housing to continue to provide guidance to its program participants and landlord participants regarding the Fair Housing requirements.

Housing Choice Voucher Program Planned Goals and Activities for 2026

The following are some of the planned activities for the OPHA's Housing Choice Voucher (HCV) Program for its fiscal year 2026:

- Full utilization of its 546 Vouchers that are allocated by HUD (this number does not include any billable portability-In Vouchers).
- Conduct community wide information meetings for its HCV Program participants (tenants and owners and landlords).
- Explore opportunities to increase the number of Vouchers that may be available to assist low-income families within the Village of Oak Park.
- Continue to revise its Administrative Plan to incorporate the new HUD guidelines and requirements as a result of the implementation of the Housing Opportunity Through Modernization Act (HOTMA).
- Provide updated equipment that would provide proficiency while working in the new inspection program known as National Standards for the Physical Inspections of Real Estate (NSPIRE).

Housing Choice Voucher Program

CY 2025 Administrative Fee Rates

The file following this narrative provides the calendar year (CY) 2025 administrative fee rates for the Housing Choice Voucher (HCV) Program. For CY 2025, administrative fees will be paid based on units leased as of the first day of each month. This data will be extracted from the Voucher Management System (VMS) at the close of each reporting cycle.

Two administrative fee rates are provided for each public housing authority (PHA). The first rate, Column A, applies to the first 7,200-unit months leased in CY 2025. The second rate, Column B, applies to all remaining unit months leased in CY 2025. Administrative fees for leasing PHA-owned units will be earned in the same manner and at the same Column A and Column B rates as for all other leasing.

In some cases, the administrative fee rates calculated for CY 2025 resulted in rates lower than those provided for CY 2024. In cases where the greatest population of families remains in the same area as they were in for CY 2024 and the rates for the area decreased in CY 2025, the affected PHAs will continue to receive the CY 2024 rates.

The administrative fee rates for each PHA are generally those rates covering the areas in which each PHA has the greatest proportion of its participants, based on Public Housing Information Center (PIC) data. In some cases, PHAs have participants in more than one administrative fee area. The PHA may request that the Department establish a blended fee rate schedule that will consider proportionately all areas in which participants are located. Once a blended rate schedule is calculated, it will be used to determine the PHA's fee eligibility for all months of CY 2025. A PHA that received a blended fee rate for 2024 will not receive it automatically for 2025. Requests for blended fee rates will need to be submitted to the Financial Management Division at HUD Headquarters, instructions for applying will be detailed in the forthcoming 2025 HCV funding implementation notice.

A PHA that operates over a large geographic area, defined as multiple counties, may request higher administrative fees. To request higher fees, the PHAs must submit specific financial documentation to the PHA's assigned Financial Analyst at the Financial Management Center (FMC), instructions for applying, documentation requirements will be detailed in the forthcoming 2025 HCV funding implementation notice.

The Department is presently disbursing one-twelfth of the administrative fee eligibility monthly to each PHA. These disbursements are based on the most recent reconciled leasing data available, and an estimated proration. PHAs should not assume the fees earned for CY 2025 will match the funds disbursed each month. The Department will calculate each PHA's fee eligibility after the VMS data for each quarter is available. Each PHA's eligibility will be prorated if needed to ensure that fees granted do not exceed the appropriated funds available. If prorations are necessary, the same percentage will be applied to all PHAs. At the end of the CY, a final reconciliation will occur to account for any changes in VMS leasing data, and to establish a final proration level for the year. Please note that the final proration will be subject to the CY 2025 final reconciliation; therefore, announced prorations throughout the year could vary; the final CY 2025 administrative fee reconciliation will reflect a weighted proration factor for the entire CY.

Advanced administrative fees for the months of January through April 2025 were at 91% proration. Updated estimated national proration factors will be provided via email notification.

The administrative fee rates and proration also apply to Mainstream Vouchers. 2025 funding for the HCV Program and Mainstream Vouchers will use the 2025 administrative fee rates for May through December 2025. The HCV Program and Mainstream Vouchers 2025 administrative fee reconciliations will account for the 2025 rates for months that were funded prior to the rates being published.

The Emergency Housing Voucher Program ongoing fees are funded at the HCV Program Column A rate and will not be prorated in CY 2025. The 2025 administrative fee funding for this program is based on the 2025 column A rates. Additional funding will be provided, accordingly.

The Moderate Rehabilitation/Single Room Occupancy (SRO) Program ongoing fees are funded at the HCV Program column rates, the Column A rate for up to 7,200-unit months and Column B rate for all unit months over 7,200. The Proration does not apply to the Moderate Rehabilitation/SRO Program. The 2025 administrative fee rates will be used for the year-end settlements at the end of the PHA's fiscal year.

If you need further assistance with this narrative, please contact the Financial Management Division at PIHFinancialManagementDivision@hud.gov.



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

August 5, 2025

Dear Executive Director:

Subject: Housing Choice Voucher Program
January through March 2025 On-Going Administrative Fees

The purpose of this letter is to advise each public housing agency (PHA) participating in the Housing Choice Voucher Program (HCVP) of the calculation of earned administrative fees for the months of **January through March 2025** and the estimated national proration through this period.

The Full-Year Continuing Appropriations and Extensions Act, 2025, (P.L. 119-4) enacted on March 15, 2025, requires that administrative fees be calculated based on PHA leasing in the HCV Program. Administrative fees will be paid for each voucher under lease on the first day of the month. PHAs are eligible for fee calculations based on their Column A rates for the first 600 units leased each month; if a PHA leases at least 7200 unit months for CY 2024, the PHA will receive fees based on the Column A rate for 7200 unit months, even if the leasing in some months is less than 600 units. The fee rates applicable to each PHA have been previously posted on the HUD website, and all PHAs have had the opportunity to request a blended rate and/or a higher rate if they qualify. Any additional eligibility resulting from an approved higher fee rate or a blended fee rate will be applicable to the entire calendar year (CY), regardless of when the rate is approved.

Enclosed with this letter is the calculation of administrative fee eligibility and pro-rated earnings for your PHA for the months of **January through March 2025**, for which Unit Months Leased (UML) data was taken from the validated VMS database as of May 8, 2025. The Department has calculated each PHA's eligibility and has established an estimated pro-ration factor which is **88.626%**. Please be aware that this pro-ration factor is an estimated pro-ration factor; the final CY 2025 admin fee reconciliation will reflect a weighted pro-ration factor for the entire CY.

HUD compared total fees earned (after pro-ration) to total fees obligated and disbursed to your PHA for January through March 2025, including renewal fees and tenant protection on-going fees. At the end of the enclosure, the final of pro-rated fees earned is compared to the fees obligated and disbursed to your PHA. If the result was that your PHA has a shortfall (Line 18), meaning fees obligated and disbursed for the period were less than fees earned, an additional fee disbursement in the amount of the shortfall will be made. If the PHA received excess fees for the period (Line 19), the excess amount will be offset from a future disbursement after the CYE 2025 admin fee reconciliation is completed.

After the final VMS data for the year is validated, the Department will update all leasing data for the 12 months; based on the validated data each PHA has entered into VMS, and will

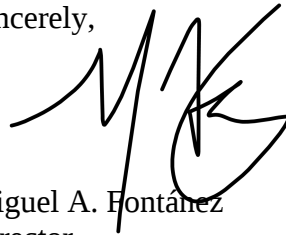
make any fee eligibility adjustments for leasing changes that were recorded after the original calculations for each month were completed and other eligibility adjustments as needed. Additionally, any excess fees received by PHAs for CY 2025 will be generally offset from future disbursements at the time of the CY 2025 final fee reconciliation.

Finally, note that if your PHA is over-leased for the CY, the fee earnings for the final period(s) will be reduced such that fees are paid only for unit months up to your PHA's baseline. PHAs that are significantly over-leased may experience a significant reduction, and agencies need to anticipate and prepare for this.

If you have any questions about the fee calculations or the data used for your PHA, please contact your assigned representative from the Financial Management Center.

Thank you for your continued participation in the HCV Program.

Sincerely,

A handwritten signature in black ink, appearing to be 'Miguel A. Fontáñez', written over a horizontal line.

Miguel A. Fontáñez
Director
Housing Voucher Financial
Management Division

OAK PARK HOUSING AUTHORITY
Salary Benefits Summary
for 2025 Forecast and 2026 Budget

Employee Name	Title	2025 Salary Forecast	2025 Benefits Expense Forecast	2026 Salary Budget	2026 Benefits Budget
David Pope	Executive Director	28,672	11,765	30,989	12,121
Ciara Jones	Administration & HR	11,981	3,364	12,630	3,468
LaTaunda Cobb	Director of Housing Choice Voucher Programs	89,552	27,365	93,430	28,189
Lachia McKinney	Senior Case Manager	55,220	15,773	56,468	16,249
(open/temp expense)	Case Manager	39,732	12,242	49,130	12,612
Sharron Stigler	Case Manager Assistant	32,388	2,145	41,461	2,211
Bradley Sinn	Director of Accounting	12,979	2,629	13,563	2,711
Krzysztof Gardocki	Accounting Manager	11,303	2,419	11,829	2,495
(open)	Staff Accountant	3,215	1,354	8,239	1,397
(open)	Reception/Administration	13,458	1,694	20,561	1,747
Total		298,500	80,750	338,300	83,200

OAK PARK HOUSING AUTHORITY
HOUSING CHOICE VOUCHER PROGRAM (all programs)
YTD Summary at 6/30/25 with 2025 Forecast and 2026 Budget

		2025 YTD Actual @ 6/30/25	2025 Forecast	FY 2025 Annual Budget	2025 Forecast vs Budget	FY 2026 Budget
	Admin Operating Income					
1	Village of Oak Park Funding	17,500	35,000	35,000	0	0
2	Fraud Recovery Retained	2,686	4,816	2,500	2,316	4,000
3	Admin Fee - Regular HCV Program	272,170	531,970	580,370	(48,400)	519,600
4	Admin Fee - Mainstream	10,626	49,602	60,000	(10,398)	77,950
5	Admin Fee - Portability In	13,566	30,186	28,490	1,696	25,000
6	Other Income	0	0	0	0	
7	Interest Income	378	736	1,000	(264)	750
8	Total Admin Operating Income	316,926	652,310	707,360	(55,050)	627,300
	Admin Operating Expenses					
9	Salaries - Administration (includes Temp staffing)	135,865	298,500	316,000	17,500	338,300
10	Employee Benefits	37,537	80,750	80,310	(440)	83,200
11	Legal Expenses	426	1,000	0	(1,000)	1,000
12	Inspections	27,140	52,000	44,593	(7,407)	53,560
13	Staff Training and Travel	2,880	8,000	12,500	4,500	12,500
14	Dues & Subscriptions, Memberships	462	500	486	(14)	500
15	Audit/Accounting Fees	5,738	11,500	10,650	(850)	12,000
16	Computer Expense	11,732	28,500	24,887	(3,613)	25,000
17	Office Rent	6,858	13,720	13,720	0	14,130
18	Telephone	2,400	4,800	4,800	0	4,900
19	Office Utilities	3,708	7,416	7,416	0	7,640
20	Other Sundry Expense/Bank Charges	197	600	5,277	4,677	1,000
21	Office Supplies, Equipment & Printing	5,780	10,539	14,505	3,966	10,000
22	Postage	3,600	7,200	7,560	360	8,000
23	Insurance	1,725	3,625	3,715	90	3,900
24	Workers Comp Insurance	1,138	2,390	2,815	425	2,960
25	Security Checks & Interpreter Services	12,038	25,280	30,811	5,531	25,000
26	Total Admin Expenses	259,224	556,320	580,045	23,725	603,590
27	Net Adm Surplus (Shortage)	57,702	95,990	127,315	(31,325)	23,710
28	Depreciation Expense	325	650	650	0	650
29	Net Admin Surplus (Shortage)	57,377	95,340	126,665	(31,325)	23,060
	HAP Subsidies					
30	HCV Programs Contribution Earned	2,664,785				
31	Mainstream Program Contrib. Earned	404,848				
32	Portability In Revenue	196,819				
33	HUD-held Reserves	0				
34	Restitution	2,686				
35	HAP Subsidies	3,269,138				
	Non-Operating Expenses					
36	Oak Park Housing Assistance Paymts	2,692,169				
37	Non-Elderly Disabled Payments	16,214				
38	Portability In HAP Payments	146,972				
39	Port Out Admin Fees paid	5,908				
40	Mainstream HAP Payments	433,971				
41	Net Non-Operating Expenses	3,295,234				
42	Net Non-Operating Surplus (Shortage)	(26,096)				
43	Total Net Surplus (Shortage)	31,281	95,340	126,665	(31,325)	23,060

**HOUSING AUTHORITY OF THE
VILLAGE OF OAK PARK**

OAK PARK, ILLINOIS

FINANCIAL STATEMENTS

DECEMBER 31, 2023

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KOLNICKI



PETERSON



WIRTH

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Housing Authority of the
Village of Oak Park
Oak Park, Illinois

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Housing Authority of the Village of Oak Park as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Housing Authority of the Village of Oak Park, as of December 31, 2023, and the respective changes in financial position, 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 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. 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 the Housing Authority of the Village of Oak Park 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.

KOLNICKI PETERSON & WIRTH, LLC
CERTIFIED PUBLIC ACCOUNTANTS

1400 Opus Place Suite 100
Downers Grove, IL 60515
(630) 390-1140 • Fax (630) 390-1150

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 the Housing Authority of the Village of Oak Park's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 opinions. 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 and *Government 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 and *Government 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 the Housing Authority of the Village of Oak Park'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 the Housing Authority of the Village of Oak Park'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4–9 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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

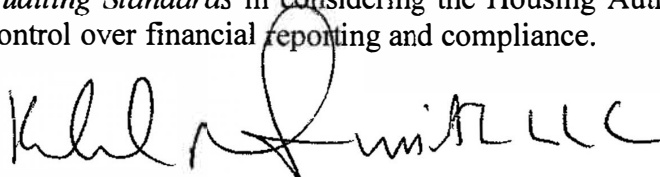
reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries 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 procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Housing Authority of the Village of Oak Park's basic financial statements. The other accompanying supplementary information shown on pages 37-39 and 45-55, and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic 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 basic financial statements. The 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 other supplemental information and the 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 September 27, 2024, on our consideration of the Housing Authority of the Village of Oak Park's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 Housing Authority of the Village of Oak Park'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 Housing Authority of the Village of Oak Park's internal control over financial reporting and compliance.



KOLNICKI, PETERSON, WIRTH LLC

Certified Public Accountants

Downers Grove, Illinois

September 27, 2024

**HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
FY 2023**

Our discussion and analysis of the financial performance of The Housing Authority of the Village of Oak Park (the Authority) provides an overview of the Authority's financial activities for the fiscal year ended December 31, 2023. Both the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position report information about the Authority as a whole. These statements include all assets and liabilities using the accrual basis of accounting. Please read these statements in conjunction with the Independent Auditor's Report, which begins on page 1. Questions concerning any of the information should be addressed to the Executive Director, Housing Authority of the Village of Oak Park, 21 South Boulevard, Oak Park, Illinois 60302.

In the Statement of Net Assets and Statement of Activities, the Housing Authority Programs are divided into two kinds of activities:

- HUD-Funded Activities which include:
 - Housing Choice Voucher Program - provides decent, safe and sanitary housing for eligible low-income families.
 - Public Housing – Mills Park Tower, a 198-unit high-rise HUD-subsidized development, providing quality housing for low-income elderly individuals.
- Business Activities include the Office Building at 21 South Blvd. and a six-unit rental property located at 324 N. Austin Blvd, which is rented to a charitable organization.

FINANCIAL HIGHLIGHTS

- The Authority's net position increased by 3.7%, or \$ 372,948 from FY 2022 as a result of this year's operations.
- Overall revenues of the Authority remained flat, while total expenses increased by 11% over FY 2022.
- The revenues for the Housing Choice Voucher Program decreased by 4.7%, while expenses had a negligible change versus 2022, increasing 0.9%.
- The revenues for the Public Housing Program increased by 13.4%, while expenses increased by 22.8% over FY 2022.
- The revenues for the Office Building and Rental Property increased by 80%, while expenses decreased by 36% versus 2022. The large variance is noted below, regarding the Adult Daycare Center space rental.

REPORTING ON THE HOUSING AUTHORITY'S PROGRAMS

REVENUES

Overall revenues for FY 2023 for the Housing Authority remained flat, an increase of only \$ 23,112, versus FY 2022.

Total revenues for the Housing Choice Voucher Program decreased by 4.7%, or \$ 317,546. This is due to an extraordinary income item during 2022: a legal settlement received for prior-year Admin Fees calculation.

The total revenues in FY 2023 for the Public Housing Program, Mills Park Tower, increased by 13.4%, or \$ 217,562, from FY 2022. The operating subsidy increased by just 0.1%, or \$ 336, from FY 2022; rental income from tenants increased by 5.5%, or \$ 42,286; HUD funding received for the CFP program was \$ 469,938 during 2023; \$ 268,129 was received during 2022. These funds are for the ongoing elevator replacement project which will be completed during 2024.

The total revenues for the Office Building and Rental Property for 2023 increased by 80%, or \$ 123,096. The Housing Authority leases 9,901 square feet of office space at 21 South Blvd. to OPRC, resulting in rental income of \$ 52,448 for FY 2023. The remaining 4,759 feet in the building had been rented by Catholic Charities, which used this area to operate an adult day care program, but no revenue was received from them in 2021 or 2022; back rent and a lease-buyout totaling \$ 168,000 was received in October 2023, which is the reason for the large overall change in revenues. Rental income of \$ 52,663 was received from the not-for-profit tenant at 324 N. Austin Blvd (the Sojourner House).

EXPENSES

FY 2023 overall expenses for the Housing Authority increased by 11%, or \$ 238,245, from FY 2022.

FY 2023 current year expenses for the Housing Choice Voucher program changed negligibly, or \$ 54,147, from FY 2022. Administration costs increased by 0.6%, or \$ 2,793, and Housing Assistance Payments made to landlords for HCV participants increased 0.9%, or \$ 51,354. At year-end a total of 515 vouchers were leased up.

The total expenses for the Public Housing Project increased by 22.8%, or \$ 321,805, from 2022; a change in the pension liability resulted in an adjustment which created a higher expense in 2023 than in 2022.

Total expenses for Business Activities decreased by 36%, or \$ 86,353, from FY 2022. Prior year Capital Expenditures on the Office Building and the property at 324 N. Austin resulted in lower maintenance costs, and 2022 had an extraordinary expense due to consulting costs involving a potential property purchase that was not completed.

Capital Asset Administration

At the end of 2023, the Housing Authority had \$ 6,957,518 invested in a variety of capital assets including land, buildings, improvements and equipment (less accumulated depreciation). During FY 2023, \$ 51,484 was invested in Mills Park Tower for building repairs and unit updates; as previously noted, work-in-progress costs for the elevator replacement is not included in this calculation.

Debt Administration

The Statement of Net Position highlights the outstanding debt for the years ending 2023 and 2022. At year-end 2023, the Housing Authority had \$ 456,016 in outstanding debt versus \$ 492,387 at the end of 2022.

The \$ 456,016 in notes & mortgages payable at FYE 2023 consists of: \$ 406,016 mortgage balance due for the property located at 21 South Blvd., monthly payments of \$ 5,008, interest rate of 5.57%, subject to interest rate changes every 5 years, based on the Treasury rate, matures on June 29, 2032 (rate had been 4.24% through 6/30/2022); and a \$50,000 loan payable to the Village of Oak Park for 324 N. Austin Blvd.; this was due on the earlier of the sale of the property or June 16, 2023, with no interest. OPHA has requested an extension to the terms of the transaction with the Village and is waiting on hearing back from the Village regarding the request.

HOUSING AUTHORITY PERFORMANCE

Overall financial performance of the Housing Authority for FY 2023 resulted in an increase in net position of 3.7%, or \$ 372,948.

HUD evaluates the Public Housing Program, Mills Park Tower, through the Public Housing Assessment System (PHAS). This system focuses on the Physical, Financial, Management and Resident Services of the PHA. Physical operations are reviewed by HUD by periodic onsite inspections. Financial information is reported to HUD by electronic submission of the certified annual audit. The System Management Operation Certification evaluates the management performance of the Authority. Areas evaluated are: vacant unit turnaround time, capital fund programs, work orders, annual inspection of dwelling units and systems, security, and economic self-sufficiency. HUD also administers satisfaction surveys to residents.

Scores for the PHAS system are generally released in the fall of each year for the previous year. In 2023, Mills Park Tower was rated as a Standard Performer, with an overall score of 87.8 out of 100. HUD issues the PHAS scores every other year for Public Housing Programs which achieve a high performer rating.

HUD evaluates the performance of Housing Choice Voucher (HCV) Programs through the Section 8 Management Assessment Protocol (SEMAP). Areas evaluated include: waiting list, rent reasonableness, determination of adjusted income, utility allowances, Housing Quality Standards, controls and enforcement, expanding housing opportunities and payment standards. The SEMAP Rating for 2023 was "High".

NOTABLE EVENTS

In February 2010, Oak Park Housing Authority entered into a Memorandum of Understanding with Interfaith Housing Development Corporation and Catholic Charities regarding the development of a supportive housing facility at 820 Madison Street in Oak Park, (the "Project"). In September 2012, Oak Park Housing Development Corporation, a component unit of the Authority, acquired a 49% limited membership interest in Oak Park Supportive Housing, LLC (the General Partner), with Interfaith owning the remaining 51% and acting as the managing member. The General Partner acquired a 0.01% partnership interest in Madison and Grove Limited Partnership (the Partnership), which was formed for the purpose of acquiring, rehabilitating, holding, and operating the project, a 51-unit apartment building known as The Grove. The Grove began operations in October 2013.

