

Porchlight, Inc. and Subsidiary

Madison, Wisconsin

Consolidated Financial
Statements and Supplementary
Information

Year Ended December 31, 2024



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Porchlight, Inc. and Subsidiary
Consolidated Financial Statements and Supplementary Information
Year Ended December 31, 2024

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Independent Auditor's Report

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

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

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, 2024, 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.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the consolidated financial statements present fairly, in all material respects, the financial position of Porchlight, Inc. and Subsidiary as of December 31, 2024, 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 of America.

Basis for Qualified Opinion

We were unable to obtain sufficient appropriate audit evidence to substantiate the existence, valuation and accuracy of grants receivable and the allocation and classification of revenues and expenses in the accompanying consolidated financial statements. Consequently, we were unable to determine whether any adjustments to grants receivable, revenue, and expense amounts were necessary.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Porchlight, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion. The financial statements of Porchlight Foundation, Inc., a subsidiary of Porchlight, Inc., were not audited in accordance with *Government Auditing Standards*.

Responsibilities of Management for the Consolidated 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 of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of Management for the *Consolidated Financial Statements (continued)*

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

"Wipfli" is the brand name under which Wipfli LLP and Wipfli Advisory LLC and its respective subsidiary entities provide professional services. Wipfli LLP and Wipfli Advisory LLC (and its respective subsidiary entities) practice in an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable law, regulations, and professional standards. Wipfli LLP is a licensed independent CPA firm that provides attest services to its clients, and Wipfli Advisory LLC provides tax and business consulting services to its clients. Wipfli Advisory LLC and its subsidiary entities are not licensed CPA firms.

Supplementary Information

Our audit was performed 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 Single Audit Guidelines*, issued by the Wisconsin Department of Administration, and the supplementary information appearing on pages 23-48 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 not been subjected to the auditing procedures applied in the audit of the consolidated financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 5, 2026, 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.

The logo for Wipfli LLP, featuring the name "Wipfli LLP" in a stylized, handwritten-style font.

Wipfli LLP

March 5, 2026

Madison, Wisconsin

Porchlight, Inc. and Subsidiary

Consolidated Statement of Financial Position

December 31, 2024

Assets	
Current assets:	
Cash and cash equivalents	\$ 127,262
Investments	4,063,760
Grants receivable	1,188,864
Accounts receivable, net of allowance for credit losses \$15,600	149,860
Inventory	6,115
Prepaid expenses	69,886
Total current assets	5,605,747
Other assets:	
WHEDA reserves	349,078
Certificates of deposit	1,028,791
Total other assets	1,377,869
Property and equipment, net	14,002,503
TOTAL ASSETS	\$ 20,986,119
Liabilities and Net Assets	
Current liabilities:	
Current portion of mortgages payable	\$ 81,999
Current portion of deferred loans payable	14,667
Accounts payable	135,283
Accrued payroll and related expenses	103,860
Deferred revenue	77,838
Total current liabilities	413,647
Long-term liabilities:	
Deferred loans payable	1,980,327
Mortgages payable	603,071
Total long-term liabilities	2,583,398
Total liabilities	2,997,045
Net assets:	
Without donor restrictions	17,989,074
With donor restrictions	0
Total net assets	17,989,074
TOTAL LIABILITIES AND NET ASSETS	\$ 20,986,119

Porchlight, Inc. and Subsidiary

Consolidated Statement of Activities Year Ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue:			
Grant revenue	\$ 3,884,335	\$ 0	\$ 3,884,335
Investment gain, net	599,015	0	599,015
Contributions	3,967,288	0	3,967,288
Rental income	1,214,784	0	1,214,784
Program fees	3,147	0	3,147
Miscellaneous	34,797	0	34,797
Net assets released from restriction	300,000	(300,000)	0
Total revenue	10,003,366	(300,000)	9,703,366
Program expenses:			
Homeless men's drop-in shelter	2,679,830	0	2,679,830
Safe Haven	604,142	0	604,142
Housing	3,914,062	0	3,914,062
Brooks Street	935,010	0	935,010
Total program expenses	8,133,044	0	8,133,044
Management and general	1,374,393	0	1,374,393
Fundraising	105,906	0	105,906
Total management and general, and fundraising	1,480,299	0	1,480,299
Total expenses	9,613,343	0	9,613,343
Change in net assets	390,023	(300,000)	90,023
Net assets - Beginning of the year	17,599,051	300,000	17,899,051
Net assets - End of the year	\$ 17,989,074	\$ 0	\$ 17,989,074

Porchlight, Inc. and Subsidiary

Consolidated Statement of Functional Expenses

Year Ended December 31, 2024

	Homeless Men's Drop-In Shelter	Safe Haven	Housing	Brooks Street	Total Program Activities	Management and General Expenses	Fundraising	Total Expenses
EXPENSES								
Salaries & wages	\$ 606,057	\$ 258,652	\$ 1,213,711	\$ 185,174	\$ 2,263,594	\$ 608,352	\$ 55,136	\$ 2,927,082
Taxes	59,525	34,948	85,711	8,987	189,171	26,401	2,258	217,830
Fringe benefits	69,007	17,583	106,790	22,183	215,563	52,211	3,116	270,890
Supplies and other operating	85,745	16,462	75,709	72,394	250,310	175,870	0	426,180
Maintenance	44,675	147,665	1,012,322	116,200	1,320,862	0	0	1,320,862
Food and service	1,322,724	36,036	232,867	82,368	1,673,995	0	0	1,673,995
Utilities	80,740	19,197	325,094	100,796	525,827	0	0	525,827
Provision for credit losses	0	0	331	0	331	0	0	331
Depreciation	35,620	32,738	379,378	89,294	537,030	0	0	537,030
Insurance	11,198	5,526	159,743	44,857	221,324	0	0	221,324
Rent	0	0	126,225	0	126,225	0	0	126,225
Interest	0	0	12,633	212,757	225,390	0	0	225,390
Direct assistance	364,539	35,335	183,548	0	583,422	0	0	583,422
Professional fees	0	0	0	0	0	511,559	0	511,559
Promotions	0	0	0	0	0	0	45,396	45,396
TOTAL EXPENSES	\$ 2,679,830	\$ 604,142	\$ 3,914,062	\$ 935,010	\$ 8,133,044	\$ 1,374,393	\$ 105,906	\$ 9,613,343

Porchlight, Inc. and Subsidiary

Consolidated Statement of Cash Flows

Year Ended December 31, 2024

Increase (decrease) in cash, cash equivalents and restricted cash:	
Cash flows from operating activities:	
Change in net assets	\$ 90,023
Adjustments to reconcile change in net assets to net cash from operating expenses:	
Depreciation	537,030
Provision for credit losses	331
Net realized and unrealized gain on investments	(383,114)
Non-cash contribution on forgiveness of deferred loan payable	(14,668)
Changes in operating assets and liabilities:	
Grants receivable	354,442
Accounts receivable	70,754
Promises to give	300,000
Inventory	1,952
Prepaid expenses	36,520
Accounts payable	(435,433)
Accrued payroll and related expenses	(188,174)
Deferred revenue	6,298
Net cash from operating expenses	375,961
Cash flows from investing activities:	
Proceeds from maturity of certificates of deposit	1,627,516
Purchase of certificates of deposit	(1,231,876)
Net proceeds from sales of investments	2,690,852
Collections of land contract receivable	14,757
Purchase of investments	(1,867,967)
Purchase of property and equipment	(1,794,793)
Net cash from investing activities	(561,511)
Cash flows from financing activities:	
Principal payments on mortgages payable	(108,114)
Repayment of deferred loans payable	(1,065,961)
Net cash from financing activities	(1,174,075)
Change in cash, cash equivalents and restricted cash	(1,359,625)
Cash, cash equivalents and restricted cash - Beginning of the year	1,835,965
Cash, cash equivalents and restricted cash - End of the year	\$ 476,340
Supplemental schedule of other cash activity:	
Interest paid and expensed	\$ 225,390
Reconciliation of cash, cash equivalents and restricted cash at December 31, 2024:	
Cash and cash equivalents	\$ 127,262
Restricted reserves	349,078
Total cash, cash equivalents and restricted cash	\$ 476,340

Porchlight, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 1: Summary of Significant Accounting Policies

Nature of Operations

Porchlight, Inc. (“Porchlight”) 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. (“Foundation”) 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.

Principles of Consolidation

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

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 of America.

Use of Estimates

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

Cash and Cash Equivalents

The Organizations consider all money market accounts to be cash equivalents.

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.

Porchlight, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Accounts Receivable and Allowance for Credit Losses

Accounts receivable consists of receivables for rent, contributions, and amounts owed to the Organizations from various sources. The Organizations analyze the receivables and record an allowance for credit losses based on historical loss experience, current receivables aging, specific customer attributes, and management's assessment of current conditions and expected changes during a reasonable and supportable forecast period. When all collection efforts have been exhausted, the Organizations write off receivables against the allowance for credit losses.

Activity on allowance for credit losses is as follows:

Allowance for credit losses at January 1, 2024	\$	294,461
Credit write-offs		331
Credit recoveries		(279,192)
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Allowance for credit losses at December 31, 2024	\$	15,600

Any estimated uncollectible amounts are generally considered implicit price concessions that directly reduce accounts receivable. Changes to the estimate of the transaction price are generally recorded as adjustments to the revenue in the period of the change. Subsequent changes that are determined to be the result of an adverse change in the payer's ability to the result of an adverse change in the payer's ability to pay are recorded as provisions for credit losses.

Inventory

Inventory consists of canned and preserved artisan products. Inventories as of December 31, 2024, 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.

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. Estimated useful lives range from 5 to 40 years for building and improvements, and 5 to 20 years for equipment.

Property and equipment purchased with grant funds are owned by Porchlight 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 \$835,213 at December 31, 2024.

