Detroit Housing Commission

(a component unit of the City of Detroit, Michigan)

Financial Report
with Supplemental Information
June 30, 2022

Detroit Housing Commission

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Plante & Moran, PLLC
Suite 300
2601 Cambridge Court
Auburn Hills, MI 48326
Tel: 248.375.7100
Fax: 248.375.7101
plantemoran.com

Independent Auditor's Report

To the Board of Commissioners
Detroit Housing Commission

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and the aggregate discretely presented component units of Detroit Housing Commission (the "Commission"), a component unit of the City of Detroit, Michigan, as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities and the aggregate discretely presented component units of the Commission as of June 30, 2022 and the changes in its financial position and, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the discretely presented component units, other than Woodbridge ILF Associates Limited Dividend Housing Association Limited Partnership. The discretely presented component units audited by other auditors represent 96 percent of the assets and 94 percent of revenue of the aggregate discretely presented component units as of June 30, 2022 and the respective changes in financial position for the year then ended. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for discretely presented component units, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Commission and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The discretely presented component unit financial statements of Woodbridge Estates Apartments I, LLC; Woodbridge Estates Apartments II, LLC; Woodbridge ILF Associates Limited Dividend Housing Association Limited Partnership; Woodbridge Estates VI Limited Dividend Housing Association, LLC; Woodbridge Estates IX Limited Dividend Housing Association, LLC; Gardenview Homes IV Limited Dividend Housing Association, LLC; Gardenview Homes V Limited Dividend Housing Association, LLC; Gardenview Homes VI Limited Dividend Housing Association, LLC; Gardenview Homes IX Limited Dividend Housing Association, LLC; Gardenview Homes X Limited Dividend Housing Association, LLC; Emerald Springs IA Limited Dividend Housing Association Limited Partnership; Emerald Springs IB Limited Dividend Housing Association Limited Partnership; Emerald Springs II Limited Dividend Housing Association Limited Partnership; Cornerstone Estates I Limited Dividend Housing Association, LLC; Cornerstone Estates II Limited Dividend Housing Association, LLC; and Cornerstone Estates III Limited Dividend Housing Association, LLC were not audited in accordance with *Government Auditing Standards*.

To the Board of Commissioners
Detroit Housing Commission

Emphasis of Matter

As described in Note 12 to the financial statements, the beginning of the year net position for the discretely presented component units as of July 1, 2021 has been restated to reflect the acquisition of the 100 percent equity interest in two formerly discretely presented component units and a change in reporting entity. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in the net pension liability and related ratios, and schedule of pension contributions, as identified in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplemental Information

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

Other Information

Management is responsible for the other information included in the basic financial statements. The other information comprises the schedules of actual program costs and advances but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements or whether the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

To the Board of Commissioners
Detroit Housing Commission

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2022 on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.

Plante & Moran, PLLC

December 12, 2022

Management's Discussion and Analysis (Unaudited)

June 30, 2022

As management of the Detroit Housing Commission (the "Commission" or "DHC"), we offer readers this narrative overview and analysis of the financial activities for the year ended June 30, 2022. The purpose of this summary is to assist the reader in focusing on significant financial issues, to provide an overview of DHC's financial activities for the year, to highlight changes in DHC's financial position, and to identify individual fund or program issues or concerns. The management discussion and analysis ("MD&A") does not include the information of the discretely presented component units.

Since the MD&A is designed to focus on the current year's activities, resulting changes, and currently known facts, we encourage readers to consider the information presented here in conjunction with the Commission's accompanying financial statements and notes.

Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Executive Director Sandra B. Henriquez., Detroit Housing Commission, 1301 E. Jefferson Avenue, Detroit, MI 48207.

Mission

The Detroit Housing Commission will effectively and efficiently develop, manage, and preserve quality affordable housing.

Financial Highlights

- The assets of the Commission exceeded its liabilities as of June 30, 2022, by $281.2 (net position).
- The Commission had operating revenue from HUD of $68.5m and HUD capital grants of $1.2m which includes funds for redevelopment and capital asset activities.
- The Commission's unrestricted cash and cash equivalents totaled $26.8m as of June 30, 2022.
- Public housing has maintained occupancy of an average at 78.4 percent for the fiscal year ended June 30, 2022.
- The Commission utilized 72.6 percent of its Section 8 baseline vouchers under the Housing Choice Voucher program and spent 100.7 percent of the Housing Assistance Payment Subsidy received from HUD.
- DHC provides loans to its discrete component units primarily through HOPE VI and Capital Fund Program funding. The discrete component units are required to repay these funds of $95m to the Commission, which are included in the notes, loans, and mortgages receivable as of June 30, 2022.
- During fiscal year 2022, DHC complied with all the rules and provisions of asset management, which involves detailed budgeting, tracking, and reporting of all activities by development in the Low-income Public Housing Program.
- DHC also used the Central Office Cost Center to carry out the management and administrative activities required by all of its programs.

June 30, 2022

The Commission's Programs

The Commission's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America and follow the business-type activity reporting requirements of the Governmental Accounting Standards Board (GASB). All of the Commission's activities are presented in a single business activity enterprise fund on the full accrual basis of accounting. The Enterprise Fund basis is similar to accounting used in the private sector. Many of the programs maintained by DHC are set up as required by HUD. Other programs are segregated to enhance accountability and control. The Commission's significant programs are described below.

Low-income Public Housing (LIPH) - Under this program, DHC rents units that it owns in 49 Asset Management Properties (AMPS), one or more developments grouped for management purposes, which includes 27 component unit AMPS, and 205 scattered site units within the City of Detroit to low-income households. This program is operated under the Annual Contributions Contract (ACC) with HUD, and HUD provides operating subsidy to enable DHC to provide the housing at a cost that is based upon 30 percent of household income, adjusted for family composition and certain allowances. DHC currently owns and operates 3,356 subsidized units in this program.

Section 8 Program - Within the Rental Assistance division is our main Section 8 program, which is known as the Housing Choice Voucher (HCV) program. DHC administers contracts with private landlords that own and lease units within the community. DHC subsidizes a family's rent through a monthly housing assistance payment (HAP) made to the landlord. These programs are operated under Annual Contribution Contracts (ACC) with HUD, which enables DHC to structure a lease that sets the participants' housing costs at 30 percent of household income, adjusted for family composition and certain allowances. DHC has budget authority to administer 6,243 Housing Choice Vouchers, 49 moderate rehabilitation units (site-based program), 99 Emergency Housing Voucher and 104 Mainstream Vouchers.

Capital Fund Program - Under this program, DHC receives funding for physical renovation and management improvements to its owned units within the Low-income Public Housing Program. DHC uses many independent contractors to provide construction/rehab services. The Capital Fund Program is operated under the annual contributions contract (ACC) with HUD.

Development Program -DHC's development program is actively pursuing the acquisition of and construction of new affordable housing in the community. Historically, DHC had assisted with the financing of various developments utilizing Replacement Housing Factor (RHF) funds, and HOPE VI grants to continue adding new housing units.

Business Activities - This area includes programs such as homeownership commissions, nonfederal activities, and developer fees from mixed-finance partnerships.

Overview of the Financial Statements

The entity-wide financial statements included in this annual report are those of a special-purpose government engaged in a single business-type activity prepared on an accrual basis as noted above. Over time, significant changes in the Commission's net position serve as a useful indicator of whether its financial health is improving or deteriorating. To fully assess the financial health of the Commission, the reader must also consider other nonfinancial factors such as changes in family composition, fluctuations in the local economy, HUD-mandated program administrative changes, proration of available funding, and the physical condition of capital assets.

