

Porchlight, Inc. and Subsidiary

Financial Statements and
Supplementary Information

Year Ended December 31, 2019



Porchlight, Inc. and Subsidiary

Consolidated Financial Statements and Supplementary Information

Year Ended December 31, 2019

Table of Contents

Independent Auditor's Report	1
Consolidated Financial Statements	
Consolidated Statement of Financial Position	3
Consolidated Statement of Activities.....	4
Consolidated Statement of Functional Expenses	5
Consolidated Statement of Cash Flows	6
Notes to Consolidated Financial Statements.....	7
Supplementary Information	
Schedule of Expenditures of Federal Awards and Other Financial Assistance	22
Consolidating Statement of Financial Position	24
Consolidating Statement of Activities	25
Schedule of Revenue and Expenses by Funding Source and by Contract	26
Surplus Retention Supplemental Schedule	27
Dane County Department of Human Services Provider Agency Expense Report	28
Schedules of Profit and Loss for Multifamily Projects Required by WHEDA for the Period January 1, 2019 through December 31, 2019:	
Broadview	34
Citywide Housing	36
McKenna Boulevard	38
Spring Street.....	40
Pheasant Ridge Trail	42
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters	44
Independent Auditor's Report on Compliance for Each Major Federal and State Program and on Internal Control Over Compliance	46
Schedule of Findings and Questioned Costs.....	48

Independent Auditor's Report

Board of Directors
Porchlight, Inc. and Subsidiary
Madison, Wisconsin

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Porchlight, Inc. (a nonprofit organization) and Subsidiary, which comprise the consolidated statement of financial position as of December 31, 2019, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. The financial statements of Porchlight Foundation, Inc. were not audited in accordance with the *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Porchlight, Inc. and Subsidiary as of December 31, 2019, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards and other financial assistance, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the *State of Wisconsin Single Audit Guidelines*, issued by the Wisconsin Department of Administration, the consolidating statements of financial position and activities, the schedule of revenue and expenses by funding source and by contract, the surplus retention supplemental schedule, the Dane County Department of Human Services provider agency expense report, and the schedules of profit and loss for multifamily projects as required by Wisconsin Housing and Economic Development Authority, are presented for purposes of additional analysis, and are 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. Such 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. In our opinion, the information is fairly stated in all material respects in relation to the consolidated 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 October 30, 2020, on our consideration of Porchlight, Inc.'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 Porchlight, Inc.'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 Porchlight, Inc.'s internal control over financial reporting and compliance.



Wipfli LLP

October 30, 2020
Madison, Wisconsin

Porchlight, Inc. and Subsidiary

Consolidated Statement of Financial Position December 31, 2019

<i>Assets</i>	
Current assets:	
Cash	\$ 830,862
Investments	559,591
Grants receivable	203,839
Accounts receivable	471,220
Land contract receivable	3,777
Promises to give	11,000
Inventory	19,348
Prepaid expenses	59,706
Total current assets	2,159,343
Other assets:	
WHEDA reserves	579,197
Certificates of deposit	1,513,247
Land contract receivable	28,539
Total other assets	2,120,983
Property and equipment, net	14,596,878
TOTAL ASSETS	\$ 18,877,204
<i>Liabilities and Net Assets</i>	
Current liabilities:	
Current portion of mortgages payable	\$ 113,200
Current portion of deferred loans payable	229,257
Accounts payable	245,163
Accrued payroll and related expenses	118,770
Deferred revenue	102,492
Refundable advance liability	1,500
Total current liabilities	810,382
Long-term liabilities:	
Deferred loans payable	3,119,625
Mortgages payable	1,137,772
Total long-term liabilities	4,257,397
Total liabilities	5,067,779
Net assets - Without donor restrictions	13,809,425
TOTAL LIABILITIES AND NET ASSETS	\$ 18,877,204

Porchlight, Inc. and Subsidiary

Consolidated Statement of Activities Year Ended December 31, 2019

Revenue:	
Grant revenue	\$ 2,030,052
Investment gain	95,959
Contributions	1,727,310
Rental income	1,543,184
Program fees	10,781
Miscellaneous	172,835
Gain from involuntary conversion	235,284
In-kind contributions	488,544
<hr/>	
Total revenue	6,303,949
<hr/>	
Program expenses:	
Homeless men's drop-in shelter	1,033,961
Safe Haven	385,975
Housing	2,954,185
Brooks Street	618,811
<hr/>	
Total program expenses	4,992,932
<hr/>	
Management and general	484,031
Fundraising	129,755
<hr/>	
Total management and general, and fundraising	613,786
<hr/>	
Total expenses	5,606,718
<hr/>	
Change in net assets without donor restrictions	697,231
<hr/>	
Net assets without donor restrictions- Beginning of the year	13,112,194
<hr/>	
Net assets without donor restrictions - End of the year	\$ 13,809,425

Porchlight, Inc. and Subsidiary

Consolidated Statement of Functional Expenses

Year Ended December 31, 2019

	Homeless Men's Drop-In Shelter	Safe Haven	Housing	Brooks Street	Total Program Activities	Management and General Expenses	Fundraising	Total Expenses
EXPENSES								
Salaries & wages	\$ 396,866	\$ 202,412	\$ 968,529	\$ 126,724	\$ 1,694,531	\$ 291,386	\$ 36,224	\$ 2,022,141
Taxes	31,508	15,812	79,373	9,569	136,262	21,734	2,457	160,453
Fringe benefits	56,595	36,908	232,228	38,704	364,435	72,871	15,311	452,617
Operating	10,137	8,197	64,197	14,713	97,244	20,860	0	118,104
Maintenance	15,958	14,464	404,664	124,527	559,613	0	0	559,613
Program costs	5,470	8,290	36,802	57,653	108,215	0	0	108,215
Utilities	1,111	11,366	195,655	72,635	280,767	0	0	280,767
Bad Debt	0	2,905	52,354	15,588	70,847	0	0	70,847
Depreciation	8,118	32,854	407,260	112,810	561,042	0	0	561,042
Insurance	4,444	2,620	43,885	16,585	67,534	0	0	67,534
Rent	24,600	0	101,636	0	126,236	0	0	126,236
Interest	0	0	40,496	10	40,506	0	0	40,506
Direct assistance	110,918	35,020	234,962	9,205	390,105	0	0	390,105
Administrative	0	0	1,933	5,118	7,051	77,180	0	84,231
Promotions	0	0	0	0	0	0	75,763	75,763
In-kind expenses	368,236	15,127	90,211	14,970	488,544	0	0	488,544
TOTAL EXPENSES	\$ 1,033,961	\$ 385,975	\$ 2,954,185	\$ 618,811	\$ 4,992,932	\$ 484,031	\$ 129,755	\$ 5,606,718

See accompanying notes to consolidated financial statements.

Porchlight, Inc. and Subsidiary

Consolidated Statement of Cash Flows

Year Ended December 31, 2019

Increase (decrease) in cash and restricted cash:	
Cash flows from operating activities:	
Change in net assets	\$ 697,231
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	561,042
Net realized and unrealized gain on investments	(102,112)
Non-cash contribution on forgiveness of deferred loan payable	(14,668)
Changes in operating assets and liabilities:	
Grants receivable	17,876
Accounts receivable	(272,782)
Promises to give	16,000
Inventory	13,021
Prepaid expenses	(17,761)
Accounts payable	27,268
Accrued payroll and related expenses	2,614
Deferred revenue	(46,697)
Net cash provided by operating activities	881,032
Cash flows from investing activities:	
Purchase of property and equipment	(1,252,058)
Collection of land contract receivable	3,777
Proceeds from sale of certificates of deposit	485,385
Purchase of investments	(14,560)
Purchase of certificates of deposit	(821,246)
Net cash used in investing activities	(1,598,702)
Cash flows from financing activities:	
Principal payments on mortgages payable	(108,088)
Net cash used in financing activities	(108,088)
Change in cash and restricted cash	(825,758)
Cash and restricted cash - Beginning of the year, as restated	2,235,817
Cash and restricted cash - End of the year	\$ 1,410,059
Supplemental schedule of other cash activity:	
Interest paid and expensed	\$ 40,506
Reconciliation of cash and restricted cash at December 31, 2019:	
Cash	\$ 830,862
Restricted reserves	579,197
Total cash and restricted cash	\$ 1,410,059

Porchlight, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 1: Summary of Significant Accounting Policies

Nature of Operations

Porchlight, Inc. was established as a nonprofit corporation in 1987 and was formed to develop and provide resources for the purpose of assisting low-income individuals secure housing, find temporary and permanent jobs, and provide referrals to community resources to help individuals live independently. Porchlight, Inc. is primarily supported through federal and state government grants, rental income, and contributions. The main recipients of these programs reside in Dane County, Wisconsin.

Porchlight Foundation, Inc. is a nonprofit organization created in 1999 to help carry out the mission of Porchlight, Inc. by managing and preserving endowment and long-term assets for the benefit of Porchlight, Inc. Porchlight Foundation, Inc. seeks to develop a fund sufficient to support and sustain Porchlight, Inc. in providing the full continuum of housing and support services for homeless and at risk residents of Dane County with the ultimate goal of helping people help themselves toward independence. The strategy is to reduce homelessness in the Dane County area by providing resources for the development of low-cost housing affordable to those in need, as well as support services and a sense of community connected with that housing. The monies collected will serve as an endowment fund for supporting these activities in perpetuity.

Basis of Presentation

The consolidated financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States.

Principles of Consolidation

These financial statements are consolidated and include the accounts of Porchlight, Inc. and Porchlight Foundation, Inc. The two entities are referred to as (the “Organizations”). All material inter-company transactions and accounts are eliminated in consolidation.

Classification of Net Assets

Net assets and revenue, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organizations and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions - Net assets subject to donor or certain grantor imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other explicit donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor imposed restrictions are released when a restriction expires, that is when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. The Organizations currently have no net assets with donor restrictions.

Porchlight, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Use of Estimates

The preparation of consolidated financial statements in accordance with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Revenue Recognition/Refundable Advance Liability

Contributions, including promises to give, are considered conditional or unconditional, depending on the nature and existence of any donor or grantor conditions. A contribution or promise to give contains a donor or grantor condition when both of the following are present:

- An explicit identifying of a barrier, that is more than trivial, that must be overcome before the revenue can be earned and recognized
- An implicit right of return of assets transferred or a right of release of a donor or grantor's obligation to transfer assets promised, if the condition is not met

Unconditional contributions or conditional contributions in which the conditions have been substantially met or explicitly waived by the donor are recorded as support with or without donor restrictions, depending on the existence and nature of any donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions.

Conditional contributions are recognized when the barrier to entitlement are overcome. Unconditional contributions are recognized as revenue when received.

Rental income represents income received from various sources for use of property or space owned by Porchlight. This income is recognized in the period in which it is earned.

Grants are either recorded as contributions or exchange transactions based on criteria contained in the grant award.

A. Grant Awards That Are Contributions

Grants that qualify as contributions are recorded as invoiced to the funding sources in accordance with the terms of the award and ASC Subtopic 958-605. Revenue is recognized in the accounting period when the related allowable expenses are incurred. Amounts received or receivable in excess of expenses are reflected as refundable advance liability.

B. Grant Awards That Are Exchange Transactions

Exchange transactions are reimbursed based on a predetermined rate for services performed. The revenue is recognized in the period the service is performed.

Porchlight, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

In-Kind Contributions

Porchlight, Inc. has recorded in-kind contributions for supplies and professional services in the consolidated statement of activities in accordance with financial accounting standards. These accounting standards require that only contributions of services received that create or enhance a nonfinancial asset or require a specialized skill by the individual possessing those skills and would typically need to be purchased if not provided by donation be recorded. The requirements of these financial standards are different than the in-kind requirements of Porchlight's grant awards. Porchlight, Inc. received contributions of nonprofessional volunteers during the year with a value of \$283,808 which are not recorded in the consolidated statement of activities.

Accounts Receivable, Land Contract Receivable, and Allowance for Doubtful Accounts

Accounts receivable and the land contract receivable consist of receivables for rent, contributions, and amounts owed to the Organizations from various sources. The Organizations analyze the receivables and record an allowance for doubtful accounts based on prior collection, experience, and specific customer attributes. When all collection efforts have been exhausted, the Organizations write off receivables against the allowance for doubtful accounts. As of December 31, 2019, the Organizations had elected not to record an allowance for doubtful accounts since collection of the entire outstanding receivable balance is expected.

Promises to Give

Porchlight, Inc. held a capital campaign to raise funds to finance the construction of a commercial kitchen and a housing unit development. Promises to give are recognized when the donor makes a promise to give to Porchlight, Inc. As of December 31, 2019, Porchlight, Inc. had elected not to record an allowance for doubtful accounts since collection of the entire outstanding receivable balance is expected.