Beginning in FY 2011 the Housing Authority was awarded an allocation of 15 Housing Choice Vouchers to serve persons with disabilities who are interested in utilizing the Money Follows the Person (MFP) Act and an OPHA Voucher to relocate back into the community from a nursing home or other health care institution.

Oak Park Housing Authority has joined the Regional Housing Initiative (RHI), a consortium of eight Housing Authorities formed to promote the geographic mobility options of Housing Choice Voucher holders in the Metropolitan Chicago Area. Membership allows the authority to promote affordable housing by pooling HCV's for use as "project based" vouchers in areas of economic opportunity throughout metro Chicago.

In 2012, HUD began holding some funds in reserve for OPHA (and all HA's) Voucher Program rather than OPHA holding the funds themselves. This HUD-held balance was \$ 295,093 as of 12/31/2022.

During 2018, The Housing Authority of the Village of Oak Park was awarded a ROSS Grant. This Resident Opportunity and Self-Sufficiency program funding is for a full-time Service Coordinator at Mills Park Tower. MPT was awarded \$ 246,000 over a three-year period for the program, and MPT will provide in-kind contributions such as office space and administrative expenses. During 2021, the award was extended for a second three-year period through April, 2024. OPHA is applying for a new grant during 2024 that would begin in 2025.

The Housing Authority of the Village of Oak Park has been in discussion during 2022 and well into 2023 with HUD regarding a twenty-plus year intercompany transfer balance of \$ 270,000 that HUD says is due back to them. OPHA is in disagreement with HUD's point of view and is still working on resolving the matter without needing to repay funds back to HUD.

Based on the foregoing information, the management of the Housing Authority believes that its financial position is sound and the operation of its programs continues to be in accordance with HUD requirements.

HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS - STATEMENTS OF NET POSITION
DECEMBER 31, 2023 AND 2022

	<u>HUD Activities</u>		<u>Business Activities</u>		<u>Eliminations</u>		<u>Total Housing Authority</u>	
	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2022</u>	<u>FY 2023</u>
Current Assets	2,424,877	3,148,172	835,629	863,300	-	-	3,260,506	4,011,472
Property & Equipment								
Land	814,000	814,000	100,000	100,000	-	-	914,000	914,000
Modernization Costs	9,203,731	9,238,006	-	-	-	-	9,203,731	9,238,006
Structure & Equipment	4,686,103	4,703,311	2,325,066	2,453,415	-	-	7,011,169	7,156,726
Total	14,703,834	14,755,317	2,425,066	2,553,415	-	-	17,128,900	17,308,732
Less Accumulated Deprec	(8,310,352)	(8,785,558)	(1,494,380)	(1,565,656)	-	-	(9,804,732)	(10,351,214)
Net Property & Equip	6,393,482	5,969,758	930,686	987,759	-	-	7,324,168	6,957,518
Due from HA	155,273	216,571	-	-	(155,273)	(216,571)	-	-
Other Assets	172,188	153,576	196,513	152,437	-	-	368,701	306,013
Total Assets	9,145,820	9,488,078	1,962,828	2,003,496	(155,273)	(216,571)	10,953,375	11,275,003
Current Liabilities	169,437	206,701	96,860	96,357	-	-	266,297	303,058
Long-Term Liabilities								
Due to OPHA	155,273	216,571	-	-	(155,273)	(216,571)	-	-
Due to OPRC	-	36	-	-	-	-	-	36
Capital Lease Payable	-	-	-	-	-	-	-	-
Notes & Mortg Payable	-	-	404,187	367,936	-	-	404,187	367,936
Other Liabilities	68,804	62,471	193,570	148,037	-	-	262,374	210,508
Total Long-Term Liabilities	224,077	279,078	597,757	515,973	(155,273)	(216,571)	666,561	578,480
Total Liabilities	393,514	485,779	694,617	612,330	(155,273)	(216,571)	932,858	881,538
Net Assets (Deficit)	8,752,306	9,002,299	1,268,211	1,391,166	-	-	10,020,517	10,393,465
Net Change		<u>249,993</u>		<u>122,955</u>				<u>372,948</u>
Invested in Capital Assets								
Net of Debt	6,393,482	5,969,759	438,300	531,743	-	-	6,831,782	6,501,502
Total Liab & Net Assets								
Restricted	410,844	220,504	-	-	-	-	410,844	220,504
Unrestricted	1,947,980	2,812,036	829,911	859,423	-	-	2,777,891	3,671,459
Net Position	8,752,306	9,002,299	1,268,211	1,391,166	-	-	10,020,517	10,393,465

HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS - STATEMENTS OF REVENUE, EXPENSES AND CHANGE IN NET POSITION
DECEMBER 31, 2022 AND 2021

	<u>HUD Activities</u>		<u>Business Activities</u>		<u>Total Housing Authority</u>	
	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2022</u>	<u>FY 2023</u>
<u>Revenues</u>						
Operating Subsidy & ROSS	603,785	567,476	-	-	603,785	567,476
Rental Income	702,213	763,116	51,256	52,663	753,469	815,779
Voucher Program Income	5,412,567	5,301,211	-	-	5,412,567	5,301,211
Administrative Fee Income	609,655	654,736	-	-	609,655	654,736
HUD PHA Modernization Inc	268,129	469,938	-	-	268,129	469,938
Non-dwelling Rental	-	-	52,448	220,448	52,448	220,448
Ports In Income	486,768	377,674	-	-	486,768	377,674
Interest Income	1,592	6,037	445	2,073	2,037	8,110
Other Income	240,232	84,769	49,350	1,412	289,582	86,181
Total Income	8,324,941	8,224,957	153,499	276,596	8,478,440	8,501,553
<u>Expenses</u>						
Administration	969,421	1,036,679	103,241	12,006	1,072,662	1,048,685
Management Fees	-	-	7,132	14,553	7,132	14,553
Tenant Services & ROSS	104,247	71,999	-	-	104,247	71,999
Utilities	114,902	179,778	4,729	7,593	119,631	187,371
Maintenance & Operations	123,237	339,920	16,106	3,719	139,343	343,639
Extraordinary Maintenance	-	-	-	-	-	-
Protective Services	31,354	19,781	-	-	31,354	19,781
Ports In HAP Payments	454,651	339,627	-	-	454,651	339,627
Housing Assistance Paymts	5,227,341	5,393,719	-	-	5,227,341	5,393,719
General Expenses	109,058	118,255	17,087	20,773	126,145	139,028
Mortgage Interest	-	-	22,563	23,721	22,563	23,721
Payment in Lieu of Taxes	-	-	-	-	-	-
Depreciation	464,804	475,206	69,132	71,276	533,936	546,482
Total Expenses	7,599,015	7,974,964	239,990	153,641	7,839,005	8,128,605
Change in Net Position	725,926	249,993	(86,491)	122,955	639,435	372,948

HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2023

	(MPT) C-1002	(Voucher) IL-103-VO	(Mainstream) IL-103-DV	Office Building	Eliminations	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
CURRENT ASSETS						
Cash and cash equivalents	\$ 1,621,215	\$ 581,821	\$ -	\$ 852,095	\$ -	\$ 3,055,131
Cash - restricted	201,263	48,749	-	-	-	250,012
Accounts receivable - tenants	61,852	-	-	-	-	61,852
Accounts receivable - other	-	225,443	-	-	-	225,443
Prepaid expenses	302,479	20,720	-	-	-	323,199
Prepaid insurance	31,886	969	-	6,205	-	39,060
Total current assets	2,218,695	877,702	-	858,300	-	3,954,697
NONCURRENT ASSETS						
Restricted Assets						
Tenant security deposits	76,210	-	-	5,000	-	81,210
Capital Assets						
Land and land improvements	853,846	-	-	100,000	-	953,846
Modernization costs	9,057,125	-	-	-	-	9,057,125
Structures and equipment	4,786,871	57,475	-	2,453,415	-	7,297,761
Total	14,697,842	57,475	-	2,553,415	-	17,308,732
Less accumulated depreciation	(8,730,304)	(55,254)	-	(1,565,656)	-	(10,351,214)
Net capital assets	5,967,538	2,221	-	987,759	-	6,957,518
Total noncurrent assets	6,043,748	2,221	-	992,759	-	7,038,728
OTHER ASSETS						
Accounts receivable - Housing Authority of the Village of Oak Park	-	539,656	216,571	1,063,946	(1,820,173)	-
Total other assets	-	539,656	216,571	1,063,946	(1,820,173)	-
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows related to lease	-	-	-	152,437	-	152,437
Deferred outflows related to pension	129,141	-	-	-	-	129,141
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
	\$ 8,391,584	\$ 1,419,579	\$ 216,571	\$ 3,067,442	\$ (1,820,173)	\$ 11,275,003

These financial statements should be read only in connection with the
accompanying summary of significant accounting policies
and notes to financial statements.

HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2023

	(MPT) C-1002	(Voucher) IL-103-VO	(Mainstream) IL-103-DV	Office Building	Eliminations	Total
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES						
CURRENT LIABILITIES						
Accounts payable - trade	\$ 73,845	\$ 1,000	\$ 2,720	\$ 812	\$ -	\$ 78,377
Security deposits and other liabilities	75,962	6,837	-	5,000	-	87,799
Current portion of long-term liabilities		-	-	88,080	-	88,080
Deferred revenue	8,760	-	-	-	-	8,760
Accrued liabilities	37,134	-	443	2,465	-	40,042
Total current liabilities	195,701	7,837	3,163	96,357	-	303,058
NONCURRENT LIABILITIES						
Due to - Housing Authority Village of Oak Park	-	756,227	-	1,063,946	(1,820,173)	-
Due to - Oak Park Residence Corporation	36	-	-	-	-	36
Notes and mortgage payable	-	-	-	456,016	-	456,016
Less current portion	-	-	-	(88,080)	-	(88,080)
Total noncurrent liabilities	36	756,227	-	1,431,882	(1,820,173)	367,972
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to lease	-	-	-	148,037	-	148,037
Deferred inflows related to pension	62,471	-	-	-	-	62,471
Total liabilities and deferred inflows of resources	258,208	764,064	3,163	1,676,276	(1,820,173)	881,538
NET POSITION						
Invested in capital assets, net of related debt	5,967,538	2,221	-	531,743	-	6,501,502
Restricted	76,210	-	144,294	-	-	220,504
Unrestricted	2,089,628	653,294	69,114	859,423	-	3,671,459
Total net position	8,133,376	655,515	213,408	1,391,166	-	10,393,465
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 8,391,584	\$ 1,419,579	\$ 216,571	\$ 3,067,442	\$ (1,820,173)	\$ 11,275,003

These financial statements should be read only in connection with the
accompanying summary of significant accounting policies
and notes to financial statements.

HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2023

	(MPT) <u>C-1002</u>	(Voucher) <u>IL-103-VO</u>	(Mainstream) <u>IL-103-DV</u>	Office <u>Building</u>	<u>Total</u>
REVENUES					
Administrative fee revenues	\$ -	\$ 551,683	\$ 103,053	\$ -	\$ 654,736
Non-dwelling rental income	9,600	-	-	220,663	230,263
Operating subsidy	567,476	-	-	-	567,476
Subsidy - Village of Oak Park	-	35,000	-	-	35,000
Other revenues	30,588	17,686	-	1,200	49,474
Ports in income	-	377,674	-	-	377,674
Rental income	763,854	-	-	52,660	816,514
Section 8 revenues	-	4,534,545	757,823	-	5,292,368
	<u>1,371,518</u>	<u>5,516,588</u>	<u>860,876</u>	<u>274,523</u>	<u>8,023,505</u>
Total revenues					
EXPENSES					
Administration	398,832	305,536	33,253	-	737,621
Bad debt expense (recovery)	(2,665)	-	-	-	(2,665)
Depreciation	474,556	650	-	71,276	546,482
Financial	-	-	-	23,721	23,721
General expense	191,593	155,339	11,727	10,506	369,165
Housing assistance payments	-	4,639,121	754,598	-	5,393,719
Management fee	-	-	-	14,553	14,553
Ordinary maintenance and operation	401,239	-	-	25,992	427,231
Ports in HAP payments	-	339,627	-	-	339,627
Protective services	19,781	-	-	-	19,781
Tenant services	71,999	-	-	-	71,999
Utilities	179,778	-	-	7,593	187,371
	<u>1,735,113</u>	<u>5,440,273</u>	<u>799,578</u>	<u>153,641</u>	<u>8,128,605</u>
Total expenses					
Operating income (loss)	<u>(363,595)</u>	<u>76,315</u>	<u>61,298</u>	<u>120,882</u>	<u>(105,100)</u>
NONOPERATING REVENUE					
HUD PHA grant - modernization	469,938	-	-	-	469,938
Interest on general fund investments	4,844	1,193	-	2,073	8,110
	<u>474,782</u>	<u>1,193</u>	<u>-</u>	<u>2,073</u>	<u>478,048</u>
Total nonoperating revenues					
CHANGE IN NET POSITION	111,187	77,508	61,298	122,955	372,948
NET POSITION, beginning of year	<u>8,022,189</u>	<u>578,007</u>	<u>152,110</u>	<u>1,268,211</u>	<u>10,020,517</u>
NET POSITION, end of year	<u>\$ 8,133,376</u>	<u>\$ 655,515</u>	<u>\$ 213,408</u>	<u>\$ 1,391,166</u>	<u>\$ 10,393,465</u>

These financial statements should be read only in connection with the
accompanying summary of significant accounting policies and notes to financial statements.

**HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	(MPT) C-1002	(Voucher) IL-103-VO	(Mainstream) IL-103-DV	Office Building	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from tenant fees and other operating sources	\$ 767,312	\$ -	\$ -	\$ 273,111	\$ 1,040,423
Cash received from HUD operating grants	523,674	5,061,793	910,556	-	6,496,023
Cash received from other government grants	-	35,000	-	-	35,000
Cash received from other operating revenue	74,390	306,204	87,855	1,412	469,861
Cash payments to suppliers, employees and others	(1,487,923)	(5,374,121)	(998,411)	(84,716)	(7,945,171)
Net cash flows from operating activities	(122,547)	28,876	-	189,807	96,136
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchase of capital assets	(51,483)	-	-	(128,350)	(179,833)
HUD PHA modernization grant	469,938	-	-	-	469,938
Principal paid on debt	-	-	-	(36,370)	(36,370)
Net cash flows from capital and related financing activities	418,455	-	-	(164,720)	253,735
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received	4,844	1,193	-	2,073	8,110
NET (DECREASE) INCREASE IN CASH	300,752	30,069	-	27,160	357,981
CASH - BEGINNING	1,597,936	600,501	-	829,935	3,028,372
CASH - ENDING	\$ 1,898,688	\$ 630,570	\$ -	\$ 857,095	\$ 3,386,353
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES					
Operating income (loss)	\$ (363,595)	\$ 76,315	\$ 61,298	\$ 120,882	\$ (105,100)
Adjustments to reconcile change in net assets and net cash provided (used) by operating activities:					
Depreciation and amortization	474,556	650	-	71,276	546,482
Changes in deferred outflows and inflows and pension liability	36,714	-	-	-	36,714
Changes in deferred outflows and inflows and lease liability	-	-	-	(1,458)	(1,458)
Changes in operating assets and liabilities:					
(Increase) decrease in accounts receivable	(10,589)	(52,293)	(61,298)	-	(124,180)
Increase in prepaid expenses	(292,333)	(394)	-	(511)	(293,238)
Increase (decrease) in accounts payable	14,089	4,598	-	(43)	18,644
Increase in tenant security deposits	837	-	-	-	837
Increase in deferred revenue	4,447	-	-	-	4,447
Increase (decrease) in accrued liabilities	13,327	-	-	(339)	12,988
Net cash provided (used) by operating activities	\$ (122,547)	\$ 28,876	\$ -	\$ 189,807	\$ 96,136

These financial statements should be read only in connection with the
accompanying summary of significant accounting policies
and notes to financial statements.

**HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	(MPT) C-1002	(Voucher) IL-103-VO	(Mainstream) IL-103-DV	Office Building	Total
RECONCILIATION OF CASH PER STATEMENT OF TO STATEMENT OF CASH FLOWS					
Unrestricted cash	\$ 1,621,215	\$ 581,821	\$ -	\$ 857,095	\$ 3,060,131
Restricted cash	201,263	48,749	-	-	250,012
Tenant security deposits	76,210	-	-	-	76,210
 Total cash and investments	 \$ 1,898,688	 \$ 630,570	 \$ -	 \$ 857,095	 \$ 3,386,353

These financial statements should be read only in connection with the
accompanying summary of significant accounting policies
and notes to financial statements.

**HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Housing Authority of the Village of Oak Park (“Authority”) was organized pursuant to Housing Statutes of the State of Illinois. The Authority’s purpose is to provide low-income housing for residents of the Village of Oak Park, Illinois. The Authority has 689 apartment units under its management.

The financial statements include the PHA-owned housing program under annual contributions contract C-1002 and Section 8 of the Housing and Community Development Act of 1974 housing assistance program under annual contributions contracts IL-103-VO and IL-103-DV.

Significant accounting policies followed by the Authority are presented below.

ACCOUNTING METHOD

The financial statements of the Oak Park Housing Authority have been prepared in conformity with accounting principles generally accepted in the United States of America. The Government Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

REPORTING ENTITY

The accompanying basic financial statements include the accounts of all Authority operations. The Authority is the lowest level of government over which the Authority’s commission and executive director exercise oversight responsibility. These statements do not include any Village agencies and the Authority is not a component unit of the Village under the definition of GASB 39. The Authority has one blended component unit, Oak Park Housing Development Corporation; which has a limited membership interest in a partnership and no liabilities at December 31, 2023. Further details can be found in the Management’s Discussion and Analysis on page 4.

HOUSING AUTHORITY NET POSITION

The Housing Authority’s net position is divided into three components:

- Invested in capital assets, net of related debt – consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.
- Restricted component of net position - consists of net assets that are restricted by the Housing Authority’s creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.
- Unrestricted component of net position – all other net assets are reported in this category.

MANAGEMENT ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at December 31, 2023, and revenues and expenses during the period then ended. The outcome of the estimates could differ from the estimates made in the preparation of the financial statements.

**HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

CAPITAL ASSETS

Capital assets purchased or acquired are carried at historical cost. Contributed assets are recorded at fair market value as of the date donated. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other expenses incurred for repairs and maintenance are expensed as incurred. Depreciation on capital assets is calculated on the straight-line basis over the following estimated useful lives.

The useful lives for purposes of computing depreciation are:

Buildings	40 years
Land improvements	40 years
Building improvements	20 to 40 years
Furniture and equipment	5 to 15 years

All costs incurred in connection with the acquisition of the property, including interest and real estate taxes during the period of rehabilitation, are capitalized.

UNCOLLECTIBLE ACCOUNTS

The Authority considers tenant accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be written off when that determination is made.

INCOME TAXES

The Authority is subsidized by the federal government. The Authority is not subject to federal or state income taxes nor is it required to file federal and state income tax returns.

SUBSIDIES

Subsidies received from the Department of Housing and Urban Development or other grantor agencies, whether for capital expenditures or operating purposes, are recorded as income.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist primarily of cash on deposit, certificates of deposit, money market accounts, and investment grade commercial paper that are readily convertible into cash and purchased with original maturities of three months or less.

HOUSING AUTHORITY RESTRICTED CASH

Housing Authority's restricted cash balances are reported as "restricted" when the balances are not available for appropriation or expenditure or because they are legally segregated for a specific future use.

Restricted cash and escrow accounts are not considered cash equivalents.

**HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

DEFERRED OUTFLOWS / INFLOWS OF RESOURCES

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The Authority has one item that qualifies for reporting in this category. The deferred outflows related to the pension are reported in the statement of net position. The deferred outflows related to pension are explained in more detail in Note 8.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. The separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Authority has one type of deferred inflows of resources related to the pension plan. The deferred inflows are recorded in the statement of net position. The deferred inflows related to pension are explained in more detail in Note 8.

DESCRIPTION OF THE FUND

The Authority's accounts are maintained in accordance with the principles of an enterprise fund and are 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. The Authority is required to follow all statements of the Government Accounting Standards Board (GASB). GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance and Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, was issued to incorporate FASB and AICPA guidance into GASB authoritative literature.

COMPENSATED ABSENCES

It is the Authority's policy to permit full-time employees to accumulate earned but unused vacation benefits, based on tenure with the Authority. In accordance with provisions of GASB Statement No. 16, *Accounting for Compensated Absences*, the estimated liability for vested leave benefits is recorded when it is earned as an expense; the cumulative unpaid amount is reported as a current liability.

NOTE 2 – RELATED PARTY TRANSACTIONS

The Authority shares common administrative offices and staff with the Oak Park Residence Corporation under an approved management agreement. Administrative salaries and employee benefits are allocated to individual programs based on usage of personnel.

HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 – RELATED PARTY TRANSACTIONS (continued)

These financial statements reflect the following items from the previously mentioned company at December 31, 2023:

Balance Sheet:

Office Buildings

Accounts payable – Oak Park Residence Corporation	<u>\$ 36</u>
Net accounts receivable	<u>\$ 36</u>

Statement of Activities and Changes in Net Assets:

Payments to the Office Building for Office Rent and Reimbursements:

Oak Park Residence Corporation	<u>\$ 50,816</u>
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The Authority's lease agreement dated September 14, 1994 with the Oak Park Residence Corporation was renewed on January 1, 2010 for an additional five years with a monthly base rent of \$9,860 that is increased 3% each year. On July 21, 2010 the lease was amended further to reduce the monthly base rent to \$9,005, increasing annually beginning in 2012 by 3% each year. The lease was extended for five additional years to December 31, 2020, and then for an additional year to December 31, 2021. Rental income under the aforementioned lease for the year ended December 31, 2022 was \$145,217.