The financial statements include two columns which present the activities of the Commission as the primary government and the Commission's discretely presented component units. The discrete component units are required to be presented, as the primary government is held to be financially accountable for these legally separate entities since the Commission provides significant specific financial benefits to these entities. The following financial statements are presented:

- Statement of Net Position - This is a balance sheet which reports the Commission's assets, liabilities, and net position at the end of the fiscal year. The Commission's net position is the difference between what the Commission owns (assets) and what the Commission owes (liabilities). Net position (formerly known as net assets) is reported in three broad categories: net investment in capital assets, restricted net position, and unrestricted net position.
- Statement of Activities - Similar to an income statement, this statement presents information showing how the Commission's net position increased or decreased during the current fiscal year. This statement includes operating revenue such as federal funding and rental income; operating expenses such as administrative, tenant services, utilities, maintenance, protective services, general, depreciation, and HAP expense; and nonoperating revenue and expense such as capital contributions revenue, interest income, and gains and losses on the disposal of fixed assets. The focus of this statement is the "change in net position," which is similar to net income or loss.
- Statement of Cash Flows - This statement presents information showing the total cash receipts and cash disbursements of the Commission during the current fiscal year. The statement reflects the net changes in cash resulting from operations plus any other cash requirements during the current year (i.e., capital additions, debt service, prior period obligations, etc.). In addition, this statement reflects the receipt of cash that was obligated to the Commission in prior periods and subsequently received during the current fiscal year (i.e., accounts receivable, notes receivable, etc.).
- Notes to the Financial Statements - The notes to the financial statements provide additional information that is essential to a full understanding of the data provided. These notes give greater understanding on the overall activity of the Commission and how values are assigned to certain assets and liabilities and the longevity of these values. In addition, the notes reflect the impact (if any) of any uncertainties the Commission may face.

In addition to the basic financial statements listed above, our report includes supplemental information which we feel will assist the reader in understanding the financial statements. This information is provided in order to provide more detail on the Commission's various programs and also includes the required information mandated by regulatory bodies that fund the Commission's various programs.

The following statements are condensed versions of our full financial statements for the purpose of analysis and discussion. See the full financial statements for more details on the results of operations and the Commission's financial position.

Financial Analysis

The following table represents the condensed statement of net position compared to the prior year for all of DHC's programs combined:

Statement of Net Position

	2022	2021	Net Change
Assets and Deferred Outflows			
Current assets	$ 51,749,291	$ 53,288,528	$ (1,539,237)
Capital assets - Net	94,440,410	91,687,945	2,752,465
Other noncurrent assets	96,849,608	142,542,021	(45,692,413)
Deferred outflows	47,765,580	943,023	46,822,557
Total assets and deferred outflows	290,804,889	288,461,517	2,343,372
Liabilities and Deferred Inflows			
Current liabilities	$ 5,847,388	$ 4,406,504	$ 1,440,884
Other noncurrent liabilities	$ 1,622,951	$ 5,192,036	$ (3,569,085)
Deferred infolows	2,107,246	1,303,471	803,775
Total Liabilities and deferred inflows	9,577,585	10,902,011	(1,324,426)
Net Position			
Net investment in capital assets	94,440,410	91,687,945	2,752,465
Restricted	115,600,494	160,505,189	(44,904,695)
Unrestricted	71,186,400	25,366,372	45,820,028
	$ -		
Total net position	281,227,304	277,559,506	3,667,798
Total liabilities and net position	**$ 290,804,889**	**$ 288,461,517**	**$ 2,343,372**

During the fiscal year, DHC completed the acquisition transactions for Villages Parkside II and Villages of Parkside IV, which were formerly presented as discrete component units. DHC forgave the notes receivable and accumulated interest for those properties. This is the primary reason for other noncurrent assets to decrease by 32 percent. Also, as part of this transaction a deferred outflow was created for the excess consideration provided in acquisition. See Note 12 in the financial statements for further discussion. In addition, DHC assumed the current liabilities resulted from acquisitions above which is the primary reason for current liabilities to increase by 32 percent.

The Commission's net investment in capital assets increased 3 percent. DHC remains committed to investing in its properties and had capital additions of $7.1m. This investment is offset by annual depreciation of $4.3m

Net Position - The difference between an organization's assets and its liabilities is its net position. Net position is categorized as one of three types:

1. Net investment in capital assets - Capital assets, net of accumulated depreciation and related debt, are due to the capital asset and long-term debt activity.

2. Restricted - The Commission's assets whose use is subject to constraints imposed by law or agreement (consisting primarily restricted notes receivable related to the HOPE VI loans)

3. Unrestricted - The Commission's assets that are neither invested in capital assets nor restricted, which increase principally due to operations. These resources are available to meet the Commission's ongoing obligations to its residents and creditors.

Restricted net position remained largely unchanged from the previous year. The majority of this balance reflects proceeds from the sale of the Douglass land site. Proceeds from this sale are considered restricted until the use of these proceeds is approved by the HUD. DHC received approval for use of these funds shortly after the fiscal year end. Other increases and decreases in restricted net position are a function of HAP payments and the related timing of HAP funding from HUD.

The following schedule compares the revenue and expenses for the current and previous fiscal years for all DHC's programs:

June 30, 2022

	2022	2021	Net Change
Operating Revenue			
HUD operating revenue	$ 68,570,711	$ 63,753,772	$ 4,816,939
Tenant revenue - Net	7,117,193	5,682,836	1,434,357
Other operating revenue	806,332	517,997	288,335
Total operating revenue	76,494,236	69,954,605	6,539,631
Operating Expenses			
Administrative	10,438,279	9,273,455	1,164,824
Tenant services	584,840	1,323,793	(738,953)
Utilities	5,216,242	4,975,767	240,475
Maintenance	10,139,438	8,614,680	1,524,758
Protective services	2,660,982	2,161,376	499,606
General	6,868,307	6,230,709	637,598
Depreciation and amortization	4,360,695	4,154,288	206,407
Housing assistance payments	37,430,325	36,300,363	1,129,962
Total operating expenses	77,699,108	73,034,431	4,664,677
Operating Loss	(1,204,872)	(3,079,826)	1,874,954
Nonoperating Revenue (Expense)			
Gain (Loss) on sale of asset	7,276	350,114	(342,838)
Investment income - Unrestricted	145,664	139,391	6,273
Interest Income - Restricted	2,302,233	2,694,368	(392,135)
Other revenue	3,719,170	-	3,719,170
Bad debt expense on the note receivable interest income	(2,475,041)	(27,205,727)	24,730,686
Total nonoperating (expense) revenue	3,699,302	(24,021,854)	27,721,156
(Decrease) Increase in Net Position Before Capital	2,494,430	(27,101,680)	29,596,110
Capital Contributions			
Capital contributions - HUD	1,173,368	5,523,791	(4,350,423)
(Decrease) Increase in Net Position	3,667,798	(21,577,889)	25,245,687
Net Position - Beginning of year	277,559,506	299,137,395	(21,577,889)
Net Position - End of year	**$ 281,227,304**	**$ 277,559,506**	**$ 3,667,798**

Total operating revenue increased by approximately $6.5m for the fiscal year ended June 30, 2022, primarily due to increased proration funding provided by HUD.