Investments

Investments in marketable securities are carried at fair value. Unrealized gains or losses of investments are reflected as investment gains or losses in the consolidated statement of activities. Fair values are determined based on active, publicly traded markets. Donated property held for sale is valued at the fair market value at the time of donation. Investment fees, if any, are netted with return.

Inventory

Inventory consists of canned and preserved artisan products. Inventories as of December 31, 2019 are stated at the lower of cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation.

Porchlight, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Property and Equipment

Property and equipment are capitalized at cost and depreciated over their useful lives using the straight-line method. The Organizations consider property and equipment to be items with a cost greater than \$5,000 and having a useful life of greater than one year.

Property and equipment purchased with grant funds are owned by Porchlight, Inc. while used in the programs for which they were purchased or in other future authorized programs. However, the various funding sources have a reversionary interest in the property and equipment purchased with grant funds. Its disposition, as well as the ownership of any proceeds therefrom, is subject to funding source regulations. The net book value of property and equipment purchased with grant funds is \$1,010,310 at December 31, 2019.

Income Taxes

Porchlight, Inc. and Porchlight Foundation, Inc. are exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organizations are also exempt from Wisconsin franchise or income tax.

The Organizations are required to assess whether it is more likely than not that a tax position will be sustained upon examination on the technical merits of the position assuming the taxing authority has full knowledge of all information. If the tax position does not meet the more likely than not recognition threshold, the benefit of that position is not recognized in the consolidated financial statements. The Organizations have determined there are no amounts to record as assets or liabilities related to uncertain tax positions.

Functional Allocation of Costs

The costs of providing the various programs and other activities have been summarized on a functional basis in the consolidated statement of activities and consolidated statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Personnel costs are allocated based on time and effort reporting. Rent and related costs are allocated based on square footage.

Recently Adopted Accounting Pronouncements

During 2016, the FASB issued ASU 2016-18, *Statement of Cash Flows*, to provide guidance on the presentation of restricted cash or restricted equivalents in the statement of cash flows. The accounting guidance is effective for fiscal years beginning after December 15, 2018. The Organizations adopted the ASU using a retrospective transition method. The beginning balance of cash and restricted cash on the consolidated statement of cash flows for the year ended December 31, 2019, has been restated to include restricted reserves of \$534,543 to properly reflect this change in policy.

Porchlight, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Recently Adopted Accounting Pronouncements (Continued)

On June 21, 2018, the FASB issued ASU 2018-08 *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The amendments in this ASU assist in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) subject to Subtopic 958-605 or as exchange (reciprocal) transactions subject to Accounting Standards Codification 606 and (2) determining whether a contribution is conditional. The contribution guidance in Subtopic 958-605 requires an entity to determine whether a transaction is conditional, which affects the timing of the revenue recognized. The entity has applied the amendments in this ASU on a modified prospective basis. There was no change on opening balances of net assets and no prior period results were restated.

New Accounting Pronouncements

In May 2014, the FASB issued ASU 2014-09 *Revenue From Contracts with Customers (Topic 606)*. This ASU, as amended, provides comprehensive guidance on the recognition revenue from customers arising from the transfer of goods and services, guidance on accounting for certain contract costs, and new disclosures. When adopted, the amendments in this ASU must be applied using one of two retrospective methods. ASU No. 2014-09 was originally effective for nonpublic entities for annual periods beginning after December 15, 2018. On June 3, 2020, FASB issued ASU No. 2020-05, *Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842)* that extended the effective date for certain entities, including the Organizations, to annual periods beginning after December 15, 2019.

In 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which is intended to improve financial reporting on leasing transactions. ASU No. 2016-02 will require lessees to recognize right of use assets and lease obligations for operating and finance leases under terms greater than 12 months. ASU No. 2016-02 is effective for fiscal years beginning after December 15, 2020, with early adoption permitted. ASU No. 2016-02 must be applied modified retrospectively. On June 3, 2020, FASB issued ASU No. 2020-05, *Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842)* that extended the effective date for certain entities, including the Organizations, to annual periods beginning after December 15, 2021.

Note 2: Concentration of Credit Risk

The Organizations maintain cash balances at several financial institutions which are insured by the Federal Deposit Insurance Corporation (FDIC) or National Credit Union Share Insurance Fund (NCUSIF) up to \$250,000. At times during the year, balances in these accounts may exceed the insurance limits. At the end of 2019, cash balances for BMO Harris Bank (Charter #1), Heartland Credit Union, and Landmark Credit Union exceeded the limits insured by the FDIC and NCUSIF. Management believes these financial institutions have strong credit ratings and credit risk related to these deposits is minimal.

Investments, as listed in Note 3, are not insured.

Porchlight, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 3: Investments

Investments consist of the following:

	<u>Porchlight</u>	<u>Foundation</u>	<u>Total</u>
Equity and fixed income funds			
Domestic equity securities	\$ 0	\$ 249,199	\$ 249,199
International equity securities	0	99,846	99,846
Fixed Income	0	210,546	210,546
<u>Investment balance</u>	<u>\$ 0</u>	<u>\$ 559,591</u>	<u>\$ 559,591</u>

Investment loss for the year consists of the following:

	<u>Porchlight</u>	<u>Foundation</u>	<u>Total</u>
Dividend income	\$ 1,083	\$ 18,753	\$ 19,836
Net realized and unrealized gain	0	76,123	76,123
<u>Total</u>	<u>\$ 1,083</u>	<u>\$ 94,876</u>	<u>\$ 95,959</u>

Note 4: Fair Value Measurements

In accordance with generally accepted accounting principles, fair value can be measured under three levels of inputs (the fair value hierarchy). The level of an asset or liability within the fair value hierarchy is based on the lowest level of input significant to the fair value measurement of that asset or liability. Following is a brief description of each level of the fair value hierarchy:

Level 1—Fair value measurement is based on quoted prices for identical assets or liabilities in active markets.

Level 2—Fair value measurement is based on 1) quoted prices for similar assets or liabilities in active markets; 2) quoted prices for identical or similar assets or liabilities in markets that are not active; or 3) valuation models and methodologies for which all significant assumptions are or can be corroborated by observable market data. Currently, the Organizations do not have any level 2 investments.

Level 3—Fair value measurement is based on valuation models and methodologies that incorporate at least one significant assumption that cannot be corroborated by observable market data. Level 3 measurements reflect the Organization's estimates about assumptions market participants would use in measuring fair value of the asset or liability.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair value. Furthermore, while the Organizations believe its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Porchlight, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 4: Fair Value Measurements (Continued)

Information regarding the fair value of assets measured at fair value on a recurring basis as of December 31, 2019, is as follows:

	Assets Measured at Fair Value	Recurring Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Equity and fixed income funds:				
Domestic equity securities	\$ 249,199	\$ 249,199	\$ 0	\$ 0
International equity securities	99,846	99,846	0	0
Fixed income	210,546	210,546	0	0
Total Assets	\$ 559,591	\$ 559,591	\$ 0	\$ 0

The Organizations do not have any liabilities measured at fair value on a recurring basis or any assets or liabilities measured at fair value on a non-recurring basis. The fair value of the domestic, international and fixed income funds are based on quoted market prices.

Note 5: Grants Receivable

Grants receivable represent amounts due from various funding sources as follows:

U.S. Department of Housing & Urban Development	\$ 30,546
U.S. Department of Veterans Affairs	33,931
U.S. Department of Homeland Security	1,950
State of Wisconsin	9,943
County of Dane	4,465
City of Madison	123,004
Total	\$ 203,839

Note 6: WHEDA Reserves

The Wisconsin Housing and Economic Development Authority (WHEDA) reserves of \$579,197 in escrow represent an operating deficit reserve of \$5,963 and replacement reserves of \$573,234 associated with Porchlight, Inc.'s WHEDA mortgages (see Note 11). These funds will remain with WHEDA until Porchlight, Inc. requests to use the funds and the use is approved by WHEDA.

Porchlight, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 7: Land Contract Receivable

In 2012, Porchlight, Inc. sold a portion of donated property by executing a land contract. The land contract receivable has an outstanding principal balance of \$32,316. The land contract receivable has an interest rate of 1% per year and monthly payments of \$347 with a maturity date of January 1, 2028. Porchlight, Inc. holds a lien on the property.

Note 8: Charitable Trust Receivable

Porchlight, Inc. is the beneficiary of a trust fund established by an individual's last will and testament. Accounting Standards Codification No. 958-605, *Transfer of Assets to a Not-for-Profit or Charitable Trust That Raises or Holds Contributions For Others*, requires that if a specified beneficiary (Porchlight, Inc.) has an unconditional right to receive all or a portion of a specified cash flow from the charitable trust, the beneficiary is required to recognize the beneficial interest, measuring and subsequently remeasuring its fair value, using a valuation technique such as the present value of the estimated expected future cash flows. Porchlight, Inc. receives a 5% share of current income less expenses and preferred beneficiary payments. The expected cash flows were discounted using a 6% discount rate with the expectation that dividends would increase 3% per year with the growth of the fund. In 2019, the trust fund was terminated, and the remaining assets of the trust were to be distributed for the purposes set forth in the trust. Porchlight is to receive \$195,579 which is reflected in the consolidated statement of financial position accounts receivable account.

Note 9: Property and Equipment

A summary of land, buildings, improvements, and equipment are as follows:

Land	\$	3,159,031
Buildings		16,380,320
Building improvements		1,703,652
Leasehold improvements		390,090
Equipment		812,750
<hr/>		
Total cost		22,445,843
Accumulated depreciation	(7,848,965)
<hr/>		
Property and equipment, net	\$	14,596,878

During 2019, Porchlight, Inc. reached a final settlement with its insurance carrier concerning damaged property and equipment and lost revenue related to a fire that occurred in 2018 at one of their locations. The proceeds received, which totaled \$295,597 exceeded the carrying value of the damaged assets and clean-up costs which totaled \$60,313. Accordingly, Porchlight, Inc. recorded an involuntary conversion gain of \$235,284, which is included in the consolidated statement of activities.

Porchlight, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 10: Deferred Loans Payable

Porchlight, Inc. has received no-interest deferred payment CDBG loan funds from the City of Madison. The funds were for the purchase and/or renovation of property. The funds are to be returned to the City of Madison if the properties are sold or converted to a use other than stipulated in the CDBG loan restrictions, with the exceptions of the East Mifflin Street and East Johnson Street locations. The forgivable portion of the East Johnson Street and East Mifflin Street loans with the County of Dane are to be forgiven at the end of a 10-year and 15-year period, respectively. The East Johnson Street loan is to be forgiven in 2020. The East Mifflin Street loan is to be forgiven in 2025.

Porchlight, Inc. has received a no-interest deferred payment loan from the County of Dane. The funds were for the purchase of Sunfield Street in Sun Prairie. The funds are to be returned to the County of Dane if the property is sold or converted to a use other than stipulated in the County of Dane loan restrictions. The County of Dane has agreed to forgive a portion of the loan over a period of 15 years at a rate of 6.67% per year beginning in 2017.

Deferred loans payable consists of the following:

CDBG deferred funds:

South Broom Street	\$ 20,000
Northport Drive	12,500
Sinykin Circle	25,000
North Midvale	82,731
East Washington Avenue	53,750
Russet Road	150,000
North Brooks Street	1,047,961
North Brooks Street	18,000
Pheasant Ridge Trail	340,000
Camden Road	170,000
East Johnson Street	199,116
East Mifflin Street	203,367
Nakoosa Trail	265,669
Thierer Road	170,000

CDBG and County of Dane deferred forgivable loans:

East Johnson Street	214,590
East Mifflin Street	200,200
Sunfield Street	175,998

Total deferred loans payable	3,348,882
Current portion	(229,257)

Long-term portion	\$3,119,625
-------------------	-------------

Porchlight, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 11: Mortgages Payable

Porchlight, Inc. has the following mortgages payable at December 31, 2019:

Mortgage payable to WHEDA at 2.00% interest, with monthly payments of \$1,487, and the outstanding balance due May 1, 2022. The mortgage is collateralized by property at the following locations:	\$ 42,074
902 Northport 201 North Street 310 North Hamilton 316 South Broom 33-39 Sinykin Circle	
Mortgage payable to WHEDA at 4.00% interest, with monthly payments of \$3,338, and the outstanding balance due September 1, 2024. The mortgage is collateralized by property at 1102 Spring Street and 609 North Midvale.	173,012
Mortgage payable to WHEDA at 2.50% interest, with monthly payments of \$1,379, and the outstanding balance due February 1, 2037. The mortgage is collateralized by property at 2718 Pheasant Ridge Trail.	230,727
Mortgage payable to WHEDA at 2.50% interest, with monthly payments of \$859, and the outstanding balance due July 1, 2035. The mortgage is collateralized by property at 1409 McKenna Boulevard.	132,984
Mortgage payable to WHEDA at 7.05% interest, with monthly payments of \$3,943, and the outstanding balance due August 1, 2025. The mortgage is collateralized by property at the locations listed below.	220,134
Mortgage payable to WHEDA at 7.05% interest, with monthly payments of \$908, and the outstanding balance due August 1, 2025. The mortgage is collateralized by property at the locations listed below.	50,395
Mortgage payable to WHEDA at 7.05% interest, with monthly payments of \$468, and the outstanding balance due August 1, 2025. The mortgage is collateralized by property at the locations listed below.	26,146
Mortgage payable to WHEDA at 0.00% interest, with monthly payments of \$3,943 deferred until September 1, 2025, and the outstanding balance due July 1, 2031. The mortgage is collateralized by property at the locations listed below.	278,380
Mortgage payable to WHEDA at 0.00% interest, with monthly payments of \$907 deferred until September 1, 2025, and the outstanding balance due July 1, 2031. The mortgage is collateralized by property at the locations listed below.	64,100

Porchlight, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 11: Mortgages Payable (Continued)

Mortgage payable to WHEDA at 0.00% interest, with monthly payments of \$468 deferred until September 1, 2025, and the outstanding balance due July 1, 2031. The mortgage is collateralized by properties at the locations listed below.