Porchlight, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Classification of Net Assets

Net assets and revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization 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.

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 identification 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. Contributions that are restricted by the donor or grantor are reported as increases in net assets without donor restrictions if the restrictions expire in the year in which the contributions are recognized.

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

Porchlight, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Revenue Recognition/Refundable Advance Liability (Continued)

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

A. Grant Awards That Are Contributions

Grant awards that are contributions are evaluated for conditions and recognized as revenue when conditions in the award are satisfied. Unconditional awards are recognized as revenue when the award is received. Amounts received in which conditions have not been met are reported as a refundable advance liability.

B. Grant Awards That Are Exchange Transactions

Exchange transactions are those in which the resource provider or grantor receives a commensurate value in exchange for goods or services transferred. Revenue is recognized when control of the promised goods or services is transferred to the customer (grantor) in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Amounts received in excess of recognized revenue are reflected as deferred revenue in the consolidated statement of financial position, if any.

Rental Income

Rental income represents income received from various sources for use of property or space owned by Porchlight. This income is recognized monthly over the lease term. All leases with tenants are operating leases and are 12 months or less, with terms ending throughout the fiscal year.

Income Taxes

Porchlight and the Foundation 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.

Porchlight, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Subsequent Events

Subsequent events have been evaluated through March 5, 2026, which is the date the consolidated financial statements were available to be issued.

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. Management believes these financial institutions have strong credit ratings and are not exposed to any significant on their cash and cash equivalents.

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

Note 3: Investments

Investments consist of the following:

	Porchlight	Foundation	Total
Equity and fixed income funds			
Domestic equity securities	\$ 1,281,934	\$ 318,285	\$ 1,600,219
International equity securities	531,658	125,628	657,286
Fixed Income mutual funds	1,018,937	268,839	1,287,776
Complement mutual funds	518,479	0	518,479
Investment balance	\$ 3,351,008	\$ 712,752	\$ 4,063,760

Investment gain for the year consists of the following:

	Porchlight	Foundation	Total
Dividend income	\$ 202,710	\$ 13,191	\$ 215,901
Net realized gain	24,925	5,950	30,875
Unrealized gain	298,348	53,891	352,239
Total	\$ 525,983	\$ 73,032	\$ 599,015

Porchlight, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 4: Fair Value Measurements

In accordance with accounting principles generally accepted in the United States of America, 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. Currently, the Organizations do not have any level 3 investments.

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.

Information regarding the fair value of assets measured at fair value on a recurring basis as of December 31, 2024, is as follows:

	Assets Measured at Fair Value	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	\$ 1,600,219	\$ 1,600,219	\$ 0	\$ 0
International equity securities	657,286	657,286	0	0
Fixed income mutual funds	1,287,776	1,287,776	0	0
Complement mutual funds	518,479	518,479	0	0
Total Assets	\$ 4,063,760	\$ 4,063,760	\$ 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, fixed income and complement funds are based on quoted market prices.

Porchlight, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 5: Grants Receivable

The grants receivable represents the following amounts due from the various funding sources as of December 31, 2024:

U.S. Department of Housing & Urban Development	\$ 140,860
U.S. Department of Veterans Affairs	40,109
County of Dane	405,450
Other	5,201
City of Madison	597,244
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Total	\$ 1,188,864

Note 6: WHEDA Reserves

The Wisconsin Housing and Economic Development Authority (WHEDA) reserves of \$349,078 in escrow represent an operating deficit reserve of \$6,700 and replacement reserves of \$342,378 associated with Porchlight's WHEDA mortgages (see Note 10). These funds will remain with WHEDA until Porchlight requests to use the funds and the use is approved by WHEDA.

Note 7: Land Contract Receivable

In 2012, Porchlight sold a portion of donated property by executing a land contract. The remaining land contract receivable balance was collected during the year ended December 31, 2024.

Note 8: Property and Equipment

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

Land	\$ 3,125,903
Buildings	17,584,035
Building improvements	3,076,615
Equipment	830,437
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Total cost	24,616,990
Accumulated depreciation	(10,614,487)
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Property and equipment, net	\$ 14,002,503

Porchlight, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 9: 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 exception of East Mifflin Street. The forgivable portion of the East Mifflin Street loan with the County of Dane is to be forgiven at the end of a 15-year period. 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.

Porchlight, Inc. fully paid off their deferred loans payable related to Brooks Street in 2024.

Deferred loans payable consists of the following:

<u>CDBG deferred funds</u>	
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
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
 <u>CDBG and County of Dane deferred forgivable loans:</u>	
East Mifflin Street	200,200
Sunfield Street	102,661
<hr/>	
Total deferred loans payable	1,994,994
Current portion	(14,667)
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Long-term portion	\$ 1,980,327
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Porchlight, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 10: Mortgages Payable

Porchlight, Inc. has the following mortgages payable at December 31, 2024:

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.	\$ 173,400
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.	95,806
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.	30,154
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.	6,593
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.	3,617
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
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	685,070
Current mortgages payable	(81,999)
Long-term mortgages payable	\$ 603,071

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	

Porchlight, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 10: Mortgages Payable (Continued)

Future maturities are as follows:

<i>Year</i>	Amount
2025	\$ 81,999
2026	84,695
2027	85,222
2028	85,764
2029	86,318
Thereafter	261,072
<hr/>	
Total	\$ 685,070

Note 11: 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, 2024 were \$54,681.

Note 12: Contingencies

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

CDBG-Deferred Loans

As mentioned in Note 9, Porchlight, Inc. has 12 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 condition.

The deferred loan agreement of \$12,500 for Northport Drive and \$25,000 Sinykin Circle includes a further donor condition 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 condition 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.

Porchlight, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 12: Contingencies (Continued)

The deferred loan agreement of \$82,731 for North Midvale includes a donor condition 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 condition 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 condition 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 condition 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 condition 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.

The deferred loan agreement of \$265,669 for Nakoosa Trail includes a donor condition 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 condition 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 \$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 conditions. Therefore, no liability has been recorded on the consolidated statement of financial position.

Porchlight, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 13: 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, 2024 was \$57,239 and \$1,157,545. Future minimum commercial income is as follows:

<i>Year</i>	<i>Amount</i>
2025	\$ 58,845
2026	59,469
2027	32,507
2028	33,157
Total	\$ 183,978

A summary of rental property is as follows:

	Rental Property
Land	\$ 3,125,903
Buildings	17,947,513
Building improvements	2,686,525
Equipment	617,671
Total Cost	24,377,612
Accumulated depreciation	(10,033,722)
Rental property, net	\$ 14,343,890

Note 14: Lease Commitments - Lessee

Porchlight leases various facilities and equipment for operation of its programs that are classified as short-term leases under ASU No. 2016-02 - *Leases*.

Porchlight, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 15: Liquidity and Availability of Financial Resources

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, are comprised of the following at December 31, 2024:

	<u>Porchlight</u>	<u>Foundation</u>	<u>Total</u>
Cash and cash equivalents	\$ 68,248	\$ 59,014	\$ 127,262
Grants receivable	1,188,864	0	1,188,864
Accounts receivable, net	149,860	0	149,860
Investments	3,351,008	712,752	4,063,760
Less:			
Accounts payable designated for grant expenditures	(135,283)	0	(135,283)
Accrued payroll designated for grant expenditures	(103,860)	0	(103,860)
Deferred revenue	(77,838)	0	(77,838)
Total	\$ 4,440,999	\$ 771,766	\$ 5,212,765

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. The Organizations invest 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.

Note 16: Net Assets with Donor Restrictions

Net assets with donor restrictions available as of December 31, 2024, was \$0. When restrictions are met, net assets are released from restriction and reported as net assets without donor restrictions. \$300,000 of net assets with donor restrictions were released from restrictions as a result of satisfying a time restriction.