Operating expenses are categorized by the Commission as administrative, tenant services, utilities, maintenance, protective services, general, depreciation expense, and housing assistance payments. The net increase of approximately $4.6m or 6 percent in total operating expenses is primarily due to increases in tenant services, HAP expenses, and utility costs.

Non-operating revenue/expense increased by approximately $27.7m primarily due to in the prior year a change in accounting estimate on the collectability of interest on notes receivable from component units.

Capital contributions decreased by $4.3m due to increased usage of the HUD Capital Fund Program. HUD's Capital Fund Program is an expenditure driven grant program.

The Commission has no long-term debt as of June 30, 2022.

Capital Assets and Debt Activity

After the Commission became independent from the City of Detroit, Michigan, the City signed over the HUD properties to DHC. DHC recorded these donated assets at fair market value based on appraisals. These original capital assets are adjusted annually by depreciation. Subsequent additional capital assets are recorded at cost. Additional information on the Commission's capital assets can be found in Note 4 to the basic financial statements.

	2022	2021	Net Change
Nondepreciable			
Land	$ 59,182,161	$ 59,182,161	$ -
Construction in progress	4,363,521	1,727,353	2,636,168
Total nondepreciable	63,545,682	60,909,514	2,636,168
Depreciated			
Structures and improvements	$ 87,940,168	$ 83,977,356	$ 3,962,812
Equipment	7,319,670	6,831,379	488,291
Total depreciated	95,259,838	90,808,735	4,451,103
Total capital assets	158,805,520	151,718,249	7,087,271
Total accumulated depreciation	(64,365,110)	(60,030,304)	(4,334,806)
Capital assets - Net	**$ 94,440,410**	**$ 91,687,945**	**$ 2,752,465**

Factors Affecting Next Year's Budget

The Commission is primarily dependent upon HUD for the funding of its Low-income Public Housing, Housing Choice Voucher, and Public Housing Capital Fund programs; therefore, the Commission is affected more by the federal budget than by local economic conditions. The proration of funding of these programs in the future could be significantly affected by the 2022 and 2023 federal budgets. The federal deficit and budgetary restrictions at the congressional level will have a great impact on our local activities.

Economic Factors

Significant economic factors that can potentially affect the Commission are as follows:

- Federal funding provided by Congress to the Department of Housing and Urban Development
- Economic factors such as prevailing interest rates and related banking fees
- Local labor supply and demand, which can affect salary and wage rates
- Increased regulatory requirements
- Local inflationary, recessionary, and employment trends, which can affect resident incomes and, therefore, the amount of rental income
- Inflationary pressure on utility rates, housing costs, supplies, and other operating expenses

Detroit Housing Commission

Statement of Net Position

Year Ended June 30, 2022

	Primary Government - Business-Type Activities	Total Discrete Component Units
Assets and Deferred Outflows of Resources		
Current Assets		
Cash and cash equivalents - Unrestricted (Note 3)	$ 26,873,363	3,298,608
Cash and cash equivalents - Restricted (Note 3)	22,374,981	13,180,483
Receivables - Net	736,503	839,176
Prepaid expenses	730,137	215,057
Due from other governments	1,034,307	-
Total current assets	51,749,291	17,533,324
Noncurrent Assets		
Capital assets - Nondepreciable (Notes 4 and 11)	63,545,682	11,106,372
Capital assets - Depreciable - Net (Notes 4 and 11)	30,894,728	172,057,611
Net pension asset (Note 8)	1,155,300	-
Other noncurrent assets	548,447	1,841,548
Notes, loans, and mortgages receivable - Net (Note 7) - Due from discrete component units with the exception of $127,927 which is due from the Homeownership Program	95,145,861	-
Total assets	243,039,309	202,538,855
Deferred Outflows of Resources	-	-
Deferred outflows related to pensions (Note 8)	926,703	-
Excess consideration provided in acquisition (Note 12)	46,838,877	-
	47,765,580	
Total assets and deferred outflows of resources	**$ 290,804,889**	**$ 202,538,855**
Liabilities, Deferred Inflows of Resources, and Net Position		
Current Liabilities		
Current portion of long-term debt (Note 11)	$ -	$ 232,781
Accounts payable	3,644,836	3,079,135
Accrued interest payable	-	20,326,909
Accrued salaries and benefits	320,292	-
Accrued compensated absences	23,667	-
Due to other governments	293	-
Tenant security deposits	327,865	333,625
Unearned revenue	436,461	129,588
Other current liabilities	1,093,974	2,550,352
Total current liabilities	5,847,388	26,652,390
Noncurrent Liabilities		
Long-term debt - Includes $94,335,041 which is due to Detroit Housing Commission (Note 11)	-	142,300,746
Accrued compensated absences	411,177	-
Other noncurrent liabilities	1,211,774	7,250,213
Total liabilities	7,470,339	176,203,349
Deferred Inflows of Resources - Deferred inflows related to pensions (Note 8)	2,107,246	-
Net Position		
Net investment in capital assets	94,440,410	40,630,456
Restricted for reserves	20,454,633	12,883,190
Restricted for housing projects (notes receivable)	95,145,861	-
Unrestricted net position	71,186,400	(27,178,140)
Total net position	281,227,304	26,335,506
Total liabilities, deferred inflows of resources, and net position	**$ 290,804,889**	**$ 202,538,855**

See notes to financial statements.

Detroit Housing Commission

Statement of Activities

Year Ended June 30, 2022

	Primary Government - Business-Type Activities	Total Discrete Component Units
Operating Revenue		
HUD operating revenue	$ 68,570,711	$ -
Tenant revenue - Net	7,117,193	13,256,222
Other operating revenue	806,332	49,153
Total operating revenue	76,494,236	13,305,375
Operating Expenses		
Administrative	10,438,279	4,484,060
Tenant services	584,840	-
Utilities	5,216,242	1,945,428
Maintenance	10,139,438	3,054,411
Protective services	2,660,982	-
General	6,868,307	2,036,265
Depreciation and amortization	4,360,695	9,718,875
Housing assistance payments	37,430,325	-
Total operating expenses	77,699,108	21,239,039
Operating Loss	(1,204,872)	(7,933,664)
Nonoperating Revenue (Expense)		
Income on sale of asset	7,276	-
Investment income - Unrestricted	145,664	95,320
Investment Income - Restricted	2,302,233	-
Other revenue	3,719,170	
Interest expense	-	(3,462,397)
Bad debt expense	(2,475,041)	-
Total nonoperating revenue (expense)	3,699,302	(3,367,077)
Increase (Decrease) in Net Position Before Capital Contributions	2,494,430	(11,300,741)
Capital Contributions		
Capital contributions - HUD	1,173,368	-
Partner contributions	-	1,124,578
Increase (Decrease) in Net Position	3,667,798	(10,176,163)
Net Position - Beginning of year, as restated for the change in reporting entity (Note 12)	277,559,506	36,511,669
Net Position - End of year	**$ 281,227,304**	**$ 26,335,506**

See notes to financial statements.