	33,020
Total	1,250,972
Current mortgages payable	(113,200)
<u>Long-term mortgages payable</u>	<u>\$ 1,137,772</u>

The above mortgages to WHEDA are collateralized by the following properties:

5814 Russet Road	249/251 Broadway
5818 Russet Road	1309 Northport Drive
3342-3344 East Washington Avenue	1903 Sherman Avenue
3346-3348 East Washington Avenue	

Future maturities are as follows:

<u>Year</u>	<u>Amount</u>
2020	\$ 113,200
2021	118,603
2022	113,851
2023	112,134
2024	108,111
Thereafter	685,073
<u>Total</u>	<u>\$ 1,250,972</u>

In addition to the previously stated mortgages payable, Porchlight, Inc. has a revolving line of credit with BMO Harris Bank for \$200,000, which has no set expiration, and is secured by property at 3710 E Karstens. The line-of-credit agreement has a variable interest rate equal to the prime rate (3.5% at December 31, 2019) plus the Index Rate. The Index Rate is defined as the average of the previous month's 13-week Treasury bill auction adjusted on the first business day of each month. The rate at December 31, 2019, was 5.95%. No funds were borrowed on the line of credit at December 31, 2019.

Note 12: Retirement Plan

Porchlight, Inc. established a simplified employee pension (SEP) plan. The plan is open to all employees who are at least 21 years of age and have been employed by Porchlight, Inc. for 1,000 hours and for the preceding 12 months. The retirement benefits are fully vested with the employee at the time of contribution. Porchlight, Inc.'s contributions for the year ended December 31, 2019, were \$48,790.

Porchlight, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 13: Contingencies

Porchlight, Inc. has several donor restrictions regarding the use of funds received for acquisition and rehabilitation of properties. The funds received, which are reflected as liabilities on the statement of financial position and donor restrictions are as follows:

CDBG-Deferred Loans

As mentioned in Note 10, Porchlight, Inc. has 13 properties that were acquired or renovated with the use of deferred CDBG loans from the City of Madison. These loans would be payable to the City of Madison if the properties were sold or converted to a use other than stipulated in the CDBG loan restriction.

The deferred loan agreement of \$12,500 for Northport Drive and \$25,000 Sinykin Circle includes a further donor restriction that, upon the sale or change of the use of the property, Porchlight, Inc. will return to the City of Madison the fair market value of the assisted project, minus the pro-rated fair share of other source-funded improvements.

The deferred loan agreement of \$53,750 for East Washington Avenue includes a donor restriction that upon the sale, change of use, or discontinuance of use, Porchlight, Inc. will return to the City of Madison the fair market value of the assisted project minus the pro-rated share of other source funded improvements.

The deferred loan agreement of \$82,731 for North Midvale includes a donor restriction on \$60,669 of the funds received that should Porchlight, Inc. discontinue operation or change the use of the property, Porchlight, Inc. will repay to the City of Madison the ratio of CDBG funds to the total acquisition value multiplied by the appraisal value after improvements.

The deferred loan agreement for Pheasant Ridge Trail includes a further donor restriction that, upon the sale, transfer, or closure of the property, Porchlight, Inc. will return to the City of Madison the greater of the deferred loan amount of \$340,000, or an amount equal to 43% of the current fair market value of the property as determined by an appraiser.

The deferred loan agreement for Camden Road includes a donor restriction that upon the sale, transfer, change, or discontinuance in the permitted use of the property, Porchlight, Inc. will return to the City of Madison the greater of \$170,000, or an amount equal to 56% of the current fair market value of the property as determined by an appraiser.

The deferred loan agreement for East Johnson Street includes a donor restriction that upon the sale, transfer, change, or discontinuance in the permitted use of the property, Porchlight, Inc. will return to the City of Madison the greater of \$199,116, or an amount equal to 73% of the current fair market value of the property as determined by an appraiser.

The deferred loan agreement for East Mifflin Street includes a restriction that upon the sale, transfer, change, or discontinuance in the permitted use of the property, Porchlight, Inc. will return to the City of Madison the greater of \$203,367 or an amount equal to 75% of the current fair market value of the property as determined by an appraiser.

Porchlight, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 13: Contingencies (Continued)

CDBG-Deferred Loans (Continued)

The deferred loan agreement of \$265,669 for Nakoosa Trail includes a donor restriction that upon the sale, transfer, change, or discontinuance in the permitted use of the property, Porchlight, Inc. will repay to the City of Madison the CDBG funds.

The deferred loan agreement for Thierer Road (f/k/a Lien Road) includes a donor restriction that upon the sale, transfer, change, or discontinuance in the permitted use of the property, Porchlight, Inc. will return to the City of Madison the greater of \$170,000, or an amount equal to 4.25% of the current fair market value of the property as determined by an appraiser.

Federal Home Loan Bank (FHLB) Affordable Housing Program

Porchlight, Inc. received \$80,000 from the FHLB to construct a property at Pheasant Ridge Trail. In the event that Porchlight, Inc. would sell or convert the use of the property within a 15-year period starting April 21, 2006, Porchlight, Inc. has agreed to repay the original award. Porchlight, Inc. intends to comply with all restrictions. Therefore, no liability has been recorded on the consolidated statement of financial position.

Porchlight, Inc. received \$240,000 from the FHLB to construct a property at Thierer Road. In the event that Porchlight, Inc. would sell or convert the use of the property within a 15-year period starting April 1, 2017, Porchlight, Inc. has agreed to repay the original award. Porchlight, Inc. intends to comply with all restrictions. Therefore, no liability has been recorded on the consolidated statement of financial position.

Note 14: Rental Activity

Porchlight, Inc. rents to individuals that qualify under a variety of programs and to two commercial tenants. The majority of program tenants are under annual or shorter rental arrangements. The rental income for the commercial tenants and individual tenants for the year ended December 31, 2019, was \$54,398 and \$1,488,786. Future minimum commercial income is as follows:

<u>Year</u>	<u>Amount</u>
2020	\$ 54,946
2021	55,501
2022	36,962
2023	19,629
<u>Total</u>	<u>\$ 167,038</u>

Porchlight, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 14: Rental Activity (Continued)

A summary of rental property is as follows:

	Rental Property
Land	\$ 3,159,031
Buildings	16,359,032
Building improvements	1,703,652
Equipment	599,983
Total cost	21,821,698
Accumulated depreciation	(7,316,407)
Rental property, net	\$ 14,505,291

Note 15: Lease Commitments - Lessee

Porchlight, Inc. leases various facilities and equipment for operation of its programs. Rent expense for 2019, was \$126,236. Future minimum lease payments for 2020 are \$48,776.

Note 16: Grant Awards

At December 31, 2019, Porchlight, Inc. had commitments under various ongoing grant awards of approximately \$325,000. The revenue relating to these grants is not recognized in the accompanying consolidated financial statements as revenue recognition is conditional on the incurrence of expenditures or the performance of services in the next year.

Note 17: Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions or designations limiting their use, within twelve months of the statement of financial position date, comprise the following as of December 31, 2019:

	<u>Porchlight</u>	<u>Foundation</u>	<u>Total</u>
Cash	\$ 818,863	\$ 11,999	\$ 830,862
Investments	0	559,591	559,591
Grants receivable	203,839	0	203,839
Accounts receivable	471,220	0	471,220
Promises to give (current)	11,000	0	11,000
Less:			
Accounts payable designated for grant expenditures	(245,163)	0	(245,163)
Accrued payroll designated for grant expenditures	(118,770)	0	(118,770)
Deferred revenue	(102,492)	0	(102,492)
Refundable advance liability	(1,500)	0	(1,500)
Total	\$ 1,036,997	\$ 571,590	\$ 1,608,587

Porchlight, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 17: Liquidity and Availability (Continued)

The Organizations do not have a formal liquidity policy but generally maintain financial assets in liquid form such as cash for approximately one year of operating expenses. Porchlight Foundation, Inc. invests in a broadly diversified portfolio, which can include equities, debt instruments, both private and public, and money market funds, which can be liquidated if needed. This is done with excess non-restricted funds to maximize return of investment without undue risk. Porchlight, Inc. has grant commitments for future expenses of approximately \$325,000 as further described in Note 16. Porchlight, Inc. also has a line of credit available for cash flow needs up to \$200,000 as further described in Note 11.

Note 18: Subsequent Events

Subsequent events have been evaluated through October 30, 2020, which is the date the consolidated financial statements were available to be issued.

Beginning in March 2020, the United States economy began suffering adverse effects from the COVID-19 Crisis (CV 19 Crisis) including financial markets, supply chains, businesses, and communities. Specific to the Organizations, COVID-19 may impact various parts of 2020 operations and financial results. Management believes the Organizations are taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events occurred subsequent to year-end and are still developing.