Supplementary Information

Porchlight, Inc. and Subsidiary

Schedule A-1

Schedule of Expenditures of Federal Awards and Other Financial Assistance

Year Ended December 31, 2024

AL Number	Program Name	Federal Grantor/ Pass-Through Agency	Program Period	Project Number	Grant Award	12/31/2023	12/31/2023		Revenue		12/31/2024	
						Refundable Advance Liability	Net Assets	Award/Funds Recognized	Other Revenue & Transfers	Total Revenue Recognized		Expenses
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT												
14.231	COVID-19 Drop-in Shelter	City of Madison	01/01/24-09/15/24	JK004-ESG-CV-2024	\$247,284	\$0	\$0	\$247,284	\$0	\$247,284	(\$247,284)	\$0
14.231	Drop-in Shelter Case Management	City of Madison	10/01/24-09/30/25	JK004-WISESG-2024	6,183	0	0	6,183	0	6,183	(6,183)	0
	Total AL #14.231 Emergency Shelter Grant Program					0	0	253,467	0	253,467	(253,467)	0
14.267	Coordinated Entry - Operations	U.S. Dept. of HUD	05/01/24-04/30/25	WI0211L5I032306	5,800	0	0	5,800	0	5,800	(5,800)	0
14.267	Coordinated Entry - Administrative	U.S. Dept. of HUD	05/01/24-04/30/25	WI0211L5I032306	2,920	0	0	2,920	0	2,920	(2,920)	0
14.267	Coordinated Entry - Case Management	U.S. Dept. of HUD	05/01/24-04/30/25	WI0211L5I032306	58,300	0	0	58,300	0	58,300	(58,300)	0
14.267	Coordinated Entry - Operations	U.S. Dept. of HUD	05/01/23-04/30/24	WI0211L5I032205	5,800	0	0	5,800	0	5,800	(5,800)	0
14.267	Coordinated Entry - Administrative	U.S. Dept. of HUD	05/01/23-04/30/24	WI0211L5I032205	2,920	0	0	2,920	0	2,920	(2,920)	0
14.267	Coordinated Entry - Case Management	U.S. Dept. of HUD	05/01/23-04/30/24	WI0211L5I032205	47,500	0	0	47,500	0	47,500	(47,500)	0
	Subtotals					0	0	123,240	0	123,240	(123,240)	0
14.267	Housing First Leasing Project - Operating	U.S. Dept. of HUD	08/01/23-07/31/24	WI0091L5I032215	4,681	0	0	4,681	0	4,681	(4,681)	0
14.267	Housing First Leasing Project - Support Services	U.S. Dept. of HUD	08/01/23-07/31/24	WI0091L5I032215	19,150	0	0	19,150	0	19,150	(19,150)	0
14.267	Housing First Leasing Project - Leasing	U.S. Dept. of HUD	08/01/23-07/31/24	WI0091L5I032215	126,409	0	0	126,409	0	126,409	(126,409)	0
14.267	Housing First Leasing Project - Administrative	U.S. Dept. of HUD	08/01/23-07/31/24	WI0091L5I032215	5,823	0	0	5,823	0	5,823	(5,823)	0
14.267	Housing First Leasing Project - Operating	U.S. Dept. of HUD	08/01/24-07/31/25	WI0091L5I032316	5,149	0	0	5,149	0	5,149	(5,149)	0
14.267	Housing First Leasing Project - Support Services	U.S. Dept. of HUD	08/01/24-07/31/25	WI0091L5I032316	19,150	0	0	19,150	0	19,150	(19,150)	0
14.267	Housing First Leasing Project - Leasing	U.S. Dept. of HUD	08/01/24-07/31/25	WI0091L5I032316	139,050	0	0	139,050	0	139,050	(139,050)	0
14.267	Housing First Leasing Project - Administrative	U.S. Dept. of HUD	08/01/24-07/31/25	WI0091L5I032316	5,823	0	0	5,823	0	5,823	(5,823)	0
	Subtotals					0	0	325,235	0	325,235	(325,235)	0
14.267	HOSTS - Operating	U.S. Dept. of HUD	01/01/24-12/31/24	WI0095L5I032215	90,451	0	0	90,451	0	90,451	(90,451)	0
14.267	HOSTS - Support	U.S. Dept. of HUD	01/01/24-12/31/24	WI0095L5I032215	127,070	0	0	127,070	0	127,070	(127,070)	0
14.267	HOSTS - Administration	U.S. Dept. of HUD	01/01/24-12/31/24	WI0095L5I032215	6,047	0	0	6,047	0	6,047	(6,047)	0
	Subtotals					0	0	223,568	0	223,568	(223,568)	0
	Total AL #14.267 Continuum of Care Program					0	0	672,043	0	672,043	(672,043)	0
DEPARTMENT OF TREASURY												
21.027	COVID-19 American Rescue Plan Not For Profit CFR 200.332	City of Madison Contract	01/01/24-12/31/24	JK004 2024	1,600,000	0	0	1,600,000	0	1,600,000	(1,600,000)	0
21.027	COVID-19 American Rescue Plan Not For Profit	Dane County	01/01/24-12/31/24		231,005	0	0	231,005	0	231,005	(231,005)	0
	Total AL #21.027 Coronavirus State and Local Fiscal Recovery Funds Program					0	0	1,831,005	0	1,831,005	(1,831,005)	0
	Total Federal Programs					\$0	\$0	\$2,756,515	\$0	\$2,756,515	(\$2,756,515)	\$0

Porchlight, Inc. and Subsidiary

Schedule A-2

Schedule of Expenditures of Federal Awards and Other Financial Assistance

Year Ended December 31, 2024

AL Number	Program Name	Federal Grantor/ Pass-Through Agency	Program Period	Project Number	Grant Award	12/31/2023 Refundable Advance Liability	12/31/2023 Net Assets	Revenue			12/31/2024 Net Assets	
								Award/Funds Recognized	Other Revenue & Transfers	Total Revenue Recognized		Expenses
STATE AND LOCAL PROGRAMS												
N/A	Permanent Housing Case Management	City of Madison	01/01/24-12/31/24	JD 006 2024 (MADGPR24)	\$160,000	\$0	\$0	\$160,000	\$0	\$160,000	(\$160,000)	\$0
N/A	Transportation Assistance Grant	City of Madison	01/01/24-12/31/24	JD 014 2024 (MADGPR24)	55,275	0	0	55,275	0	55,275	(55,275)	0
N/A	Emergency Overnight Shelter Men	County of Dane	01/01/24-12/31/24	87295-8066 & 8233	527,088	0	0	527,088	0	527,088	(527,088)	0
N/A	Housing Services (Brooks St)	County of Dane	01/01/24-12/31/24	87295-9219	35,317	0	0	35,317	0	35,317	(35,317)	0
N/A	School Road CBRF	County of Dane	01/01/24-12/31/24	87296-11082	265,258	0	0	265,258	0	265,258	(265,258)	0
N/A	Safe Haven - Outreach	County of Dane	01/01/24-12/31/24	87296- 13358	197,402	0	0	197,402	0	197,402	(197,402)	0
N/A	Safe Haven - Crisis Stabilization	County of Dane	01/01/24-12/31/24	87296-12559	161,879	0	0	153,905	0	153,905	(153,905)	0
N/A	Housing Operations	United Way of Dane County	01/01/24-12/31/24	N/A	37,400	0	0	37,400	0	37,400	(37,400)	0
N/A	DIGS	United Way of Dane County	01/01/24-12/31/24	N/A	35,000	0	0	35,000	0	35,000	(35,000)	0
N/A	State Shelter Subsidy Grant	State of WI-Dept. of Admin	01/01/24-12/31/24	SSSG 23-34	151,000	0	0	151,000	0	151,000	(151,000)	0
GENERALLY ACCEPTED ACCOUNTING PRINCIPLE (GAAP) ADJUSTMENTS												
N/A	Grant-Funded Property & Equipment	N/A	N/A	N/A	N/A	0	882,762	0	0	0	(47,549)	835,213
Total State and Local Programs and GAAP Adjustments						0	882,762	1,617,645	0	1,617,645	(1,665,194)	835,213
Total Federal, State, and Local Programs						0	882,762	4,374,160	0	4,374,160	(4,421,709)	835,213
N/A	Organizational Activities	N/A	N/A	N/A	N/A	0	17,016,289	0	5,329,206	5,329,206	(5,191,634)	17,153,861
TOTALS						\$0	\$17,899,051	\$4,374,160	\$5,329,206	\$9,703,366	(\$9,613,343)	\$17,989,074

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, 2024. 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, 2024.

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, 2024

<i>Assets</i>	Porchlight, Inc.	Porchlight Foundation, Inc.	Total
Current assets:			
Cash and cash equivalents	\$ 68,248	\$ 59,014	\$ 127,262
Investments	3,351,008	712,752	4,063,760
Grants receivable	1,188,864	0	1,188,864
Accounts receivable, net	149,860	0	149,860
Inventory	6,115	0	6,115
Prepaid expenses	69,886	0	69,886
Total current assets	4,833,981	771,766	5,605,747
Other assets:			
WHEDA reserves	349,078	0	349,078
Certificates of deposit	1,028,791	0	1,028,791
Total other assets	1,377,869	0	1,377,869
Property and equipment, net	14,002,503	0	14,002,503
TOTAL ASSETS	\$ 20,214,353	\$ 771,766	\$ 20,986,119
<i>Liabilities and Net Assets</i>			
Current liabilities:			
Current portion of mortgages payable	\$ 81,999	\$ 0	\$ 81,999
Current portion of deferred loans payable	14,667	0	14,667
Accounts payable	135,283	0	135,283
Accrued payroll and related expenses	103,860	0	103,860
Deferred revenue	77,838	0	77,838
Total current liabilities	413,647	0	413,647
Long-term liabilities:			
Deferred loans payable	1,980,327	0	1,980,327
Mortgages payable	603,071	0	603,071
Total long-term liabilities	2,583,398	0	2,583,398
Total liabilities	2,997,045	0	2,997,045
Net assets:			
Without donor restrictions	17,217,308	771,766	17,989,074
With donor restrictions	0	0	0
Total net assets	17,217,308	771,766	17,989,074
TOTAL LIABILITIES AND NET ASSETS	\$ 20,214,353	\$ 771,766	\$ 20,986,119

Porchlight, Inc. and Subsidiary

Consolidating Statement of Activities
Year Ended December 31, 2024

	Porchlight, Inc.			Porchlight Foundation, Inc.			Total
	Without Donor Restrictions	With Donor Restrictions	Subtotal	Without Donor Restrictions	With Donor Restrictions	Subtotal	
Revenue:							
Grant revenue	3,884,335	\$ 0	\$ 3,884,335	\$ 0	\$ 0	\$ 0	\$ 3,884,335
Investment gain, net	525,983	0	525,983	73,032	0	73,032	599,015
Contributions	3,967,288	0	3,967,288	0	0	0	3,967,288
Rental income	1,214,784	0	1,214,784	0	0	0	1,214,784
Program fees	3,147	0	3,147	0	0	0	3,147
Miscellaneous	34,797	0	34,797	0	0	0	34,797
Net assets released from restriction	300,000	(300,000)	0	0	0	0	0
Total revenue	9,930,334	(300,000)	9,630,334	73,032	0	73,032	9,703,366
Program expenses:							
Homeless men's drop-in shelter	2,679,830	0	2,679,830	0	0	0	2,679,830
Safe Haven	604,142	0	604,142	0	0	0	604,142
Housing	3,914,062	0	3,914,062	0	0	0	3,914,062
Brooks Street	935,010	0	935,010	0	0	0	935,010
Total program expenses	8,133,044	0	8,133,044	0	0	0	8,133,044
Management and general	1,374,393	0	1,374,393	0	0	0	1,374,393
Fundraising	105,906	0	105,906	0	0	0	105,906
Total management, general, and fundraising	1,480,299	0	1,480,299	0	0	0	1,480,299
Total expenses	9,613,343	0	9,613,343	0	0	0	9,613,343
Change in net assets	316,991	(300,000)	16,991	73,032	0	73,032	90,023
Net assets - Beginning of the year	16,900,317	300,000	17,200,317	698,734	0	698,734	17,899,051
Net assets - End of the year	\$ 17,217,308	\$ 0	\$ 17,217,308	\$ 771,766	\$ 0	\$ 771,766	\$ 17,989,074