At December 31, 2021, the Authority was negotiating a new lease with the Oak Park Residence Corporation. Terms had not been finalized. The current lease was extended on a quarterly basis and expired June 30, 2022. A new lease was negotiated in 2022 through December 31, 2026. Monthly payments are \$4,125 for 2022 and increasing annually, with monthly payments of \$4,643 in 2026. In 2023, rental income was \$52,448.

Future monthly payments from Oak Park Residence Corporation through 2026 are as follows:

2024	\$ 52,520
2025	54,096
2026	<u>55,720</u>
Total payments due	162,336
Less discount to present value	<u>(9,899)</u>
Total lease receivable	<u>\$ 152,437</u>

HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 – RELATED PARTY TRANSACTIONS (continued)

Payments to Oak Park Residence Corporation:

Allocation of administration salaries, employee benefits and other reimbursements are as follows:

	<u>C-1002</u> <u>MPT</u>	<u>IL-102-VO/</u> <u>IL-103-DV</u>	<u>Office</u> <u>Building</u>	<u>Total</u>
Salaries	\$ 285,163	\$ 273,601	\$ ---	\$ 558,764
Employee benefits	113,670	59,924	---	173,594
Rent	1,572	12,936	---	14,508
Utilities	816	6,960	---	7,776
Computers and copier	3,408	8,220	---	11,628
Supplies	648	648	---	1,296
Postage	744	6,984	---	7,728
Telephone	1,056	4,692	---	5,748
Management fees	<u>---</u>	<u>---</u>	<u>15,063</u>	<u>15,063</u>
Total	<u>\$ 407,077</u>	<u>\$ 373,965</u>	<u>\$ 15,063</u>	<u>\$ 796,105</u>

Housing assistance payments made by the Authority to
buildings owned by Oak Park Residence Corporation \$ 1,455,982

NOTE 3 – CONCENTRATIONS OF CREDIT RISK

The Authority maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Authority has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash. Cash in excess of FDIC limits was \$2,646,935 at December 31, 2023.

NOTE 4 – PAYMENTS IN LIEU OF TAXES

Payments in lieu of taxes were to be paid to the Village of Oak Park based upon a specific formula set out in the Cooperation Agreement between the Authority and the Village. The Village of Oak Park would not accept payments for several years, and in 2019 the Authority wrote off the liability of \$21,930. The amount accrued at December 31, 2023 is \$0.

HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 5 – DEBT

The following is a summary of changes in long-term debt for the year ended December 31, 2023:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Mortgage payable, secured by office building	\$ 442,386	\$ ---	\$ (36,370)	\$ 406,016
Acquisition loan payable to the Village of Oak Park for the property at 324 N. Austin	<u>50,000</u>	<u>---</u>	<u>---</u>	<u>50,000</u>
Total long term debt	<u>\$ 492,386</u>	<u>\$ ---</u>	<u>\$ (36,370)</u>	<u>\$ 456,016</u>

Long term debt consists of the following:

Mortgage payable, secured by the office building property, monthly payments are \$5,008, which includes interest at a variable rate of 3.20% at December 31, 2008 which is subject to change every five years. The rate increased to 5.57% at July 1, 2022. Final payment is due June 29, 2032.

\$ 406,016

Acquisition loan payable to the Village of Oak Park for the property at 324 North Austin, secured by that property, due upon the earlier of the sale of the property or June 16, 2023, with no interest. Extension requested by OPHA and under review by the Village.

50,000

Subtotal

456,016

Less current portion

(88,080)

Total

\$ 367,936

HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 5 – DEBT (continued)

At December 31, 2023, the aggregate maturities of the mortgage payable for the succeeding years are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 88,080	\$ 21,663	\$ 110,091
2025	40,624	19,467	60,091
2026	42,945	17,146	60,091
2027	45,399	14,692	60,091
2028	47,994	12,097	60,091
2029 - 2032	<u>140,974</u>	<u>69,692</u>	<u>210,318</u>
Total	<u>\$ 406,016</u>	<u>\$ 154,757</u>	<u>\$ 560,773</u>

NOTE 6 – ANNUAL SUBSIDIES

Annual subsidies are received from the federal government for the operations of the PHA-owned housing program.

Operating Subsidies

Operating subsidies approved for the operations of owned housing were as follows:

December 31, 2023	<u>\$ 523,674</u>
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Section 8 Housing Assistance

The annual contributions for the Section 8 programs are as follows:

	<u>IL-103-VO</u>	<u>IL-103-DV</u>	<u>Total</u>
Housing assistance payments	\$ 4,510,110	\$ 757,823	\$ 5,267,933
Administrative fees	<u>551,683</u>	<u>103,053</u>	<u>654,736</u>
Total	<u>\$ 5,061,793</u>	<u>\$ 860,876</u>	<u>\$ 5,922,669</u>

HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 7 – RENTAL INCOME

The Authority signed a lease agreement dated September 1, 2005 with Catholic Charities of Chicago. The lease was for five years and required minimum monthly rent payments of \$2,083, increasing to \$2,345 in year five of the lease. This lease had been extended for an additional ten years with an initial base rent of \$2,974, increasing by 3% annually. The Authority is responsible for payment of all real estate taxes, if any, utilities, insurance and required repairs. Due to the Covid-19 shutdowns, Catholic Charities was unable to service their clientele and did not pay any rent to the Authority. Catholic Charities vacated the space in 2023, and paid the Authority \$168,000 to buy out the remainder of the lease.

The Authority leases antenna space on one of its buildings under an operating lease. The original lease commenced September 1997 and was renewed on July 18, 2018. The renewed lease is for five years and requires minimum annual rent payments of \$8,400. The lease was renewed in July 2023 for 9 years with payments of \$1,000 per month, increasing to \$1,200 per month. Rental income for the year ended December 31, 2023 was \$4,200.

The Authority leases antenna space on one of its buildings under an operating lease. The original lease commenced January 2013, expired December 2018, and was renewed for an additional three years through December 2021. The lease was renewed in April 2023, with payments of \$600 per month, increasing to \$700 per month. Rental income for the year ended December 31, 2022 was \$5,400.

The Authority signed a lease agreement dated August 1, 2019 with Housing Forward for the property at 324 N. Austin. The lease is for five years and requires minimum monthly rent payments of \$4,000 with annual increases every August 1. The Authority is responsible for payment of real estate taxes and required repairs. Rental income for the year ended December 31, 2023 was \$52,660. The lease was renewed in August 2024 for 5 years, with payments of \$4,581 per month, increasing to \$5,106 per month.

Future minimum rental incomes under these leases (including the Authority's lease with Oak Park Residence Corporation – see Note 2) are as follows:

2024	\$ 126,056
2025	129,873
2026	127,499
2027	71,897
2028	73,513
Thereafter	<u>86,092</u>
Total	<u>\$ 614,930</u>

**HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 8 – DEFINED BENEFIT PENSION PLAN

IMRF Plan Description

The Housing Authority of the Village of Oak Park's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The Housing Authority of the Village of Oak Park's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF.

Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

All three IMRF benefit plans have two tiers. Employees hired *before* January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired *on or after* January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 8 – DEFINED BENEFIT PENSION PLAN (continued)

Employees Covered by Benefit Terms

As of December 31, 2023, the following employees were covered by the benefit terms:

	IMRF
Retirees and Beneficiaries	4
Inactive, non-retired members	-
Active Plan Members	-
Total	<u>4</u>

Contributions

As set by statute, the Housing Authority of the Village of Oak Park's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Oak Park Housing Authority's annual contribution rate for calendar year 2023 was 1.12%. For the fiscal year ended December 31, 2023, the Housing Authority of the Village of Oak Park's contributed \$0 to the plan. The Oak Park Housing Authority also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

The Housing Authority of the Village of Oak Park's net pension liability was measured as of December 31, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2022:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.25%.
- **Salary Increases** were expected to be 2.75% to 13.75%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.25%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2020 valuation according to an experience study from years 2017 to 2019.
- The IMRF-specific rates for **Mortality** (for non-disabled retirees) were developed from the MP-2020 Blue Collar Healthy Annuitant Mortality Table with adjustments to match current IMRF experience.

HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 8 -- DEFINED BENEFIT PENSION PLAN (continued)

- For **Disabled Retirees**, an IMRF-specific mortality table was used with fully generational projection scale MP-2020. The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.
- For **Active Members**, an IMRF-specific mortality table was used with fully generational projection scale MP-2020. The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2023:

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Equities	34.5%	6.35%
International Equity	18.0%	8.00%
Fixed Income	24.5%	4.85%
Real Estate	10.5%	7.20%
Alternative Investments	11.5%	6.05-8.65%
Cash Equivalents	<u>1.0%</u>	3.80%
Total	100.0%	

Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 3.77%, and the resulting single discount rate is 7.25%.

HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 8 – DEFINED BENEFIT PENSION PLAN (continued)

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2022	\$ 697,516	\$ 740,012	\$ (42,496)
Changes for the year:			
Service Cost	-	-	-
Interest on the Total Pension Liability	48,206	-	48,206
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	13,409	-	13,409
Changes of Assumptions	(1,680)	-	(1,680)
Contributions – Employer	-	-	-
Contributions – Employees	-	-	-
Net Investment Income	-	88,333	(88,333)
Benefit Payments, including Refunds of Employee Contributions	(65,223)	(65,223)	-
Other (Net Transfer)	-	26,525	(26,525)
Net Changes	<u>(5,288)</u>	<u>49,635</u>	<u>(54,923)</u>
Balances at December 31, 2023	<u>\$ 692,228</u>	<u>\$ 789,647</u>	<u>\$ (97,419)</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Lower (6.25%)	Current Discount Rate (7.25%)	1% Higher (8.25%)
Net Pension Liability/(Asset)	\$ (40,350)	\$ (97,419)	\$ (147,117)

HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 8 – DEFINED BENEFIT PENSION PLAN (continued)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2023, the Housing Authority of the Village of Oak Park recognized pension expense of \$36,714. At December 31, 2023, the Housing Authority of the Village of Oak Park reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>		
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	<u>129,141</u>	<u>62,471</u>
Total Deferred Amounts to be recognized in pension expense in future periods	<u>129,141</u>	<u>62,471</u>
<i>Pension Contributions made subsequent to the Measurement Date</i>	<u>-</u>	<u>-</u>
Total Deferred Amounts Related to Pensions	<u>\$ 129,141</u>	<u>\$ 62,471</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending December 31	Net Deferred Outflows of Resources	Net Deferred Inflows of Resources
2024	\$ 14,200	\$ -
2025	23,857	-
2026	35,830	-
2027	(7,217)	-
Thereafter	<u>-</u>	<u>-</u>
Total	<u>\$ 66,670</u>	<u>\$ -</u>

**HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 8 – DEFINED BENEFIT PENSION PLAN (continued)

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2023 Contribution Rate *

Valuation Date:

Notes Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to beginning of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine 2023 Contribution Rates:

<i>Actuarial Cost Method:</i>	Aggregate entry age = normal
<i>Amortization Method:</i>	Level percentage of payroll, closed
<i>Remaining Amortization Period:</i>	Non-taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 20-year closed period. Early Retirement Incentive Plan liabilities: a period up to ten years selected by Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 15 years for most employers (five employers were financed over 16 years, one employer was financed over 17 years; two employers were financed over 18 years; one employer was financed over 21 years; three employers were financed over 24 years; four employers were financed over 25 years and one employer was financed over 26 years.
<i>Assets Valuation Method:</i>	5-year smoothed market; 20% corridor
<i>Wage Growth:</i>	2.75%
<i>Price Inflation:</i>	2.25%
<i>Salary Increases:</i>	2.75% to 13.75%, including inflation
<i>Investment Rate of Return:</i>	7.25%
<i>Retirement Age:</i>	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2020 valuation pursuant to an experience study for the period 2017 to 2019.
<i>Mortality:</i>	For non-disabled retirees, the Pub-2010, Amount-Weighted, below- median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 15%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income General, Disabled Retiree, Male and Female (both unadjusted) tables, and future Mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

**HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 8 – DEFINED BENEFIT PENSION PLAN (continued)

Methods and Assumptions Used to Determine 2023 Contribution Rates:

Other Information:

Notes: There were no benefit changes during the year.

NOTE 9 – FINANCIAL REPORTING ENTITY

The Authority's combined financial statements include the accounts of all the Authority's operations. The criteria for including organizations as component units within the Authority's reporting entity is set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- The Organization is legally separate (can sue and be sued in their own name)
- The Authority holds the corporate powers of the Organization
- The Authority appoints a voting majority of the Organization's board
- The Authority is able to impose its will on the Organization
- The Organization has the potential to impose a financial benefit/burden on the Authority
- There is fiscal dependency by the Organization on the Authority

Based on the aforementioned criteria, the Authority has one component unit.

The component unit, Oak Park Housing Development Corporation, has a limited membership interest in a partnership and no liabilities at December 31, 2023. Further details can be found in the Management's Discussion and Analysis on page 4.

NOTE 10 – DATE OF MANAGEMENT REVIEW

Management has evaluated subsequent events through September 27, 2024, the date when the financial statements were available to be issued.

HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 11 – PROPERTY AND EQUIPMENT

A summary of the Authority's property and equipment for the year ended December 31, 2023 follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Property and equipment, not being depreciated:				
Land	\$ 914,000	\$ ---	\$ ---	\$ 914,000
Total property and equipment, not being depreciated	<u>914,000</u>	<u>---</u>	<u>---</u>	<u>914,000</u>
Property and equipment, being depreciated:				
Buildings	6,412,570	128,350	---	6,540,920
Modernization costs	9,027,534	29,591	---	9,057,125
Land improvements	39,846	---	---	39,846
Furniture and equipment	<u>734,950</u>	<u>21,891</u>	<u>---</u>	<u>756,841</u>
Total property and equipment, being depreciated	<u>16,214,900</u>	<u>179,832</u>	<u>---</u>	<u>16,394,732</u>
Less accumulated depreciation for:				
Buildings	(4,374,226)	(140,570)	---	(4,514,796)
Modernization costs	(4,655,807)	(400,724)	---	(5,056,531)
Land improvements	(22,146)	(900)	---	(23,046)
Furniture and equipment	<u>(752,553)</u>	<u>(4,288)</u>	<u>---</u>	<u>(756,841)</u>
Total accumulated depreciation	<u>(9,804,732)</u>	<u>(546,482)</u>	<u>---</u>	<u>(10,351,213)</u>
Total property and equipment being depreciated, net	<u>6,410,168</u>	<u>(366,650)</u>	<u>---</u>	<u>6,043,520</u>
Total property and equipment, net	<u>\$ 7,324,168</u>	<u>\$ (366,650)</u>	<u>\$ ---</u>	<u>\$ 6,957,518</u>

This information is an integral part of the
accompanying financial statements.

REQUIRED SUPPLEMENTARY INFORMATON

HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
DECEMBER 31, 2023

Calendar Year Ended December 31,

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total Pension Liability						
Service cost	\$ -	\$ -	\$ 14,885	\$ 14,450	\$ 13,547	\$ 13,323
Interest on the total pension liability	48,206	48,450	46,056	43,128	40,244	39,402
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual	13,409	12,524	47,423	28,224	1,659	(23,870)
Experience of the total pension liability						
Changes of assumptions	(1,680)	-	-	209	-	13,503
Benefit payments, including refunds of employee contributions	<u>(65,223)</u>	<u>(63,475)</u>	<u>(72,318)</u>	<u>(19,362)</u>	<u>(12,877)</u>	<u>(12,620)</u>
Net change in total pension liability	(5,288)	(2,501)	36,046	66,649	42,573	29,738
Total pension liability - beginning	<u>697,516</u>	<u>700,017</u>	<u>663,971</u>	<u>597,322</u>	<u>554,749</u>	<u>525,011</u>
Total pension liability - ending	<u>\$ 692,228</u>	<u>\$ 697,516</u>	<u>\$ 700,017</u>	<u>\$ 663,971</u>	<u>\$ 597,322</u>	<u>\$ 554,749</u>
Plan Fiduciary Net Position						
Contributions - employer	\$ -	\$ -	\$ 63	\$ 1,271	\$ 1,228	\$ 1,102
Contributions - employee	-	-	253	5,723	6,074	5,509
Net investment income	88,333	(148,805)	120,169	101,952	113,602	(30,704)
Benefit payments, including refunds of employee contributions	(65,223)	(63,475)	(72,318)	(19,362)	(12,877)	(12,620)
Other (net transfers)	<u>26,525</u>	<u>8,550</u>	<u>55,376</u>	<u>8,783</u>	<u>118</u>	<u>5,059</u>
Net change in plan fiduciary net positions	49,635	(203,730)	103,543	98,367	108,145	(31,654)
Plan fiduciary net position - beginning	<u>740,012</u>	<u>943,742</u>	<u>840,199</u>	<u>741,832</u>	<u>633,687</u>	<u>665,341</u>
Plan fiduciary net position - ending	<u>\$ 789,647</u>	<u>\$ 740,012</u>	<u>\$ 943,742</u>	<u>\$ 840,199</u>	<u>\$ 741,832</u>	<u>\$ 633,687</u>
Net pension (asset) liability - ending	(97,419)	(42,496)	(243,725)	(176,228)	(144,510)	(78,938)
Plan fiduciary net position as a percentage of the total pension liability	114.07	109.09%	134.82%	126.54%	124.19%	114.23%
Covered valuation payroll	\$ -	\$ -	\$ 5,615	\$ 127,187	\$ 130,144	\$ 122,422
Net pension liability as a percentage of covered valuation payroll	0.00%	0.00%	(4,340.61)%	(138.56)%	(110.04)%	(64.48)%

HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
SCHEDULE OF EMPLOYER CONTRIBUTIONS
DECEMBER 31, 2023

<u>Calendar Year Ended December 31,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Valuation Payroll</u>	<u>Actual Contribution as a Percentage of Covered Valuation Payroll</u>
2014	\$ 5,589	\$ 5,588	\$ 1	\$ 118,408	4.72%
2015	2,162	2,162	-	120,109	1.80%
2016	2,623	2,623	-	117,612	2.23%
2017	3,550	3,550	-	124,122	2.86%
2018	1,102	1,102	-	122,422	0.90%
2019	1,184	1,228	-	130,144	0.94%
2020	1,272	1,271	1	127,187	1.00%
2021	63	63	-	5,615	1.12%
2022	-	-	-	-	0.00%
2023	-	-	-	-	0.00%

SUPPLEMENTARY INFORMATION

**HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Federal ALN Number</u>	<u>Program or Award Amount</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>
<u>Federal Grantor</u>				
<u>U S Department of HUD</u>				
MAJOR PROGRAMS - LOW RISK TYPE A PROGRAM:				
Housing assistance payments program:				
Housing Voucher Program	14.871	\$5,086,228	\$5,086,228	\$5,086,228
Mainstream housing for persons with disabilities	14.879	<u>860,876</u>	<u>860,876</u>	<u>860,876</u>
Total Housing Voucher Cluster		5,947,104	5,947,104	5,947,104
NON-MAJOR PROGRAMS - LOW RISK TYPE B PROGRAM:				
Direct programs:				
Low income housing operating subsidies	14.850A	523,674	523,674	523,674
Resident Opportunity and Supportive Services - 2021 Grant	14.870	218,068	43,802	43,802
Capital funding program:				
2019 grant	14.872	267,968	188,230	188,230
Capital funding program:				
2021 grant	14.872	281,708	281,708	281,708
Capital funding program:				
2022 grant	14.872	350,089	-	-
Capital funding program:				
2023 grant	14.872	<u>349,392</u>	<u>-</u>	<u>-</u>
TOTALS		<u><u>\$7,938,003</u></u>	<u><u>\$6,984,518</u></u>	<u><u>\$6,984,518</u></u>

See accompanying notes to schedule of
expenditures of federal awards

**HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
NOTES TO SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the Housing Authority of the Village of Oak Park under programs of the federal government for the year ended December 31, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Because the Schedule presents only a selected portion of the operations of the Housing Authority of the Village of Oak Park, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Housing Authority of the Village of Oak Park.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- (1) Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Housing Authority of the Village of Oak Park has elected not to use the 10% de minimis interest cost rate as allowed under the Uniform Guidance.
- (2) Pass-through entity identifying numbers are presented where available.

NOTE C – AMOUNTS PROVIDED TO SUBRECIPIENTS

The Authority did not provide any federal awards to subrecipients.

NOTE D – NON-CASH ASSISTANCE, INSURANCE, LOANS OR LOAN GUARANTEES

There were no non-cash assistance, insurance, loans or loan guarantees outstanding as of and for the year ended December 31, 2023.

**HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
OAK PARK, ILLINOIS
STATEMENT OF MODERNIZATION COSTS – COMPLETED
DECEMBER 31, 2023**

Annual Contributions Contract C-1002 (Mills Park Tower)

Project Number	IL-103-1
CIAP (CFP) Number	IL06P103501-19
Total funds approved	\$ 267,968
Total funds expended	<u>267,968</u>
Excess (deficiency) of funds approved	<u>\$ - - -</u>
 Total funds advanced or receivable from HUD	 \$ 267,968
Total funds expended or payable to contractors	<u>267,968</u>
Excess (deficiency) of funds advanced	<u>\$ - - -</u>

All modernization costs have been paid and all related liabilities have been discharged through payment.

**HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
OAK PARK, ILLINOIS
STATEMENT OF MODERNIZATION COSTS – COMPLETED
DECEMBER 31, 2023**

Annual Contributions Contract C-1002 (Mills Park Tower)

Project Number	IL-103-1
CIAP (CFP) Number	IL06P103501-21
Total funds approved	\$ 281,708
Total funds expended	<u>281,708</u>
Excess (deficiency) of funds approved	<u>\$ ---</u>
 Total funds advanced or receivable from HUD	 \$ 281,708
Total funds expended or payable to contractors	<u>281,708</u>
Excess (deficiency) of funds advanced	<u>\$ ---</u>

All modernization costs have been paid and all related liabilities have been discharged through payment.

**HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
OAK PARK, ILLINOIS
STATEMENT OF ROSS GRANT COSTS – COMPLETED
DECEMBER 31, 2023**

Annual Contributions Contract C-1002 (Mills Park Tower)

Project Number	IL-103-1
Federal Grant Number	ROSS181215-01-00
Total funds approved	\$ 246,000
Total funds expended	<u>238,794</u>
Excess (deficiency) of funds approved	<u>\$ 7,206</u>
 Total funds advanced or receivable from HUD	 \$ 238,794
Total funds expended or payable to contractors	<u>238,794</u>
Excess (deficiency) of funds advanced	<u>\$ - - -</u>

All modernization costs have been paid and all related liabilities have been discharged through payment.



KOLNICKI



PETERSON



WIRTH

Board of Commissioners
Housing Authority of the
Village of Oak Park
Oak Park, Illinois

**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***

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 the Housing Authority of the Village of Oak Park, which comprise the statement of net position as of December 31, 2023, and the related statements of revenues, expenses and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the Housing Authority of the Village of Oak Park's basic financial statements, and have issued our report thereon, dated September 27, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Housing Authority of the Village of Oak Park's internal control over financial reporting (internal control) as a basis for designing 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 Housing Authority of the Village of Oak Park's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the Village of Oak Park'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.

KOLNICKI PETERSON & WIRTH, LLC
CERTIFIED PUBLIC ACCOUNTANTS

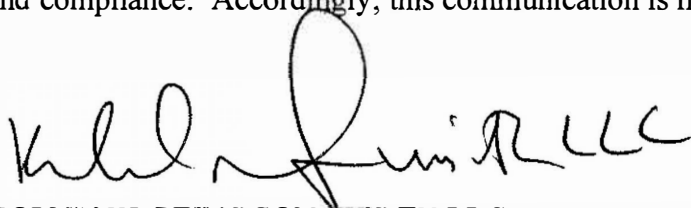
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses, or significant deficiencies. Given these limitations, during our audit we did not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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Housing Authority of the Village of Oak Park'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 financial statements. 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 tests 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 Authority'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 Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read 'Kolnicki, Peterson, Wirth LLC', is written over the printed name.

KOLNICKI, PETERSON, WIRTH LLC
Certified Public Accountants

Downers Grove, Illinois
September 27, 2024



KOLNICKI



PETERSON



WIRTH

Board of Commissioners
Housing Authority of the
Village of Oak Park
Oak Park, Illinois

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Housing Authority of the Village of Oak Park's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Housing Authority of the Village of Oak Park's major federal programs for the year ended December 31, 2023. The Housing Authority of the Village of Oak Park's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Housing Authority of the Village of Oak Park complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Housing Authority of the Village of Oak Park and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Housing Authority of the Village of Oak Park's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Housing Authority of the Village of Oak Park's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Housing Authority of the Village of Oak Park's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Housing Authority of the Village of Oak Park's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Housing Authority of the Village of Oak Park's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Housing Authority of the Village of Oak Park's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Housing Authority of the Village of Oak Park's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

A handwritten signature in black ink, appearing to read 'Kolnicki, Peterson, Wirth LLC', is written over a horizontal line.

KOLNICKI, PETERSON, WIRTH LLC
Certified Public Accountants

Downers Grove, Illinois
September 27, 2024

**HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
ACTIVITIES OF THE HOUSING AUTHORITY
DECEMBER 31, 2023**

The Authority has 689 units in management and was administering one modernization program.

	<u>Units</u>
Management	
Owned Housing Project IL-103-1 (Contract C-1002)	198
Voucher Program (Contract IL-103-VO)	422
Mainstream Voucher Program (Contract IL-103-DV)	64
Non-Elderly Persons with Disabilities Program (Contract IL-103-6655)	<u>5</u>
Total	<u>689</u>
Portable vouchers – received	<u>24</u>
Portable vouchers – transferred out	<u>7</u>
Modernization	
Project IL06P10350119	<u>198</u>
Project IL06P10350121	<u>198</u>
Project IL06P10350122	<u>198</u>
Project IL06P10350123	<u>198</u>

**HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
OAK PARK, ILLINOIS
DECEMBER 31, 2023**

SUPPORTING DATA REQUIRED BY HUD

CERTIFICATION OF OFFICERS

We hereby certify that we have examined the accompanying financial statements and supplemental data of the Housing Authority of the Village of Oak Park and, to the best of our knowledge and belief, the same is complete and accurate.

David Pope
Chief Executive Officer and President

Shenita Muse
President

Federal Employer Identification Number
Number 36-2522828

**HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
OAK PARK, ILLINOIS
DECEMBER 31, 2023**

SUPPORTING DATA REQUIRED BY HUD (Continued)

CERTIFICATION OF MANAGEMENT

We hereby certify that we have examined the accompanying financial statements and supplemental data of the Housing Authority of the Village of Oak Park and, to the best of our knowledge and belief, the same is complete and accurate.

Management Agent:

Oak Park Residence Corporation
21 South Boulevard
Oak Park, IL 60302
(708) 386-9322

David Pope
Chief Executive Officer and President

Individual In-Charge:

David Pope

**HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
STATUS OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2023**

None.

**HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
DECEMBER 31, 2023**

A. Summary of Audit Results

1. The auditor's report expresses an unmodified opinion on the financial statements of the Housing Authority of the Village of Oak Park.
2. No significant deficiencies were identified during the audit of the financial statements.
3. No instances of noncompliance material to the financial statements of the Housing Authority of the Village of Oak Park were disclosed during the audit.
4. No significant deficiencies were identified during the audit of the major federal award programs.
5. The auditor's report on compliance for the major federal award program of the Housing Authority of the Village of Oak Park expresses an unmodified opinion on all major federal programs.
6. Audit findings that are required to be reported in accordance with Section 2 CFR 200.561(a) are reported in this Schedule.
7. The programs tested as a major program included: (a) Housing assistance payments program, Housing Voucher Program, CFDA #14.871; (b) Mainstream Housing for Persons with Disabilities, CFDA #14.879.
8. The threshold for distinguishing Types A and B Programs was \$750,000.
9. The Housing Authority of the Village of Oak Park qualifies as a low-risk auditee.

B. Findings – Financial Statement Audit

1. None

C. Findings and Questioned Costs - Major Federal Awards Programs Audit

1. None

HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
FINANCIAL DATA SCHEDULES
STATEMENT OF NET ASSETS DATA
December 31, 2023

KOLNICKI PETERSON & WIRTH, LLC

Line Item #	Account Description	Business Activities 1	Mainstream Housing for Persons with Disabilities 14.879	M P T Low Rent 14.850	Housing Choice Voucher Program 14.871	MPT Capital Fund Program 14.872	MPT Resident Opportunity & Supportive Services 14.870	TOTAL
ASSETS:								
CURRENT ASSETS:								
Cash:								
111	Cash - Unrestricted	\$ 713,899	\$ -	\$ 1,621,215	\$ 581,821	\$ -	\$ -	\$ 2,916,935
112	Cash - Restricted - Modernization and Dev	-	-	201,263	-	-	-	201,263
113	Cash - Other Restricted	-	-	-	48,749	-	-	48,749
114	Cash - Tenant Security Deposits	5,000	-	76,210	-	-	-	81,210
100	Total Cash	718,899	-	1,898,688	630,570	-	-	3,248,157
Accounts and Notes Receivables:								
121	Accounts receivable - PHA projects	-	-	-	113,508	-	-	113,508
125	Accounts Receivable - Misc	-	-	-	111,935	-	-	111,935
126	A/R - Tenant Rents and Long-Term lease	152,437	-	68,727	-	-	-	221,164
126.1	Allowance for Doubtful Accounts	-	-	(6,875)	-	-	-	(6,875)
120	Total Receivables	152,437	-	61,852	225,443	-	-	439,732
Current investments:								
131	Investments - Unrestricted	138,196	-	-	-	-	-	138,196
142	Prepaid Expenses and Other Assets	6,205	-	334,365	21,689	-	-	362,259
144	Interprogram - Due From	-	216,571	-	-	-	-	216,571
150	TOTAL CURRENT ASSETS	1,015,737	216,571	2,294,905	877,702	-	-	4,404,915
NONCURRENT ASSETS:								
Fixed assets:								
161	Land	100,000	-	814,000	-	-	-	914,000
162	Buildings	909,059	-	4,474,304	-	-	-	5,383,363
163	Furniture, Equipment & Mach. - Dwelling	35,554	-	137,210	-	-	-	172,764
164	Furniture, Equipment & Mach. - Admin	205,554	-	34,322	57,475	-	-	297,351
165	Leasehold Improvements	1,303,248	-	9,238,006	-	-	-	10,541,254
166	Accumulated Depreciation	(1,565,656)	-	(8,730,304)	(55,254)	-	-	(10,351,214)
160	Total Fixed Assets, Net of Accumulated Depreciation	987,759	-	5,967,538	2,221	-	-	6,957,518
180	TOTAL NONCURRENT ASSETS	987,759	-	5,967,538	2,221	-	-	6,957,518
DEFERRED OUTFLOWS OF RESOURCES								
190	Deferred Outflows Related to Pension	-	-	129,141	-	-	-	129,141
290	TOTAL ASSETS	\$ 2,003,496	\$ 216,571	\$ 8,391,584	\$ 879,923	\$ -	\$ -	\$ 11,491,574
LIABILITIES AND EQUITY:								
LIABILITIES:								
CURRENT LIABILITIES:								
312	Accounts payable < 90 Days	\$ 3,277	\$ 3,163	\$ 85,170	\$ 1,000	\$ -	\$ -	\$ 92,610
321	Accrued Wage/Payroll Taxes Payable	-	-	25,809	6,837	-	-	32,646
325	Accrued Interest Payable	-	-	-	-	-	-	-
331	Accounts payable - HUD PHA programs	-	-	-	-	-	-	-
341	Tenant Security Deposits	5,000	-	75,962	-	-	-	80,962
342	Deferred Revenues	-	-	8,796	-	-	-	8,796
343	Current Portion of Long-Term Debt Capital Projects	88,080	-	-	-	-	-	88,080
345	Other current liabilities	-	-	-	-	-	-	-
347	Inter-program - Due To	-	-	-	216,571	-	-	216,571
310	TOTAL CURRENT LIABILITIES	96,357	3,163	195,737	224,408	-	-	519,665

HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
FINANCIAL DATA SCHEDULES
STATEMENT OF NET ASSETS DATA
December 31, 2023

Line Item #	Account Description	Business Activities 1	Mainstream Housing for Persons with Disabilities 14.879	M P T Low Rent 14.850	Housing Choice Voucher Program 14.871	MPT Capital Fund Program 14.872	MPT Resident Opportunity & Supportive Services 14.870	TOTAL
NONCURRENT LIABILITIES:								
351	Long-term Debt, Net of Current - Capital Projects	367,936	-	-	-	-	-	367,936
353	Noncurrent Liabilities - Other	-	-	-	-	-	-	-
350	TOTAL NONCURRENT LIABILITIES	<u>367,936</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>367,936</u>
DEFERRED INFLOWS OF RESOURCES								
290	Deferred Inflows Related to Pension or to Long-Term Lease	148,037	-	62,471	-	-	-	210,508
300	TOTAL LIABILITIES	<u>612,330</u>	<u>3,163</u>	<u>258,208</u>	<u>224,408</u>	<u>-</u>	<u>-</u>	<u>1,098,109</u>
EQUITY:								
Contributed Capital:								
508.1	Invested in Capital Assets, Net of Related Debt	531,743	-	5,967,538	2,221	-	-	6,501,502
Reserved fund balance:								
511.1	Restricted Net Assets	-	144,294	76,210	-	-	-	220,504
512.1	Unrestricted Net Assets	859,423	69,114	2,089,628	653,294	-	-	3,671,459
513	TOTAL EQUITY	<u>1,391,166</u>	<u>213,408</u>	<u>8,133,376</u>	<u>655,515</u>	<u>-</u>	<u>-</u>	<u>10,393,465</u>
600	TOTAL LIABILITIES AND EQUITY	<u>\$ 2,003,496</u>	<u>\$ 216,571</u>	<u>\$ 8,391,584</u>	<u>\$ 879,923</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,491,574</u>

HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
FINANCIAL DATA SCHEDULES
STATEMENT OF REVENUES AND EXPENSES DATA
Year Ended December 31, 2023

Line Item #	Account Description	Business Activities 1	Mainstream Housing for Persons with Disabilities 14.879	M P T Low Rent 14.850	Housing Choice Voucher Program 14.871	MPT Capital Fund Program 14.872	MPT Resident Opportunity & Supportive Services 14.870	TOTAL
REVENUE:								
703	Net Tenant Rental Revenue	220,663	-	763,116	-	-	-	983,779
704	Tenant Revenue - Other	1,200	-	37,784	-	-	-	38,984
705	Total Tenant Revenue	221,863	-	800,900	-	-	-	1,022,763
706	HUD PHA grants	-	-	523,674	-	-	-	523,674
	HUD PHA Grant-HAP Funds Restricted	-	757,823	-	4,534,545	-	-	5,292,368
	HUD PHA Grant-Adm Fees Unrestricted	-	103,053	-	551,683	-	-	654,736
	HUD ROSS Grant (Service Coordinator)	-	-	-	-	-	43,802	43,802
706.1	Capital Grants	-	-	-	-	469,938	-	469,938
711	Investment income - Unrestricted	2,073	-	4,844	1,193	-	-	8,110
714	Fraud recovery - Unrestricted portion	-	-	300	8,843	-	-	9,143
	Fraud recovery - Restricted portion	-	-	-	8,843	-	-	8,843
715	Other revenue	-	-	-	-	-	-	-
	Office Rent	52,660	-	-	-	-	-	52,660
	Portability In HAP Receipts	-	-	-	351,621	-	-	351,621
	Portability In Admin Fee Receipts	-	-	-	26,053	-	-	26,053
	Village of OP Admin Grant	-	-	-	35,000	-	-	35,000
	Miscellaneous Income	-	-	2,842	-	-	-	2,842
720	Investment Income - Restricted	-	-	-	-	-	-	-
700	TOTAL REVENUE	<u>276,596</u>	<u>860,876</u>	<u>1,332,560</u>	<u>5,517,781</u>	<u>469,938</u>	<u>43,802</u>	<u>8,501,553</u>
EXPENSES:								
Administrative:								
911	Administrative Salaries	-	27,359	285,163	246,242	-	-	558,764
912	Accounting and Auditing Fees	2,465	1,105	11,050	9,945	-	-	24,565
913	Outside Management Fees	14,553	-	-	-	-	-	14,553
914	Advertising and Marketing	-	399	6,341	3,593	-	-	10,333
915	Employee Benefit Contributions - Admin	-	5,894	62,540	53,030	-	-	121,464
916	Office Expenses	9,541	7,988	167,630	133,691	-	-	318,850
917	Legal	-	-	6,570	2,940	-	-	9,510
918	Travel	-	-	-	-	-	-	-
919	Other	-	1,651	-	6,213	-	-	7,864
910	Total Operating - Administrative	<u>26,559</u>	<u>44,396</u>	<u>539,294</u>	<u>455,654</u>	<u>-</u>	<u>-</u>	<u>1,065,903</u>
Tenant Services:								
921	Tenant Services - Salaries	-	-	35,039	-	-	-	35,039
923	Tenant Services - Benefits	-	-	1,067	-	-	-	1,067
924	Tenant Services - Other	-	-	35,893	-	-	-	35,893
925	Total Tenant Services	<u>-</u>	<u>-</u>	<u>71,999</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>71,999</u>
Utilities:								
931	Water	4,155	-	77,893	-	-	-	82,048
932	Electricity	2,133	-	92,217	-	-	-	94,350
933	Gas	1,305	-	9,668	-	-	-	10,973
930	Total Utilities Expense	<u>7,593</u>	<u>-</u>	<u>179,778</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>187,371</u>
Ordinary maintenance & operation:								
941	Ordinary Maint and Operating - Labor	-	-	59,472	-	-	-	59,472
942	Ordinary Maint and Operating - Materials	299	-	27,765	-	-	-	28,064
943	Ordinary Maint and Operating - Contracts	3,420	-	201,302	-	-	-	204,722
945	Employee benefit contributions - Maint.	-	-	51,381	-	-	-	51,381
940	Total Maintenance	<u>3,719</u>	<u>-</u>	<u>339,920</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>343,639</u>

HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
FINANCIAL DATA SCHEDULES
STATEMENT OF REVENUES AND EXPENSES DATA
Year Ended December 31, 2023

KOLNICKI PETERSON & WIRTH, LLC

Line Item #	Account Description	Business Activities 1	Mainstream Housing for Persons with Disabilities 14.879	M P T Low Rent 14.850	Housing Choice Voucher Program 14.871	MPT Capital Fund Program 14.872	MPT Resident Opportunity & Supportive Services 14.870	TOTAL
	Protective services:							
952	Protective Services - Contract Costs	-	-	19,781	-	-	-	19,781
950	Total Protect Services	-	-	19,781	-	-	-	19,781
	Insurance Costs							
9611	Property Insurance	20,773	-	103,686	-	-	-	124,459
9612	Liability Insurance	-	343	-	3,054	-	-	3,397
9613	Workmen's compensation	-	241	8,764	2,167	-	-	11,172
9610	Total Insurance Program	20,773	584	112,450	5,221	-	-	139,028
	Other General Expenses							
963	Payments in lieu of taxes	-	-	-	-	-	-	-
964	Bad Debt Tenant Rents	-	-	(2,665)	-	-	-	(2,665)
960	Total Other General Expenses	-	-	(2,665)	-	-	-	(2,665)
9671	Interest on Mortgage Payable	23,721	-	-	-	-	-	23,721
967	Total Interest Expense	23,721	-	-	-	-	-	23,721
969	TOTAL OPERATING EXPENSES	<u>82,365</u>	<u>44,980</u>	<u>1,260,557</u>	<u>460,875</u>	<u>-</u>	<u>-</u>	<u>1,848,777</u>
970	EXCESS OPERATING REVENUE OVER OPERATING EXPENSES	<u>194,231</u>	<u>815,896</u>	<u>72,003</u>	<u>5,056,906</u>	<u>469,938</u>	<u>43,802</u>	<u>6,652,776</u>
971	Extraordinary Maintenance	-	-	-	-	-	-	-
972	Casualty Losses - Non-capitalized	-	-	-	-	-	-	-
973	Housing Assistance Payments	-	754,598	-	4,639,121	-	-	5,393,719
9735	Ports In HAP Payments	-	-	-	339,627	-	-	339,627
974	Depreciation expense	71,276	-	474,556	650	-	-	546,482
900	TOTAL EXPENSES	<u>153,641</u>	<u>799,578</u>	<u>1,735,113</u>	<u>5,440,273</u>	<u>-</u>	<u>-</u>	<u>8,128,605</u>
1000	EXCESS OF REVENUE OVER EXPENSES	<u>122,955</u>	<u>61,298</u>	<u>(402,553)</u>	<u>77,508</u>	<u>469,938</u>	<u>43,802</u>	<u>372,948</u>
MEMO account information								
1102	Required Annual Debt Principal Payments	36,370	-	-	-	-	-	36,370
1103	Beginning equity	-	152,110	-	578,007	-	-	730,117
	Beginning Equity - Restricted	-	141,069	174,042	95,733	-	-	-
	Beginning Equity - Unrestricted	1,268,211	11,041	7,848,147	482,274	-	-	-
1009	Prior period adjustments, Equity Transfers	-	-	513,740	-	(469,938)	(43,802)	-
1117	Administrative Fee Equity	-	69,114	-	655,515	-	-	724,629
1118	Housing Assistance Payments Equity	-	144,294	-	-	-	-	144,294
1119	Unit months available	36	996	2,376	5,556	-	-	8,964
1121	Number of unit months leased	34	811	2,295	5,057	-	-	8,197
1127	Excess Cash	-	-	1,458,494	-	-	-	1,458,494
1162	Building Purchases	-	-	-	-	-	-	-
1163	Furniture & Equipment - Dwelling Purchases	-	-	-	-	-	-	-
1164	Furniture & Equipment - Admin	-	-	17,208	-	-	-	17,208
1165	Leasehold Improvements Purchases	-	-	321,778	-	-	-	321,778

Board of Commissioners
Housing Authority of the
Village of Oak Park
Oak Park, Illinois

**AUDITOR'S COMMENTS ON AUDIT RESOLUTION
MATTERS RELATING TO HUD PROGRAMS**

We have audited the financial statements of the Housing Authority of the Village of Oak Park as of, and for the year ended December 31, 2023, and have issued our report thereon dated September 27, 2024.

There are no findings that are unresolved from prior years.

**HOUSING AUTHORITY OF THE VILLAGE OF OAK PARK
LISTING OF IDENTITY OF INTEREST AND COMPANIES
DOING BUSINESS WITH OWNER AGENT
YEAR ENDED DECEMBER 31, 2023**

<u>Company Name</u>	<u>Type of Service</u>	<u>Amount Received</u>	<u>Management Fee</u>
Oak Park Residence Corporation	Management	\$ 14,553	6%

**OAK PARK RESIDENCE CORPORATION
AND AFFILIATED CORPORATION**

OAK PARK, ILLINOIS

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2024 AND 2023

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KOLNICKI



PETERSON



WIRTH

Board of Directors
Oak Park Residence Corporation
and Affiliated Corporation
Oak Park, Illinois

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the accompanying consolidated financial statements of Oak Park Residence Corporation and Affiliated Corporation (a nonprofit organization), which comprise the consolidated statements of financial position as of December 31, 2024 and 2023, and the related consolidated statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Oak Park Residence Corporation and Affiliated Corporation as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years 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. 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 Oak Park Residence Corporation and Affiliated Corporation 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 consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Oak Park Residence Corporation and Affiliated Corporation's ability to continue as a going concern within one year after the date that the consolidated 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 consolidated 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 consolidated financial statements.