Supplementary Information

Porchlight, Inc. and Subsidiary

Schedule A-1

Schedule of Expenditures of Federal Awards and Other Financial Assistance

Year Ended December 31, 2019

CFDA Number	Program Name	Federal Grantor/ Pass-Through Agency	Program Period	Project Number	Grant Award	12/31/2018 Refundable Advance Liability	12/31/2018 Net Assets	Revenue				12/31/2019 Refundable Advance Liability	12/31/19 Net Assets
								Award/Funds Recognized	Other Revenue & Transfers	Total Revenue Recognized	Expenses		
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT													
14.231	Shelter Case Management	City of Madison	07/01/18-06/30/19	JK004-WISESG18	32,835	\$ 0	\$ 0	\$ 20,335	\$ 0	\$ 20,335	(\$ 20,335)	\$ 0	\$ 0
14.231	Shelter Case Management	City of Madison	07/01/19-06/30/20	JK004-WISESG19	25,000	0	0	12,500	0	12,500	(12,500)	0	0
	Total CFDA #14.231 Emergency Shelter Grant Program					0	0	32,835	0	32,835	(32,835)	0	0
14.267	Coordinated Entry - Support Services	U.S. Dept. of HUD	05/01/18-04/30/19	WI0211L51031700	64,100	0	0	20,958	0	20,958	(20,958)	0	0
14.267	Coordinated Entry - Administrative	U.S. Dept. of HUD	05/01/18-04/30/19	WI0211L51031700	1,900	0	0	512	0	512	(512)	0	0
14.267	Coordinated Entry - Support Services	U.S. Dept. of HUD	05/01/19-04/30/20	WI0211L51031801	64,100	0	0	36,976	0	36,976	(36,976)	0	0
14.267	Coordinated Entry - Administrative	U.S. Dept. of HUD	05/01/19-04/30/20	WI0211L51031801	2,920	0	0	1,360	0	1,360	(1,360)	0	0
	Subtotals					0	0	59,806	0	59,806	(59,806)	0	0
14.267	Pheasant Ridge Trail - Operating	U.S. Dept. of HUD	05/01/18-04/30/19	WI0095L51031710	25,710	0	0	9,502	0	9,502	(9,502)	0	0
14.267	Pheasant Ridge Trail - Support Services	U.S. Dept. of HUD	05/01/18-04/30/19	WI0095L51031710	25,500	0	0	9,156	0	9,156	(9,156)	0	0
14.267	Pheasant Ridge Trail - Administrative	U.S. Dept. of HUD	05/01/18-04/30/19	WI0095L51031710	2,417	0	0	910	0	910	(910)	0	0
	Subtotals					0	0	19,568	0	19,568	(19,568)	0	0
14.267	Housing First Leasing Project - Operating	U.S. Dept. of HUD	08/01/18-07/31/19	WI0091L51031710	3,583	0	0	2,011	0	2,011	(2,011)	0	0
14.267	Housing First Leasing Project - Support Services	U.S. Dept. of HUD	08/01/18-07/31/19	WI0091L51031710	19,150	0	0	12,329	0	12,329	(12,329)	0	0
14.267	Housing First Leasing Project - Leasing	U.S. Dept. of HUD	08/01/18-07/31/19	WI0091L51031710	99,650	0	0	57,880	0	57,880	(57,880)	0	0
14.267	Housing First Leasing Project - Administrative	U.S. Dept. of HUD	08/01/18-07/31/19	WI0091L51031710	5,823	0	0	3,854	0	3,854	(3,854)	0	0
14.267	Housing First Leasing Project - Operating	U.S. Dept. of HUD	08/01/19-07/31/20	WI0091L51031811	4,049	0	0	1,539	0	1,539	(1,539)	0	0
14.267	Housing First Leasing Project - Support Services	U.S. Dept. of HUD	08/01/19-07/31/20	WI0091L51031811	19,150	0	0	11,986	0	11,986	(11,986)	0	0
14.267	Housing First Leasing Project - Leasing	U.S. Dept. of HUD	08/01/19-07/31/20	WI0091L51031811	109,325	0	0	41,119	0	41,119	(41,119)	0	0
14.267	Housing First Leasing Project - Administrative	U.S. Dept. of HUD	08/01/19-07/31/20	WI0091L51031811	5,823	0	0	1,744	0	1,744	(1,744)	0	0
	Subtotals					0	0	132,462	0	132,462	(132,462)	0	0
14.267	Nakoosa Trail - Operating	U.S. Dept. of HUD	01/01/19-12/31/19	WI0120L51031705	5,894	0	0	5,764	0	5,764	(5,764)	0	0
14.267	Nakoosa Trail - Support	U.S. Dept. of HUD	01/01/19-12/31/19	WI0120L51031705	7,570	0	0	2,447	0	2,447	(2,447)	0	0
14.267	Nakoosa Trail - Administration	U.S. Dept. of HUD	01/01/19-12/31/19	WI0120L51031705	630	0	0	593	0	593	(593)	0	0
	Subtotals					0	0	8,804	0	8,804	(8,804)	0	0
14.267	Thierer Road - Operating	U.S. Dept. of HUD	01/01/19-12/31/19	WI0179L51031702	37,623	0	0	22,944	0	22,944	(22,944)	0	0
14.267	Thierer Road - Support	U.S. Dept. of HUD	01/01/19-12/31/19	WI0179L51031702	119,000	0	0	78,646	0	78,646	(78,646)	0	0
14.267	Thierer Road - Administration	U.S. Dept. of HUD	01/01/19-12/31/19	WI0179L51031702	3,000	0	0	2,090	0	2,090	(2,090)	0	0
	Subtotals					0	0	103,680	0	103,680	(103,680)	0	0
14.267	HOSTS - Operating	U.S. Dept. of HUD	05/01/19-10/31/20	WI0095L51031811	78,227	0	0	12,843	0	12,843	(12,843)	0	0
14.267	HOSTS - Support	U.S. Dept. of HUD	05/01/19-10/31/20	WI0095L51031811	152,070	0	0	24,510	0	24,510	(24,510)	0	0
14.267	HOSTS - Administration	U.S. Dept. of HUD	05/01/19-10/31/20	WI0095L51031811	6,047	0	0	2,031	0	2,031	(2,031)	0	0
	Subtotals					0	0	39,384	0	39,384	(39,384)	0	0
	Total CFDA #14.267 Continuum of Care Program					0	0	363,704	0	363,704	(363,704)	0	0
DEPARTMENT OF VETERAN'S AFFAIRS													
64.024	Veterans Transitional Housing Program	U.S. Dept. of Vet Affairs	10/01/18-09/30/19	521-0484-607-SI-18-0	305,648	0	0	231,148	0	231,148	(231,148)	0	0
64.024	Veterans Transitional Housing Program	U.S. Dept. of Vet Affairs	10/01/18-09/30/19	521-0388-607-HH-18-0	43,317	0	0	31,000	0	31,000	(31,000)	0	0
64.024	Veterans Transitional Housing Program	U.S. Dept. of Vet Affairs	10/01/19-09/30/20	521-0484-607-SI-18-0	80,728	0	0	80,728	0	80,728	(80,728)	0	0
64.024	Veterans Transitional Housing Program	U.S. Dept. of Vet Affairs	10/01/19-09/30/20	521-0388-607-HH-18-0	12,821	0	0	12,821	0	12,821	(12,821)	0	0
	Total CFDA #64.024					0	0	355,697	0	355,697	(355,697)	0	0
DEPARTMENT OF HOMELAND SECURITY													
97.024	Emergency Shelter	Emergency Food & Shelter National Board	02/01/18-01/31/19	912600-016 Phase 35	10,000	0	0	1,933	0	1,933	(1,933)	0	0
97.024	Emergency Shelter	Emergency Food & Shelter National Board	10/01/18-03/31/20	912600-016 Phase 36	10,000	0	0	6,950	0	6,950	(6,950)	0	0
	Total CFDA #97.024					0	0	8,883	0	8,883	(8,883)	0	0
DEPARTMENT OF HEALTH AND HUMAN SERVICES													
Medicaid Cluster													
93.778	Comprehensive Community Services	County of Dane	01/01/19-12/31/19	84279	52,519	0	0	52,519	45,740	98,259	(98,259)	0	0
	Total Federal Programs					\$ 0	\$ 0	\$ 813,638	\$ 45,740	\$ 859,378	(\$ 859,378)	\$ 0	\$ 0

Porchlight, Inc. and Subsidiary

Schedule A-2

Schedule of Expenditures of Federal Awards and Other Financial Assistance

Year Ended December 31, 2019

CFDA Number	Program Name	Federal Grantor/Pass-Through Agency	Program Period	Project Number	Grant Award	12/31/2018 Refundable Advance Liability	12/31/2018 Net Assets	Revenue			12/31/2019 Refundable Advance Liability	12/31/19 Net Assets	
								Award/Funds Recognized	Other Revenue & Transfers	Total Revenue Recognized			
STATE AND LOCAL PROGRAMS													
N/A	Permanent Housing Case Management	City of Madison	01/01/19-12/31/19	JD006-MADGPR19	\$ 150,000	\$ 0	\$ 0	\$ 150,000	\$ 0	\$ 150,000	(\$ 150,000)	\$ 0	\$ 0
N/A	Eviction Prevention	City of Madison	01/01/19-12/31/19	JM001-MADGPR19	48,000	0	0	48,000	0	48,000	(48,000)	0	0
N/A	Street Outreach	City of Madison	01/01/19-12/31/19	JD005-MADGPR19	37,500	0	0	37,500	0	37,500	(37,500)	0	0
N/A	Shelter Case Management	City of Madison	01/01/19-12/31/19	JD007-MADGPR19	58,000	0	0	51,030	0	51,030	(51,030)	0	0
N/A	Transit-for-Jobs & Economic Self Sufficiency	City of Madison	01/01/19-12/31/19	JD014-MADGPR19	55,275	0	0	55,275	0	55,275	(55,275)	0	0
N/A	Emergency Overnight Shelter Men	County of Dane	01/01/19-12/31/19	84415-8066	125,033	0	0	125,033	0	125,033	(125,033)	0	0
N/A	Housing Case Management	County of Dane	01/01/19-12/31/19	84415-6132	17,481	0	0	17,481	0	17,481	(17,481)	0	0
N/A	Housing Services (Shelter)	County of Dane	01/01/19-12/31/19	84458-9236	29,021	0	0	29,021	0	29,021	(29,021)	0	0
N/A	School Road CBRF	County of Dane	01/01/19-12/31/19	84458-11082	157,053	0	0	157,053	0	157,053	(157,053)	0	0
N/A	Housing Services	County of Dane	01/01/19-12/31/19	84458-9219	27,205	0	0	27,205	0	27,205	(27,205)	0	0
N/A	Safe Haven Case Management	County of Dane	01/01/19-12/31/19	84458-12559	207,693	0	0	207,693	0	207,693	(207,693)	0	0
N/A	Housing Operations	United Way of Dane County	01/01/19-12/31/19	N/A	68,000	0	0	68,000	0	68,000	(68,000)	0	0
N/A	Housing First for Families in Sun Prairie	United Way of Dane County	01/01/19-12/31/19	N/A	38,000	0	0	38,000	0	38,000	(38,000)	0	0
N/A	Early Childhood Zone	United Way of Dane County	01/01/19-12/31/19	N/A	5,000	0	0	5,000	0	5,000	(5,000)	0	0
N/A	DIGS	United Way of Dane County	01/01/19-12/31/19	N/A	53,700	0	0	53,700	0	53,700	(53,700)	0	0
N/A	Case Management	United Way of Dane County	01/01/19-12/31/19	N/A	36,100	0	0	36,100	0	36,100	(36,100)	0	0
N/A	Employment & Life Skills	United Way of Dane County	01/01/19-12/31/19	N/A	14,153	0	0	14,153	0	14,153	(14,153)	0	0
N/A	Reducing School Mobility	United Way of Dane County	01/01/19-12/31/19	N/A	18,500	0	0	18,500	0	18,500	(18,500)	0	0
N/A	State Shelter Subsidy Grant	State of WI-Dept. of Admin	01/01/19-12/31/19	SSSG 19-29	56,134	0	0	56,134	0	56,134	(56,134)	0	0
N/A	DIGS emergency assistance	Madison Rotary Foundation	01/01/19-12/31/19	N/A	5,649	0	0	5,649	0	5,649	(5,649)	0	0
N/A	Youth Service Grant	S. Madison Rotary Club	01/01/19-12/31/19	N/A	1,500	1,500	0	0	0	0	(1,500)	0	(1,500)
N/A	Youth Service Grant	S. Madison Rotary Club	01/01/19-12/31/19	N/A	1,500	0	0	1,500	0	1,500	0	1,500	1,500
GENERALLY ACCEPTED ACCOUNTING PRINCIPLE (GAAP) ADJUSTMENTS													
N/A	In-kind	N/A	N/A	N/A	N/A	0	0	0	488,544	488,544	(488,544)	0	0
N/A	Grant-Funded Property & Equipment	N/A	N/A	N/A	N/A	0	1,042,856	0	0	0	(32,546)	0	1,010,310
Total State and Local Programs and GAAP Adjustments						1,500	1,042,856	1,202,027	488,544	1,690,571	(1,723,117)	1,500	1,010,310
Total Federal, State, and Local Programs						1,500	1,042,856	2,015,665	534,284	2,549,949	(2,582,495)	1,500	1,010,310
N/A	Organizational Activities		N/A	N/A	N/A	0	12,069,338	14,387	3,739,613	3,754,000	(3,024,223)	0	12,799,115
TOTALS						\$ 1,500	\$ 13,112,194	\$ 2,030,052	\$ 4,273,897	\$ 6,303,949	(\$ 5,606,718)	\$ 1,500	\$ 13,809,425

Notes to Schedule of Expenditures of Federal Awards and Other Financial Assistance

Note 1 - Basis of Presentation

The Schedule of Expenditures of Federal Awards and Other Financial Assistance (the "Schedule") includes the federal grant activity of Porchlight, Inc. under programs of the federal government for the year ended December 31, 2019. The information in this schedule is presented in accordance with the 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). Because the schedule presents only a selected portion of the operations of Porchlight, Inc., it is not intended to and does not present the financial position, changes in net assets or cash flows of Porchlight, Inc.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

Note 3 - Subrecipients

No federal grant awards were passed through to subrecipients during the year ended December 31, 2019.