Porchlight, Inc. and Subsidiary

Schedule B

Schedule of Revenue and Expenses by Funding Source and by Contract

Year Ended December 31, 2024

	Revenue Source							
	Emergency Overnight Shelter Men			Housing Services	School Road CBRF	Safe Haven Crisis Stabilization	Safe Haven Outreach	Total Programs
	State of Wisconsin		Total	Dane County	Dane County	Dane County	Dane County	
	Dane County	Wisconsin						
Total Revenue	\$ 402,588	\$ 0	\$ 402,588	\$ 35,317	\$ 281,257	\$ 161,879	\$ 197,402	\$ 1,078,443
EXPENSES								
Program expenses:								
Personnel	292,962	0	292,962	35,317	151,764	110,191	165,302	755,535
Operating	21,113	0	21,113	0	0	513	0	21,626
Space	2,667	0	2,667	0	50,394	34,487	0	87,548
Special costs	0	0	0	0	64,907	16,637	19,845	101,390
Other expense	0	0	0	0	125	92	10,293	10,510
Total program expenses	316,742	0	316,742	35,317	267,190	161,920	195,440	976,610
Administrative expenses:								
Personnel	57,802	0	57,802	0	10,094	0	0	67,895
Operating	27,913	0	27,913	0	3,973	0	0	31,886
Space	0	0	0	0	0	0	0	0
Special costs	0	0	0	0	0	0	0	0
Other expense	0	0	0	0	0	0	0	0
Total administrative expenses	85,715	0	85,715	0	14,067	0	0	99,782
Total Expenses	402,457	0	402,457	35,317	281,257	161,920	195,440	1,076,392
EXCESS OF REVENUE OVER EXPENSES	\$ 131	\$ 0	\$ 131	\$ 0	\$ 0	(\$ 41)	\$ 1,962	\$ 2,051

Porchlight, Inc. and Subsidiary

Dane County Department of Human Services Provider Agency Expense Report Year Ended December 31, 2024

DANE COUNTY DEPARTMENT OF HUMAN SERVICES

PROVIDER AGENCY EXPENSE REPORT THROUGH:

December 31, 2024

Provider Name:	Porchlight, Inc.	Contract #:	86893	*Provider Certified By:	10/7/2025
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	276,060	43,692	234,953	278,644	276,060	
Taxes	21,533	4,089	24,506	28,595	21,533	
Benefits	48,606	10,021	33,504	43,525	48,606	
Subtotal A	346,199	57,802	292,962	350,764	346,199	1.32%
B. OPERATING						
Insurance	1,498		0	0	1,498	
Professional Fees	0				0	
Audit	13,161	27,913		27,913	13,161	
Data Processing Fees	0				0	
Postage, Office, and Program Supplies	12,840		18,991	18,991	12,840	
Equipment/Furnishings	10,700		2,667	2,667	10,700	
Depreciation	0				0	
Telephone	2,140		2,122	2,122	2,140	
Training/Conference	0				0	
Food/Household Supplies	0				0	
Auto Allowance	0	131			0	
Vehicle Costs	0				0	
Other1: Sanitization & Security	16,050		0	0	16,050	
Subtotal B	56,389	28,044	23,780	51,693	56,389	-8.33%
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	402,588	85,846	316,742	402,457	402,588	-0.03%

*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, 2024

DANE COUNTY DEPARTMENT OF HUMAN SERVICES

PROVIDER AGENCY EXPENSE REPORT THROUGH:

December 31, 2024

Provider Name:	Porchlight, Inc.	Contract #:	86893	Provider Certified By:	10/7/2025
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	29,740		29,668	29,668	29,740	
Taxes	2,333		2,608	2,608	2,333	
Benefits	3,245		3,041	3,041	3,245	
Subtotal A	35,317	0	35,317	35,317	35,317	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	35,317	0	35,317	35,317	35,317	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, 2024

DANE COUNTY DEPARTMENT OF HUMAN SERVICES

PROVIDER AGENCY EXPENSE REPORT THROUGH:

December 31, 2024

Provider Name:		Porchlight, Inc.	Contract #:		86894	*Provider Certified By:		10/7/2025
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	118,015	8,231	113,284	121,515	118,015			
Taxes	8,947	703	10,809	11,513	8,947			
Benefits	31,322	1,160	27,670	28,829	31,322			
Subtotal A	158,284	10,094	151,764	161,857	158,284	2.26%		
B. OPERATING								
Insurance	0	0		0	0			
Professional Fees	535	655		655	535			
Audit	1,819	137		137	1,819			
Data Processing Fees	0				0			
Postage, Office, and Program Supplies	1,977	2,884		2,884	1,977			
Equipment/Furnishings	0			0	0			
Depreciation	0				0			
Telephone	1,712	297		297	1,712			
Training/Conference	2,140		125	125	2,140			
Food/Household Supplies	60,989	0	64,907	64,907	60,989			
Auto Allowance	0			0	0			
Vehicle Costs	0				0			
Other1: misc & bad debts	0				0			
Subtotal B	69,172	3,973	65,032	69,005	69,172	-0.24%		
C. SPACE								
Rent								
Utilities	8,881		6,210	6,210	8,881			
Maintenance	44,921		44,185	44,185	44,921			
Mortgage Interest, Depreciation	0			0	0			
Property Taxes					0			
Subtotal C	53,802	0	50,394	50,394	53,802	-6.33%		
D. SPECIAL COSTS								
Assistance to Individuals				0	0			
Subtotal D	0	0	0	0	0			
E. OTHER								
Other2:					0			
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		0			
Private Pay (Trust Funds, etc.)	0		0		0			
Cost Share	0		0		0			
Other	0		0		0			
Subtotal F	0	0	0	0	0			
TOTAL A THROUGH F	281,258	14,067	267,190	281,257	281,258	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, 2024

DANE COUNTY DEPARTMENT OF HUMAN SERVICES

PROVIDER AGENCY EXPENSE REPORT THROUGH:

December 31, 2024

Provider Name:	Porchlight, Inc.	Contract #:	86894	*Provider Certified By:		Date	10/7/2025
Program Name:	Safe Haven Crisis Stabilization	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	83,674		96,925	96,925	83,674		
Taxes	6,420		9,549	9,549	6,420		
Benefits	19,158		3,716	3,716	19,158		
Subtotal A	109,253	0	110,191	110,191	109,253	0.86%	
B. OPERATING							
Insurance	0			0	0		
Professional Fees	0			0	0		
Audit	0			0	0		
Data Processing Fees	0			0	0		
Postage, Office, and Program Supplies	963		6,403	6,403	963		
Equipment/Furnishings	0			0	0		
Depreciation	0			0	0		
Telephone	1,177		445	445	1,177		
Training/Conference	1,070			0	1,070		
Food/Household Supplies	0			0	0		
Auto Allowance	0			0	0		
Vehicle Costs	0			0	0		
Other1: misc & Clinical supervision	4,280		-	0	4,280		
Subtotal B	7,490	0	6,848	6,848	7,490	-8.57%	
C. SPACE							
Rent	0				0		
Utilities	16,140		9,315	9,315	16,140		
Maintenance	14,996		25,172	25,172	14,996		
Mortgage Interest, Depreciation,	0				0		
Property Taxes	0				0		
Subtotal C	31,136	0	34,487	34,487	31,136	10.76%	
D. SPECIAL COSTS							
Assistance to Individuals	14,000		10,395	10,395	14,000		
Subtotal D	14,000	0	10,395	10,395	14,000	-25.75%	
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	161,879	0	161,920	161,920	161,879	0.03%	

*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, 2024

DANE COUNTY DEPARTMENT OF HUMAN SERVICES

PROVIDER AGENCY EXPENSE REPORT THROUGH:

December 31, 2024

Provider Name:	Porchlight, Inc.	Contract #:	86894	*Provider Certified By:		Date	10/7/2025
Program Name:	Safe Haven - Outreach	Program Group #:	13358				
	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	132,359		135,371	135,371	132,359		
Taxes	10,272		22,123	22,123	10,272		
Benefits	22,671		7,808	7,808	22,671		
Subtotal A	165,302	0	165,302	165,302	165,302	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	32,100		19,845	19,845	32,100		
Auto Allowance							
Vehicle Costs							
Other1:			10,293	10,293			
Subtotal B	32,100	0	30,139	30,139	32,100	-6.11%	
C. SPACE							
Rent							
Utilities							
Maintenance							
Mortgage Interest, Depreciation, Property Taxes							
Subtotal C	0	0	0	0	0		
D. SPECIAL COSTS							
Assistance to Individuals	0		-	0	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	197,402	0	195,440	195,440	197,402	-0.99%	

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



STANDARDIZED FINANCIALS TEMPLATE (Rev. 2022.10.01)

PROPERTY INFO	
Property Name	PHEASANT RIDGE TRAIL
Project Number	2688
HFA Number	
Balance Sheet Date of Statement:	12/31/2024
P&L Statement Period:	01/01/2024-12/31/2024



BALANCE SHEET

STANDARDIZED FINANCIALS TEMPLATE (Rev. 2022.10.01)