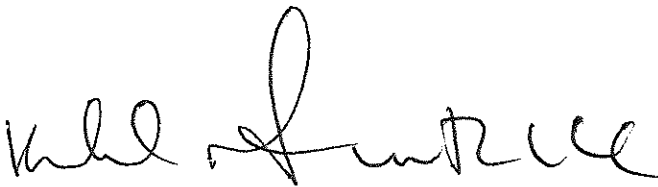
In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 Oak Park Residence Corporation and Affiliated Corporation'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Oak Park Residence Corporation and Affiliated Corporation'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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplemental information shown on pages 28 to 51 is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

A handwritten signature in black ink, appearing to read 'Kolnicki Peterson & Wirth, LLC', written in a cursive, flowing style.

KOLNICKI, PETERSON, WIRTH LLC
Certified Public Accountants

Downers Grove, Illinois
April 28, 2025

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024 AND 2023

ASSETS

	<u>2024</u>	<u>2023</u>
Cash -		
Unrestricted	\$ 1,643,967	\$ 466,181
Restricted	1,066,719	1,057,286
Escrow	<u>249,302</u>	<u>205,706</u>
Total cash	2,959,988	1,729,173
Investments	625,527	817,360
Net property and equipment	51,644,753	42,711,369
Right of use asset	100,648	148,036
Due from Housing Authority of the Village of Oak Park	2,169	36
Miscellaneous and tenant receivables, net	147,881	108,045
Supplies inventory	27,359	62,130
Prepaid expenses	197,850	217,222
Net intangible assets	<u>39,316</u>	<u>-</u>
TOTAL ASSETS	<u><u>\$ 55,745,491</u></u>	<u><u>\$ 45,793,371</u></u>

These financial statements should be read only in connection with the accompanying summary of significant accounting policies and notes to financial statements

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024 AND 2023

LIABILITIES AND NET ASSETS

	<u>2024</u>	<u>2023</u>
LIABILITIES		
Note payable - copier lease	\$ -	\$ 15,225
Accounts payable - trade	210,277	239,279
Security deposits and other liabilities	857,707	816,930
Accrued expenses - salaries and employee benefits	190,391	194,479
Accrued real estate taxes	1,179,060	1,362,967
Accrued interest	414,378	81,185
Deferred revenue	97,405	735,410
Deferred grant revenue	2,025,000	-
Lease liability	104,976	152,437
Mortgage payable (current portion (\$393,547 and \$385,448 respectively))	16,195,030	16,576,138
Construction loan	11,136,741	2,532,837
Line of credit	1,500,000	1,000,000
Housing bond and rehabilitation loans	17,355,030	17,664,881
Promissory notes	1,565,700	1,565,700
Acquisition loans (current portion \$0 and \$0, respectively)	2,576,827	2,576,827
Capital advance - Ryan Farrelly Project	1,618,400	1,618,400
	<u>57,026,922</u>	<u>47,132,695</u>
NET ASSETS (DEFICIT)		
Without donor restrictions	1,052,855	1,075,380
With donor restrictions	(2,334,286)	(2,414,704)
	<u>(1,281,431)</u>	<u>(1,339,324)</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 55,745,491</u>	<u>\$ 45,793,371</u>

These financial statements should be read only in connection with the accompanying summary of significant accounting policies and notes to financial statements

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
NET ASSETS WITHOUT RESTRICTIONS		
REVENUES		
Rent - collections from tenants	\$ 9,548,149	\$ 9,061,687
Management and maintenance fees	224,572	249,193
Grant income	99,533	66,648
Village of Oak Park - small condo	42,500	42,500
Program reimbursements	23,220	22,548
Other administrative fees	<u>10,901</u>	<u>17,268</u>
Total revenues without restrictions	9,948,875	9,459,844
Net assets released from restrictions	<u>(80,418)</u>	<u>27,334</u>
Total revenues without restrictions and reclassification	<u>9,868,457</u>	<u>9,487,178</u>
EXPENSES		
Salaries and wages	1,526,283	1,496,863
Depreciation and amortization	2,350,604	2,403,701
Operating, maintenance, building supplies and management expense	2,016,007	1,874,938
Administrative	789,493	783,625
Real estate taxes	996,507	1,363,050
Insurance	447,872	364,917
Employee benefits	306,991	305,508
Tenant services	78,794	69,652
Office rent	52,447	52,448
Utilities	<u>825,454</u>	<u>857,344</u>
Total expenses	<u>9,390,452</u>	<u>9,572,046</u>
Unrestricted income (loss) from operations	<u>478,005</u>	<u>(84,868)</u>

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
OTHER INCOME (EXPENSE)		
Interest expense	(1,151,371)	(1,146,093)
Interest and investment income (loss)	17,542	86,818
Amortization of loan fees and bond issuance cost related to refinancing	(56,621)	(48,068)
Bad debt expense	<u>(203,951)</u>	<u>(206,222)</u>
TOTAL OTHER INCOME (EXPENSE)	<u>(1,394,401)</u>	<u>(1,313,565)</u>
INCREASE (DECREASE) IN NET ASSETS WITHOUT RESTRICTIONS	<u>(916,396)</u>	<u>(1,398,433)</u>
NET ASSETS WITH RESTRICTIONS		
HUD subsidy to the Oaks and Farrelly projects	893,871	830,364
Net assets released from restrictions:		
Funds expended in operations in accordance with restriction agreements	<u>80,418</u>	<u>(27,334)</u>
INCREASE IN NET ASSETS WITH RESTRICTIONS	<u>974,289</u>	<u>803,030</u>
INCREASE (DECREASE) IN NET ASSETS	57,893	(595,403)
NET ASSETS (DEFICIT), beginning of period	<u>(1,339,324)</u>	<u>(743,921)</u>
NET ASSETS (DEFICIT), end of period	<u><u>\$ (1,281,431)</u></u>	<u><u>\$ (1,339,324)</u></u>

These financial statements should be read only in connection with the
accompanying summary of significant accounting policies and notes to financial statements

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024				2023			
	Program Services				Program Services			
	Rental Operations	Service Coordinator	Management and General	Total	Rental Operations	Service Coordinator	Management and General	Total
FASSUB LINE ITEMS								
Payroll and benefits	\$ 1,640,922	\$ 62,867	\$ 189,750	\$ 1,893,539	\$ 1,613,509	\$ 59,564	\$ 188,862	\$ 1,861,935
Administrative	683,644	-	105,849	789,493	624,521	-	159,104	783,625
Utilities	824,983	-	471	825,454	856,716	-	628	857,344
Repairs and maintenance	2,004,607	-	11,400	2,016,007	1,859,922	-	15,016	1,874,938
Taxes	996,507	-	-	996,507	1,363,050	-	-	1,363,050
Insurance	439,161	-	8,711	447,872	356,467	-	8,450	364,917
Other	-	15,927	-	15,927	-	10,088	-	10,088
Depreciation and amortization	2,353,206	-	-	2,353,206	2,403,701	-	-	2,403,701
Entity expenses	52,447	-	-	52,447	50,875	-	1,573	52,448
Total operating expenses	8,995,477	78,794	316,181	9,390,452	9,128,761	69,652	373,633	9,572,046
OTHER EXPENSE								
Interest expense	1,151,371	-	-	1,151,371	1,146,093	-	-	1,146,093
Amortization of loan fees and bond issuance cost	56,621	-	-	56,621	48,068	-	-	48,068
Bad debt	203,951	-	-	203,951	206,222	-	-	206,222
Total	\$ 10,407,420	\$ 78,794	\$ 316,181	\$ 10,802,395	\$ 10,529,144	\$ 69,652	\$ 373,633	\$ 10,972,429

These financial statements should be read only in connection with the accompanying summary of significant accounting policies and notes to the financial statements.

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
Cash Flow from Operating Activities		
Rent - collections from tenants	\$ 8,841,525	\$ 9,048,465
HUD subsidy to Oaks and Farrelly projects	893,871	830,364
Program reimbursements	23,220	22,548
Grants	2,124,533	-
Village of Oak Park - small condo	42,500	42,500
Management and maintenance fees	224,572	249,193
Investment income	4,375	86,818
Other administrative fees	10,901	17,268
Total Receipts	<u>12,165,497</u>	<u>10,297,156</u>
Salaries and wages	(1,542,102)	(1,474,175)
Operating, maintenance, building supplies and management expense	(1,978,884)	(1,891,848)
Administrative	(810,775)	(762,113)
Real estate taxes	(1,180,414)	(1,338,323)
Insurance	(428,375)	(379,199)
Interest	(818,178)	(1,123,853)
Employee benefits	(318,738)	(293,516)
Tenant services	(78,794)	(69,652)
Office rent	(52,447)	(50,990)
Utilities	(812,173)	(847,801)
Security deposits	40,777	12,141
Total Disbursements	<u>(7,980,103)</u>	<u>(8,219,329)</u>
Net Cash provided by Operating Activities	<u>4,185,394</u>	<u>2,077,827</u>
Cash Flow from Investing Activities		
Net deposits to the escrow accounts	(43,596)	7,089
Net deposits to the restricted accounts	(9,433)	(199,305)
Payments for intangible assets	-	(32,000)
Proceeds from sale of investments	205,000	3,396,830
Purchase of investments	-	(879,526)
Construction in progress	(1,773,632)	(3,505,309)
Net purchases of fixed assets	<u>(1,071,122)</u>	<u>(1,431,402)</u>
Net Cash used by Investing Activities	<u>(2,692,783)</u>	<u>(2,643,623)</u>
Cash Flow from Financing Activities		
Principal payments - first mortgage (or bonds)	-	(745,592)
Principal - Oaks	(78,752)	-
Principal Payments - Promissory Note	(679,399)	-
Proceeds from line of credit	460,684	1,000,000
Due from related party	(2,133)	1,431
Payments on capital lease	<u>(15,225)</u>	<u>(15,942)</u>
Net Cash provided (used) by Financing Activities	<u>(314,825)</u>	<u>239,897</u>
Net increase (decrease) in Cash and Cash Equivalents	1,177,786	(325,899)
Cash and Cash Equivalents		
Beginning of Period Cash	<u>466,181</u>	<u>792,080</u>
End of Period Cash	<u>\$ 1,643,967</u>	<u>\$ 466,181</u>

These financial statements should be read only in connection with the accompanying summary of significant accounting policies and notes to the financial statements

**OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
DECEMBER 31, 2024 AND 2023**

As stated in its Articles of Incorporation and related organizational documents, Oak Park Residence Corporation (the "Organization") is a not-for-profit corporation organized exclusively for charitable and educational purposes including but not limited to promoting the progress and general welfare of the residents of the Village of Oak Park by:

- Improving or causing to be improved, substandard Oak Park housing stock and developing projects and activities for the prevention and elimination of blight and blighting influence, all in cooperation or coordination with governmental and civic bodies, and all for the primary purpose of combatting community deterioration and securing adequate housing, community services and conditions, economically and otherwise to the progress and general welfare of the community.
- Assisting in the development of projects and activities in cooperation or coordination with governmental and civic bodies for the prevention and elimination of racial and ethnic prejudice and discrimination, as well as the lessening of neighborhood tension by assisting local government in implementing its Fair Housing Ordinance and by assisting all persons in effecting stable, integrated residential facilities in all parts of the Village of Oak Park.
- Instructing and counselling individuals and groups, public and private, on housing management standards, housing rehabilitation techniques and improvement of residential properties, and
- Providing elderly persons and handicapped persons with housing facilities and services specially designed to meet their physical, social and psychological needs, and to promote their health, security, happiness and usefulness in longer living.

The consolidated financial statements include the financial position and results of operations of the Organization and its 29 buildings. The consolidated financial statements also include four affiliated entities, Elizabeth H. and Cyrus V. Giddings Corporation ("Giddings"); The Oaks Section 202 LLC ("The Oaks LLC"); R C Management Services Corporation ("RCMSC"); and OPRC A & L LLC ("A & L LLC"). Giddings shares common directors with the Oak Park Residence Corporation and owns the Ryan Farrelly Apartments, a 21-unit building for the handicapped, which is subsidized by the U. S. Department of Housing and Urban Development. The Oaks LLC is a limited liability corporation whose sole member is the Organization that owns a 76-unit apartment building ("The Oaks") operated for the elderly and handicapped, and is subsidized by the U. S. Department of Housing and Urban Development. RCMSC was incorporated on December 9, 2009 as a for-profit Illinois corporation wholly-owned by the Organization and will act as an agent for the Organization and will enter into property management contracts. A & L LLC is a limited liability corporation whose sole member is the Organization that owns a seven-unit building at 1018 North Austin and a four-unit building at 908 South Lombard. These buildings were purchased on August 10, 2015. In 2020, the Organization completed the Schuman acquisition. The acquisition added six multifamily rental properties in Oak Park, Illinois.

The Organization's activities include management and maintenance of apartment buildings in the Village of Oak Park owned by the Organization, the Housing Authority of the Village of Oak Park, and third parties.

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Significant accounting policies followed by the Organization are presented below.

**OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
DECEMBER 31, 2024 AND 2023**

INCOME TAXES

The Internal Revenue Service has ruled that the Organization is exempt from the payment of federal income tax under the provisions of Section 501(c)(3) of the Internal Revenue Code as a charitable organization.

The Financial Accounting Standards Board (FASB) issued ASC 740-10-05 "Accounting for Uncertainty in Income Taxes" that clarified the accounting and recognition for income tax positions taken or expected to be taken in the Organization's income tax returns. The Organization adopted the standard in 2010.

The Organization's income tax filings are subject to audit by various taxing authorities. The Organization's open audit periods are 2021 through 2023. In evaluating the Organization's tax provisions and accruals, future taxable income and the reversal of temporary differences, interpretations of tax planning strategies are considered. The Organization believes their estimates are based on current facts and circumstances.

On July 25, 2022, the Organization received a Sales Tax Exemption Certificate from the State of Illinois for applicable purchases.

ACCOUNTING METHOD

The Organization maintains their accounting records using the accrual method of accounting.

PROPERTY AND EQUIPMENT

Property and equipment are carried at cost and depreciated using the straight-line method over the following useful lives:

Furniture, equipment and organization assets	5 to 10 years
Building and improvements	5 to 40 years

All costs incurred in connection with the acquisition of the property, including interest and real estate taxes during the period of rehabilitation, are capitalized.

UNCOLLECTIBLE ACCOUNTS

The Organization established an allowance for uncollectable tenant accounts receivable based on their estimate of uncollectable receivables that is determined based on historical performance. Amounts determined to be uncollectable are expensed in the period such determination is made. Bad debt expense for the years ended December 31, 2024 and 2023 was \$203,951 and \$206,222, respectively. The allowance for uncollectable accounts was \$178,214 and \$140,818 at December 31, 2024 and 2023, respectively.

INVESTMENTS

Investments are carried at fair value. Realized and unrealized gains and losses are reflected in the statement of activities. Investment income is reflected in the statement of activities as unrestricted, temporarily restricted, or permanently restricted based on the existence and nature of any donor restrictions.

**OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
DECEMBER 31, 2024 AND 2023**

INVESTMENTS IN FORECLOSED HOMES

All costs incurred in the purchase and maintenance of foreclosed real estate before subsequent sale are capitalized.

VACATION PAY

Accumulated unpaid vacation costs are reported in the period earned.

CASH EQUIVALENTS

The Organization considers all liquid investments with a maturity of three months or less when purchased to be cash equivalents. Restricted cash and escrow accounts are not considered cash equivalents.

INTANGIBLE ASSETS

Intangible assets consist of loan origination fees and bond issuance costs. Intangible assets are recorded at cost and are amortized using the straight-line method. Intangible assets are reported net with the corresponding debt.

PRINCIPLES OF CONSOLIDATION

The accompanying consolidated financial statements include the accounts of the Oak Park Residence Corporation and an affiliated Corporation. All significant intercompany balances and transactions have been eliminated.

UNCLASSIFIED BALANCE SHEET

Consistent with common practice among companies operating in the real estate management and development industry, the Organization presents its statement of financial position in an unclassified format, i.e., without segregating its assets and liabilities into current and noncurrent categories. An unclassified statement of financial position is considered to be a preferable presentation due to the nature of the Organization's activities.

CONTRIBUTED SERVICES

During the years ended December 31, 2024 and 2023, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded.

SUPPLIES INVENTORY

Supplies inventory, which consists of operating and construction supplies, is valued at the lower of cost or net realizable value. Cost is determined on the first-in, first-out (FIFO) basis.

**OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
DECEMBER 31, 2024 AND 2023**

DERIVATIVE INSTRUMENTS

The Organization uses an interest rate swap to effectively convert the variable rate on its mortgage loan to a fixed rate for the six buildings purchased under the Schuman acquisition, as described in Note 8. The change in the fair value of the swap agreement and the payments to or receipts from the counterparty to the swap are netted with the interest expense on the mortgage and allocated among the functional expense categories. Cash flows from the interest rate swap contract is classified as a financing activity on the statement of cash flows.

RECLASSIFICATIONS

Certain reclassifications have been made to the 2023 financial statements to conform with the presentation of the 2024 financial statements. The reclassifications have no effect on the net income for the year ended December 31, 2023.

MANAGEMENT ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles 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 reported amounts of revenues and expenses during the reported period. Actual results could differ from these estimates.

DATE OF MANAGEMENT REVIEW

Subsequent events were evaluated through the date of this report and the date the financial statements were available to be issued was April 28, 2025.

LEASES

In February 2016, the Financial Standards Accounting Board (FASB) issued Accounting Standards Update (ASU) 2016-02, Leases. Among other provisions, ASU 2016-02 requires the lease to record a right of use (ROU) asset and lease liability on the balance sheet for an operating lease greater than 12 months. The lease liability will be equal to the present value of the lease payments. An ROU asset will be based on the lease liability adjusted for qualifying initial direct costs. The expense of operating leases under the new guidance will be recognized in the income statement on a straight-line basis by adjusting the amortization of the ROU asset to produce straight-line expense when combined with the interest expense of the lease liability. ASU 2016-02 is effective for fiscal years beginning after December 15, 2021, with early application permitted.

The accounting and disclosures in these financial statements and notes follow the applicable portions of ASU 2016-02.

This information is an integral part of the
accompanying combined financial statements

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 1 - RESTRICTED AND ESCROWED CASH

The regulatory agreement with the U.S. Department of Housing and Urban Development (HUD) and the Organization requires that The Oaks LLC and the Giddings Corporation maintain certain cash reserves. The consent of HUD is required before funds may be withdrawn from certain accounts. At December 31, 2024 and 2023, the following amounts were deposits in interest-bearing bank accounts or short-term certificates of deposit:

	<u>2024</u>	<u>2023</u>
Reserve for replacement	\$ 482,326	\$ 437,163
Reserve for residual receipts	508,216	507,545
Security deposits	<u>35,368</u>	<u>35,531</u>
Total restricted cash - governmental	<u>1,025,910</u>	<u>980,239</u>
Other restricted cash – capital projects fund	538	525
Other restricted cash – security deposits	39,348	75,419
Other restricted cash - reserve for repairs and maintenance	<u>923</u>	<u>1,103</u>
Total restricted cash - non-governmental	<u>40,809</u>	<u>77,047</u>
Total restricted cash	<u><u>\$ 1,066,719</u></u>	<u><u>\$ 1,057,286</u></u>

In addition, at December 31, 2024 and 2023, restricted cash also consisted of escrowed amounts for real estate taxes and insurance as follows:

	<u>2024</u>	<u>2023</u>
Taxes and insurance escrow	<u><u>\$ 249,302</u></u>	<u><u>\$ 205,706</u></u>

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 2 - INVESTMENT IN REAL ESTATE

The Organization engages in a program to purchase HUD foreclosed houses to rehabilitate them for subsequent resale to the public. All costs, including interest incurred while the houses are owned by the Organization, are capitalized. At December 31, 2024 and 2023 the Organization had not incurred any costs in purchasing foreclosed properties.

NOTE 3 – FAIR VALUE MEASUREMENTS

Generally Accepted Accounting Principles defines fair value as the price that would be received for an asset or paid to transfer a liability in an orderly transaction between market participants on a determined measurement date. The Organization reports its fair value measures using a three-level hierarchy that prioritizes the inputs used to measure fair value.

This hierarchy, established by GAAP, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs used to measure fair value are as follows:

Level 1: Quoted prices for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or inputs that can be corroborated by observable market data.

Level 3: Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value to the extent that observable inputs are not available.

When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. However, Level 1 inputs are not available for many of the assets and liabilities that the Organization is required to measure at fair value (for example, unconditional promises of in-kind contributions). The primary uses of fair value measures in the Organization's financial statements are initial measurement of noncash gifts and recurring measurement of investments.

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 4 – INVESTMENTS

Investments consist of the following at December 31, 2024 and 2023:

	2024 Fair Value <u>Level 1</u>	2023 Fair Value <u>Level 1</u>
Investments:		
Mutual Funds and Bonds	\$ <u>625,527</u>	\$ <u>817,360</u>
Total Investments	\$ <u>625,527</u>	\$ <u>817,360</u>

The following schedules summarize the investment return and its classification in the statement of activities for the years ended December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Dividends/interest	\$ 41,847	\$ 140,355
Investment gain (loss)	(22,417)	(46,882)
Fees	<u>(1,888)</u>	<u>(6,655)</u>
Total investment gain (loss)	\$ <u>17,542</u>	\$ <u>86,818</u>

As discussed in Note 3 to these financial statements, the Organization is required to report its fair value measurements in one of three levels, which are based on the ability to observe in the market place the inputs to the Organization's valuation techniques.

Level 1, the most observable level of inputs, is for investments measured at quoted prices in active markets for identical investments as of December 31, 2024 and 2023.