Note 4 - Indirect Cost Rate

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

Porchlight, Inc. and Subsidiary

Consolidating Statement of Financial Position
December 31, 2019

<i>Assets</i>	Porchlight, Inc.	Porchlight Foundation, Inc.	Total
Current assets:			
Cash	\$ 818,863	\$ 11,999	\$ 830,862
Investments	0	559,591	559,591
Grants receivable	203,839	0	203,839
Accounts receivable	471,220	0	471,220
Land contract receivable	3,777	0	3,777
Promises to give	11,000	0	11,000
Inventory	19,348	0	19,348
Prepaid expenses	59,706	0	59,706
Total current assets	1,587,753	571,590	2,159,343
Other assets:			
WHEDA reserves	579,197	0	579,197
Certificates of deposit	1,513,247	0	1,513,247
Land contract receivable	28,539	0	28,539
Total other assets	2,120,983	0	2,120,983
Property and equipment, net	14,596,878	0	14,596,878
TOTAL ASSETS	\$ 18,305,614	\$ 571,590	\$ 18,877,204
<i>Liabilities and Net Assets</i>			
Current liabilities:			
Current portion of mortgages payable	\$ 113,200	\$ 0	\$ 113,200
Current portion of deferred loans payable	229,257	0	229,257
Accounts payable	245,163	0	245,163
Accrued payroll and related expenses	118,770	0	118,770
Deferred revenue	102,492	0	102,492
Refundable advance liability	1,500	0	1,500
Total current liabilities	810,382	0	810,382
Long-term liabilities:			
Deferred loans payable	3,119,625	0	3,119,625
Mortgages payable	1,137,772	0	1,137,772
Total long-term liabilities	4,257,397	0	4,257,397
Total liabilities	5,067,779	0	5,067,779
Net assets - Without donor restrictions	13,237,835	571,590	13,809,425
TOTAL LIABILITIES AND NET ASSETS	\$ 18,305,614	\$ 571,590	\$ 18,877,204

Porchlight, Inc. and Subsidiary

Consolidating Statement of Activities
Year Ended December 31, 2019

	Porchlight, Inc.	Porchlight Foundation, Inc.	Total
Revenue:			
Grant revenue	\$ 2,030,052	\$ 0	\$ 2,030,052
Investment gain	1,083	94,876	95,959
Contributions	1,725,745	1,565	1,727,310
Rental income	1,543,184	0	1,543,184
Program fees	10,781	0	10,781
Miscellaneous	172,835	0	172,835
Gain from involuntary conversion	235,284	0	235,284
In-kind contributions	488,544	0	488,544
Total revenue	6,207,508	96,441	6,303,949
Program expenses:			
Homeless men's drop-in shelter	1,033,961	0	1,033,961
Safe Haven	385,975	0	385,975
Housing	2,954,185	0	2,954,185
Brooks Street	618,811	0	618,811
Total program expenses	4,992,932	0	4,992,932
Management and general	478,816	5,215	484,031
Fundraising	129,755	0	129,755
Total management, general, and fundraising	608,571	5,215	613,786
Total expenses	5,601,503	5,215	5,606,718
Change in net assets without donor restrictions	606,005	91,226	697,231
Net assets without donor restrictions - Beginning of the year	12,631,830	480,364	13,112,194
Net assets without donor restrictions - End of the year	\$13,237,835	\$ 571,590	\$ 13,809,425

Porchlight, Inc. and Subsidiary

Schedule B

Schedule of Revenue and Expenses by Funding Source and by Contract

Year Ended December 31, 2019

	Revenue Source									
	Emergency Overnight Shelter Men			Housing Case Management	Housing Services	Housing Services Shelter	School Road CBRF	Safe Haven Case Management	Comprehensive Community Services	Total Programs
	Dane County	State of Wisconsin	Total	Dane County	Dane County	Dane County	Dane County	Dane County	Dane County	
Total Revenue	\$ 125,033	\$ 56,134	\$ 181,167	\$ 17,481	\$ 27,205	\$ 29,021	\$ 157,053	\$ 207,693	\$ 52,519	\$ 672,139
EXPENSES										
Program expenses:										
Personnel	111,279	38,834	150,113	4,543	27,205	29,021	115,200	190,693	86,454	603,229
Operating	0	0	0	0	0	0	17,400	17,000	11,180	45,580
Space	0	17,300	17,300	0	0	0	14,400	0	625	32,325
Special costs	0	0	0	12,938	0	0	2,200	0	0	15,138
Other expense	0	0	0	0	0	0	0	0	0	0
Total program expenses	111,279	56,134	167,413	17,481	27,205	29,021	149,200	207,693	98,259	696,272
Administrative expenses:										
Personnel	9,154	0	9,154	0	0	0	7,232	0	0	16,386
Operating	4,600	0	4,600	0	0	0	621	0	0	5,221
Space	0	0	0	0	0	0	0	0	0	0
Special costs	0	0	0	0	0	0	0	0	0	0
Other expense	0	0	0	0	0	0	0	0	0	0
Total administrative expenses	13,754	0	13,754	0	0	0	7,853	0	0	21,607
Total Expenses	125,033	56,134	181,167	17,481	27,205	29,021	157,053	207,693	98,259	717,879
EXCESS OF REVENUE OVER EXPENSES	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	(\$ 45,740)	(\$ 45,740)

Porchlight, Inc. and Subsidiary

Schedule C

Surplus Retention Supplemental Schedule

Year Ended December 31, 2019

Total units of services	<u>2,324</u>
Allowable expenses for rate-based service	<u>\$ 98,259</u>
Total revenue for rate-based service	<u>\$ 52,519</u>
Excess (deficiency) revenue over expenses	<u>\$ (45,740)</u>
Surplus retention per WI Statutes 5%	<u>\$ 0</u>
Calculation of amounts due purchaser:	<u>\$ 0</u>

Calculation of surplus retention and amounts due to purchasers

<u>Purchaser</u>	<u>Revenue from purchaser</u>	<u>Purchaser's share of total revenue</u>	<u>Portion of surplus retention to agency</u>	<u>Purchaser's share of excess retention surplus</u>	<u>Amount due to purchaser</u>
Porchlight, Inc.	\$ 52,519	100%	\$ 2,626	\$ 0	\$ 0

Porchlight, Inc. and Subsidiary

Dane County Department of Human Services Provider Agency Expense Report Year Ended December 31, 2019

DANE COUNTY DEPARTMENT OF HUMAN SERVICES

PROVIDER AGENCY EXPENSE REPORT THROUGH:

December 31, 2019

Provider Name:	Porchlight, Inc.	Contract #:	84415	*Provider Certified By:	1/31/2020
Program Name:	Emergency Overnight Shelter	Program Group #:	8066		Date

	1 Approved County-Funded Budget	2 YTD County-Funded Admin Expense	3 YTD County-Funded Program Expense	4 YTD County-Funded Expense Total (= Col. 2 + 3)	5 YTD County-Funded Budget	6 YTD % Variance from Budget
A. PERSONNEL						
Salaries	97,800	7,454	93,764	101,218	97,800	
Taxes	7,900	592	7,602	8,194	7,900	
Benefits	14,733	1,108	9,913	11,021	14,733	
Subtotal A	120,433	9,154	111,279	120,433	120,433	0.00%
B. OPERATING						
Insurance						
Professional Fees						
Audit	4,600	4,600		4,600		
Data Processing Fees						
Postage, Office, and Program Supplies						
Equipment/Furnishings						
Depreciation						
Telephone						
Training/Conference						
Food/Household Supplies						
Auto Allowance						
Vehicle Costs						
Other1:						
Subtotal B	4,600	4,600	0	4,600	0	
C. SPACE						
Rent						
Utilities						
Maintenance						
Mortgage Interest, Depreciation,						
Property Taxes						
Subtotal C	0	0	0	0	0	
D. SPECIAL COSTS						
Assistance to Individuals				0		
Subtotal D	0	0	0	0	0	
E. OTHER						
Other2:						
Subtotal E	0	0	0	0	0	
This section for Adult - DD only.						
F. OFF-SETTING REVENUE						
Show as negative numbers:						
Government Benefits (SSI, SSDI, etc.)						
Private Pay (Trust Funds, etc.)						
Cost Share						
Other						
Subtotal F	0	0	0	0	0	
TOTAL A THROUGH F	125,033	13,754	111,279	125,033	120,433	3.82%

*CERTIFICATION: I certify the expenses listed above are true, correct, and allowable, in the amount stated and have not been reimbursed heretofore.

Porchlight, Inc. and Subsidiary

Dane County Department of Human Services Provider Agency Expense Report Year Ended December 31, 2019

DANE COUNTY DEPARTMENT OF HUMAN SERVICES

PROVIDER AGENCY EXPENSE REPORT THROUGH:

December 31, 2019

Provider Name:	Porchlight, Inc.	Contract #:	84415	*Provider Certified By:	1/31/2020
Program Name:	Housing Case Management	Program Group #:	6132		Date

	1 Approved County-Funded Budget	2 YTD County-Funded Admin Expense	3 YTD County-Funded Program Expense	4 YTD County-Funded Expense Total (= Col. 2 + 3)	5 YTD County-Funded Budget	6 YTD % Variance from Budget
A PERSONNEL						
Salaries	3,400		2,986	2,986	3,400	
Taxes	300		222	222	300	
Benefits	843		1,335	1,335	843	
Subtotal A	4,543	0	4,543	4,543	4,543	0.00%
B OPERATING						
Insurance						
Professional Fees						
Audit						
Data Processing Fees						
Postage, Office, and Program Supplies						
Equipment/Furnishings						
Depreciation						
Telephone						
Training/Conference						
Food/Household Supplies						
Auto Allowance						
Vehicle Costs						
Other1:						
Subtotal B	0	0	0	0	0	
C SPACE						
Rent						
Utilities						
Maintenance						
Mortgage Interest, Depreciation,						
Property Taxes						
Subtotal C	0	0	0	0	0	
D SPECIAL COSTS						
Assistance to Individuals	12,938		12,938	12,938	12,938	
Subtotal D	12,938	0	12,938	12,938	12,938	0.00%
E. OTHER						
Other2:						
Subtotal E	0	0	0	0	0	
This section for Adult - DD only.						
F. OFF-SETTING REVENUE						
Show as negative numbers:						
Government Benefits (SSI, SSDI, etc.)						
Private Pay (Trust Funds, etc.)						
Cost Share						
Other						
Subtotal F	0	0	0	0	0	
TOTAL A THROUGH F	17,481	0	17,481	17,481	17,481	0.00%

*CERTIFICATION: I certify the expenses listed above are true, correct, and allowable, in the amount stated and have not been reimbursed heretofore.

Porchlight, Inc. and Subsidiary

Dane County Department of Human Services Provider Agency Expense Report Year Ended December 31, 2019

DANE COUNTY DEPARTMENT OF HUMAN SERVICES

PROVIDER AGENCY EXPENSE REPORT THROUGH:

December 31, 2019

Provider Name:	Porchlight, Inc.	Contract #:	84458	Provider Certified By:		Date	1/31/2020
Program Name:	Safe Haven CM	Program Group #:	12559				
	1 Approved County-Funded Budget	2 YTD County-Funded Admin Expense	3 YTD County-Funded Program Expense	4 YTD County-Funded Expense Total (= Col. 2 + 3)	5 YTD County-Funded Budget	6 YTD % Variance from Budget	
A PERSONNEL							
Salaries	144,700		152,320	152,320	144,700		
Taxes	11,300		11,791	11,791	11,300		
Benefits	34,693		26,596	26,596	34,693		
Subtotal A	190,693	0	190,707	190,707	190,693	0.01%	
B OPERATING							
Insurance							
Professional Fees							
Audit							
Data Processing Fees							
Postage, Office, and Program Supplies							
Equipment/Furnishings							
Depreciation							
Telephone							
Training/Conference	1,200		1,216	1,216	1,200		
Food/Household Supplies	15,800		15,770	15,770	15,800		
Auto Allowance							
Vehicle Costs							
Other1:							
Subtotal B	17,000	0	16,986	16,986	17,000		
C SPACE							
Rent							
Utilities							
Maintenance							
Mortgage Interest, Depreciation, Property Taxes							
Subtotal C	0	0	0	0	0	#DIV/0!	
D SPECIAL COSTS							
Assistance to Individuals							
Subtotal D	0	0	0	0	0		
E OTHER							
Other2:							
Subtotal E	0	0	0	0	0		
This section for Adult - DD only.							
F OFF-SETTING REVENUE							
Show as negative numbers:							
Government Benefits (SSI, SSDI, etc.)							
Private Pay (Trust Funds, etc.)							
Cost Share							
Other							
Subtotal F	0	0	0	0	0		
TOTAL A THROUGH F	207,693	0	207,693	207,693	207,693	0.00%	

*CERTIFICATION: I certify the expenses listed above are true, correct, and allowable, in the amount stated and have not been reimbursed heretofore.