Detroit Housing Commission

Statement of Cash Flows

Year Ended June 30, 2022

Cash Flows from Operating Activities		
Cash received from HUD operating subsidies and grants	$	68,570,711
Cash received from tenants		7,308,051
Other receipts		345,569
Cash payments for housing assistance		(37,430,325)
Cash payments to employees		(9,311,135)
Cash payments to suppliers		(25,762,399)
Net cash and cash equivalents provided by operating activities		3,720,472
Cash Flows from Investing Activities		
Investment in notes receivable - Net		411,154
Interest received		32,970
Net cash and cash equivalents provided by investing activities		444,124
Cash Flows from Capital and Related Financing Activities		
HUD capital grants		1,754,253
Purchase of property and equipment		(7,105,884)
Net cash and cash equivalents used in capital and related financing activities		(5,351,631)
Net Decrease in Cash and Cash Equivalents		(1,187,035)
Cash and Cash Equivalents - Beginning of year		50,435,379
Cash and Cash Equivalents - End of year		**$ 49,248,344**
Cash Reconciliation		
Current cash and cash equivalents - Unrestricted	$	26,873,363
Current cash and cash equivalents - Restricted		22,374,981
Total cash and cash equivalents		**$ 49,248,344**
Reconciliation of Operating Loss to Net Cash from Operating Activities		
Operating loss	$	(1,204,872)
Adjustments to reconcile operating loss to net cash and cash equivalents from operating activities:		
Depreciation		4,360,695
Bad debt		205,585
Change in pension liability and deferrals		(60,287)
(Increase) decrease in operating assets:		
Receivables - Net		130,744
Prepaid expenses and other assets		(666,348)
Increase (decrease) in operating liabilities:		
Accounts payable		1,159,249
Due to HUD		803,775
Accrued salaries and benefits		66,235
Tenant security deposits		21,114
Other liabilities		(1,095,418)
Net cash provided by operating activities		**$ 3,720,472**

Noncash Transaction

During the year, the Commission acquired the investor member and co-managing member interest of two formerly presented discretely presented component units. See Note 12 for more details. This created a noncash transaction of $46,505,135 for the forgiveness of notes receivable and a deferred outflow of $46,838,877 for the excess consideration provided in acquisition.

Detroit Housing Commission

Component Units Statement of Net Position

	Woodbridge Estates Apartments I, LLC December 31, 2021	Woodbridge Estates Apartments II, LLC December 31, 2021	Woodbridge Estates Apartments III, Limited Dividend Housing Association, LLC December 31, 2021	Woodbridge Estates Apartments IV, Limited Dividend Housing Association, LLC December 31, 2021	Woodbridge Estates Apartments V, Limited Dividend Housing Association, LLC December 31, 2021	Woodbridge Estates VI Limited Dividend Housing Association, LLC December 31, 2021	Woodbridge Estates IX Limited Dividend Housing Association, LLC December 31, 2021
Assets							
Current Assets							
Cash and cash equivalents - Unrestricted	22,212	109,741	32,722	21,205	67,930	300,981	207,458
Cash and cash equivalents - Restricted	152,651	253,672	219,015	323,585	224,857	358,691	411,962
Receivables - Net	59,179	29,150	24,056	26,948	57,007	24,222	25,073
Prepaid expenses	8,296	10,885	8,384	10,345	14,620	7,474	12,998
Total current assets	242,338	403,448	284,177	382,083	364,414	691,368	657,491
Noncurrent Assets							
Capital assets - Net	3,503,395	4,596,905	3,844,502	4,659,363	6,795,160	6,471,798	14,657,775
Other noncurrent assets	-	-	-	-	137,439	197,709	323,683
Total assets	**$ 3,745,733**	**$ 5,000,353**	**$ 4,128,679**	**$ 5,041,446**	**$ 7,297,013**	**$ 7,360,875**	**$ 15,638,949**
Liabilities and Net Position							
Current Liabilities							
Current portion of long-term debt	26,500	38,700	29,900	37,600	56,700	-	10,200
Accounts payable	47,748	13,511	8,317	23,260	7,064	4,534	616
Accrued interest payable	1,748,243	2,626,873	1,529,909	1,741,644	2,022,069	656,490	131,933
Tenant security deposits	6,744	12,198	8,584	9,799	11,051	4,881	14,502
Unearned revenue	9,576	5,283	6,731	9,477	6,345	13,458	5,394
Other current liabilities	29,749	47,300	13,533	17,472	26,907	136,499	21,922
Total current liabilities	1,868,560	2,743,865	1,596,974	1,839,252	2,130,136	815,862	184,567
Noncurrent Liabilities							
Long-term debt	3,213,205	4,264,034	3,242,697	3,869,871	5,216,151	2,449,845	4,657,629
Other noncurrent liabilities	-	-	-	-	97,106	-	900,000
Total liabilities	5,081,765	7,007,899	4,839,671	5,709,123	7,443,393	3,265,707	5,742,196
Net Position							
Net investment in capital assets	263,690	294,171	571,905	751,892	1,522,309	4,021,953	9,989,946
Restricted	145,907	241,474	210,431	310,085	213,663	353,810	397,460
Unrestricted	(1,745,629)	(2,543,191)	(1,493,328)	(1,729,654)	(1,882,352)	(280,595)	(490,653)
Total net position	(1,336,032)	(2,007,546)	(710,992)	(667,677)	(146,380)	4,095,168	9,896,753
Total liabilities and net position	**$ 3,745,733**	**$ 5,000,353**	**$ 4,128,679**	**$ 5,041,446**	**$ 7,297,013**	**$ 7,360,875**	**$ 15,638,949**

See notes to the financial statements

Component Units Statement of Net Position (Continued)

	Woodbridge ILF Associates Limited Dividend Housing Association Limited Partnership December 31, 2021	Gardenview Homes I Limited Dividend Housing Association, LLC December 31, 2021	Gardenview Homes II Limited Dividend Housing Association, LLC December 31, 2021	Gardenview Homes III Limited Dividend Housing Association, LLC December 31, 2021	Gardenview Homes IV Limited Dividend Housing Association, LLC December 31, 2021	Gardenview Homes V Limited Dividend Housing Association, LLC December 31, 2021	Gardenview Homes VI Limited Dividend Housing Association, LLC December 31, 2021	Gardenview Homes VII Limited Dividend Housing Association, LLC December 31, 2021
Assets								
Current Assets								
Cash and cash equivalents - Unrestricted	642	35,029	31,784	44,824	360,930	197,268	134,077	65,257
Cash and cash equivalents - Restricted	786,399	1,048,018	924,927	1,005,515	439,990	396,434	384,105	650,117
Receivables - Net	50,470	42,275	9,150	43,973	31,002	13,051	43,758	1,501
Prepaid expenses	1,662	15,956	7,479	7,479	7,979	7,979	7,646	13,962
Total current assets	839,173	1,141,278	973,340	1,101,791	839,901	614,732	569,586	730,837
Noncurrent Assets								
Capital assets - Net	7,704,419	13,205,070	5,830,480	5,533,418	5,796,083	8,331,800	7,966,336	9,566,590
Other noncurrent assets	-	-	-	-	-	-	-	-
Total assets	**$ 8,543,592**	**$ 14,346,348**	**$ 6,803,820**	**$ 6,635,209**	**$ 6,635,984**	**$ 8,946,532**	**$ 8,535,922**	**$ 10,297,427**
Liabilities and Net Position								
Current Liabilities								
Current portion of long-term debt	-	33,181	-	-	-	-	-	-
Accounts payable	66,135	40,368	5,924	6,491	35,427	20,563	21,182	-
Accrued interest payable	4,396,763	-	-	-	307,815	-	-	-
Tenant security deposits	27,176	24,002	4,580	5,320	5,047	7,076	4,621	13,081
Unearned revenue	1,040	4,538	1,626	1,508	1,745	2,854	2,911	1,481
Other current liabilities	168,517	74,812	23,823	24,615	-	17,992	17,792	421,182
Total current liabilities	4,659,631	176,901	35,953	37,934	350,034	48,485	46,506	435,744
Noncurrent Liabilities								
Long-term debt	3,684,345	11,503,706	8,787,351	8,806,421	3,887,485	5,384,319	4,823,829	10,230,000
Other noncurrent liabilities	-	-	-	-	56,811	92,978	29,969	2,481,950
Total liabilities	8,343,976	11,680,607	8,823,304	8,844,355	4,294,330	5,525,782	4,900,304	13,147,694
Net Position								
Net investment in capital assets	4,020,074	1,668,183	(2,956,871)	(3,273,003)	1,908,598	2,947,481	3,142,507	(663,410)
Restricted	758,491	1,022,018	920,177	996,915	432,418	389,358	377,855	636,249
Unrestricted	(4,578,949)	(24,460)	17,210	66,942	638	83,911	115,256	(2,823,106)
Total net position	199,616	2,665,741	(2,019,484)	(2,209,146)	2,341,654	3,420,750	3,635,618	(2,850,267)
Total liabilities and net position	**$ 8,543,592**	**$ 14,346,348**	**$ 6,803,820**	**$ 6,635,209**	**$ 6,635,984**	**$ 8,946,532**	**$ 8,535,922**	**$ 10,297,427**