Level 2 is for investments measured using inputs such as quoted prices for similar assets, quoted prices for the identical asset in inactive markets, and for investments measured at net asset value that can be redeemed in the near term.

Level 3 is for investments measured using inputs that are unobservable, and is used in situations for which there is little, if any, market activity for the investment.

The Organization determines fair value of mutual funds, by the published net asset value per unit at the end of the last trading day of the year, which is the basis for transactions at that date.

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 5 - RELATED PARTY TRANSACTIONS

The Organization rents offices from the Housing Authority of the Village of Oak Park, a municipal corporation, and contracts with the Housing Authority for certain services.

The consolidated Statement of Financial Position reflects the following currently payable related party accounts receivable and accounts payable regarding the previously mentioned corporations at December 31, 2024 and 2023 as follows:

	<u>2024</u>	<u>2023</u>
Due from affiliates:		
Housing Authority of the Village of Oak Park	\$ <u>2,169</u>	\$ <u>36</u>

The consolidated statement of activities and changes in net assets reflect the following related party management, maintenance and other administrative fees incurred at December 31, 2024 and 2023 as follows:

	<u>2024</u>	<u>2023</u>
Office rent, management, maintenance and other administrative reimbursables:		
Housing Authority of the Village of Oak Park	\$ <u>55,473</u>	\$ <u>48,684</u>

NOTE 6 – PROPERTY AND EQUIPMENT

Property and equipment consists of the following at December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Land	\$ 3,708,846	\$ 3,704,846
Buildings	35,325,055	35,418,731
Building improvements	29,310,030	28,477,985
Furniture and equipment	1,620,864	1,509,826
Construction in progress	18,609,026	8,231,490
Office equipment	<u>675,806</u>	<u>675,806</u>
Total, at cost	89,249,627	78,018,684
Less accumulated depreciation	<u>(37,604,874)</u>	<u>(35,307,315)</u>
Total	<u>\$ 51,644,753</u>	<u>\$ 42,711,369</u>

Depreciation expense on property and equipment was \$2,350,604 and \$2,403,701 at December 31, 2024 and 2023, respectively.

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 7 - DEBT

Long-term debt consists of the following:	<u>2024</u>	<u>2023</u>
Acquisition Loans Payable – Village of Oak Park:		
Acquisition loan for the property at Lombard and Madison, secured by that property, due December 31, 2026. (Asset 1051)	\$ 90,000	\$ 90,000
Acquisition loan for the property at 1100 North Austin, secured by that property, due December 31, 2026. (Asset 1211)	60,000	60,000
Acquisition loan for the property at Harrison and Lyman, secured by that property, due December 31, 2026. (Asset 1214)	63,000	63,000
Acquisition loan for the property at Kenilworth and Pleasant, secured by that property, due December 31, 2026. (Asset 1215)	474,827	474,827
Acquisition loan for the property at 411 South Harvey, secured by that property, due December 31, 2026. (Asset 1216)	198,500	198,500
Acquisition loan for the property at 1022-24 North Austin, secured by that property, due December 31, 2026. (Asset 1219)	108,000	108,000
Acquisition loan for the property at 1000 North Austin Avenue, secured by that property, due December 31, 2026. (Asset 1220)	171,500	171,500
Acquisition loan for the property at 1118-1126 South Austin, secured by that property, due December 31, 2026. (Asset 1222)	468,000	468,000
Acquisition loan for the property at 14 North Austin, secured by that property due December 31, 2026. (Asset 1334)	193,000	193,000

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 7 – DEBT (continued)

	<u>2024</u>	<u>2023</u>
Acquisition loan for the property at 301-307 Harrison, secured by that property, due April 3, 2031. (Asset 1317)	\$ <u>750,000</u>	\$ <u>750,000</u>
Total acquisition loans payable	\$ <u>2,576,827</u>	\$ <u>2,576,827</u>

All of the above acquisition loans are 0% interest loans. Each loan is payable in full at the date listed or, if the subject property is sold, at the closing date of the sale. During 2022, the acquisition loan for the property at 7 W. Van Buren was forgiven.

IFA Bonds Payable:**Series 2017 Bonds**

On January 1, 2017, the Illinois Finance Authority retired the 2001 and 2006 bonds and issued the Organization variable rate demand revenue bonds – Series 2017.

The bonds were used to retire the Series 2001 bonds of \$13,000,000 and Series 2006 bonds of \$4,000,000, provide a project fund for rehabilitation costs of \$2,174,271, and fund costs of issuance. Bond proceeds were \$20,000,000. The bonds' maturity date is January 1, 2047, and has an initial rate of interest of 2.29% per annum. The interest rate is effective from the date of closing through January 1, 2027. The balance due at December 31, 2024 and 2023 was \$17,480,000 and \$17,840,000, respectively. The balance at December 31, 2024 and 2023, net of unamortized debt issuance costs of \$124,970 and \$175,119 respectively, was \$17,355,030 and \$17,664,881, respectively. Quarterly payments are \$90,000 plus interest.

The bonds are secured by the underlying properties and the assignment of rents. The bonds contain various covenants which the Organization must meet on a quarterly basis. The Organization was in compliance with the bonds' covenants at December 31, 2024 and 2023. In 2024, 9 of the 20 buildings were released from the bond issue.

Promissory Notes

	<u>2024</u>	<u>2023</u>
Unsecured notes payable to the seller of the Schuman properties. Interest is payable monthly at 5%. The rate is fixed for the first five years of the loan term, then calculated as the lesser of 7% or the ten-year treasury rate plus 2.75%, but in no event less than 5%. The promissory notes are subordinated to the acquisition note payable of \$12,825,600. Notes are due February 2030.	\$ <u>1,565,700</u>	\$ <u>1,565,700</u>

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 7 – DEBT (continued)

	<u>2024</u>	<u>2023</u>
Mortgage Notes Payable – HUD:		
HUD capital advance - Ryan Farrelly Project (Asset 1002)	<u>\$ 1,618,400</u>	<u>\$ 1,618,400</u>
Mortgage Notes Payable:		
Note payable – bank, with monthly payments of \$6,230, including interest at 4.585%, final payment of \$806,125 due August 2025, collateralized by the A & L LLC buildings and an assignment of rents.	\$ 830,644	\$ 865,889
Note payable – mortgage banking company, with monthly payments of \$18,814, including interest at 4.00%, final payment due October 2050, collateralized by The Oaks property and an assignment of rents (Asset 1001).	3,632,336	3,711,088
Construction loan payable to the bank, with monthly payments of interest due at the Federal Funds Effective Rate (5.33% and 4.33% at December 31, 2023 and 2022, respectively) plus 225 basis points. The loan is due October 25, 2025, with a borrower's option for two additional years, to October 25, 2027. The loan is secured by real estate under construction. The Company may borrow up to \$12,015,000, and is required to contribute cash equity of \$4,271,597 before drawing on the loan.	8,506,490	2,532,837
Note payable – bank, with monthly payments of interest for the first 18 months, then principal and interest payments for eight years and six months, based on a 30-year amortization, for the purchase of the Schuman properties. Interest is fixed at at 2.99% per year. The Organization was required to enter into an interest rate swap to fix the interest rate.	<u>11,930,634</u>	<u>12,214,788</u>
Total mortgage notes payable	24,900,104	19,324,602
Less unamortized debt issuance costs	<u>(198,584)</u>	<u>(215,627)</u>
Total mortgage notes payable	<u>\$24,701,520</u>	<u>\$19,108,975</u>
Total long term debt	<u>\$47,817,477</u>	<u>\$42,534,783</u>

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 7 – DEBT (continued)

The Corporation refinanced its previous mortgage for The Oaks, and in order to obtain a new HUD-Insured Mortgage, the Corporation has agreed to renew its Housing Assistance Agreements (HAP) contract for a period of 20 years. Essentially, it provides that the Oaks must be operated as originally agreed to (which includes the special observation of various Federal laws), and nothing may be changed without approval from HUD. The HAP contract expires in September 2035.

The HUD capital advance provided assistance in financing the construction of the Ryan Farrelly Apartments. The capital advance shall bear no interest and is not required to be repaid so long as housing remains available to eligible, very low income households for a period of 40 years in accordance with Section 811.

At December 31, 2024, the future maturities of long-term debt are as follows:

	Acquisition Loans	Mortgage Notes Payable	Promissory Notes	IDFA Bond Payable	Capital Advance	Total
2025	\$ ---	\$ 9,704,453	\$ ---	\$ 360,000	\$ ---	\$ 10,064,453
2026	---	380,064	---	360,000	---	740,064
2027	1,826,827	393,263	---	360,000	---	2,580,090
2028	---	406,925	---	360,000	---	766,925
2029	---	421,064	---	360,000	---	781,064
2030 – 2034	750,000	10,949,423	1,565,700	1,800,000	1,618,400	16,683,523
2035 – 2039	---	662,796	---	1,800,000	---	2,462,796
2040 – 2044	---	809,274	---	1,800,000	---	2,609,274
2045 – 2049	---	988,120	---	10,280,000	---	11,268,120
2050 – 2052	---	184,722	---	---	---	184,722
Totals	<u>\$ 2,576,827</u>	<u>\$ 24,900,104</u>	<u>\$ 1,565,700</u>	<u>\$ 17,480,000</u>	<u>\$ 1,618,400</u>	<u>\$ 48,141,031</u>

The note payable of \$11,930,634 and \$12,214,788 for the years ended December 31, 2024 and 2023, for the Schuman acquisition bears interest at 2.04% plus a leverage factor based on the one month LIBOR, which was 5.39644% and 0.1037% at December 31, 2024 and 2023, respectively. However, the Organization entered into an interest rate swap contract that effectively converts the interest rate on the note to a fixed rate of 2.99%. Under the swap contract, the Organization pays interest at 2.99% and receives interest at 2.04% plus the leverage factor. The swap is designed to hedge the risk of changes in interest payments on the note caused by changes in LIBOR. Income under this agreement was \$535,284 for the year ended December 31, 2024 and \$513,474 for the year ended December 31, 2023. The liability under this agreement was \$0 and \$0 at December 31, 2024 and 2023, respectively.

**OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 8 – LINE OF CREDIT

The Company obtained a secured revolving line of credit on April 6, 2021 with a financial institution in Illinois up to a maximum amount of \$1,000,000; with interest payable monthly at the Wall Street Journal Prime Rate (7.50% and 8.50% at December 31, 2024 and 2023, respectively) plus 0.25%. This line of credit is secured by substantially all of the Company's assets. The line of credit matured on April 6, 2024 and was extended to April 6, 2026. The outstanding balance at December 31, 2024 and 2023 was \$0 and \$1,000,000, respectively.

The Company obtained a second line of credit on September 25, 2024 with a financial institution in Illinois up to a maximum amount of \$4,000,000; with interest payable monthly at the Federal Funds Effective Rate (4.48% at December 31, 2024) plus 225 basis points per annum. The line of credit is secured by eight buildings owned by the Company. The maturity date of the line is September 25, 2026. At December 31, 2024 the outstanding balance was \$1,500,000.

NOTE 9 – MULTI-EMPLOYER PENSION PLANS THAT PROVIDE PENSION BENEFITS

The Organization contributes to a multi-employer defined pension plan under the terms of an informal collective bargaining agreement that covers its union represented employees. The risks of participating in the multi-employer plan is different from single-employer plans in the following aspects:

- a. Assets contributed to the multi-employer plan by one employer may be used to provide benefits to employees of other participating employers.
- b.
- b. If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.

If the Organization chooses to stop participating in some of its multi-employer plans, the Organization maybe required to pay these plans an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

The Organization's participation in this plan for the annual periods ended December 31, 2024 and 2023 is listed below. Unless otherwise noted, the most recent Pension Plan Protection Act (PPA) zone status available in 2024 and 2023 is for the plan's year end at June 30, 2024 and 2023, respectively. The zone status of the plan is based on information that the Organization received from the plan and is certified by the plan's actuary. Among other factors, plans in the red zone are generally less than 65 percent funded; plans in the yellow zone are less than 80 percent funded; and the plans in the green zone are at least 80 percent funded. If a plan is not operating within green zone status, it will either have a financial improvement plan (FIP) or rehabilitation plan (RP).

The Organization contributed \$14,075 and \$15,939 for the years ended December 31, 2024 and 2023, respectively, to the Local No. 1 Pension Fund EIN 51-6055057, as required by an informal collective bargaining agreement. At July 1, 2023 and 2022, the Local No. 1 Pension Fund held a funded status of 107.1% and 105.6%, respectively. The plan is currently operating with green zone status. The Organization was not required to pay a surcharge for the years ended December 31, 2024 and 2023.

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 10 – RETIREMENT PLANS

The Organization maintains a defined contribution retirement plan qualified under Section 401(k) of the Internal Revenue Code for all employees who have been employed for at least one year and worked over 1,000 hours. Eligible employees may contribute a portion of their compensation to the plan, subject to Internal Revenue Service limits. The Organization's contributions to the plan are discretionary. The Organization paid an employer contribution of 4% of eligible employee compensation for the years ended December 31, 2024 and 2023. Retirement costs for the years ended December 31, 2024 and 2023 were \$54,645 and \$40,790, respectively.

NOTE 11 - RENTAL STATISTICS

The Organization had the following rental statistics at December 31, 2024 and 2023:

	<u>2024</u>		<u>2023</u>	
	<u>Units</u>	<u>%</u>	<u>Units</u>	<u>%</u>
Total number of units available	703	97.77	703	98.87%
Total of units under rehab	16	2.23	8	1.13
Total of units vacant	<u>(28)</u>	<u>(3.89)</u>	<u>(20)</u>	<u>(2.81)</u>
Total of rented units	<u>691</u>	<u>96.11%</u>	<u>691</u>	<u>97.19%</u>
Total of units managed, but not owned	<u>43</u>		<u>43</u>	

NOTE 12 - NET ASSETS

The net assets of the Organization are divided between net assets with restrictions and net assets without restrictions.

At December 31, 2024 and 2023, the net assets (deficit) with restrictions consisted of the following:

	<u>2024</u>	<u>2023</u>
The Oaks LLC	\$ (1,252,401)	\$ (1,386,381)
Farrelly project - Giddings	<u>(1,081,885)</u>	<u>(1,028,323)</u>
Total	<u>\$ (2,334,286)</u>	<u>\$ (2,414,704)</u>

The restrictions on The Oaks LLC and Farrelly projects relate to the entire amount of net assets at December 31, 2024 and 2023. All of the revenues for the projects are considered restricted. The restrictions are considered to expire when payments are made.

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 13 - OPERATING LEASE AGREEMENT

The Organization leases its administrative office space from a related party, The Housing Authority of the Village of Oak Park, under an operating lease dated September 14, 1994. The lease was renewed on January 1, 2010 for an additional five years with a monthly base rent of \$9,860 that is increased 3% each year. On July 21, 2010, the lease was amended further to reduce the monthly base rent to \$9,005, increasing annually beginning in 2012 by 3% each year. On December 10, 2014, the lease was extended until December 31, 2015, with a base rent of \$121,620. On December 9, 2015, the lease was extended for an additional five years through December 31, 2020. On December 9, 2020, the lease was extended for one year through December 31, 2021.

In 2022, the lease was extended for five years through December 31, 2026. Future minimum payments under the lease are as follows:

2025	\$ 54,096
2026	<u>55,720</u>
Total payments due	109,816
Less discount to present value	<u>(4,840)</u>
Total operating liability	<u>\$ 104,976</u>

Rent expense under the aforementioned lease for the years ended December 31, 2024 and 2023, was \$52,448 and \$52,448, respectively. The Organization is also responsible for all utilities relating to the leased premises.

NOTE 14 - CAPITAL LEASE PAYABLE

During the year ended December 31, 2020, the Organization entered into a new lease agreement which included the buyout of a previous capital lease and has been accounted for as a capital lease. At December 31, 2024, the lease term was less than one year, and management did not apply the provisions of ASU 2016-2 for this lease.

At December 31, 2024 and 2023, leased equipment consisted of the following:

	<u>2024</u>	<u>2023</u>
Cost	\$ 62,261	\$ 62,261
Less accumulated depreciation	<u>(50,846)</u>	<u>(38,394)</u>
Net book value	<u>\$ 11,415</u>	<u>\$ 23,867</u>
Depreciation expense	<u>\$ 12,452</u>	<u>\$ 12,452</u>

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 15 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual, board, or donor-imposed restrictions within one year of the balance sheet date.

Financial assets at year end:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 1,643,967	\$ 466,181
Investments	625,527	817,360
Restricted net assets	<u>(2,334,286)</u>	<u>(2,414,704)</u>
Total financial assets available to meet cash needs for general expenditures within one year	<u>\$ (64,792)</u>	<u>\$ (1,131,163)</u>

NOTE 16 – TENANT RECEIVABLES

Tenant receivables for the year ended December 31, 2024 and 2023 consist of:

	<u>2024</u>	<u>2023</u>
Balance at January 1,	\$ 108,045	\$ 207,215
Billings	9,647,682	9,128,335
Bad debt	(203,951)	(206,222)
Collections	<u>(9,403,895)</u>	<u>(9,021,283)</u>
Balance at December 31,	<u>\$ 147,881</u>	<u>\$ 108,045</u>

NOTE 17 - CONCENTRATIONS OF CREDIT RISK

The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash. At December 31, 2024 and 2023, the Organization's uninsured bank balances totaled \$1,406,324 and \$396,145, respectively.

**OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 18 – CASH FLOW INFORMATION

The Organization had interest payments of \$1,053,446 and \$1,123,853 in the years ended December 31, 2024 and 2023, respectively. The Organization paid \$0 for taxes in the years ended December 31, 2024 and 2023.

The Organization had financed \$4,939,458 and \$2,532,837 of construction in progress in the years ended December 31, 2024 and 2023, respectively.

NOTE 19 – CONSTRUCTION IN PROGRESS

The Organization is redeveloping their property at 7 W. Van Buren. The Village of Oak Park provided approval to the planned redevelopment and demolition in 2022. Financing and retention of contractors was finalized in 2022. Construction commenced in late 2022 and was underway throughout 2024. Demolition and redevelopment costs are recorded with construction in progress for 7 W. Van Buren. Total costs recorded with construction in progress are \$18,609,026 and \$8,231,490 for the years ended December 31, 2024 and 2023, respectively.

NOTE 20 – DEFERRED REVENUE

OPRC received a \$2,000,000 grant from the Net Zero Energy program of the Illinois Clean Energy Community Foundation (ICECF) in support of its construction of a new building located at 7 Van Buren (The Pierce). This grant was to be paid out in three installments, with 30% (\$600,000) to be paid out at project initiation, 30% (\$600,000) to be paid out at project completion and lease up, and the remaining 40% (\$800,000) to be paid out after 12 consecutive months of building net zero energy performance. Since the awarding of the initial 30% (\$600,000 in project initiation grant funding), ICECF has ceased operations and, in accordance with OPRC's request, provided the remaining funding (\$1,400,000) to OPRC in August of 2024. The second 30% (\$600,000 in project completion grant funding) will be realized as income to OPRC in 2025 (consistent with the completion and lease up of the new building). The final 40% (\$800,000) will be retained by OPRC and will be realized as income for accounting purposes following the achievement of 12 consecutive months of net zero energy performance for the building.

NOTE 21 – SUBSEQUENT EVENTS

In 2025, the Company will receive a tax credit of \$1,006,973 as a solar energy investment credit related to the development of the 7 W. Van Buren building, "The Pierce". The building will open for leasing in March 2025.

This information is an integral part of the
accompanying financial statements.