2688 PHEASANT RIDGE TRAIL

Date of Statement: 12/31/2024

	Account	Description of Account	Amount	Comment
1100 CURRENT ASSETS	1120.01	Cash - Operations		
	1121.01	Construction Cash Account		
	1125.11	Cash - Entity		
	1130.01	Tenant Accounts Receivable		
	1130.02	Allowance for Doubtful Accounts <i>(enter a negative amount)</i>		
	1140.01	Accounts and Notes Receivable-Operations		
	1140.91	Accounts Receivable-WHEDA		
	1145.01	Accounts and Notes Receivable-Entity		
	1160.01	Accounts Receivable-Interest		
	1160.11	Interest Reduction Payment Receivable		
	1170.11	Short Term Investments- Operations		
	1170.21	Short Term Investments-Entity		
	1190.01	Misc Current Assets		
	1191.01	Tenant Security Deposits		
		1100	Total Current Assets	\$ -
1200 PREPAID EXPENSES	1210.01	Misc Prepaid Expenses		
	1200	Total Prepaid Expenses	\$ -	
1300 FUNDED RESERVES	1310.01	Escrow Deposits		
	1310.21	Insurance Escrow		
	1310.22	Real Estate Tax or PILOT Escrow		
	1320.01	Reserve for Replacements		
	1330.01	Other Reserve		
	1340.01	Residual Receipts Reserve		
	1360.01	Development Cost Escrow		
	1360.41	FHA Insurance Reserve		
	1380.01	Management Improvement and Operating Plan		
	1300	Total Funded Reserves	\$ -	
1400 FIXED ASSETS	1410.01	Land		
	1420.01	Building		
	1440.01	Building Equipment (portable)		
	1450.01	Furnishings		
	1450.31	Furniture for Project/Tenant Use		
	1450.91	Office Furniture and Equipment		
	1470.01	Maintenance Equipment		
	1480.01	Motor Vehicles		
	1490.01	Misc Fixed Assets		
	1490.11	Accumulated Depreciation <i>(enter a negative amount)</i>		
		1400	Total Fixed Assets	\$ -
1500 INVESTMENTS	1510.01	Investments-Operations		
	1515.01	Investments-Entity		
	1530.01	Intangible Assets		
	1500	Total Investment Long-term	\$ -	
1900 MISC ASSETS	1910.01	Misc Other Assets		
	1900	Total Other Assets	\$ -	
		TOTAL ASSETS	\$ -	



BALANCE SHEET

STANDARDIZED FINANCIALS TEMPLATE (Rev. 2022.10.01)

2688 PHEASANT RIDGE TRAIL

Date of Statement: 12/31/2024

	Account	Description of Account	Amount	Comment
2100 CURRENT LIABILITIES	2105.01	Bank Overdraft-Operations		
	2110.01	Accounts Payable-Operations		
	2110.11	Accounts Payable-Construction/Development		
	2110.91	Accounts Payable-30 Days		
	2112.01	Accounts Payable-Project Improvements Items		
	2113.01	Accounts Payable-Entity		
	2115.11	Accounts Payable-236 Excess Income Due HUD		
	2115.21	Accounts Payable-WHEDA/HUD		
	2120.01	Accrued Wages Payable		
	2120.11	Accrued Payroll Taxes Payable		
	2120.31	Accrued Management Fee Payable		
	2130.01	Accrued Interest Payable-First Mortgage		
	2130.31	Accrued Interest Payable-Second Mortgage		
	2130.41	Accrued Interest Payable-Section 236		
	2131.11	Accrued Interest Payable-Other Loans (Surp Cash)		
	2131.12	Accrued Interest Payable-Other Loans and Notes		
	2131.21	Accrued Interest Payable-Flexible Subsidy Loan		
	2131.31	Accrued Interest Payable-Capital Improvement Loan		
	2131.32	Accrued Interest Payable-Operating Loss Loan		
	2150.11	Accrued Real Estate & Property Tax Payable		
	2160.01	Short Term Notes Payable		
	2160.31	Other Loans and Notes Payable, Surplus Cash ST		
	2160.32	Other Loans and Notes (Short Term)		
	2160.41	Flexible Subsidy Loan Payable (Short Term)		
	2160.51	Capital Improvement Loan Payable (Short Term)		
	2160.52	Operating Loss Loan Payable (Short Term)		
	2170.11	Mortgage Payable-First Mortgage (Short Term)		
	2170.31	Mortgage Payable-Second Mortgage (Short Term)		
2180.01	Utility Allowances			
2190.01	Misc Current Liabilities/Preservation Fee			
2191.01	Tenant Security Deposits			
2210.01	Prepaid Revenue			
	2100	Current Liabilities	\$ -	
2300 LONG-TERM LIABILITIES	2310.01	Notes Payable-Long Term		
	2310.31	Notes Payable-Surplus Cash		
	2310.32	Other Loans and Notes Payable		
	2310.33	Other Loans and Notes Payable-Surplus Cash		
	2310.41	Flexible Subsidy Loan Payable		
	2310.51	Capital Improvement Loan Payable		
	2310.52	Operating Loss Loan Payable		
	2320.11	Mortgage Payable-First Mortgage		
	2320.31	Mortgage Payable-Second Mortgage		
	2390.01	Misc Long Term Liabilities		
	2300	Long-Term Liabilities	\$ -	
		TOTAL LIABILITIES	\$ -	
	3110.11	Total Equity/Retained Earnings		
		TOTAL EQUITY	\$ -	
		TOTAL LIABILITIES & EQUITY	\$ -	
		<i>Balance Sheet in balance?</i>	YES	

Additional Comments:



PROFIT & LOSS STATEMENT


STANDARDIZED FINANCIALS TEMPLATE (Rev. 2022.10.01)

2688 PHEASANT RIDGE TRAIL

Statement Period:

01/01/2024-12/31/2024

	Account	Description of Account	Amount	Comment
5100 RENT REVENUE	5120.11	Rent Revenue-Gross Potential	\$ 117,120	
	5120.21	Tenant Assistance Payments		
	5140.01	Rent Revenue - Commercial/Stores @ 100%		
	5170.01	Rent Revenue-Garage/Parking @ 100%		
	5180.01	Flexible Subsidy Revenue		
	5190.01	Misc Rent Revenue		
	5190.11	Excess Rent		
	5190.12	Rent Revenue/Insurance		
	5190.13	Special Claims Revenue		
	5190.14	Retained Excess Income		
		5100	Rent Revenue	\$ 117,120
5200 VACANCY	5220.01	Apartment Vacancies <i>(enter a negative amount)</i>	\$ (69,235)	
	5240.01	Stores/Commercial Vacancies or Concessions <i>(enter a negative amount)</i>		
	5250.01	Rental Concessions <i>(enter a negative amount)</i>	\$ (3,069)	
	5270.01	Garage/Parking Vacancies or Concessions <i>(enter a negative amount)</i>		
	5290.01	Miscellaneous Vacancies <i>(enter a negative amount)</i>		
	5200	Vacancies	\$ (72,304)	
5300 ELDERLY SERVICE REVENUE	5310.14	Priv Pay Room / Board		
	5310.24	Medicare Room / Board		
	5310.34	Medicaid Room / Board		
	5310.44	VA Room / Board		
	5320.34	Food		
	5320.51	Housekeeping		
	5320.71	Laundry / Linen		
	5300	Elderly Service Revenue	\$ -	
5400 FINANCIAL REVENUE	5410.01	Financial Revenue-Project Operations	\$ 89,915	
	5430.01	Revenue from Investments-Residual Receipts		
	5440.01	Revenue from Investments-Replacement Reserve	\$ 144	
	5490.01	Revenue from Investments-Miscellaneous		
	5400	Financial Revenue	\$ 90,059	
5900 OTHER REVENUE	5910.01	Laundry/Vending Income (Net)		
	5920.01	Tenant Charges		
	5990.01	Miscellaneous Revenue		
	5900	Other Revenue	\$ -	
		TOTAL REVENUE	\$ 134,875	
6200-6300 RENT/ADMIN EXPENSES	6210.01	Advertising/Marketing Expense		
	6250.01	Other Rent Expense		
	6310.01	Office Salaries	\$ 11,744	
	6311.01	Office Expenses	\$ 1,024	
	6311.21	Office or Model Apartment Rent		
	6320.01	Management Fees All		
	6330.11	Manager/Superintendent Salaries	\$ 2,370	
	6330.21	Administrative Rent-Free Unit		
	6340.01	Legal Expense-Project Only		
	6350.01	Audit Expense - Project Only	\$ 2,001	
	6351.01	Bookkeeping Fees/Accounting Services	\$ 620	
	6370.01	Bad Debt Expense	\$ 126	
	6390.01	Misc Administrative Expenses	\$ 1,056	
		6200	Administrative Expense	\$ 18,941
6400 UTILITY EXPENSE	6420.01	Fuel Oil		
	6450.11	Electricity	\$ 6,194	
	6450.21	Gas	\$ 1,560	
	6450.32	Water	\$ 1,786	
	6450.33	Sewer	\$ 1,422	
	6400	Utility Expense	\$ 10,962	
6500 OPERATING & MAINTENANCE EXPENSE	6510.01	Payroll	\$ 27,755	
	6510.31	Operating and Maintenance Rent Free Unit		
	6515.01	Supplies	\$ 3,092	
	6520.01	Contracts		
	6525.01	Garbage & Trash Removal	\$ 2,370	
	6530.11	Security Payroll/Contract (incl taxes and benefits)		
	6530.21	Security Rent Free Unit		
	6540.11	Heating/Cooling Repairs & Maintenance	\$ 5	
	6540.21	Snow Removal	\$ 1,579	
	6570.01	Vehicle/Maintenance Equipment Operation & Repairs	\$ 356	
	6580.01	RR releases to reimburse expensed items <i>(enter a negative amount) (MEMO ONLY)</i>		
6590.01	Misc Operating & Maintenance Expense	\$ 25,724		
	6500	Operating and Maintenance Expense	\$ 60,881	