Porchlight, Inc. and Subsidiary

Dane County Department of Human Services Provider Agency Expense Report Year Ended December 31, 2019

DANE COUNTY DEPARTMENT OF HUMAN SERVICES

PROVIDER AGENCY EXPENSE REPORT THROUGH:

December 31, 2019

Provider Name:	Porchlight, Inc.	Contract #:	84458	*Provider Certified By:	1/31/2020
Program Name:	School Road CBRF	Program Group #:	11082		Date

	1 Approved County-Funded Budget	2 YTD County-Funded Admin Expense	3 YTD County-Funded Program Expense	4 YTD County-Funded Expense Total (= Col. 2 + 3)	5 YTD County-Funded Budget	6 YTD % Variance from Budget
A PERSONNEL						
Salaries	92,400	5,303	87,302	92,605	92,400	
Taxes	7,200	404	6,806	7,210	7,200	
Benefits	22,853	1,525	21,092	22,617	22,853	
Subtotal A	122,453	7,232	115,200	122,432	122,453	-0.02%
B OPERATING						
Insurance	1,400		1,308	1,308	1,400	
Professional Fees	100	69		69	100	
Audit	400	409		409	400	
Data Processing Fees						
Postage, Office, and Program Supplies	100	143		143	100	
Equipment/Furnishings						
Depreciation						
Telephone						
Training/Conference	500		646	646	500	
Food/Household Supplies	15,500		15,446	15,446	15,500	
Auto Allowance						
Vehicle Costs						
Other1: misc & bad debts						
Subtotal B	18,000	621	17,400	18,021	18,000	0.12%
C SPACE						
Rent						
Utilities	4,600		4,937	4,937	4,600	
Maintenance	9,800		9,463	9,463	9,800	
Mortgage Interest, Depreciation						
Property Taxes						
Subtotal C	14,400	0	14,400	14,400	14,400	0.00%
D SPECIAL COSTS						
Assistance to Individuals	2,200		2,200	2,200	2,200	
Subtotal D	2,200	0	2,200	2,200	2,200	
E OTHER						
Other2:						
Subtotal E	0	0	0	0	0	
This section for Adult - DD only.						
F OFF-SETTING REVENUE						
Show as negative numbers:						
Government Benefits (SSI, SSDI, etc.)	0		0			
Private Pay (Trust Funds, etc.)	0		0			
Cost Share	0		0			
Other	0		0			
Subtotal F	0	0	0	0	0	
TOTAL A THROUGH F	157,053	7,853	149,200	157,053	157,053	0.00%

*CERTIFICATION: I certify the expenses listed above are true, correct, and allowable, in the amount stated and have not been reimbursed heretofore.

Porchlight, Inc. and Subsidiary

Dane County Department of Human Services Provider Agency Expense Report Year Ended December 31, 2019

DANE COUNTY DEPARTMENT OF HUMAN SERVICES

PROVIDER AGENCY EXPENSE REPORT THROUGH:

December 31, 2019

Provider Name:	Porchlight, Inc.	Contract #:	84458	*Provider Certified By:	1/31/2020
Program Name:	Housing Services	Program Group #:	9219		Date

	1 Approved County-Funded Budget	2 YTD County-Funded Admin Expense	3 YTD County-Funded Program Expense	4 YTD County-Funded Expense Total (= Col. 2 + 3)	5 YTD County-Funded Budget	6 YTD % Variance from Budget
A PERSONNEL						
Salaries	17,700		17,405	17,405	17,700	
Taxes	1,300		1,285	1,285	1,300	
Benefits	8,205		8,515	8,515	8,205	
Subtotal A	27,205	0	27,205	27,205	27,205	0.00%
B OPERATING						
Insurance						
Professional Fees						
Audit						
Data Processing Fees						
Postage, Office, and Program Supplies						
Equipment/Furnishings						
Depreciation						
Telephone						
Training/Conference						
Food/Household Supplies						
Auto Allowance						
Vehicle Costs						
Other1:						
Subtotal B	0	0	0	0	0	
C SPACE						
Rent						
Utilities						
Maintenance						
Mortgage Interest, Depreciation, Property Taxes						
Subtotal C	0	0	0	0	0	
D SPECIAL COSTS						
Assistance to Individuals						
Subtotal D	0	0	0	0	0	
E OTHER						
Other2:						
Subtotal E	0	0	0	0	0	
This section for Adult - DD only.						
F OFF-SETTING REVENUE						
Show as negative numbers:						
Government Benefits (SSI, SSDI, etc.)						
Private Pay (Trust Funds, etc.)						
Cost Share						
Other						
Subtotal F	0	0	0	0	0	
TOTAL A THROUGH F	27,205	0	27,205	27,205	27,205	0.00%

*CERTIFICATION: I certify the expenses listed above are true, correct, and allowable, in the amount stated and have not been reimbursed heretofore.

Porchlight, Inc. and Subsidiary

Dane County Department of Human Services Provider Agency Expense Report Year Ended December 31, 2019

DANE COUNTY DEPARTMENT OF HUMAN SERVICES

PROVIDER AGENCY EXPENSE REPORT THROUGH:

December 31, 2019

Provider Name:	Porchlight, Inc.	Contract #:	84458	*Provider Certified By:	1/31/2020
Program Name:	Housing Services (Shelter)	Program Group #:	9236		Date

	1 Approved County-Funded Budget	2 YTD County-Funded Admin Expense	3 YTD County-Funded Program Expense	4 YTD County-Funded Expense Total (= Col. 2 + 3)	5 YTD County-Funded Budget	6 YTD % Variance from Budget
A PERSONNEL						
Salaries	24,500		25,190	25,190	24,500	
Taxes	2,000		2,060	2,060	2,000	
Benefits	2,521		1,771	1,771	2,521	
Subtotal A	29,021	0	29,021	29,021	29,021	0.00%
B OPERATING						
Insurance						
Professional Fees						
Audit						
Data Processing Fees						
Postage, Office, and Program Supplies						
Equipment/Furnishings						
Depreciation						
Telephone						
Training/Conference						
Food/Household Supplies						
Auto Allowance						
Vehicle Costs						
Other1:						
Subtotal B	0	0	0	0	0	#DIV/0!
C SPACE						
Rent						
Utilities						
Maintenance						
Mortgage Interest, Depreciation, Property Taxes						
Subtotal C	0	0	0	0	0	
D SPECIAL COSTS						
Assistance to Individuals						
Subtotal D	0	0	0	0	0	
E OTHER						
Other2:						
Subtotal E	0	0	0	0	0	
This section for Adult - DD only.						
F OFF-SETTING REVENUE						
Show as negative numbers:						
Government Benefits (SSI, SSDI, etc.)						
Private Pay (Trust Funds, etc.)						
Cost Share						
Other						
Subtotal F	0	0	0	0	0	
TOTAL A THROUGH F	29,021	0	29,021	29,021	29,021	0.00%

*CERTIFICATION: I certify the expenses listed above are true, correct, and allowable, in the amount stated and have not been reimbursed heretofore.

Wisconsin Housing and Economic Development Authority			FORM 800 (Rev.12/05)		
SCHEDULE OF PROFIT AND LOSS for Multifamily Projects					
Project Name: Broadview			Project Number: 011/001795		
Period Beginning: 01/01/19 thru: 12/31/19			Year: 2019		
	Description of Account	Acct. No.	Amount	Totals	
5100	Rent Revenue - Gross Potential	5120	256,140		
RENTAL	Tenant Assistance Payments	5121			
REVENUE	Rent Revenue - Commercial/Stores @ 100%	5140			
	Rent Revenue - Garage/Parking @ 100%	5170			
	Flexible Subsidy Revenue	5180			
	Miscellaneous Rent Revenue	5190	3,298		
	Excess Rent	5191			
	Rent Revenue/Insurance	5192			
	Special Claims Revenue	5193			
	Retained Excess Income	5194			
	Total Rent Revenue Potential	5100			259,438
5200	Apartment Vacancies	5220	33,602		
VACANCIES	Stores/Commercial Vacancies or Concessions	5240			
	Rental Concessions	5250	(1,140)		
	Garage/Parking Vacancies or Concessions	5270			
	Miscellaneous	5290	(2,721)		
	Total Vacancies or Concessions	5200			29,741
	Net Rental Revenue (Rent Revenue less Vacancies)	5152			229,697
5300	Total Service Income	5300			0
5400	Financial Revenue - Project Operations	5410			
FINANCIAL	Revenue from Investments-Residual Receipts	5430			
REVENUE	Revenue from Investments-Replacement Reserve	5440	3,119		
	Revenue from Investments-Miscellaneous	5490			
	Total Financial Revenue	5400			3,119
5900	Laundry/Vending Income (Net)	5910			
MISC.	Tenant Charges	5920			
REVENUE	Miscellaneous Revenue	5990	539		
	Total Miscellaneous Revenue	5900			539
	Total Revenue	5000			233,355
6200	Conventions and Meetings	6203			
RENT	Management Consultants	6204			
EXPENSE	Advertising/Marketing Expense	6210			
	Other Rent Expense	6250	(590)		
	Total Rent Expense				(590)
6300	Office Salaries	6310			
ADMIN.	Office Expenses	6311			
EXPENSES	Office or Model Apartment Rent	6312			
	Management Fee - Residential Rents	6320			
	Management Fee - Commercial Rents	6321			
	Management Fee - Miscellaneous Income	6322			
	Manager/Superintendent Salaries	6330			
	Administrative Rent-free Unit	6331			
	Legal Expense-project only	6340			
	Audit Expense-project only	6350			
	Bookkeeping Fees/Accounting Services	6351			
	Bad Debt Expense	6370	13,337		
	Miscellaneous Administrative Expense	6390	99,228		
	Total Administrative Expense				112,565
6200 + 6300	Total Rent & Administrative Expense	6263			111,975
6400	Fuel Oil	6420			
UTILITIES	Electricity	6450	8,261		
EXPENSE	Water	6451	5,125		
	Gas	6452	4,128		
	Sewer	6453	6,679		
	Total Utilities Expense	6400			24,193

	Description of Account	Acct. No.	Amount	Totals
6500	Payroll	6510	23,379	
OPERATING & MAINTENANCE EXPENSE	Supplies	6515	0	
	Contracts	6520		
	Operating and Maintenance Rent Free Unit	6521		
	Garbage & Trash Removal	6525	4,891	
	Security Payroll/Contract (incl. taxes and benefits)	6530		
	Security Rent Free Unit	6531		
	Heating/Cooling Repairs & Maintenance	6546	11,070	
	Snow Removal	6548	1,018	
	Vehicle/Maintenance Equipment Operation & Repairs	6570	1,581	
	Misc. Operating & Maintenance Expense	6590	78,565	
		Total Operating & Maintenance Expense	6500	
6900	Total Service Expense	6900		0
6700 TAXES AND INSURANCE	Real Estate & Personal Property Taxes	6710	0	
	Payroll Taxes (Project's Share)	6711		
	Property & Liability Insurance (Hazard)	6720	6,968	
	Fidelity Bond Insurance	6721		
	Workmen's Compensation	6722		
	Health Insurance and Other Employee Benefits	6723		
	Miscellaneous Taxes, Licenses, Permits and Insurance	6790		
		Total Taxes and Insurance	6700	
3220	Replacement Reserve Deposits as Required by WHEDA	3220		8,400
	Total Operating Expenses			272,040
	Net Operating Income (NOI)			(38,685)
6800 FINANCIAL EXPENSE	Interest on Mortgage Payable	6820	22,510	
	Interest on Notes Payable (Long Term)	6830		
	Interest on Notes Payable (Short Term)	6840		
	Mortgage Insurance Premium/Service Charge	6850		
	Miscellaneous Financial Expense/Preservation Fee	6890		
		Total Financial Expense	6800	
	Total Expenses of Operations Before Depreciation	6000		294,550
	Profit or (Loss) Before Depreciation	5060		(61,195)
6600	Depreciation Expense (Total)	6601		49,013
	Amortization Expense	6610		
	Operating Profit or Loss	5060		(110,208)
7100 CORPORATE OR MORTGAGOR EXPENSE	Officer's Salaries	7110		
	Legal Expense	7120		
	Federal, State and Other Income Taxes	7130		
	Interest Income	7140		
	Interest on Notes Payable	7141		
	Interest on Mortgage Payable	7142		
	Other Expense	7190		
		Net Entity Expenses	7100	
	NET PROFIT OR (LOSS)	3250		(110,208)
TOTAL	WHEDA First Mortgage	9910		42,311
PRINCIPAL PAYMENTS	Second Mortgage	9911		
	Other Mortgage(s)	9912		
	Reserve releases to reimburse items expensed on this schedule.	9920		12,645
	Capital expenditures paid from project operations and expensed on this schedule.	9930		