SUPPLEMENTAL INFORMATION

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
CONSOLIDATING SCHEDULE OF STATEMENTS OF FINANCIAL POSITION BY ENTITY - ALL BUILDINGS
DECEMBER 31, 2024

	#1003 Corporate Overhead	RC Management	7 Van Buren	RC Buildings Total	11 Building Financing Total	Other Entities Total	Schuman Total	Eliminations	Total
ASSETS									
Cash (overdraft) - unrestricted	\$ 180,391	\$ 4,189	\$ 132,915	\$ 4,432,297	\$ (3,349,775)	\$ 151,077	\$ 92,873	\$ -	\$ 1,643,967
- restricted	-	2,000	-	12,397	4,539	1,026,832	20,951	-	1,066,719
- escrow	-	-	-	-	1,000	35,444	212,858	-	249,302
Investments RC Management	1,000	-	-	-	-	-	-	(1,000)	-
Investments	-	-	-	-	625,527	-	-	-	625,527
Due from:									
Housing Authority of The Village of Oak Park	1,158	1,011	-	-	-	-	-	-	2,169
Oak Park Residence Corporation	1,194,719	-	3,674,771	10,934,993	93,371,668	-	30,252,327	(139,428,478)	-
The Oaks	7,872	-	-	-	-	-	-	(7,872)	-
Elizabeth H. and Cyrus V. Giddings Corporation	182,812	-	-	-	75,760	-	-	(258,572)	-
Miscellaneous and tenant receivables									
- net of allowance of \$178,214	21,653	-	-	8,044	13,952	89,405	14,827	-	147,881
Supplies inventory	2,585	-	-	684	23,687	-	403	-	27,359
Prepaid insurance & other expenses	60,082	2,328	7,212	21,773	50,726	26,405	29,324	-	197,850
Net intangible assets	-	-	39,316	-	-	-	-	-	39,316
Right of use asset	100,648	-	-	-	-	-	-	-	100,648
Land	-	-	100,000	714,302	1,190,284	254,000	1,450,260	-	3,708,846
Buildings	-	-	-	5,279,261	10,128,366	5,710,688	14,206,740	-	35,325,055
Building improvements	170,973	-	-	5,774,320	17,837,263	4,300,872	2,121,128	(894,526)	29,310,030
Furniture and equipment	-	-	-	336,423	1,012,713	132,536	139,192	-	1,620,864
Construction in progress	-	-	18,609,026	-	-	-	-	-	18,609,026
Office equipment	621,573	-	-	-	-	54,233	-	-	675,806
Less: accumulated depreciation	(737,597)	-	-	(6,911,726)	(19,547,538)	(8,534,060)	(2,434,925)	560,972	(37,604,874)
TOTAL ASSETS	\$ 1,807,869	\$ 9,528	\$ 22,563,240	\$ 20,602,768	\$ 101,438,172	\$ 3,247,432	\$ 46,105,958	\$ (140,029,476)	\$ 55,745,491

SCHEDULE A
Page 2 of 2OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
CONSOLIDATING SCHEDULE OF STATEMENTS OF FINANCIAL POSITION BY ENTITY - ALL BUILDINGS
DECEMBER 31, 2024

	Corporate Overhead	RC Management	7 Van Buren	RC Buildings Total	11 Building Financing Total	Other Entities Total	Schuman Total	Eliminations	Total
LIABILITIES									
Accounts payable - trade	\$ 14,761	\$ -	\$ 6,159	\$ 3,559	\$ 110,625	\$ 32,123	\$ 49,209	\$ -	\$ 216,436
Due to:									
Oak Park Residence Corporation	16,139,441	52,000	7,646,687	16,367,267	65,932,043	266,444	33,291,040	(139,694,922)	-
Security deposit liabilities and other liabilities	44,150	4,300	-	160,761	371,177	77,607	193,553	-	851,548
Accrued expenses:									
Salaries and employee benefits	174,442	-	-	-	-	15,167	782	-	190,391
Real estate taxes	3,790	-	4,350	260,940	605,600	-	304,380	-	1,179,060
Interest	-	-	362,254	3,407	37,805	-	10,912	-	414,378
Construction	-	-	-	-	-	-	-	-	-
Deferred revenue	-	-	2,025,000	7,104	73,339	4,578	12,384	-	2,122,405
Lease liability	104,976	-	-	-	-	-	-	-	104,976
Mortgages payable	-	-	8,506,490	841,109	-	3,567,399	11,786,522	-	24,701,520
Construction loan	-	-	2,630,251	-	-	-	-	-	2,630,251
Line of credit	-	-	1,500,000	-	-	-	-	-	1,500,000
Housing bond and rehabilitation loans	-	-	-	-	17,355,030	-	-	-	17,355,030
Promissory notes	-	-	-	-	-	-	1,565,700	-	1,565,700
Acquisition loans	-	-	-	1,484,000	1,092,827	-	-	-	2,576,827
Capital advance	-	-	-	-	-	1,618,400	-	-	1,618,400
Total liabilities	16,481,560	56,300	22,681,191	19,128,147	85,578,446	5,581,718	47,214,482	(139,694,922)	57,026,922
NET ASSETS (DEFICIT)									
Retained earnings	-	1,000	-	-	-	-	-	(1,000)	-
Without donor restrictions	(14,673,691)	(47,772)	(117,951)	1,474,621	15,859,726	-	(1,108,524)	(333,554)	1,052,855
With donor restrictions	-	-	-	-	-	(2,334,286)	-	-	(2,334,286)
Total net assets (deficit)	(14,673,691)	(46,772)	(117,951)	1,474,621	15,859,726	(2,334,286)	(1,108,524)	(334,554)	(1,281,431)
TOTAL LIABILITIES AND NET ASSETS	\$ 1,807,869	\$ 9,528	\$ 22,563,240	\$ 20,602,768	\$ 101,438,172	\$ 3,247,432	\$ 46,105,958	\$ (140,029,476)	\$ 55,745,491

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
CONSOLIDATING SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS BY ENTITY - ALL BUILDINGS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Corporate Overhead	RC Management	7 Van Buren	RC Buildings Total	11 Building Financing Total	Other Entities Total	Schuman Total	Eliminations	Total
NET ASSETS WITHOUT RESTRICTIONS									
Revenues									
Rent - collections from tenants	\$ 17,064	\$ -	\$ -	\$ 1,904,743	\$ 4,901,928	\$ 375,227	\$ 2,349,187	\$ -	\$ 9,548,149
Management, maintenance, and service fees	1,293,916	73,526	-	-	-	64,355	-	(1,207,225)	224,572
Grant income	-	-	-	29,533	30,000	-	40,000	-	99,533
Village of Oak Park - Small Condo Grant	42,500	-	-	-	-	-	-	-	42,500
Program reimbursements	23,220	-	-	-	-	-	-	-	23,220
Other administrative fees	-	-	-	1,417	2,464	7,020	-	-	10,901
Total income without restrictions	1,376,700	73,526	-	1,935,693	4,934,392	446,602	2,389,187	(1,207,225)	9,948,875
Net assets released from restrictions	-	-	-	-	-	(80,418)	-	-	(80,418)
Total income without restrictions and reclassifications	1,376,700	73,526	-	1,935,693	4,934,392	366,184	2,389,187	(1,207,225)	9,868,457
Expenses									
Salaries and wages	1,224,451	23,628	-	24,926	58,433	166,422	28,423	-	1,526,283
Depreciation and amortization	23,931	-	-	460,315	1,073,694	226,337	600,666	(34,339)	2,350,604
Management fees	-	-	-	116,029	295,239	75,180	143,157	(629,605)	-
Maintenance and building supplies	432,317	11,400	4,608	383,740	999,399	273,214	488,429	(557,100)	2,016,007
Administrative	321,546	14,090	5,768	77,230	201,628	98,655	91,096	(20,520)	789,493
Real estate taxes	(385)	-	96	234,244	505,940	-	256,612	-	996,507
Insurance	57,406	4,612	52,465	71,019	167,323	44,868	50,179	-	447,872
Employee benefits	274,043	4,404	-	-	-	28,544	-	-	306,991
Tenant services	-	-	-	-	-	78,794	-	-	78,794
Office rent	51,223	1,224	-	-	-	-	-	-	52,447
Utilities	20,604	471	8,059	157,978	337,962	87,965	212,415	-	825,454
Total operating expenses	2,405,136	59,829	70,996	1,525,481	3,639,618	1,079,979	1,850,977	(1,241,564)	9,390,452
Operating income (loss)	(1,028,436)	13,697	(70,996)	410,212	1,294,774	(713,795)	538,210	34,339	478,005
Other income (expense)									
Interest expense	(329)	-	-	(104,612)	(346,259)	(163,257)	(536,914)	-	(1,151,371)
Amortization of loan fees and bond issuance costs related to refinancing	-	-	-	(13,798)	(34,955)	(2,522)	(5,346)	-	(56,621)
Interest and investment income	-	-	-	2,098	13,011	2,433	-	-	17,542
Bad debt expense	-	-	-	(33,033)	(80,183)	(16,730)	(74,005)	-	(203,951)
Increase (decrease) in net assets without restrictions	(1,028,765)	13,697	(70,996)	260,867	846,388	(893,871)	(78,055)	34,339	(916,396)
NET ASSETS WITH RESTRICTIONS									
HUD Subsidy - rent collections	-	-	-	-	-	893,871	-	-	893,871
Net assets released from restrictions:									
Funds expended in operations in accordance with restriction agreements	-	-	-	-	-	80,418	-	-	80,418
Increase in net assets with restrictions	-	-	-	-	-	974,289	-	-	974,289
Increase (decrease) in net assets	(1,028,765)	13,697	(70,996)	260,867	846,388	80,418	(78,055)	34,339	57,893
NET ASSETS (DEFICIT), beginning of year	(13,644,926)	(61,469)	(46,955)	1,213,754	15,013,338	(2,414,704)	(1,030,469)	(367,893)	(1,339,324)
NET ASSETS (DEFICIT), end of year	\$ (14,673,691)	\$ (47,772)	\$ (117,951)	\$ 1,474,621	\$ 15,859,726	\$ (2,334,286)	\$ (1,108,524)	\$ (333,554)	\$ (1,281,431)

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF STATEMENTS OF FINANCIAL POSITION BY ENTITY - RC BUILDINGS
DECEMBER 31, 2024

	# 1206	# 1214	# 1216	# 1219	# 1220
	6	Harrison -	Harvey &	1022 N.	1000 N.
	Pleasant	Lyman	Washington	Austin	Austin
ASSETS	\$	\$	\$	\$	\$
	641,576	712,353	710,486	536,857	549,105
	-	-	-	-	-
Cash (overdraft) - unrestricted	-	-	-	-	-
- restricted	-	-	-	-	-
- escrow	-	-	-	-	-
Due from:					
Oak Park Residence Corporation	1,635,253	1,004,462	1,266,845	736,734	476,133
Elizabeth H. and Cyrus V. Giddings Corporation	-	-	-	-	-
Miscellaneous and tenant receivables	2,066	754	1,194	303	786
Supplies inventory	-	-	684	-	-
Prepaid insurance & other expenses	3,220	2,562	2,839	2,268	1,684
Land	55,951	41,000	39,500	71,546	25,000
Buildings	491,592	330,605	337,500	238,454	222,686
Building improvements	674,034	773,742	822,514	674,372	519,597
Furniture and equipment	56,066	64,625	40,313	38,782	28,730
Less: accumulated depreciation	(848,471)	(865,691)	(828,591)	(624,427)	(522,752)
TOTAL ASSETS	\$ 2,711,287	\$ 2,064,412	\$ 2,393,284	\$ 1,674,889	\$ 1,300,969

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF STATEMENTS OF FINANCIAL POSITION BY ENTITY - RC BUILDINGS
DECEMBER 31, 2024

	#1225 213 Kenilworth	#1317 301-307 Harrison	#1321 514-516 S. Austin	#1334 14 N. Austin	OPRC A&L LLC	RC Buildings Total
ASSETS						
Cash - unrestricted	\$ 146,302	\$ 558,228	\$ 463,831	\$ 102,990	\$ 10,569	\$ 4,432,297
- restricted	-	-	-	-	12,397	12,397
Oak Park Residence Corporation	152,308	1,717,027	939,596	28,951	2,977,684	10,934,993
Miscellaneous and tenant receivables	5	2,743	(80)	-	273	8,044
Supplies inventory	-	-	-	-	-	684
Prepaid insurance & other expenses	978	2,958	2,055	760	2,449	21,773
Loan origination fees & bond issuance costs	-	-	-	-	-	-
Land	70,000	150,000	121,000	19,000	121,305	714,302
Buildings	280,000	1,350,000	664,199	174,230	1,189,995	5,279,261
Building improvements	166,251	1,242,515	638,959	77,560	184,776	5,774,320
Furniture and equipment	10,849	53,903	34,084	1,348	7,723	336,423
Less: accumulated depreciation	(266,748)	(1,578,865)	(827,048)	(167,446)	(381,687)	(6,911,726)
TOTAL ASSETS	\$ 559,945	\$ 3,498,509	\$ 2,036,596	\$ 237,393	\$ 4,125,484	\$ 20,602,768

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF STATEMENTS OF FINANCIAL POSITION BY ENTITY - RC BUILDINGS
DECEMBER 31, 2024

	# 1206	# 1214	# 1216	# 1219	# 1220
	6	Harrison -	Harvey &	1022 N.	1000 N.
	Pleasant	Lyman	Washington	Austin	Austin
LIABILITIES					
Accounts payable - trade	\$ -	\$ -	\$ -	\$ -	\$ -
Due to:					
Oak Park Residence Corporation	1,658,145	1,365,529	1,304,780	1,435,510	1,174,830
Security deposit liabilities and other liabilities	24,818	20,683	22,617	15,334	11,260
Accrued expenses:					
Real estate taxes	39,730	32,540	34,990	23,670	18,610
Interest	375	315	355	140	-
Deferred revenue	1,521	6,261	2,748	1,234	308
Acquisition loans	-	63,000	198,500	108,000	171,500
Total liabilities	1,724,589	1,488,328	1,563,990	1,583,888	1,376,508
NET ASSETS					
Without restrictions	986,698	576,084	829,294	91,001	(75,539)
Total net assets	986,698	576,084	829,294	91,001	(75,539)
TOTAL LIABILITIES AND NET ASSETS	\$ 2,711,287	\$ 2,064,412	\$ 2,393,284	\$ 1,674,889	\$ 1,300,969

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF STATEMENTS OF FINANCIAL POSITION BY ENTITY - RC BUILDINGS
DECEMBER 31, 2024

	#1225 213 Kenilworth	# 1317 301-307 Harrison	# 1321 514-516 S. Austin	# 1334 14 N. Austin	OPRC A&L LLC	RC Buildings Total
LIABILITIES						
Accounts payable - trade	\$ -	\$ -	\$ -	\$ -	\$ 3,559	\$ 3,559
Due to:						
Oak Park Residence Corporation	739,564	2,870,815	2,182,846	215,209	3,420,039	16,367,267
Security deposit liabilities and other liabilities	10,990	25,414	14,100	1,200	14,345	160,761
Accrued expenses:						
Real estate taxes	-	41,610	23,450	14,040	32,300	260,940
Interest	-	-	-	-	2,222	3,407
Deferred revenue	-	4,689	1,679	10	726	7,104
Mortgages payable	-	-	-	-	829,037	841,109
Acquisition loans	-	750,000	-	193,000	-	1,484,000
Total liabilities	750,554	3,692,528	2,222,075	423,459	4,302,228	19,128,147
NET ASSETS						
Without restrictions	(190,609)	(194,019)	(185,479)	(186,066)	(176,744)	1,474,621
Total net assets	(190,609)	(194,019)	(185,479)	(186,066)	(176,744)	1,474,621
TOTAL LIABILITIES AND NET ASSETS	\$ 559,945	\$ 3,498,509	\$ 2,036,596	\$ 237,393	\$ 4,125,484	\$ 20,602,768

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS BY ENTITY - RC BUILDINGS
FOR THE YEAR ENDED DECEMBER 31, 2024

	# 1206 6 Pleasant	# 1214 Harrison - Lyman	# 1216 Harvey & Washington	# 1219 1022 N. Austin	# 1220 1000 N. Austin
NET ASSETS WITHOUT RESTRICTIONS					
Revenues					
Rent - collections from tenants	\$ 295,898	\$ 240,271	\$ 280,086	\$ 179,994	\$ 148,749
Grant income	-	9,533	10,000	-	-
Other administrative fees	-	32	553	-	-
Interest	397	283	341	222	176
Total income without restrictions	296,295	250,119	290,980	180,216	148,925
Expenses					
Salaries and wages	4,598	3,873	4,598	-	2,418
Depreciation and amortization	53,135	52,561	54,266	49,065	33,376
Management fees	17,755	14,962	17,428	10,799	8,835
Maintenance and building supplies	48,574	50,062	44,861	34,612	27,968
Administrative	20,571	4,817	7,023	7,045	5,247
Real estate taxes	30,767	31,032	36,323	25,353	19,307
Insurance	10,633	8,466	9,376	7,459	5,555
Utilities	27,866	19,946	19,574	17,214	10,501
Total operating expenses	213,899	185,719	193,449	151,547	113,207
Operating income	82,396	64,400	97,531	28,669	35,718
Other income (expense)					
Interest	(12,669)	(10,824)	(10,489)	(5,036)	(4,364)
Amortization of loan fees and bond issuance costs related to refinancing	(1,546)	(1,036)	(1,058)	(752)	(701)
Bad debt recovery (expense)	(5,805)	(1,711)	(9,416)	(6,419)	(284)
Increase (decrease) in net assets without restrictions	62,376	50,829	76,568	16,462	30,369
NET ASSETS, beginning of year	924,322	525,255	752,726	74,539	(105,908)
NET ASSETS, end of year	\$ 986,698	\$ 576,084	\$ 829,294	\$ 91,001	\$ (75,539)

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS BY ENTITY - RC BUILDINGS
FOR THE YEAR ENDED DECEMBER 31, 2024

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KOLNICKI PETERSON & WIRTH, LLC

NET ASSETS WITHOUT RESTRICTIONS

Revenues

	# 1225 213 Kenilworth	# 1317 301-307 Harrison	# 1321 514-516 S. Austin	# 1334 14 N. Austin	OPRC A&L LLC	RC Buildings Total
Rent - collections from tenants	\$ 56,491	\$ 290,874	\$ 185,188	\$ 20,678	\$ 206,514	\$ 1,904,743
Grant income	-	10,000	-	-	-	29,533
Other administrative fees	-	398	434	-	-	1,417
Interest	110	319	239	11	-	2,098
Total income without restrictions	56,601	301,591	185,861	20,689	206,514	1,937,791

Expenses

Salaries and wages	485	5,566	3,147	241	-	24,926
Depreciation and amortization	15,868	94,018	52,546	7,782	47,698	460,315
Management fees	3,384	17,956	11,029	1,442	12,439	116,029
Maintenance and building supplies	5,891	74,455	47,209	3,674	46,434	383,740
Administrative	1,549	6,068	13,974	242	10,694	77,230
Real estate taxes	(1,134)	35,173	19,589	13,564	24,270	234,244
Insurance	2,919	9,767	6,775	2,269	7,800	71,019
Utilities	2,872	19,960	16,672	1,172	22,201	157,978

Total operating expenses	31,834	262,963	170,941	30,386	171,536	1,525,481
Operating income (loss)	24,767	38,628	14,920	(9,697)	34,978	412,310

Other income (expense)

Interest	(1,425)	(13,258)	(7,131)	-	(39,416)	(104,612)
Amortization of loan fees and bond issuance costs related to refinancing	(880)	(3,488)	(1,735)	-	(2,602)	(13,798)
Bad debt	-	(546)	370	-	(9,222)	(33,033)

Increase (decrease) in net assets without restrictions

	22,462	21,336	6,424	(9,697)	(16,262)	260,867
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NET ASSETS, beginning of year

	(213,071)	(215,355)	(191,903)	(176,369)	(160,482)	1,213,754
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NET ASSETS, end of year

	\$ (190,609)	\$ (194,019)	\$ (185,479)	\$ (186,066)	\$ (176,744)	\$ 1,474,621
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SCHEDULE E

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OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION

COMBINING SCHEDULE OF STATEMENTS OF FINANCIAL POSITION BY ENTITY - OPRC A & L LLC

DECEMBER 31, 2024

	#1350	#1352	#1354	OPRC
	OPRC	1018 N.	908 S.	A & L LLC
	Overhead	Austin	Lombard	Total
ASSETS				
Cash (overdraft) - unrestricted	\$ (499,571)	\$ 366,566	\$ 143,574	\$ 10,569
- restricted	12,397	-	-	12,397
Due from Oak Park Residence Corporation	1,955,252	714,688	307,744	2,977,684
Miscellaneous and tenant receivables	-	218	55	273
Prepaid insurance & other expenses	-	1,476	973	2,449
Land	-	91,830	29,475	121,305
Buildings	-	826,470	363,525	1,189,995
Building improvements	-	123,437	61,339	184,776
Furniture and equipment	-	6,704	1,019	7,723
Less: accumulated depreciation	-	(265,039)	(116,648)	(381,687)
TOTAL ASSETS	\$ 1,468,078	\$ 1,866,350	\$ 791,056	\$ 4,125,484

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF STATEMENTS OF FINANCIAL POSITION BY ENTITY - OPRC A & L LLC
DECEMBER 31, 2024

	#1350 OPRC Overhead	#1352 1018 N. Austin	#1354 908 S. Lombard	OPRC A & L LLC Total
LIABILITIES				
Accounts payable - trade	\$ 3,291	\$ 268	\$ -	\$ 3,559
Due to:				
Oak Park Residence Corporation	1,464,787	1,297,394	657,858	3,420,039
Security deposit liabilities				
and other liabilities	-	9,795	4,550	14,345
Accrued expenses:				
Real estate taxes	-	17,980	14,320	32,300
Interest	-	1,555	667	2,222
Deferred revenue	-	100	626	726
Mortgages payable	-	580,276	248,761	829,037
Total liabilities	1,468,078	1,907,368	926,782	4,302,228
NET ASSETS				
Without restrictions	-	(41,018)	(135,726)	(176,744)
Total net assets	-	(41,018)	(135,726)	(176,744)
TOTAL LIABILITIES AND NET ASSETS	\$ 1,468,078	\$ 1,866,350	\$ 791,056	\$ 4,125,484

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION

COMBINING SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS BY ENTITY - OPRC A & L LLC

FOR THE YEAR ENDED DECEMBER 31, 2024

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	#1350 OPRC Overhead	#1352 1018 N. Austin	#1354 908 S. Lombard	OPRC A & L LLC Total
NET ASSETS WITHOUT RESTRICTIONS				
Revenues				
Rent - collections from tenants	-	\$ 145,965	\$ 60,549	\$ 206,514
Total income without restrictions	-	145,965	60,549	206,514
Expenses				
Depreciation and amortization	-	33,065	14,633	47,698
Management fees	-	8,803	3,636	12,439
Maintenance and building supplies	-	28,854	17,580	46,434
Administrative	-	7,733	2,961	10,694
Real estate taxes	-	10,940	13,330	24,270
Insurance	-	4,968	2,832	7,800
Utilities	-	17,197	5,004	22,201
Total operating expenses	-	111,560	59,976	171,536
Operating income (loss)	-	34,405	573	34,978
Other income (expense)				
Interest	-	(27,591)	(11,825)	(39,416)
Amortization of loan fees and bond issuance costs related to refinancing	-	(1,914)	(688)	(2,602)
Bad debt	-	(9,222)	-	(9,222)
Increase (decrease) in net assets without restrictions	-	(4,322)	(11,940)	(16,262)
NET ASSETS, beginning of year	-	(36,696)	(123,786)	(160,482)
NET ASSETS, end of year	\$ -	\$ (41,018)	\$ (135,726)	\$ (176,744)

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF STATEMENTS OF FINANCIAL POSITION BY ENTITY - 11 BUILDINGS
DECEMBER 31, 2024