	PROFIT & LOSS STATEMENT		STANDARDIZED FINANCIALS TEMPLATE (Rev. 2022.10.01)		
2688 PHEASANT RIDGE TRAIL					
	Statement Period:		01/01/2024-12/31/2024		
	Account	Description of Account	Amount	Comment	
6700 TAXES AND INSURANCE	6710.01	Real Estate & Personal Property Taxes			
	6711.01	Payroll Taxes - Project Share	\$ 2,862		
	6720.01	Property & Liability Insurance (Hazard)	\$ 2,968		
	6723.01	Health Insurance and Other Employee Benefits	\$ 16,083		
	6723.11	Fidelity Bond Insurance			
	6723.21	Workmens Compensation	\$ 263		
	6790.01	Misc Taxes, Licenses, Permits, and Insurance			
		6700	Tax and Insurance Expense	\$ 22,176	
6900 ELDERLY SERVICE EXPENSE	6930.11	Dietary Salaries			
	6930.21	Food			
	6930.22	Dietary Prchsd Serv			
	6940.11	Regstrd Nurse Salary			
	6950.11	Housekeeping Salary			
	6950.21	Housekeeping Supply			
	6950.31	Other Housekeeping			
	6960.22	Medical Supplies			
	6960.29	Medical Prchsd Serv			
	6970.01	Laundry Expenses			
	6975.01	Medical Records			
	6980.11	Recreation/Rehab			
	6980.21	Activity Supplies			
	6990.01	Elderly Service Other			
		6900	Elderly Service Expense	\$ -	
	RR DEPOSITS	11320.01	Annual Replacement Reserve Deposits (MEMO ONLY)		
		TOTAL OPERATING EXPENSES	\$ 112,960		
		NET OPERATING INCOME (NOI)	\$ 21,915		
6800 FINANCIAL EXPENSE	6810.01	WHEDA Senior Hard Debt Interest	\$ 5,368		
	6820.01	WHEDA Junior Hard Debt Interest			
	6825.01	Other Mortgage Interest			
	6850.01	Mortgage Insurance Premium/Service Charge			
	6890.01	Misc Financial Expense/Preservation Fee	\$ 3,253		
		6800	Financial Expense	\$ 8,621	
DEPRECIATION AMORTIZATION	6610.01	Depreciation Expense	\$ 29,653		
	6620.01	Amortization Expense			
		OPERATING PROFIT OR LOSS	\$ (16,359)		
7100 CORPORATE OR MORTGAGOR EXPENSE	7110.01	Officer's Salaries			
	7120.01	Legal Expense			
	7130.01	Federal, State, and Other Income Taxes			
	7140.01	Interest Income			
	7140.11	Interest on Notes Payable			
	7140.21	Interest on Mortgage Payable			
	7190.01	Other Expense			
	7100	Net Entity Expenses	\$ -		
TOTAL PRINCIPAL PAYMENTS	16810.01	WHEDA Senior Hard Debt Principal			
	16820.01	WHEDA Junior Hard Debt Principal			
	16825.01	Other Debt Principal	\$ 11,176		

Additional Comments:



STANDARDIZED FINANCIALS TEMPLATE (Rev. 2022.10.01)

PROPERTY INFO	
Property Name	MCKENNA BOULEVARD
Project Number	2687
HFA Number	
Balance Sheet Date of Statement:	12/31/2024
P&L Statement Period:	01/01/2024-12/31/2024



BALANCE SHEET

STANDARDIZED FINANCIALS TEMPLATE (Rev. 2022.10.01)

2687 MCKENNA BOULEVARD

Date of Statement: 12/31/2024

	Account	Description of Account	Amount	Comment
1100 CURRENT ASSETS	1120.01	Cash - Operations		
	1121.01	Construction Cash Account		
	1125.11	Cash - Entity		
	1130.01	Tenant Accounts Receivable		
	1130.02	Allowance for Doubtful Accounts <i>(enter a negative amount)</i>		
	1140.01	Accounts and Notes Receivable-Operations		
	1140.91	Accounts Receivable-WHEDA		
	1145.01	Accounts and Notes Receivable-Entity		
	1160.01	Accounts Receivable-Interest		
	1160.11	Interest Reduction Payment Receivable		
	1170.11	Short Term Investments- Operations		
	1170.21	Short Term Investments-Entity		
	1190.01	Misc Current Assets		
	1191.01	Tenant Security Deposits		
		1100	Total Current Assets	\$ -
1200 PREPAID EXPENSES	1210.01	Misc Prepaid Expenses		
	1200	Total Prepaid Expenses	\$ -	
1300 FUNDED RESERVES	1310.01	Escrow Deposits		
	1310.21	Insurance Escrow		
	1310.22	Real Estate Tax or PILOT Escrow		
	1320.01	Reserve for Replacements		
	1330.01	Other Reserve		
	1340.01	Residual Receipts Reserve		
	1360.01	Development Cost Escrow		
	1360.41	FHA Insurance Reserve		
	1380.01	Management Improvement and Operating Plan		
		1300	Total Funded Reserves	\$ -
1400 FIXED ASSETS	1410.01	Land		
	1420.01	Building		
	1440.01	Building Equipment (portable)		
	1450.01	Furnishings		
	1450.31	Furniture for Project/Tenant Use		
	1450.91	Office Furniture and Equipment		
	1470.01	Maintenance Equipment		
	1480.01	Motor Vehicles		
	1490.01	Misc Fixed Assets		
	1490.11	Accumulated Depreciation <i>(enter a negative amount)</i>		
		1400	Total Fixed Assets	\$ -
1500 INVESTMENTS	1510.01	Investments-Operations		
	1515.01	Investments-Entity		
	1530.01	Intangible Assets		
	1500	Total Investment Long-term	\$ -	
1900 MISC ASSETS	1910.01	Misc Other Assets		
	1900	Total Other Assets	\$ -	
		TOTAL ASSETS	\$ -	



BALANCE SHEET


STANDARDIZED FINANCIALS TEMPLATE (Rev. 2022.10.01)


2687 MCKENNA BOULEVARD

Date of Statement: 12/31/2024

	Account	Description of Account	Amount	Comment
2100 CURRENT LIABILITIES	2105.01	Bank Overdraft-Operations		
	2110.01	Accounts Payable-Operations		
	2110.11	Accounts Payable-Construction/Development		
	2110.91	Accounts Payable-30 Days		
	2112.01	Accounts Payable-Project Improvements Items		
	2113.01	Accounts Payable-Entity		
	2115.11	Accounts Payable-236 Excess Income Due HUD		
	2115.21	Accounts Payable-WHEDA/HUD		
	2120.01	Accrued Wages Payable		
	2120.11	Accrued Payroll Taxes Payable		
	2120.31	Accrued Management Fee Payable		
	2130.01	Accrued Interest Payable-First Mortgage		
	2130.31	Accrued Interest Payable-Second Mortgage		
	2130.41	Accrued Interest Payable-Section 236		
	2131.11	Accrued Interest Payable-Other Loans (Surp Cash)		
	2131.12	Accrued Interest Payable-Other Loans and Notes		
	2131.21	Accrued Interest Payable-Flexible Subsidy Loan		
	2131.31	Accrued Interest Payable-Capital Improvement Loan		
	2131.32	Accrued Interest Payable-Operating Loss Loan		
	2150.11	Accrued Real Estate & Property Tax Payable		
	2160.01	Short Term Notes Payable		
	2160.31	Other Loans and Notes Payable, Surplus Cash ST		
	2160.32	Other Loans and Notes (Short Term)		
	2160.41	Flexible Subsidy Loan Payable (Short Term)		
	2160.51	Capital Improvement Loan Payable (Short Term)		
	2160.52	Operating Loss Loan Payable (Short Term)		
	2170.11	Mortgage Payable-First Mortgage (Short Term)		
	2170.31	Mortgage Payable-Second Mortgage (Short Term)		
2180.01	Utility Allowances			
2190.01	Misc Current Liabilities/Preservation Fee			
2191.01	Tenant Security Deposits			
2210.01	Prepaid Revenue			
	2100	Current Liabilities	\$ -	
2300 LONG-TERM LIABILITIES	2310.01	Notes Payable-Long Term		
	2310.31	Notes Payable-Surplus Cash		
	2310.32	Other Loans and Notes Payable		
	2310.33	Other Loans and Notes Payable-Surplus Cash		
	2310.41	Flexible Subsidy Loan Payable		
	2310.51	Capital Improvement Loan Payable		
	2310.52	Operating Loss Loan Payable		
	2320.11	Mortgage Payable-First Mortgage		
	2320.31	Mortgage Payable-Second Mortgage		
	2390.01	Misc Long Term Liabilities		
		2300	Long-Term Liabilities	\$ -
		TOTAL LIABILITIES	\$ -	
	3110.11	Total Equity/Retained Earnings		
		TOTAL EQUITY	\$ -	
		TOTAL LIABILITIES & EQUITY	\$ -	
		<i>Balance Sheet in balance?</i>	YES	

Additional Comments:

	PROFIT & LOSS STATEMENT		STANDARDIZED FINANCIALS TEMPLATE (Rev. 2022.10.01)		
2687 MCKENNA BOULEVARD					
	Statement Period:		01/01/2024-12/31/2024		
	Account	Description of Account	Amount	Comment	
5100 RENT REVENUE	5120.11	Rent Revenue-Gross Potential	\$ 19,313		
	5120.21	Tenant Assistance Payments	\$ 13,470		
	5140.01	Rent Revenue - Commercial/Stores @ 100%			
	5170.01	Rent Revenue-Garage/Parking @ 100%			
	5180.01	Flexible Subsidy Revenue			
	5190.01	Misc Rent Revenue			
	5190.11	Excess Rent			
	5190.12	Rent Revenue/Insurance			
	5190.13	Special Claims Revenue			
	5190.14	Retained Excess Income			
		5100 Rent Revenue		\$ 32,783	
	5200 VACANCY	5220.01	Apartment Vacancies <i>(enter a negative amount)</i>	\$ (7,700)	
		5240.01	Stores/Commercial Vacancies or Concessions <i>(enter a negative amount)</i>		
		5250.01	Rental Concessions <i>(enter a negative amount)</i>		
5270.01		Garage/Parking Vacancies or Concessions <i>(enter a negative amount)</i>			
5290.01		Miscellaneous Vacancies <i>(enter a negative amount)</i>			
		5200 Vacancies		\$ (7,700)	
5300 ELDERLY SERVICE REVENUE	5310.14	Priv Pay Room / Board			
	5310.24	Medicare Room / Board			
	5310.34	Medicaid Room / Board			
	5310.44	VA Room / Board			
	5320.34	Food			
	5320.51	Housekeeping			
	5320.71	Laundry / Linen			
		5300 Elderly Service Revenue		\$ -	
5400 FINANCIAL REVENUE	5410.01	Financial Revenue-Project Operations	\$ 1,166		
	5430.01	Revenue from Investments-Residual Receipts			
	5440.01	Revenue from Investments-Replacement Reserve			
	5490.01	Revenue from Investments-Miscellaneous			
		5400 Financial Revenue		\$ 1,166	
5900 OTHER REVENUE	5910.01	Laundry/Vending Income (Net)			
	5920.01	Tenant Charges			
	5990.01	Miscellaneous Revenue			
		5900 Other Revenue		\$ -	
TOTAL REVENUE			\$ 26,249		
6200-6300 RENT/ADMIN EXPENSES	6210.01	Advertising/Marketing Expense			
	6250.01	Other Rent Expense			
	6310.01	Office Salaries			
	6311.01	Office Expenses			
	6311.21	Office or Model Apartment Rent			
	6320.01	Management Fees All			
	6330.11	Manager/Superintendent Salaries			
	6330.21	Administrative Rent-Free Unit			
	6340.01	Legal Expense-Project Only	\$ 55		
	6350.01	Audit Expense - Project Only			
	6351.01	Bookkeeping Fees/Accounting Services			
	6370.01	Bad Debt Expense			
	6390.01	Misc Administrative Expenses			
		6200 Administrative Expense		\$ 55	
6400 UTILITY EXPENSE	6420.01	Fuel Oil			
	6450.11	Electricity	\$ 782		
	6450.21	Gas			
	6450.32	Water	\$ 1,136		
	6450.33	Sewer	\$ 1,979		
		6400 Utility Expense		\$ 3,897	
6500 OPERATING & MAINTENANCE EXPENSE	6510.01	Payroll			
	6510.31	Operating and Maintenance Rent Free Unit			
	6515.01	Supplies	\$ 4,881		
	6520.01	Contracts			
	6525.01	Garbage & Trash Removal	\$ 1,010		
	6530.11	Security Payroll/Contract (incl taxes and benefits)			
	6530.21	Security Rent Free Unit			
	6540.11	Heating/Cooling Repairs & Maintenance			
	6540.21	Snow Removal	\$ 3,945		
	6570.01	Vehicle/Maintenance Equipment Operation & Repairs			
	6580.01	RR releases to reimburse expensed items <i>(enter a negative amount) (MEMO ONLY)</i>			
6590.01	Misc Operating & Maintenance Expense	\$ 35,682			
	6500 Operating and Maintenance Expense		\$ 45,518		

	PROFIT & LOSS STATEMENT		STANDARDIZED FINANCIALS TEMPLATE (Rev. 2022.10.01)		
2687	MCKENNA BOULEVARD				
	Statement Period:		01/01/2024-12/31/2024		
	Account	Description of Account	Amount	Comment	
6700 TAXES AND INSURANCE	6710.01	Real Estate & Personal Property Taxes			
	6711.01	Payroll Taxes - Project Share			
	6720.01	Property & Liability Insurance (Hazard)	\$ 230		
	6723.01	Health Insurance and Other Employee Benefits	\$ 5,624		
	6723.11	Fidelity Bond Insurance			
	6723.21	Workmens Compensation			
	6790.01	Misc Taxes, Licenses, Permits, and Insurance			
		6700	Tax and Insurance Expense	\$ 5,854	
6900 ELDERLY SERVICE EXPENSE	6930.11	Dietary Salaries			
	6930.21	Food			
	6930.22	Dietary Prchsd Serv			
	6940.11	Regstrd Nurse Salary			
	6950.11	Housekeeping Salary			
	6950.21	Housekeeping Supply			
	6950.31	Other Housekeeping			
	6960.22	Medical Supplies			
	6960.29	Medical Prchsd Serv			
	6970.01	Laundry Expenses			
	6975.01	Medical Records			
	6980.11	Recreation/Rehab			
	6980.21	Activity Supplies			
	6990.01	Elderly Service Other			
		6900	Elderly Service Expense	\$ -	
	RR DEPOSITS	11320.01	Annual Replacement Reserve Deposits (MEMO ONLY)	\$ 1,000	
		TOTAL OPERATING EXPENSES	\$ 55,324		
		NET OPERATING INCOME (NOI)	\$ (29,075)		
6800 FINANCIAL EXPENSE	6810.01	WHEDA Senior Hard Debt Interest	\$ 2,501		
	6820.01	WHEDA Junior Hard Debt Interest			
	6825.01	Other Mortgage Interest			
	6850.01	Mortgage Insurance Premium/Service Charge			
	6890.01	Misc Financial Expense/Preservation Fee			
	6800	Financial Expense	\$ 2,501		
DEPRECIATION AMORTIZATION	6610.01	Depreciation Expense	\$ 8,112		
	6620.01	Amortization Expense			
		OPERATING PROFIT OR LOSS	\$ (39,688)		
7100 CORPORATE OR MORTGAGOR EXPENSE	7110.01	Officer's Salaries			
	7120.01	Legal Expense	\$ 6,626		
	7130.01	Federal, State, and Other Income Taxes			
	7140.01	Interest Income			
	7140.11	Interest on Notes Payable			
	7140.21	Interest on Mortgage Payable			
	7190.01	Other Expense			
	7100	Net Entity Expenses	\$ 6,626		
TOTAL PRINCIPAL PAYMENTS	16810.01	WHEDA Senior Hard Debt Principal			
	16820.01	WHEDA Junior Hard Debt Principal			
	16825.01	Other Debt Principal	\$ 7,811		

Additional Comments:

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Board of Directors
Porchlight, Inc.
Madison, Wisconsin

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America, the consolidated financial statements of Porchlight, Inc., which comprise the consolidated statement of financial position as of December 31, 2024, 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 March 5, 2026. 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.

Report on 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 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 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 weakness or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a deficiency in internal control, described in the schedule of findings and questioned costs as item 2024-001 that we consider to be a material weakness.

Report on 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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings and questioned costs as item 2024-001.

Porchlight, Inc.'s Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Porchlight, Inc.'s response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Porchlight, Inc.'s response was not subjected to the other auditing procedures applied in the audit of the consolidated financial statements and, accordingly, we express no opinion on the response.

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 black ink that reads "Wipfli LLP". The signature is written in a cursive, flowing style.

Wipfli LLP

Madison, Wisconsin

March 5, 2026

Independent Auditor's Report on Compliance for Each Major Federal and State Program and on Internal Control Over Compliance Required by the Uniform Guidance

Board of Directors
Porchlight, Inc.
Madison, Wisconsin

Report on Compliance for Each Major Federal and State Program

Qualified Opinion

We have audited Porchlight, Inc.'s compliance with the types of compliance requirements identified as subject to audit 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 each of its major federal and state programs for the year ended December 31, 2024. 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.

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion section of our report, 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 the major federal and state programs for the year ended December 31, 2024.

Basis for Qualified Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States 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 Wisconsin Department of Administration. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Porchlight, Inc. and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on compliance for the major federal and state programs. Our audit does not provide a legal determination of Porchlight, Inc.'s compliance with the compliance requirements referred to above.

Matters Giving Rise to a Qualified Opinion

As described in the accompanying schedule of findings and questioned costs, Porchlight, Inc. did not comply with requirements regarding grant awards Coronavirus State and Local Recovery Funds and *Dane County Department of Human Services-Homeless Grants* as described in the table below. Compliance with such requirements is necessary, in our opinion, for Porchlight, Inc. to comply with the requirements applicable to those programs.

Finding #	Assistance Listing #	Program Name	Compliance Requirement
2024-001	21.027	Coronavirus State and Local Recovery Funds	Activities Allowed and Allowable Costs
2024-001	N/A	Dane County Department of Human Services-Homeless Grants	Activities Allowed and Allowable Costs
2024-003	21.027	Coronavirus State and Local Recovery Funds	Period of Performance
2024-003	21.027	Coronavirus State and Local Recovery Funds	Reporting
2024-003	21.027	Coronavirus State and Local Recovery Funds	Procurement

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Porchlight, Inc.'s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, *State Single Audit Guidelines*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Porchlight, Inc.'s compliance with the requirements of the major federal and state program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Porchlight, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Porchlight, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Porchlight, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2024-002. Our opinion on the major federal and state programs is not modified with respect to this matter.

Government Auditing Standards requires the auditors to perform limited procedures on Porchlight, Inc.'s response to the noncompliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Porchlight, Inc.'s response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be a material weakness and a certain deficiency that we consider to be a significant deficiency.

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2024-001 and 2024-003 to be material weaknesses.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-002 to be a significant deficiency.

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

Government Auditing Standards requires the auditor to perform limited procedures on Porchlight, Inc.'s response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Porchlight, Inc.'s response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.

Wipfli LLP

Wipfli LLP

Madison, Wisconsin

March 5, 2026

Porchlight, Inc.