Wisconsin Housing and Economic Development Authority				FORM 800 (Rev.12/05)	
SCHEDULE OF PROFIT AND LOSS for Multifamily Projects					
Project Name: Citywide Housing			Project Number: 011/001167		
Period Beginning: 01/01/19 thru: 12/31/19			Year: 2019		
	Description of Account	Acct. No.	Amount	Totals	
5100	Rent Revenue - Gross Potential	5120	131,220		
RENTAL	Tenant Assistance Payments	5121			
REVENUE	Rent Revenue - Commercial/Stores @ 100%	5140			
	Rent Revenue - Garage/Parking @ 100%	5170	0		
	Flexible Subsidy Revenue	5180			
	Miscellaneous Rent Revenue	5190	360		
	Excess Rent	5191			
	Rent Revenue/Insurance	5192			
	Special Claims Revenue	5193			
	Retained Excess Income	5194			
	Total Rent Revenue Potential	5100			131,580
5200	Apartment Vacancies	5220	8,707		
VACANCIES	Stores/Commercial Vacancies or Concessions	5240			
	Rental Concessions	5250	4,660		
	Garage/Parking Vacancies or Concessions	5270			
	Miscellaneous	5290	23,150		
	Total Vacancies or Concessions	5200			36,517
	Net Rental Revenue (Rent Revenue less Vacancies)	5152			95,063
5300	Total Service Income	5300			0
5400	Financial Revenue - Project Operations	5410			
FINANCIAL	Revenue from Investments-Residual Receipts	5430			
REVENUE	Revenue from Investments-Replacement Reserve	5440	5,208		
	Revenue from Investments-Miscellaneous	5490			
	Total Financial Revenue	5400			5,208
5900	Laundry/Vending Income (Net)	5910			
MISC.	Tenant Charges	5920			
REVENUE	Miscellaneous Revenue	5990	198,830		
	Total Miscellaneous Revenue	5900			198,830
	Total Revenue	5000			299,101
6200	Conventions and Meetings	6203			
RENT	Management Consultants	6204			
EXPENSE	Advertising/Marketing Expense	6210			
	Other Rent Expense	6250	(231)		
	Total Rent Expense				(231)
6300	Office Salaries	6310			
ADMIN.	Office Expenses	6311			
EXPENSES	Office or Model Apartment Rent	6312			
	Management Fee - Residential Rents	6320			
	Management Fee - Commercial Rents	6321			
	Management Fee - Miscellaneous Income	6322			
	Manager/Superintendent Salaries	6330			
	Administrative Rent-free Unit	6331			
	Legal Expense-project only	6340			
	Audit Expense-project only	6350			
	Bookkeeping Fees/Accounting Services	6351			
	Bad Debt Expense	6370	3,085		
	Miscellaneous Administrative Expense	6390	42,212		
	Total Administrative Expense				45,297
6200 + 6300	Total Rent & Administrative Expense	6263			45,066
6400	Fuel Oil	6420			
UTILITIES	Electricity	6450	8,044		
EXPENSE	Water	6451	4,575		
	Gas	6452	3,118		
	Sewer	6453	4,193		
	Total Utilities Expense	6400			19,930

	Description of Account	Acct. No.	Amount	Totals
6500	Payroll	6510	10,597	
OPERATING & MAINTENANCE EXPENSE	Supplies	6515	1,870	
	Contracts	6520		
	Operating and Maintenance Rent Free Unit	6521		
	Garbage & Trash Removal	6525	1,690	
	Security Payroll/Contract (incl. taxes and benefits)	6530		
	Security Rent Free Unit	6531		
	Heating/Cooling Repairs & Maintenance	6546	1,640	
	Snow Removal	6548	896	
	Vehicle/Maintenance Equipment Operation & Repairs	6570	955	
	Misc. Operating & Maintenance Expense	6590	42,949	
		Total Operating & Maintenance Expense	6500	
6900	Total Service Expense	6900		0
6700 TAXES AND INSURANCE	Real Estate & Personal Property Taxes	6710	0	
	Payroll Taxes (Project's Share)	6711		
	Property & Liability Insurance (Hazard)	6720	4,224	
	Fidelity Bond Insurance	6721		
	Workmen's Compensation	6722		
	Health Insurance and Other Employee Benefits	6723		
	Miscellaneous Taxes, Licenses, Permits and Insurance	6790		
		Total Taxes and Insurance	6700	
3220	Replacement Reserve Deposits as Required by WHEDA	3220		4,860
	Total Operating Expenses			134,678
	Net Operating Income (NOI)			164,423
6800 FINANCIAL EXPENSE	Interest on Mortgage Payable	6820	1,024	
	Interest on Notes Payable (Long Term)	6830		
	Interest on Notes Payable (Short Term)	6840		
	Mortgage Insurance Premium/Service Charge	6850		
	Miscellaneous Financial Expense/Preservation Fee	6890		
		Total Financial Expense	6800	
	Total Expenses of Operations Before Depreciation	6000		135,702
	Profit or (Loss) Before Depreciation	5060		163,399
6600	Depreciation Expense (Total)	6601		10,633
	Amortization Expense	6610		
	Operating Profit or Loss	5060		152,766
7100 CORPORATE OR MORTGAGOR EXPENSE	Officer's Salaries	7110		
	Legal Expense	7120		
	Federal, State and Other Income Taxes	7130		
	Interest Income	7140		
	Interest on Notes Payable	7141		
	Interest on Mortgage Payable	7142		
	Other Expense	7190		
		Net Entity Expenses	7100	
	NET PROFIT OR (LOSS)	3250		152,766
TOTAL	WHEDA First Mortgage	9910		16,825
PRINCIPAL PAYMENTS	Second Mortgage	9911		
	Other Mortgage(s)	9912		
	Reserve releases to reimburse items expensed on this schedule.	9920		0
	Capital expenditures paid from project operations and expensed on this schedule.	9930		212,057

Wisconsin Housing and Economic Development Authority				FORM 800 (Rev.12/05)		
SCHEDULE OF PROFIT AND LOSS for Multifamily Projects						
Project Name: McKenna Boulevard			Project Number: 011/002687			
Period Beginning: 01/01/19 thru: 12/31/19			Year: 2019			
	Description of Account	Acct. No.	Amount	Totals		
5100	Rent Revenue - Gross Potential	5120	31,200			
RENTAL REVENUE	Tenant Assistance Payments	5121				
	Rent Revenue - Commercial/Stores @ 100%	5140				
	Rent Revenue - Garage/Parking @ 100%	5170				
	Flexible Subsidy Revenue	5180				
	Miscellaneous Rent Revenue	5190	200			
	Excess Rent	5191				
	Rent Revenue/Insurance	5192				
	Special Claims Revenue	5193				
	Retained Excess Income	5194				
		Total Rent Revenue Potential	5100		31,400	
5200	Apartment Vacancies	5220	3,858			
VACANCIES	Stores/Commercial Vacancies or Concessions	5240				
	Rental Concessions	5250	900			
	Garage/Parking Vacancies or Concessions	5270				
	Miscellaneous	5290	612			
		Total Vacancies or Concessions	5200		5,370	
	Net Rental Revenue (Rent Revenue less Vacancies)	5152		26,030		
5300	Total Service Income	5300		0		
5400	Financial Revenue - Project Operations	5410				
FINANCIAL REVENUE	Revenue from Investments-Residual Receipts	5430				
	Revenue from Investments-Replacement Reserve	5440	427			
	Revenue from Investments-Miscellaneous	5490				
		Total Financial Revenue	5400		427	
5900	Laundry/Vending Income (Net)	5910				
MISC. REVENUE	Tenant Charges	5920				
	Miscellaneous Revenue	5990	0			
		Total Miscellaneous Revenue	5900		0	
	Total Revenue	5000		26,457		
6200	Conventions and Meetings	6203				
RENT EXPENSE	Management Consultants	6204				
	Advertising/Marketing Expense	6210				
	Other Rent Expense	6250	0			
		Total Rent Expense		0		
6300	Office Salaries	6310				
ADMIN. EXPENSES	Office Expenses	6311				
	Office or Model Apartment Rent	6312				
	Management Fee - Residential Rents	6320				
	Management Fee - Commercial Rents	6321				
	Management Fee - Miscellaneous Income	6322				
	Manager/Superintendent Salaries	6330				
	Administrative Rent-free Unit	6331				
	Legal Expense-project only	6340				
	Audit Expense-project only	6350				
	Bookkeeping Fees/Accounting Services	6351				
	Bad Debt Expense	6370	0			
	Miscellaneous Administrative Expense	6390	12,213			
		Total Administrative Expense		12,213		
	6200 + 6300	Total Rent & Administrative Expense	6263		12,213	
	6400	Fuel Oil	6420			
UTILITIES EXPENSE	Electricity	6450	876			
	Water	6451	962			
	Gas	6452	0			
	Sewer	6453	1,285			
		Total Utilities Expense	6400		3,123	

	Description of Account	Acct. No.	Amount	Totals
6500	Payroll	6510	2,597	
OPERATING & MAINTENANCE EXPENSE	Supplies	6515	0	
	Contracts	6520		
	Operating and Maintenance Rent Free Unit	6521		
	Garbage & Trash Removal	6525	30	
	Security Payroll/Contract (incl. taxes and benefits)	6530		
	Security Rent Free Unit	6531		
	Heating/Cooling Repairs & Maintenance	6546	2	
	Snow Removal	6548	125	
	Vehicle/Maintenance Equipment Operation & Repairs	6570	195	
	Misc. Operating & Maintenance Expense	6590	2,468	
		Total Operating & Maintenance Expense	6500	
6900	Total Service Expense	6900		0
6700 TAXES AND INSURANCE	Real Estate & Personal Property Taxes	6710	0	
	Payroll Taxes (Project's Share)	6711		
	Property & Liability Insurance (Hazard)	6720	1,036	
	Fidelity Bond Insurance	6721		
	Workmen's Compensation	6722		
	Health Insurance and Other Employee Benefits	6723		
	Miscellaneous Taxes, Licenses, Permits and Insurance	6790		
		Total Taxes and Insurance	6700	
3220	Replacement Reserve Deposits as Required by WHEDA	3220		1,000
	Total Operating Expenses			22,789
	Net Operating Income (NOI)			3,668
6800 FINANCIAL EXPENSE	Interest on Mortgage Payable	6820	3,418	
	Interest on Notes Payable (Long Term)	6830		
	Interest on Notes Payable (Short Term)	6840		
	Mortgage Insurance Premium/Service Charge	6850		
	Miscellaneous Financial Expense/Preservation Fee	6890		
		Total Financial Expense	6800	
	Total Expenses of Operations Before Depreciation	6000		26,207
	Profit or (Loss) Before Depreciation	5060		250
6600	Depreciation Expense (Total)	6601		8,112
	Amortization Expense	6610		
	Operating Profit or Loss	5060		(7,862)
7100 CORPORATE OR MORTGAGOR EXPENSE	Officer's Salaries	7110		
	Legal Expense	7120		
	Federal, State and Other Income Taxes	7130		
	Interest Income	7140		
	Interest on Notes Payable	7141		
	Interest on Mortgage Payable	7142		
	Other Expense	7190		
		Net Entity Expenses	7100	
	NET PROFIT OR (LOSS)	3250		(7,862)
TOTAL	WHEDA First Mortgage	9910		6,894
PRINCIPAL PAYMENTS	Second Mortgage	9911		
	Other Mortgage(s)	9912		
	Reserve releases to reimburse items expensed on this schedule.	9920		0
	Capital expenditures paid from project operations and expensed on this schedule.	9930		

Wisconsin Housing and Economic Development Authority				FORM 800 (Rev.12/05)	
SCHEDULE OF PROFIT AND LOSS for Multifamily Projects					
Project Name: Spring Street (f/k/a Mills Street)			Project Number: 011/001762		
Period Beginning: 01/01/19 thru: 12/31/19			Year: 2019		
	Description of Account	Acct. No.	Amount	Totals	
5100	Rent Revenue - Gross Potential	5120	127,080		
RENTAL	Tenant Assistance Payments	5121			
REVENUE	Rent Revenue - Commercial/Stores @ 100%	5140			
	Rent Revenue - Garage/Parking @ 100%	5170			
	Flexible Subsidy Revenue	5180			
	Miscellaneous Rent Revenue	5190	185		
	Excess Rent	5191			
	Rent Revenue/Insurance	5192			
	Special Claims Revenue	5193			
	Retained Excess Income	5194			
	Total Rent Revenue Potential	5100			127,265
5200	Apartment Vacancies	5220	16,404		
VACANCIES	Stores/Commercial Vacancies or Concessions	5240			
	Rental Concessions	5250	2,125		
	Garage/Parking Vacancies or Concessions	5270			
	Miscellaneous	5290	20,258		
	Total Vacancies or Concessions	5200			38,787
	Net Rental Revenue (Rent Revenue less Vacancies)	5152			88,478
5300	Total Service Income	5300			0
5400	Financial Revenue - Project Operations	5410			
FINANCIAL	Revenue from Investments-Residual Receipts	5430			
REVENUE	Revenue from Investments-Replacement Reserve	5440	4,047		
	Revenue from Investments-Miscellaneous	5490			
	Total Financial Revenue	5400			4,047
5900	Laundry/Vending Income (Net)	5910			
MISC.	Tenant Charges	5920			
REVENUE	Miscellaneous Revenue	5990	194,542		
	Total Miscellaneous Revenue	5900			194,542
	Total Revenue	5000			287,067
6200	Conventions and Meetings	6203			
RENT	Management Consultants	6204			
EXPENSE	Advertising/Marketing Expense	6210			
	Other Rent Expense	6250	0		
	Total Rent Expense		0		0
6300	Office Salaries	6310			
ADMIN.	Office Expenses	6311			
EXPENSES	Office or Model Apartment Rent	6312			
	Management Fee - Residential Rents	6320			
	Management Fee - Commercial Rents	6321			
	Management Fee - Miscellaneous Income	6322			
	Manager/Superintendent Salaries	6330			
	Administrative Rent-free Unit	6331			
	Legal Expense-project only	6340			
	Audit Expense-project only	6350			
	Bookkeeping Fees/Accounting Services	6351			
	Bad Debt Expense	6370	7,121		
	Miscellaneous Administrative Expense	6390	10,686		
	Total Administrative Expense		17,807		
6200 + 6300	Total Rent & Administrative Expense	6263			17,807
6400	Fuel Oil	6420			
UTILITIES	Electricity	6450	16,418		
EXPENSE	Water	6451	2,574		
	Gas	6452	4,718		
	Sewer	6453	3,457		
	Total Utilities Expense	6400			27,167