	# 1005	#1051 Lombard & Madison	#1201 Southcourt	#1203 5 Pleasant	#1205 Northcourt / Ontario	#1207 Iowa Terrace	#1208 17 East Harrison
	RCBB						
ASSETS							
Cash (overdraft) - unrestricted	\$ (17,839,291)	\$ 717,755	\$ 2,365,792	\$ 917,234	\$ 2,777,948	\$ 716,752	\$ 700,867
- restricted	4,539	-	-	-	-	-	-
- escrow	1,000	-	-	-	-	-	-
Investments	625,527	-	-	-	-	-	-
Due from:							
Oak Park Residence Corporation	71,351,889	1,083,349	4,052,699	815,306	2,963,892	1,474,436	1,190,308
Elizabeth H. and Cyrus V. Giddings Corporation	75,760	-	-	-	-	-	-
Miscellaneous and tenant receivables	926	(54)	1,097	2,508	1,351	70	197
Supplies inventory	23,687	-	-	-	-	-	-
Prepaid insurance & other expenses	-	2,727	8,470	3,325	7,998	3,056	2,405
Land	-	79,000	158,621	44,454	142,809	57,184	66,631
Buildings	-	323,694	1,479,268	403,937	1,315,253	571,533	603,232
Building improvements	-	1,016,936	2,046,707	966,278	2,419,194	2,991,808	714,618
Furniture and equipment	-	64,055	241,139	51,547	204,595	4,483	55,509
Less: accumulated depreciation	-	(1,177,473)	(2,739,088)	(1,081,510)	(2,920,728)	(1,192,176)	(1,032,037)
TOTAL ASSETS	\$ 54,244,037	\$ 2,109,989	\$ 7,614,705	\$ 2,123,079	\$ 6,912,312	\$ 4,627,146	\$ 2,301,730

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF STATEMENTS OF FINANCIAL POSITION BY ENTITY - 11 BUILDINGS
DECEMBER 31, 2024

	#1209 Harrison West	#1211 Thomasville	#1215 Kenilworth & Pleasant	#1222 1118 S. Austin	#1325 16-24 N. Austin	11 Buildings Total
ASSETS						
Cash (overdraft) - unrestricted	\$ 1,216,501	\$ 434,282	\$ 1,489,649	\$ 1,484,195	\$ 1,668,541	\$ (3,349,775)
- restricted	-	-	-	-	-	4,539
- escrow	-	-	-	-	-	1,000
Investments	-	-	-	-	-	625,527
Due from:						
Oak Park Residence Corporation	2,399,050	1,117,259	3,867,628	1,501,923	1,553,929	93,371,668
Elizabeth H. and Cyrus V. Giddings Corporation					-	75,760
Miscellaneous and tenant receivables	1,298	1,562	430	1,533	3,034	13,952
Supplies inventory	-	-	-	-	-	23,687
Prepaid insurance & other expenses	5,152	2,415	5,909	3,945	5,324	50,726
Organization assets	-	-	-	-	-	-
Land	111,085	25,000	110,000	88,000	307,500	1,190,284
Buildings	1,054,514	325,979	1,265,160	1,043,296	1,742,500	10,128,366
Building improvements	1,330,558	640,075	3,180,771	1,061,863	1,468,455	17,837,263
Furniture and equipment	113,795	52,814	99,404	59,577	65,795	1,012,713
Construction in progress	-	-	-	-	-	-
Office equipment	-	-	-	-	-	-
Less: accumulated depreciation	(1,890,003)	(774,805)	(3,555,287)	(1,330,634)	(1,853,797)	(19,547,538)
TOTAL ASSETS	\$ 4,341,950	\$ 1,824,581	\$ 6,463,664	\$ 3,913,698	\$ 4,961,281	\$ 101,438,172

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF STATEMENTS OF FINANCIAL POSITION BY ENTITY - 11 BUILDINGS
DECEMBER 31, 2024

	#1005	#1051	#1201	#1203	#1205	#1207	#1208
	RCBB	Lombard & Madison	Southcourt	5 Pleasant	Northcourt/ Ontario	Iowa Terrace	17 Harrison East
LIABILITIES							
Accounts payable - trade	\$ 109,470	\$ -	\$ 1,155	\$ -	\$ -	\$ -	\$ -
Due to:							
Oak Park Residence Corporation	33,612,273	1,607,212	4,568,156	1,524,054	4,799,519	1,163,482	1,552,037
Security deposit liabilities and other liabilities	2,305	17,039	68,334	18,513	53,338	24,384	18,315
Accrued expenses:							
Real estate taxes	-	32,690	98,110	31,550	97,630	32,680	35,500
Interest	37,805	-	-	-	-	-	-
Deferred revenue	16,791	1,210	8,411	1,167	3,025	5,281	11,710
Housing bond and rehabilitation loans	17,355,030	-	-	-	-	-	-
Acquisition loans	-	90,000	-	-	-	-	-
Total liabilities	51,133,674	1,748,151	4,744,166	1,575,284	4,953,512	1,225,827	1,617,562
NET ASSETS							
Without restrictions	3,110,363	361,838	2,870,539	547,795	1,958,800	3,401,319	684,168
Total net assets	3,110,363	361,838	2,870,539	547,795	1,958,800	3,401,319	684,168
TOTAL LIABILITIES AND NET ASSETS	\$ 54,244,037	\$ 2,109,989	\$ 7,614,705	\$ 2,123,079	\$ 6,912,312	\$ 4,627,146	\$ 2,301,730

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OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF STATEMENTS OF FINANCIAL POSITION BY ENTITY - 11 BUILDINGS
DECEMBER 31, 2024

	#1209 Harrison West	#1211 Thomasville	#1215 Kenilworth & Pleasant	#1222 1118 S. Austin	#1325 16-24 N. Austin	11 Buildings Total
LIABILITIES						
Accounts payable - trade	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 110,625
Due to:						
Oak Park Residence Corporation	2,978,490	1,394,533	4,863,673	2,604,702	5,263,912	65,932,043
Security deposit liabilities	37,566	12,781	58,984	27,366	32,252	371,177
and other liabilities						
Accrued expenses:						
Real estate taxes	54,500	24,170	81,760	53,340	63,670	605,600
Interest	-	-	-	-	-	37,805
Construction	-	-	-	-	-	-
Deferred revenue	1,643	953	17,854	2,756	2,538	73,339
Housing bond and rehabilitation loans	-	-	-	-	-	17,355,030
Acquisition loans	-	60,000	474,827	468,000	-	1,092,827
Total liabilities	3,072,199	1,492,437	5,497,098	3,156,164	5,362,372	85,578,446
NET ASSETS						
Without restrictions	1,269,751	332,144	966,566	757,534	(401,091)	15,859,726
Total net assets	1,269,751	332,144	966,566	757,534	(401,091)	15,859,726
TOTAL LIABILITIES AND NET ASSETS	\$ 4,341,950	\$ 1,824,581	\$ 6,463,664	\$ 3,913,698	\$ 4,961,281	\$ 101,438,172

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS BY ENTITY - 11 BUILDINGS
FOR THE YEAR ENDED DECEMBER 31, 2024

	#1005	#1051 Lombard & Madison	#1201 Southcourt	#1203 5 Pleasant	#1205 Northcourt / Ontario	#1207 Iowa Terrace	#1208 17 Harrison East
	RCBB						
NET ASSETS WITHOUT RESTRICTIONS							
Revenues							
Rent - collections from tenants	\$ -	\$ 220,174	\$ 871,110	\$ 244,670	\$ 779,714	\$ 298,245	\$ 246,880
Grant income	-	-	10,000	-	-	-	-
Other administrative fees	-	167	524	255	267	-	156
Interest	-	764	2,112	669	2,000	835	708
Total income without restrictions	-	221,105	883,746	245,594	781,981	299,080	247,744
Expenses							
Salaries and wages	-	-	13,184	3,630	-	-	3,630
Depreciation and amortization	-	43,279	143,999	61,205	162,697	97,821	57,460
Management fees	-	12,975	53,058	14,892	45,883	17,779	14,792
Maintenance and building supplies	-	53,271	176,271	56,145	135,923	44,850	51,233
Administrative	-	8,856	40,960	8,455	30,587	12,845	10,610
Real estate taxes	-	25,921	65,140	27,209	95,927	19,704	35,693
Insurance	-	8,975	27,969	10,965	26,306	10,052	7,937
Utilities	-	16,988	55,198	25,237	66,116	12,125	18,085
Total operating expenses	-	170,265	575,779	207,738	563,439	215,176	199,440
Operating income	-	50,840	307,967	37,856	218,542	83,904	48,304
Other income (expense)							
Interest	-	(16,387)	(64,560)	(16,812)	(52,130)	(28,534)	(19,777)
Amortization of loan fees and bond issuance costs related to refinancing	-	(1,015)	(4,654)	(1,270)	(4,132)	(1,801)	(1,894)
Bad (debt) recovery	-	3,325	(10,422)	(13,305)	(14,724)	-	(18,164)
Increase (decrease) in net assets without restrictions	-	36,763	228,331	6,469	147,556	53,569	8,469
NET ASSETS, beginning of year	3,110,363	325,075	2,642,208	541,326	1,811,244	3,347,750	675,699
NET ASSETS, end of year	\$ 3,110,363	\$ 361,838	\$ 2,870,539	\$ 547,795	\$ 1,958,800	\$ 3,401,319	\$ 684,168

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS BY ENTITY - 11 BUILDINGS
FOR THE YEAR ENDED DECEMBER 31, 2024

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	#1209 Harrison West	#1211 Thomasville	#1215 Kenilworth & Pleasant	#1222 1118 S. Austin	#1325 16-24 N. Austin	11 Buildings Total
NET ASSETS WITHOUT RESTRICTIONS						
Revenues						
Rent - collections from tenants	\$ 466,340	\$ 204,565	\$ 733,364	\$ 405,238	\$ 431,628	\$ 4,901,928
Grant income	10,000	-	10,000	-	-	30,000
Other administrative fees	35	241	-	493	326	2,464
Investments	1,304	532	2,136	1,149	802	13,011
Total income without restrictions	477,679	205,338	745,500	406,880	432,756	4,947,403
Expenses						
Salaries and wages	7,501	3,390	12,096	7,501	7,501	58,433
Depreciation and amortization	99,929	43,851	151,719	89,245	122,489	1,073,694
Management fees	28,641	12,121	44,654	24,563	25,881	295,239
Maintenance and building supplies	100,133	59,227	140,651	86,332	95,363	999,399
Administrative	34,463	14,833	16,508	10,826	12,685	201,628
Real estate taxes	47,095	21,276	65,450	48,590	53,935	505,940
Insurance	17,016	7,971	19,528	13,036	17,568	167,323
Utilities	27,885	16,438	44,463	25,314	30,113	337,962
Total operating expenses	362,663	179,107	495,069	305,407	365,535	3,639,618
Operating income (loss)	115,016	26,231	250,431	101,473	67,221	1,307,785
Other income (expense)						
Interest	(31,363)	(13,278)	(52,698)	(23,455)	(27,265)	(346,259)
Amortization of loan fees and bond issuance costs related to refinancing	(3,317)	(1,028)	(3,975)	(3,279)	(8,590)	(34,955)
Bad debt	1,840	(3,107)	(14,850)	(560)	(10,216)	(80,183)
Increase (decrease) in net assets without restrictions	82,176	8,818	178,908	74,179	21,150	846,388
NET ASSETS, beginning of year	1,187,575	323,326	787,658	683,355	(422,241)	15,013,338
NET ASSETS, end of year	\$ 1,269,751	\$ 332,144	\$ 966,566	\$ 757,534	\$ (401,091)	\$ 15,859,726

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF STATEMENTS OF FINANCIAL POSITION BY ENTITY - OTHER ENTITIES
DECEMBER 31, 2024

	The Oaks Section 202 LLC	1002 Ryan Farrelly	Total
ASSETS			
Cash - unrestricted	\$ 143,135	\$ 7,942	\$ 151,077
- restricted	927,190	99,642	1,026,832
Cash - escrow	35,444	-	35,444
Miscellaneous and tenant receivables	22,869	66,536	89,405
Prepaid insurance & other expenses	24,004	2,401	26,405
Land	150,000	104,000	254,000
Buildings	4,131,193	1,579,495	5,710,688
Building improvements	3,862,923	437,949	4,300,872
Furniture and equipment	56,859	75,677	132,536
Office equipment	46,320	7,913	54,233
Less: accumulated depreciation	(6,995,437)	(1,538,623)	(8,534,060)
TOTAL ASSETS	\$ 2,404,500	\$ 842,932	\$ 3,247,432

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF STATEMENTS OF FINANCIAL POSITION BY ENTITY - OTHER ENTITIES
DECEMBER 31, 2024

	The Oaks Section 202 LLC	1002 Ryan Farrelly	Total
LIABILITIES			
Accounts payable - trade	\$ 14,127	\$ 17,996	\$ 32,123
Due to:			
Oak Park Residence Corporation	7,872	258,572	266,444
Security deposit liabilities			
and other liabilities	49,262	28,345	77,607
Accrued expenses:			
Salaries and employee benefits	14,438	729	15,167
Deferred revenue	3,803	775	4,578
Mortgages payable	3,567,399	-	3,567,399
Capital advance	-	1,618,400	1,618,400
Total liabilities	3,656,901	1,924,817	5,581,718
NET ASSETS			
Without restrictions	-	-	-
With restrictions	(1,252,401)	(1,081,885)	(2,334,286)
Total net assets	(1,252,401)	(1,081,885)	(2,334,286)
TOTAL LIABILITIES AND NET ASSETS	\$ 2,404,500	\$ 842,932	\$ 3,247,432

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS BY ENTITY - OTHER ENTITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

	The Oaks Section 202 LLC	1002 Ryan Farrelly	Total
NET ASSETS WITHOUT RESTRICTIONS			
Rent - collections from tenants	\$ 295,508	\$ 79,719	\$ 375,227
Management, maintenance, and service fees	64,355	-	64,355
Other administrative fees	4,459	2,561	7,020
Interest	2,227	206	2,433
Total income without restrictions	366,549	82,486	449,035
Net assets released from restrictions	(133,980)	53,562	(80,418)
Total income without restrictions and reclassifications	232,569	136,048	368,617
Expenses			
Salaries and wages	123,364	43,058	166,422
Depreciation and amortization	161,509	64,828	226,337
Management fees	61,272	13,908	75,180
Maintenance and building supplies	229,256	43,958	273,214
Administrative	67,652	31,003	98,655
Insurance	36,670	8,198	44,868
Employee benefits	27,880	664	28,544
Elderly and congregate service expense	78,794	-	78,794
Utilities	59,421	28,544	87,965
Total operating expenses	845,818	234,161	1,079,979
Operating income (loss)	(613,249)	(98,113)	(711,362)
Other income (expense)			
Interest	(163,257)	-	(163,257)
Amortization of loan fees and bond issuance costs related to refinancing	(2,522)	-	(2,522)
Bad debt	(16,730)	-	(16,730)
Increase (decrease) in net assets with restrictions	(795,758)	(98,113)	(893,871)
NET ASSETS WITH RESTRICTIONS			
HUD Subsidy - rent collections	795,758	98,113	893,871
Net assets released from restrictions:			
Funds expended in operations in accordance with restriction agreements	133,980	(53,562)	80,418
Increase in net assets with restrictions	929,738	44,551	974,289
Increase (decrease) in net assets	133,980	(53,562)	80,418
NET ASSETS, beginning of year	(1,386,381)	(1,028,323)	(2,414,704)
NET ASSETS, end of year	\$ (1,252,401)	\$ (1,081,885)	\$ (2,334,286)

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF STATEMENTS OF FINANCIAL POSITION BY ENTITY - SCHUMAN ACQUISITION
DECEMBER 31, 2024

	# 1400	# 1401	# 1402	# 1403	# 1404	# 1405	# 1406	Total
	Schuman	930 N.	946 N.	450 N.	206 N.	421 S.	124	Washington
	Overhead	Austin	Austin	Austin	Austin	Harvey	Washington	Total
ASSETS								
Cash (overdraft) - unrestricted	\$ (3,923,020)	\$ 557,842	\$ 474,102	\$ 985,235	\$ 863,770	\$ 483,659	\$ 651,285	\$ 92,873
- restricted	20,951	-	-	-	-	-	-	20,951
- escrow	212,858	-	-	-	-	-	-	212,858
Oak Park Residence Corporation	25,189,549	322,261	440,716	1,195,127	1,139,165	802,681	1,162,828	30,252,327
Miscellaneous and tenant receivables	-	354	484	8,957	1,312	1,452	2,268	14,827
Supplies inventory	-	-	-	-	-	403	-	403
Prepaid insurance & other expenses	14,278	1,356	2,199	4,018	2,069	1,880	3,524	29,324
Land	-	238,670	98,910	239,360	266,940	318,570	287,810	1,450,260
Buildings	-	1,429,330	1,476,090	3,188,640	3,068,060	2,090,430	2,954,190	14,206,740
Building improvements	-	199,770	408,036	398,762	523,781	167,379	423,400	2,121,128
Furniture and equipment	-	21,269	14,583	32,167	26,861	18,463	25,849	139,192
Less: accumulated depreciation	-	(254,605)	(290,396)	(533,406)	(535,727)	(325,101)	(495,690)	(2,434,925)
TOTAL ASSETS	\$ 21,514,616	\$ 2,516,247	\$ 2,624,724	\$ 5,518,860	\$ 5,356,231	\$ 3,559,816	\$ 5,015,464	\$ 46,105,958

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF STATEMENTS OF FINANCIAL POSITION BY ENTITY - SCHUMAN ACQUISITION
DECEMBER 31, 2024

	# 1400 Schuman Overhead	# 1401 930 N. Austin	# 1402 946 N. Austin	# 1403 450 N. Austin	# 1404 206 N. Austin	# 1405 421 S. Harvey	# 1406 124 Washington	Total
LIABILITIES								
Accounts payable - trade	\$ 49,209	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 49,209
Due to:								
Oak Park Residence Corporation	8,101,491	2,550,555	2,696,873	5,601,929	5,542,036	3,607,662	5,190,494	33,291,040
Security deposit liabilities and other liabilities	-	20,992	22,418	48,269	39,628	23,669	38,577	193,553
Accrued expenses:								
Salaries and employee benefits	782	-	-	-	-	-	-	782
Real estate taxes	-	29,830	32,500	75,500	73,910	29,830	62,810	304,380
Interest	10,912	-	-	-	-	-	-	10,912
Deferred revenue	-	1,413	650	3,774	1,494	2,016	3,037	12,384
Line of credit	-	-	-	-	-	-	-	-
Mortgages payable	11,786,522	-	-	-	-	-	-	11,786,522
Promissory notes	1,565,700	-	-	-	-	-	-	1,565,700
Total liabilities	21,514,616	2,602,790	2,752,441	5,729,472	5,657,068	3,663,177	5,294,918	47,214,482
NET ASSETS								
Without restrictions	-	(86,543)	(127,717)	(210,612)	(300,837)	(103,361)	(279,454)	(1,108,524)
Total net assets	-	(86,543)	(127,717)	(210,612)	(300,837)	(103,361)	(279,454)	(1,108,524)
TOTAL LIABILITIES AND NET ASSETS	\$ 21,514,616	\$ 2,516,247	\$ 2,624,724	\$ 5,518,860	\$ 5,356,231	\$ 3,559,816	\$ 5,015,464	\$ 46,105,958

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS BY ENTITY - SCHUMAN ACQUISITION
FOR THE YEAR ENDED DECEMBER 31, 2024

	# 1401 930 N. Austin	# 1402 946 N. Austin	# 1403 450 N. Austin	# 1404 206 N. Austin	# 1405 421 S. Harvey	# 1406 124 Washington	Total
NET ASSETS WITHOUT RESTRICTIONS							
Revenues							
Rent - collections from tenants	\$ 245,998	\$ 240,013	\$ 591,236	\$ 511,975	\$ 317,264	\$ 442,701	\$ 2,349,187
Grant income	-	10,000	10,000	10,000	-	10,000	40,000
Total income without restrictions	245,998	250,013	601,236	521,975	317,264	452,701	2,389,187
Expenses							
Salaries and wages	3,009	2,675	7,186	6,354	3,848	5,351	28,423
Depreciation and amortization	60,362	79,288	129,209	135,228	74,625	121,954	600,666
Management fees	14,789	15,001	36,114	31,153	18,968	27,132	143,157
Maintenance and building supplies	47,126	54,950	115,187	104,695	63,859	82,612	468,429
Administrative	4,529	3,398	31,565	38,075	6,732	6,797	91,096
Real estate taxes	25,199	28,610	65,524	71,486	12,942	52,851	256,612
Insurance	4,534	7,326	13,402	6,917	6,264	11,736	50,179
Utilities	23,515	29,306	46,414	35,427	28,474	49,279	212,415
Total operating expenses	183,063	220,554	444,601	429,335	215,712	357,712	1,850,977
Operating income	62,935	29,459	156,635	92,640	101,552	94,989	538,210
Other income (expense)							
Interest	(57,198)	(54,007)	(117,561)	(114,362)	(82,610)	(111,176)	(536,914)
Amortization of loan fees and bond issuance costs related to refinancing	(571)	(538)	(1,164)	(1,140)	(824)	(1,109)	(5,346)
Bad (debt) recovery	(7,036)	(3,551)	(53,513)	(7,128)	(101)	(2,676)	(74,005)
Increase (decrease) in net assets without restrictions	(1,870)	(28,637)	(15,603)	(29,990)	18,017	(19,972)	(78,055)
NET ASSETS, beginning of year	(84,673)	(99,080)	(195,009)	(270,847)	(121,378)	(259,482)	(1,030,469)
NET ASSETS, end of year	\$ (86,543)	\$ (127,717)	\$ (210,612)	\$ (300,837)	\$ (103,361)	\$ (279,454)	\$ (1,108,524)