See notes to the financial statements

Component Units Statement of Net Position (Continued)

	Gardenview Homes VIII Limited Dividend Housing Association, LLC December 31, 2021	Gardenview Homes IX Limited Dividend Housing Association, LLC December 31, 2021	Gardenview Homes X Limited Dividend Housing Association, LLC December 31, 2021	Emerald Springs IA Limited Dividend Housing Association Limited Partnership Year Ended December 31, 2021	Emerald Springs IB Limited Dividend Housing Association Limited Partnership Year Ended December 31, 2021	Emerald Springs II Limited Dividend Housing Association Limited Partnership Year Ended June 30, 2021	Cornerstone Estates I Limited Dividend Housing Association, LLC Year Ended December 31, 2021
Assets							
Current Assets							
Cash and cash equivalents - Unrestricted	95,063	116,089	94,576	95,435	23,099	408,985	282,720
Cash and cash equivalents - Restricted	718,876	295,833	1,209,518	585,697	655,024	318,807	691,171
Receivables - Net	596	13,720	73,298	71,983	112,745	49,978	13,229
Prepaid expenses	13,629	7,813	15,381	1,627	1,724	1,930	9,605
Total current assets	828,164	433,455	1,392,773	754,742	792,592	779,700	996,725
Noncurrent Assets							
Capital assets - Net	9,284,751	7,532,270	19,130,188	8,214,233	7,972,436	6,220,591	5,103,512
Other noncurrent assets	-	32,898	337,594	231,221	230,991	21,263	161,792
Total assets	**$ 10,112,915**	**$ 7,998,623**	**$ 20,860,555**	**$ 9,200,196**	**$ 8,996,019**	**$ 7,021,554**	**$ 6,262,029**
Liabilities and Net Position							
Current Liabilities							
Current portion of long-term debt	-	-		-	-	-	-
Accounts payable	3,865	16,667	2,528,152	90,064	43,405	42,663	12,400
Accrued interest payable	-	-	925,360	226,162	198,712	304,261	1,956,602
Tenant security deposits	11,047	11,149	13,264	32,310	33,866	17,336	14,041
Unearned revenue	3,230	2,276	14,470	6,225	18,535	6,116	3,063
Other current liabilities	391,028	44,997	517,888	166,051	166,131	112,617	42,789
Total current liabilities	409,170	75,089	3,999,134	520,812	460,649	482,993	2,028,895
Noncurrent Liabilities							
Long-term debt	10,031,000	4,294,191	10,990,000	5,277,696	4,631,390	7,255,206	3,694,875
Other noncurrent liabilities	2,495,923	58,290	772,294	-	-	-	81,598
Total liabilities	12,936,093	4,427,570	15,761,428	5,798,508	5,092,039	7,738,199	5,805,368
Net Position							
Net investment in capital assets	(746,249)	3,238,079	8,140,188	2,936,537	3,341,046	(1,034,615)	1,408,637
Restricted	706,896	284,548	1,195,654	551,309	620,908	300,774	691,171
Unrestricted	(2,783,825)	48,426	(4,236,715)	(86,158)	(57,974)	17,196	(1,643,147)
Total net position	(2,823,178)	3,571,053	5,099,127	3,401,688	3,903,980	(716,645)	456,661
Total liabilities and net position	**$ 10,112,915**	**$ 7,998,623**	**$ 20,860,555**	**$ 9,200,196**	**$ 8,996,019**	**$ 7,021,554**	**$ 6,262,029**

Component Units Statement of Net Position (Continued)

	Cornerstone Estates II Limited Dividend Housing Association, LLC Year Ended December 31, 2021	Cornerstone Estates III Limited Dividend Housing Association, LLC Year Ended December 31, 2021	Total Discretely Component Units
Assets			
Current Assets			
Cash and cash equivalents - Unrestricted	181,780	368,801	3,298,608
Cash and cash equivalents - Restricted	516,069	609,550	13,180,483
Receivables - Net	12,833	9,979	839,176
Prepaid expenses	9,936	10,268	215,057
Total current assets	720,618	998,598	17,533,324
Noncurrent Assets			
Capital assets - Net	5,526,762	5,716,146	183,163,983
Other noncurrent assets	-	166,958	1,841,548
Total assets	**$ 6,247,380**	**$ 6,881,702**	**$ 202,538,855**
Liabilities and Net Position			
Current Liabilities			
Current portion of long-term debt	-	-	232,781
Accounts payable	31,013	9,766	3,079,135
Accrued interest payable	-	1,554,073	20,326,909
Tenant security deposits	27,308	14,642	333,625
Unearned revenue	1,485	221	129,588
Other current liabilities	26,039	40,697	2,550,352
Total current liabilities	85,845	1,619,399	26,652,390
Noncurrent Liabilities			
Long-term debt	9,073,057	3,032,443	142,300,746
Other noncurrent liabilities	95,562	87,732	7,250,213
Total liabilities	9,254,464	4,739,574	176,203,349
Net Position			
Net investment in capital assets	(3,546,295)	2,683,703	40,630,456
Restricted	516,069	609,550	12,883,190
Unrestricted	23,142	(1,151,125)	(27,178,140)
Total net position	(3,007,084)	2,142,128	26,335,506
Total liabilities and net position	**$ 6,247,380**	**$ 6,881,702**	**$ 202,538,855**