	Description of Account	Acct. No.	Amount	Totals
6500	Payroll	6510	23,215	
OPERATING & MAINTENANCE EXPENSE	Supplies	6515	8,595	
	Contracts	6520		
	Operating and Maintenance Rent Free Unit	6521		
	Garbage & Trash Removal	6525	2,449	
	Security Payroll/Contract (incl. taxes and benefits)	6530		
	Security Rent Free Unit	6531		
	Heating/Cooling Repairs & Maintenance	6546	3,502	
	Snow Removal	6548	525	
	Vehicle/Maintenance Equipment Operation & Repairs	6570	848	
	Misc. Operating & Maintenance Expense	6590	171,268	
		Total Operating & Maintenance Expense	6500	
6900	Total Service Expense	6900		0
6700 TAXES AND INSURANCE	Real Estate & Personal Property Taxes	6710	0	
	Payroll Taxes (Project's Share)	6711		
	Property & Liability Insurance (Hazard)	6720	4,228	
	Fidelity Bond Insurance	6721		
	Workmen's Compensation	6722		
	Health Insurance and Other Employee Benefits	6723		
	Miscellaneous Taxes, Licenses, Permits and Insurance	6790		
		Total Taxes and Insurance	6700	
3220	Replacement Reserve Deposits as Required by WHEDA	3220		7,680
	Total Operating Expenses			267,283
	Net Operating Income (NOI)			19,784
6800 FINANCIAL EXPENSE	Interest on Mortgage Payable	6820	7,627	
	Interest on Notes Payable (Long Term)	6830		
	Interest on Notes Payable (Short Term)	6840		
	Mortgage Insurance Premium/Service Charge	6850		
	Miscellaneous Financial Expense/Preservation Fee	6890		
		Total Financial Expense	6800	
	Total Expenses of Operations Before Depreciation	6000		274,910
	Profit or (Loss) Before Depreciation	5060		12,157
6600	Depreciation Expense (Total)	6601		44,214
	Amortization Expense	6610		
	Operating Profit or Loss	5060		(32,057)
7100 CORPORATE OR MORTGAGOR EXPENSE	Officer's Salaries	7110		
	Legal Expense	7120		
	Federal, State and Other Income Taxes	7130		
	Interest Income	7140		
	Interest on Notes Payable	7141		
	Interest on Mortgage Payable	7142		
	Other Expense	7190		
		Net Entity Expenses	7100	
	NET PROFIT OR (LOSS)	3250		(32,057)
TOTAL	WHEDA First Mortgage	9910		32,427
PRINCIPAL PAYMENTS	Second Mortgage	9911		
	Other Mortgage(s)	9912		
	Reserve releases to reimburse items expensed on this schedule.	9920		0
	Capital expenditures paid from project operations and expensed on this schedule.	9930		

Wisconsin Housing and Economic Development Authority		FORM 800 (Rev.12/05)		
SCHEDULE OF PROFIT AND LOSS for Multifamily Projects				
Project Name: Pheasant Ridge Trail		Project Number: 011/002688		
Period Beginning: 01/01/19 thru: 12/31/19		Year: 2019		
	Description of Account	Acct. No.	Amount	Totals
5100	Rent Revenue - Gross Potential	5120	117,120	
RENTAL	Tenant Assistance Payments	5121		
REVENUE	Rent Revenue - Commercial/Stores @ 100%	5140		
	Rent Revenue - Garage/Parking @ 100%	5170		
	Flexible Subsidy Revenue	5180		
	Miscellaneous Rent Revenue	5190	890	
	Excess Rent	5191		
	Rent Revenue/Insurance	5192		
	Special Claims Revenue	5193		
	Retained Excess Income	5194		
	Total Rent Revenue Potential	5100		118,010
5200	Apartment Vacancies	5220	4,199	
VACANCIES	Stores/Commercial Vacancies or Concessions	5240		
	Rental Concessions	5250	0	
	Garage/Parking Vacancies or Concessions	5270		
	Miscellaneous	5290	55,424	
	Total Vacancies or Concessions	5200		59,623
	Net Rental Revenue (Rent Revenue less Vacancies)	5152		58,387
5300	Total Service Income	5300		0
5400	Financial Revenue - Project Operations	5410		
FINANCIAL	Revenue from Investments-Residual Receipts	5430		
REVENUE	Revenue from Investments-Replacement Reserve	5440	12,557	
	Revenue from Investments-Miscellaneous	5490		
	Total Financial Revenue	5400		12,557
5900	Laundry/Vending Income (Net)	5910		
MISC.	Tenant Charges	5920		
REVENUE	Miscellaneous Revenue	5990	71,694	
	Total Miscellaneous Revenue	5900		71,694
	Total Revenue	5000		142,638
6200	Conventions and Meetings	6203		
RENT	Management Consultants	6204		
EXPENSE	Advertising/Marketing Expense	6210		
	Other Rent Expense	6250	0	
	Total Rent Expense		0	
6300	Office Salaries	6310		
ADMIN.	Office Expenses	6311		
EXPENSES	Office or Model Apartment Rent	6312		
	Management Fee - Residential Rents	6320		
	Management Fee - Commercial Rents	6321		
	Management Fee - Miscellaneous Income	6322		
	Manager/Superintendent Salaries	6330		
	Administrative Rent-free Unit	6331		
	Legal Expense-project only	6340		
	Audit Expense-project only	6350		
	Bookkeeping Fees/Accounting Services	6351		
	Bad Debt Expense	6370	3,568	
	Miscellaneous Administrative Expense	6390	60,478	
	Total Administrative Expense		64,046	
6200 + 6300	Total Rent & Administrative Expense	6263		64,046
6400	Fuel Oil	6420		
UTILITIES	Electricity	6450	6,533	
EXPENSE	Water	6451	1,642	
	Gas	6452	1,478	
	Sewer	6453	1,589	
	Total Utilities Expense	6400		11,242

	Description of Account	Acct. No.	Amount	Totals
6500	Payroll	6510	8,244	
OPERATING & MAINTENANCE EXPENSE	Supplies	6515	89	
	Contracts	6520		
	Operating and Maintenance Rent Free Unit	6521		
	Garbage & Trash Removal	6525	1,944	
	Security Payroll/Contract (incl. taxes and benefits)	6530		
	Security Rent Free Unit	6531		
	Heating/Cooling Repairs & Maintenance	6546	212	
	Snow Removal	6548	300	
	Vehicle/Maintenance Equipment Operation & Repairs	6570	452	
	Misc. Operating & Maintenance Expense	6590	22,284	
	Total Operating & Maintenance Expense	6500		
6900	Total Service Expense	6900		0
6700	Real Estate & Personal Property Taxes	6710	0	
TAXES AND INSURANCE	Payroll Taxes (Project's Share)	6711		
	Property & Liability Insurance (Hazard)	6720	2,452	
	Fidelity Bond Insurance	6721		
	Workmen's Compensation	6722		
	Health Insurance and Other Employee Benefits	6723		
	Miscellaneous Taxes, Licenses, Permits and Insurance	6790		
	Total Taxes and Insurance	6700		
3220	Replacement Reserve Deposits as Required by WHEDA	3220		10,000
	Total Operating Expenses			121,265
	Net Operating Income (NOI)			21,373
6800	Interest on Mortgage Payable	6820	5,913	
FINANCIAL EXPENSE	Interest on Notes Payable (Long Term)	6830		
	Interest on Notes Payable (Short Term)	6840		
	Mortgage Insurance Premium/Service Charge	6850		
	Miscellaneous Financial Expense/Preservation Fee	6890		
	Total Financial Expense	6800		
	Total Expenses of Operations Before Depreciation	6000		127,178
	Profit or (Loss) Before Depreciation	5060		15,460
6600	Depreciation Expense (Total)	6601		29,651
	Amortization Expense	6610		
	Operating Profit or Loss	5060		(14,191)
7100	Officer's Salaries	7110		
CORPORATE OR MORTGAGOR EXPENSE	Legal Expense	7120		
	Federal, State and Other Income Taxes	7130		
	Interest Income	7140		
	Interest on Notes Payable	7141		
	Interest on Mortgage Payable	7142		
	Other Expense	7190		
	Net Entity Expenses	7100		
	NET PROFIT OR (LOSS)	3250		(14,191)
TOTAL	WHEDA First Mortgage	9910		10,631
PRINCIPAL PAYMENTS	Second Mortgage	9911		
	Other Mortgage(s)	9912		
	Reserve releases to reimburse items expensed on this schedule.	9920		0
	Capital expenditures paid from project operations and expensed on this schedule.	9930		

Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters

Board of Directors
Porchlight, Inc. and Subsidiary
Madison, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the consolidated financial statements of Porchlight, Inc. and Subsidiary (a nonprofit organization), which comprise the consolidated statement of financial position as of December 31, 2019, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated October 30, 2020. The financial statements of Porchlight Foundation, Inc. were not audited in accordance with *Government Auditing Standards* and accordingly this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with this entity.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Porchlight, Inc.’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 consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Porchlight, Inc.’s internal control. Accordingly, we do not express an opinion on the effectiveness of Porchlight, Inc.’s internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Porchlight, Inc.'s consolidated 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 Porchlight, Inc.'s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Porchlight, Inc.'s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Wipfli LLP".

Wipfli LLP

October 30, 2020
Madison, Wisconsin

Independent Auditor's Report on Compliance for Each Major Federal and State Program and on Internal Control Over Compliance

Board of Directors
Porchlight, Inc. and Subsidiary
Madison, Wisconsin

Report on Compliance for Each Major Federal and State Program

We have audited Porchlight, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *State Single Audit Guidelines*, issued by the Wisconsin Department of Administration, that could have a direct and material effect on Porchlight, Inc.'s major federal and state programs for the year ended December 31, 2019. Porchlight, Inc.'s major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility for Compliance

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for Porchlight, Inc.'s major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America; 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); and the *State Single Audit Guidelines*, issued by the State of Wisconsin Department of Administration. Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about Porchlight, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal and state programs. However, our audit does not provide a legal determination on Porchlight, Inc.'s compliance.

Opinion on Each Major Federal and State Program

In our opinion, Porchlight, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal and state programs for the year ended December 31, 2019.

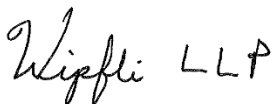
Report on Internal Control Over Compliance

Management of Porchlight, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Porchlight, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on a major federal or state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Porchlight, Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state 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 or state 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 or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

Handwritten signature of Wipfli LLP in black ink.

Wipfli LLP

October 30, 2020
Madison, Wisconsin

Porchlight, Inc. and Subsidiary

Schedule of Findings and Questioned Costs

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued?	Unmodified
Internal control over financial reporting:	
Material weakness identified?	No
Significant deficiencies identified?	No
Noncompliance material to financial statements noted?	No

Federal and State Awards

Internal control over major federal and state programs:	
Material weaknesses identified?	No
Significant deficiencies identified?	No
Type of auditor's report issued on compliance for major program	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance [2 CFR 200.516(a)] or <i>State Single Audit Guidelines</i> , as applicable?	No

Identification of major federal and state programs:

<u>Name of Federal Major Program or Cluster</u>	<u>CFDA No.</u>
U.S. Department of Housing and Urban Development Continuum of Care Program	14.267

<u>Name of State Major Program</u>
Dane County Department of Human Services, Homeless Grant

Dollar threshold used to distinguish between Type A and Type B programs:	
Federal	\$750,000
State	\$250,000
Auditee qualified as low-risk auditee?	Yes

Section II - Financial Statement Findings

None

Porchlight, Inc. and Subsidiary

Schedule of Findings and Questioned Costs

Section III - Federal and State Award Findings and Questioned Costs

None

Section IV - Summary Schedule of Prior Year Findings

None

Section V - Other Issues

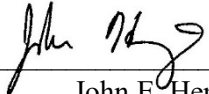
Does the auditor's report or the notes to the financial statements include Disclosure with regard to substantial doubt as to the auditee's ability to Continue as a going concern? No

Does the audit report show audit issues related to grants/contracts with Funding agencies that require audits to be in accordance with the *State Single Audit Guidelines*?

Department of Health Services	No
Department of Administration	No

Was a management letter or other document conveying audit comments issued as a result of this audit? No

Name and signature of partner in charge



John E. Hemming, CPA

Date of report

October 30, 2020