Schedule of Findings and Questioned Costs

Year Ended December 31, 2024

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Qualified

Internal control over financial reporting:

Material weakness(es) identified? yes no

Significant deficiency(ies) identified? yes no

Noncompliance material to financial statements noted? yes no

Federal and State Awards

Internal control over major programs:

Material weakness(es) identified? yes no

Significant deficiency(ies) identified? yes no

Type of auditor's report issued on compliance for major programs Qualified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance [2 CFR 200.516(a)]? yes no

Identification of major federal programs:

AL Number	Name of Federal Program or Cluster
21.027	Coronavirus State and Local Fiscal Recovery Funds

Identification of major state programs:

Name of State Program or Cluster
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? No

Porchlight, Inc.

Schedule of Findings and Questioned Costs (Continued)

Year Ended December 31, 2024

Section II - Financial Statement Findings

2024-001 – Internal Controls and Compliance over Financial Reporting - see prior year finding 2023-001

Condition – During our audit, Wipfli, LLP identified several deficiencies related to Porchlight, Inc.'s internal controls and compliance over financial reporting. Wipfli noted deficiencies in both the design and the execution of the fiscal policies and procedures. Matters identified were as follows:

- Management was unable to provide individual profit and loss statements for each specific grant award that could be used to verify the accuracy of the information provided on the schedule of expenditures of federal awards.
- Expenses were recorded to the program expense categories identified in the Statement of Activities but management was unable to provide sufficient audit evidence to identify the specific expenses to specific grant awards.
- Management was unable to provide adequate audit evidence to substantiate how indirect expenses were allocated to specific expense categories.
- Proper review and approval of reconciliation's and journal entries in accordance with fiscal policies and procedures was not evident.
- Essentially all significant general ledger accounts were not reconciled in a timely manner throughout the year.
- Proper authorizations of cash disbursement transactions was not evident.
- Financial reports provided to the Board of Directors did not provide an accurate presentation of Porchlight, Inc's financial results based on material adjustments made to significant account balances during the audit.
- Material adjusting journal entries to cash, investments, certificates of deposit, promises to give, prepaid expenses, property and equipment, deferred loans payable, and net assets were proposed by the auditor and recorded by management during the audit.
- The financial statements and schedule of expenditures of federal awards were prepared by Wipfli, LLP as the audit information provided did not provide an accurate presentation of Porchlight, Inc's financial results.

The primary cause of these deficiencies was the turnover experienced in the prior year and beginning of the current year in the finance department. Porchlight, Inc. did hire a new finance director, an outside contractor, as well as additional finance team members to reconcile accounts in preparation of the financial audit. Based on the items noted above, a material weakness exists in Porchlight, Inc.'s internal control and compliance over financial reporting.

Porchlight, Inc.
Schedule of Findings and Questioned Costs (Continued)
Year Ended December 31, 2024

Section II - Financial Statement Findings (Continued)

2024-001 – Internal Controls and Compliance over Financial Reporting (Continued)

Criteria – Proper design and execution of Internal controls are essential to ensure effective control over, and accountability for all funds, property and other assets for all programs operated by Porchlight, Inc.

Cause – There was turnover in Porchlight, Inc.'s finance department which contributed to the lack of timely and accurate reconciliations. Porchlight, Inc. is working on streamlining and implementing processes to address the deficiencies noted in the condition paragraph.

Effect – As a result of the financial reporting matters identified in the condition paragraph, a material weakness exists in Porchlight, Inc.'s internal control and compliance over financial reporting.

Recommendation – We recommend management and those charged with governance evaluate the operation of the finance department and implement adequate and timely closing procedures to ensure that financial statement amounts are being reconciled appropriately and all reconciliations/purchases/reports are being reviewed.

View of Responsible Officials – Management agrees with the assessment and has committed to a corrective action plan.

Porchlight, Inc.
Schedule of Findings and Questioned Costs (Continued)

Year Ended December 31, 2024

Section III – Federal Award Findings and Questioned Costs

Finding 2024-001 is applicable to the following grants:

U.S. Department of Treasury - American Rescue Plan Not For Profit - AL #21.027

Grant Number: JK004 2024

Grant Period: January 1, 2024 through December 31, 2024

U.S. Department of Treasury - American Rescue Plan Not For Profit - AL #21.027

Grant Number: N/A

Grant Period: January 1, 2024 through December 31, 2024

Questioned Costs: Undeterminable

How the questioned costs were computed: N/A

As a result of the financial reporting matters identified in the condition paragraph, a material weakness exists in Porchlight, Inc.'s internal control over compliance as well as material non-compliance related to activities allowed and allowable costs.

Porchlight, Inc.
Schedule of Findings and Questioned Costs (Continued)
Year Ended December 31, 2024

Section III – Federal Award Findings and Questioned Costs (Continued)

2024-002 – Late Filing of Audit Report - see prior year finding 2023-002

U.S. Department of Treasury - American Rescue Plan Not For Profit - AL #21.027
Grant Number: JK004 2024
Grant Period: January 1, 2024 through December 31, 2024

U.S. Department of Treasury - American Rescue Plan Not For Profit - AL #21.027
Grant Number: N/A
Grant Period: January 1, 2024 through December 31, 2024

Questioned Costs: None

How the questioned costs were computed: N/A

Condition – Under Uniform Guidance, Porchlight, Inc.'s audited financial statements for the year ended December 31, 2024 were due to the federal single audit clearinghouse by September 30, 2025. Porchlight Inc.'s December 31, 2024 audited financial statements were not completed for submission to the federal audit clearinghouse until after September 30, 2025.

Criteria – Uniform Guidance 200.302(b)(4) states each non-federal entity must provide for “*effective control over, and accountability for, all funds, property, and other assets.*” In addition, Uniform Guidance requires audited financial statements to be submitted to the federal audit clearinghouse within nine-months after an entity’s year-end.

Cause – There was turnover in Porchlight, Inc.’s finance department which contributed to the lack of timely reconciliations. Porchlight, Inc. is working on streamlining and implementing processes to address the deficiencies noted in the condition paragraph.

Effect – A significant deficiency in internal control over compliance and an instance of noncompliance exists due to failure to provide financial statements in a timely manner in order to meet audit submission deadlines.

Recommendation – We recommend Porchlight, Inc. implement procedures to ensure timely completion and filing of the reporting package to the federal audit clearinghouse.

View of Responsible Officials – Management agrees with the assessment and has committed to a corrective action plan.

Porchlight, Inc.

Schedule of Findings and Questioned Costs (Continued)

Year Ended December 31, 2024

Section III – Federal Award Findings and Questioned Costs (Continued)

2024-003 – Funding Source Compliance Reports and Missing Compliance Documentation for Period of Performance and Procurement Testing - see prior year finding 2023-003

U.S. Department of Treasury - American Rescue Plan Not For Profit - AL #21.027
Grant Number: JK004 2024
Grant Period: January 1, 2024 through December 31, 2024

U.S. Department of Treasury - American Rescue Plan Not For Profit - AL #21.027
Grant Number: N/A
Grant Period: January 1, 2024 through December 31, 2024

Questioned Costs: None

How the questioned costs were computed: N/A

Condition – Wipfli, LLP was unable to verify the period of performance for the program due to Porchlight, Inc.'s inability to provide detailed transaction reports for the program for the period January 1, 2024 through December 31, 2024. In addition, Porchlight was not able to provide documentation to show proper procurement procedures were followed on purchases. Lastly, Porchlight, Inc. did not file its performance report for the grant award in a timely manner.

Criteria – Uniform Guidance 200.302(b)(4) states each non-federal entity must provide for “*effective control over, and accountability for, all funds, property, and other assets.*” In addition, the federal grant contract provided a requirement for specific procurement requirements for the purchase of goods and materials. Lastly, the federal grant contract provided a performance report be submitted within the provided guidelines.

Cause – There was turnover in Porchlight, Inc.'s finance department which contributed to the lack of transaction tracking. Porchlight, Inc. is working on streamlining and implementing processes to address the deficiencies noted in the condition paragraph.

Effect – A material weakness in internal control over compliance and an instance of noncompliance exists due to failure to provide accurate data for testing of period of performance, documentation that procurement procedures were followed, and the performance report in order to meet contract submission deadlines.

Recommendation – We recommend Porchlight, Inc. implement procedures to ensure accurate tracking of data for testing of period of performance, follow policies and procedures related to procurement purchases, and prepare the grant award and performance reports accurately for timely submission.

View of Responsible Officials – Management agrees with the assessment and has committed to a corrective action plan.

Porchlight, Inc.
Schedule of Findings and Questioned Costs (Continued)
Year Ended December 31, 2024

Section IV – State Award Findings and Questioned Costs

Finding 2024-001 is applicable to the following state grants:

Wisconsin Department of Administration through the Dane County Department of Human Services, Homeless Grants

Grant Numbers: 87295-8066, 87295-8233, 87295-9219, 87296-11082, 87296-13358, and 87296-12559
Grant Period: January 1, 2024 through December 31, 2024

Questioned Costs: Undeterminable

How the questioned costs were computed: N/A

Section V - Prior Year Findings

Finding 2023-001 - Internal Controls and Compliance over Financial Reporting

This finding was repeated in the current year. See Finding 2024-001

Finding 2023-002 - Late Filing of Audit Report

This finding was repeated in the current year. See Finding 2024-002

Finding 2023-003 - Funding Source Compliance Reports and Missing Compliance Documentation for Period of Performance and Procurement Testing

This finding was repeated in the current year. See Finding 2024-003

Section VI - Other Issues

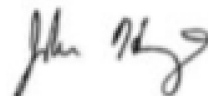
Does the auditor's report or the notes to the financial statements include disclosure with regard to substantial doubt as to the auditee's ability to continue as a going concern? ___ yes x no

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*?

Wisconsin Department of Administration x yes ___ no

Was a management letter or other document conveying audit comments issued as a result of this audit? ___ yes x no

Name and Signature of Partner



John E. Hemming, CPA
March 5, 2026

Report Date