See notes to the financial statements

Detroit Housing Commission

Component Units Statement of Activities

	Woodbridge Estates Apartments I, LLC December 31, 2021	Woodbridge Estates Apartments II, LLC December 31, 2021	Woodbridge Estates Apartments III, Limited Dividend Housing Association, LLC December 31, 2021	Woodbridge Estates Apartments IV, Limited Dividend Housing Association, LLC December 31, 2021	Woodbridge Estates Apartments V, Limited Dividend Housing Association, LLC December 31, 2021	Woodbridge Estates VI Limited Dividend Housing Association, LLC December 31, 2021	Woodbridge Estates IX Limited Dividend Housing Association, LLC December 31, 2021
Operating Revenue							
Tenant revenue - Net	$ 470,721	$ 684,301	$ 361,264	$ 455,064	$ 676,865	$ 448,811	$ 658,244
Other operating revenue	-	-	(27,418)	-	9,840	-	-
Total operating revenue	470,721	684,301	333,846	455,064	686,705	448,811	658,244
Operating Expenses							
Administrative	129,450	177,933	119,723	127,838	166,247	138,598	159,324
Utilities	42,639	64,194	39,091	46,073	59,998	67,805	71,007
Maintenance	154,701	135,907	85,948	138,758	150,329	73,103	71,299
Protective services	-	-	-	-	-	-	-
General	37,995	88,472	34,388	78,490	63,305	47,857	211,596
Depreciation and amortization	155,974	204,136	158,528	188,694	272,661	308,233	703,246
Total operating expenses	520,759	670,642	437,678	579,853	712,540	635,596	1,216,472
Operating (Loss) Income	(50,038)	13,659	(103,832)	(124,789)	(25,835)	(186,785)	(558,228)
Nonoperating Revenue (Expense)							
Investment income	-	-	-	-		-	-
Interest expense	(243,450)	(359,465)	(186,031)	(219,866)	(283,755)	(116,635)	-
Total nonoperating (expense) revenue	(243,450)	(359,465)	(186,031)	(219,866)	(283,755)	(116,635)	-
Decrease in Net Assets Before Capital Contributions and Distributions	(293,488)	(345,806)	(289,863)	(344,655)	(309,590)	(303,420)	(558,228)
Capital Contributions and Distributions							
Partner contributions	-	-	-	-	-	-	1,124,578
Change in Net Position	(293,488)	(345,806)	(289,863)	(344,655)	(309,590)	(303,420)	566,350
Net Position - Beginning of year	(1,042,544)	(1,661,740)	(421,129)	(323,022)	163,210	4,398,588	9,330,403
Net Position - End of year	**$ (1,336,032)**	**$ (2,007,546)**	**$ (710,992)**	**$ (667,677)**	**$ (146,380)**	**$ 4,095,168**	**$ 9,896,753**

See notes to the financial statements

Component Unit Statement of Activities (Continued)

	Woodbridge ILF Associates Limited Dividend Housing Association Limited Partnership December 31, 2021	Gardenview Homes I Limited Dividend Housing Association, LLC December 31, 2021	Gardenview Homes II Limited Dividend Housing Association, LLC December 31, 2021	Gardenview Homes III Limited Dividend Housing Association, LLC December 31, 2021	Gardenview Homes IV Limited Dividend Housing Association, LLC December 31, 2021	Gardenview Homes V Limited Dividend Housing Association, LLC December 31, 2021	Gardenview Homes VI Limited Dividend Housing Association, LLC December 31, 2021	Gardenview Homes VII Limited Dividend Housing Association, LLC December 31, 2021
Operating Revenue								
Tenant revenue - Net	$ 849,279	$ 873,508	$ 369,828	$ 391,378	$ 409,253	$ 404,152	$ 394,508	$ 593,952
Other operating revenue	-	-	-	1,674	-	-	-	-
Total operating revenue	849,279	873,508	369,828	393,052	409,253	404,152	394,508	593,952
Operating Expenses								
Administrative	494,945	212,187	116,033	114,917	130,905	153,901	141,591	230,650
Utilities	167,947	143,635	67,734	66,574	61,721	72,782	77,530	85,139
Maintenance	61,059	317,014	122,603	-	93,891	147,537	112,029	177,373
Protective services	-	-	-	-	-	-	-	-
General	130,303	90,142	49,547	166,804	67,816	65,445	68,743	118,423
Depreciation and amortization	401,954	541,211	195,735	229,645	400,505	524,668	415,468	574,507
Total operating expenses	1,256,208	1,304,189	551,652	577,940	754,838	964,333	815,361	1,186,092
Operating (Loss) Income	(406,929)	(430,681)	(181,824)	(184,888)	(345,585)	(560,181)	(420,853)	(592,140)
Nonoperating Revenue (Expense)								
Investment income	-	22,645	21,323	22,629	82	23	22	13,361
Interest expense	(401,882)	(100,645)	-	-	(29,156)	-	-	(306,900)
Total nonoperating (expense) revenue	(401,882)	(78,000)	21,323	22,629	(29,074)	23	22	(293,539)
Decrease in Net Assets Before Capital Contributions and Distributions	(808,811)	(508,681)	(160,501)	(162,259)	(374,659)	(560,158)	(420,831)	(885,679)
Capital Contributions and Distributions								
Partner contributions	-	-	-	-	-	-	-	-
Change in Net Position	(808,811)	(508,681)	(160,501)	(162,259)	(374,659)	(560,158)	(420,831)	(885,679)
Net Position - Beginning of year	1,008,427	3,174,422	(1,858,983)	(2,046,887)	2,716,313	3,980,908	4,056,449	(1,964,588)
Net Position - End of year	**$ 199,616**	**$ 2,665,741**	**$ (2,019,484)**	**$ (2,209,146)**	**$ 2,341,654**	**$ 3,420,750**	**$ 3,635,618**	**$ (2,850,267)**

See notes to the financial statements

Detroit Housing Commission

Component Unit Statement of Activities (Continued)

	Gardenview Homes VIII Limited Dividend Housing Association, LLC December 31, 2021	Gardenview Homes IX Limited Dividend Housing Association, LLC December 31, 2021	Gardenview Homes X Limited Dividend Housing Association, LLC December 31, 2021	Emerald Springs IA Limited Dividend Housing Association Limited Partnership Year Ended December 31, 2021	Emerald Springs IB Limited Dividend Housing Association Limited Partnership Year Ended December 31, 2021	Emerald Springs II Limited Dividend Housing Association Limited Partnership Year Ended June 30, 2021	Cornerstone Estates I Limited Dividend Housing Association, LLC Year Ended December 31, 2021
Operating Revenue							
Tenant revenue - Net	$ 597,379	$ 393,596	$ 930,418	$ 681,312	$ 691,948	$ 406,147	$ 503,291
Other operating revenue	295	-	-	31,032	28,113	5,617	-
Total operating revenue	597,674	393,596	930,418	712,344	720,061	411,764	503,291
Operating Expenses							
Administrative	243,485	171,234	234,869	237,066	232,046	175,921	168,600
Utilities	67,515	54,204	125,225	134,050	130,048	93,127	60,291
Maintenance	160,212	89,140	199,757	233,977	181,352	125,326	88,216
Protective services	-	-	-	-	-	-	-
General	94,205	57,079	121,574	112,040	113,510	68,723	51,419
Depreciation and amortization	551,752	253,531	1,036,158	560,354	535,260	386,129	367,515
Total operating expenses	1,117,169	625,188	1,717,583	1,277,487	1,192,216	849,226	736,041
Operating (Loss) Income	(519,495)	(231,592)	(787,165)	(565,143)	(472,155)	(437,462)	(232,750)
Nonoperating Revenue (Expense)							
Investment income	14,790	31	-	81	157	52	124
Interest expense	(300,929)	-	(417,358)	(26,883)	(23,579)	(42,511)	(210,745)
Total nonoperating (expense) revenue	(286,139)	31	(417,358)	(26,802)	(23,422)	(42,459)	(210,621)
Decrease in Net Assets Before Capital Contributions and Distributions	(805,634)	(231,561)	(1,204,523)	(591,945)	(495,577)	(479,921)	(443,371)
Capital Contributions and Distributions							
Partner contributions	-	-	-	-	-	-	-
Change in Net Position	(805,634)	(231,561)	(1,204,523)	(591,945)	(495,577)	(479,921)	(443,371)
Net Position - Beginning of year	(2,017,544)	3,802,614	6,303,650	3,993,633	4,399,557	(236,724)	900,032
Net Position - End of year	**$ (2,823,178)**	**$ 3,571,053**	**$ 5,099,127**	**$ 3,401,688**	**$ 3,903,980**	**$ (716,645)**	**$ 456,661**

See notes to the financial statements

Component Unit Statement of Activities (Continued)

	Cornerstone Estates II Limited Dividend Housing Association, LLC Year Ended December 31, 2021	Cornerstone Estates III Limited Dividend Housing Association, LLC Year Ended December 31, 2021	Total Discretely Component Units
Operating Revenue			
Tenant revenue - Net	$ 490,228	$ 520,775	$ 13,256,222
Other operating revenue	-	-	49,153
Total operating revenue	490,228	520,775	13,305,375
Operating Expenses			
Administrative	221,888	184,709	4,484,060
Utilities	82,758	64,341	1,945,428
Maintenance	61,151	73,729	3,054,411
Protective services	-	-	-
General	47,781	50,608	2,036,265
Depreciation and amortization	369,798	383,213	9,718,875
Total operating expenses	783,376	756,600	21,239,039
Operating (Loss) Income	(293,148)	(235,825)	(7,933,664)
Nonoperating Revenue (Expense)			
Investment income	-	-	95,320
Interest expense	-	(192,607)	(3,462,397)
Total nonoperating (expense) revenue	-	(192,607)	(3,367,077)
Decrease in Net Assets Before Capital Contributions and Distributions	(293,148)	(428,432)	(11,300,741)
Capital Contributions and Distributions			
Partner contributions	-	-	1,124,578
Change in Net Position	(293,148)	(428,432)	(10,176,163)
Net Position - Beginning of year	(2,713,936)	2,570,560	36,511,669
Net Position - End of year	**$ (3,007,084)**	**$ 2,142,128**	**$ 26,335,506**

See notes to the financial statements

Note 1 - Nature of Business

Detroit Housing Commission (the "Commission" or DHC) is a Michigan public body corporation operating as a public housing authority under the Michigan Housing Facilities Act, MCL 125.653. The Commission was established in 1933 under the Public Facilities Act by the City of Detroit, Michigan (the “City”). The Commission's mission statement is to effectively and efficiently develop, manage, and preserve quality affordable housing. To achieve this mission, the Commission promotes the development of and provides property management for affordable housing; provides facilities and supportive services to nurture neighborhoods; and provides economic development and self-sufficiency activities for residents while also ensuring equal access to safe, quality housing for low- and moderate-income families throughout the community. For the year ended June 30, 2022, the Commission is considered a component unit of the City. The Commission's board independently oversees the Commission's operations. The Commission is operated by a five-member board appointed by the mayor, and the City of Detroit, Michigan's City Council may remove a member from the board of commissioners.

The Commission owns and provides subsidy and operating support to housing units located throughout the City. The Commission's assets, liabilities, net position, and changes in net position are included in its primary government fund and are segregated by program activity. A summary of each significant program or activity is provided below:

Low-income Public Housing

The Low-income Public Housing (LIPH) program is the Commission's primary source of operating funds. The program is designed to provide subsidized housing to low-income residents and includes the following activities: asset management projects (AMPs), including public housing operations funded through the operating subsidy and components of the Capital Fund; HOPE VI grant programs; Replacement Housing Factor Programs; and various other related HUD grant programs.

The purpose of the Low-income Public Housing program is to provide decent, safe, and affordable housing to low-income families at reduced rental rates. The housing units are owned, maintained, and managed by the Commission and/or managed by other unrelated property management firms.

In addition to the funding of the program operations and development by federal annual contributions, operating subsidies, and grants, as disclosed above, the Commission also collects tenant rents (determined as a percentage of family income, adjusted for family composition and other allowances).

Housing Assistance Programs

The Commission administers the leasing of privately owned units in the City through the housing assistance programs. These programs utilize existing privately owned family rental housing units to provide decent and affordable housing to low-income families. Funding of the programs is provided by federal housing assistance contributions from HUD for the difference between the approved landlord contract rent and the rent paid by the tenants. In addition, the Commission receives an administrative fee to cover operating expenses. These programs include the Section 8 Housing Choice Voucher program, Section 8 Moderate Rehabilitation program, and Mainstream Voucher program.

HOPE VI Programs and Mixed Financing

HOPE VI programs support the acquisition and redevelopment of affordable housing units through the use of HUD financing and other public and private sources. The Commission provides loans to the discretely presented component units utilizing HOPE VI, Replacement Housing Factor (RHF) funds, and capital funds. Repayment of the mortgage notes is based on availability of net cash flows from operations, as defined in the note agreements.

The Commission also has Mixed-Finance Annual Contributions Contracts approved by HUD provided to the discretely presented component units.

Note 1 - Nature of Business (Continued)

Central Office Cost Center

The Central Office Cost Center (COCC) is a business unit within the Commission that generates revenue through fees for services from various commission programs and activities.

Business Activities

The Commission also participates in other development and component unit management activities that are not funded by HUD that are classified as business activities. These activities are reported in the total programs.

Note 2 - Significant Accounting Policies

Reporting Entity

The reporting entity of the Commission includes its primary government and discretely presented component units. The primary government consists of all of the programs, COCC, and business activities described above, as well as blended component units.

Component Units

The definition of the reporting entity, as defined by GASB 61, is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and/or it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government.

Blended Component Units

Some component units, despite being legally separate, are so integrated with the primary government that they are, in substance, part of the primary government. The Commission's primary government includes seven blended component units. These blended component units controlled by the Commission and for which it is financially accountable are as follows:

- Detroit Resident Empowerment and Asset Management Services, Inc. (D.R.E.A.M.S.)
- DHC Parkside (DHCP)
- Parkside Development Corporation, Inc. (PDC)
- DHC Woodbridge
- Detroit Housing Finance Corporation
- The Villages at Parkside II, LLC (TVP II)
- The Villages at Parkside IV, LLC (TVP IV)
- Infinite Horizons Group, Inc.

These component units are related entities created as instrumentalities of the Commission for the purpose of providing and developing affordable housing opportunities and implementing housing policies and programs for the Commission.

Note 2 - Significant Accounting Policies (Continued)

Discretely Presented Component Units

The following component units meet the criteria for discrete component unit presentation and are presented separately from the primary government in the basic financial statements to clearly distinguish the component unit balances and transactions from the primary government.

The discretely presented component units are as follows:

- Woodbridge Estates Apartments I, LLC (WEA I)
- Woodbridge Estates Apartments II, LLC (WEA II)
- Woodbridge Estates Apartments III, Limited Dividend Housing Association, LLC (WEA III)
- Woodbridge Estates Apartments IV, Limited Dividend Housing Association, LLC (WEA IV)
- Woodbridge Estates Apartments V, Limited Dividend Housing Association, LLC (WEA V)
- Woodbridge Estates VI Limited Dividend Housing Association, LLC (WEA VI)
- Woodbridge Estates IX Limited Dividend Housing Association, LLC (WEA IX)
- Woodbridge ILF Associates Limited Dividend Housing Association Limited Partnership (WILF)
- Gardenview Homes I Limited Dividend Housing Association, LLC
- Gardenview Homes II Limited Dividend Housing Association, LLC
- Gardenview Homes III Limited Dividend Housing Association, LLC
- Gardenview Homes IV Limited Dividend Housing Association, LLC
- Gardenview Homes V Limited Dividend Housing Association, LLC
- Gardenview Homes VI Limited Dividend Housing Association, LLC
- Gardenview Homes VII Limited Dividend Housing Association, LLC
- Gardenview Homes VIII Limited Dividend Housing Association, LLC
- Gardenview Homes IX Limited Dividend Housing Association, LLC
- Gardenview Homes X Limited Dividend Housing Association, LLC
- Emerald Springs IA Limited Dividend Housing Association Limited Partnership
- Emerald Springs IB Limited Dividend Housing Association Limited Partnership
- Emerald Springs II Limited Dividend Housing Association Limited Partnership
- Cornerstone Estates I Limited Dividend Housing Association, LLC
- Cornerstone Estates II Limited Dividend Housing Association, LLC
- Cornerstone Estates III Limited Dividend Housing Association, LLC

Note 2 - Significant Accounting Policies (Continued)

All of these discrete component units are either for-profit limited liability corporations or partnerships that were created for the development, ownership, and management of affordable housing properties in the City of Detroit, Michigan. These entities follow all applicable FASB standards, regardless of issue date. Since they do not follow governmental accounting, for presentation purposes, certain transactions may be reflected differently in these financial statements than in the separately issued discrete component unit financial statements in order for them to conform to the presentation of the primary government.

All of the discrete component units, with the exception of Emerald Springs II Limited Dividend Housing Association Limited Partnership, which reported the same year end as the Commission, have a calendar year end of December 31, which differs from the Commission's year end of June 30. For reporting purposes, the information reported in the basic financial statements is presented as of and for the 12-month period ended December 31, 2021 for these discrete component units.

Due to fiscal year-end differences between the Commission and the discrete component units, certain related receivables of the Commission do not have offsetting equal liabilities reflected in the discrete component units. Each of the discrete component units is independent of the Commission; however, the Commission has an economic interest in each of the respective properties. Separately issued financial statements for each discrete component unit can be obtained by contacting the Commission located at 1301 E. Jefferson Avenue, Detroit, MI 48226.

Other Component Units

The following component units have been created by the Commission but had little or no activity during the prior years and have been dissolved during the year ended June 30, 2022:

- DHC Marwood, Inc.
- Parkside Services, Inc.
- TVP Residents Association I, Inc.
- TVP Residents Association II, Inc.
- TVP Residents Association III, Inc.
- TVP Residents Association IV, Inc.
- TVP Residents, Inc.
- The Villages at Parkside, LLC
- The Outer Drive Housing Finance Corporation
- The Villages at Parkside I, LLC
- The Villages at Parkside III, LLC

Basis of Presentation

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, as prescribed by the Governmental Accounting Standards Board (GASB). The Commission follows the business-type activities reporting requirements of GASB Statement No. 34, which provides a comprehensive one-line look at the Commission's financial activities. The Commission reports all of its operations as a single business activity in a single enterprise fund. The enterprise fund is a proprietary fund, which distinguishes operating revenue and expenses from nonoperating items.

Note 2 - Significant Accounting Policies (Continued)

The operating revenue of the Commission primarily consists of rental charges to tenants, operating grants from HUD, and other operating revenue that offset operating expenses. Operating expenses include the cost of administrative, tenant services, utilities, maintenance, protective services, general operations, depreciation, and housing assistance payments. All revenue and expenses not meeting the operating definitions under GASB are reported as nonoperating, with the exception of the HUD capital contributions, which are reported separately as a capital activity.

Basis of Accounting

The Commission's basis of accounting is determined by the measurement focus. A proprietary fund uses the flow of economic resources measurement focus. As a proprietary fund, the Commission's financial activities operate in a manner similar to private business enterprises and are financed through fees and charges assessed primarily to the users of the services. For financial reporting purposes, the Commission considers its grants associated with operations as operating revenue because these funds more closely represent revenue generated from operating activities rather than nonoperating activities. Grants associated with capital acquisition and improvements are considered capital contributions and are presented after nonoperating activity as capital contributions on the accompanying statement of activities.

Cash Equivalents

The Commission considers all highly liquid investments with an original maturity of three months or less to be cash and cash equivalents. The Commission also considers U.S. government money market funds to be cash and cash equivalents.

Restricted Cash

Restricted cash represents amounts held in Family Self-Sufficiency (FSS) escrow, Section 8 funds, rehab funds, tenants' escrows, and other escrows. Restrictions for use in operations and approval are governed by HUD or other outside parties.

Investments

Investments are reported at fair value or estimated fair value.

Receivables - Net

Current receivables consist of revenue earned at year end and not yet received. As of June 30, 2022, there is an allowance for uncollectible tenant receivables of approximately $1,148,000. Allowances are determined by management based on periodic aging and prior experience. Tenant bad debt expense, netted with tenant revenue, for the year ended June 30, 2022 was approximately $551,000.

Due from Other Governments

These amounts are due from HUD principally as a result of grant revenue being accrued for allowable program expenses not yet funded. The amount due from HUD for the Capital Fund is approximately $307,000, and the amount due from HUD for rental subsidies is approximately $727,000.

Notes, Loans, and Mortgages Receivable - Net

These receivables consist of amounts due under agreements from the discrete component units, primarily utilizing HOPE VI funds, as well as from tenants in the Homeownership Program. HOPE VI notes mature several years into the future, and management has estimated that these notes are fully collectible and that there is no basis for a bad debt reserve as of June 30, 2022. The homeownership loans are presented net of their related amortization.

Note 2 - Significant Accounting Policies (Continued)

Accrued Interest Receivable - Restricted

Restricted interest receivable is related to the mortgage loans made to the discrete component units. Interest is not due within the next 12 months and, therefore, is classified as noncurrent. The accrued interest receivable is considered restricted since the related loans were funded through the HOPE VI program, and the interest is restricted upon receipt in accordance with HUD guidelines.

Capital Assets - Net

The Commission's policy is to capitalize purchased assets with a value in excess of $1,000 and self-constructed assets with a value in excess of $5,000 and a useful life in excess of one year. The Commission capitalizes the costs of site acquisition and improvement, structures, equipment, and direct development costs meeting the capitalization policy. Charges for maintenance and repairs are expensed when incurred, and capital improvements extending the lives of assets are capitalized. Assets are valued at historical cost, or estimated historical cost if actual historical cost is not available, and contributed assets are valued at acquisition value on the date of donation.

Depreciation has been provided using the straight-line method over the estimated useful lives of the assets, which range as follows:

	Depreciable Life - Years
Structures and improvements	15-40
Equipment - Dwelling and administrative	5-10

If an indicator of impairment is identified and the decline in service utility was unexpected and significant, an impairment loss is calculated in consideration of whether the capital asset will continue to be used by the Commission. An impairment loss is generally measured by identifying the historical cost of the service utility of the capital asset that cannot be used due to the impairment event or circumstance.

Impaired capital assets that will no longer be used by the Commission are reported at the lower of carrying value or fair value or are written off entirely. During 2022, no impairments were recorded.

Compensated Absences

Full-time permanent employees are granted leave benefits up to a maximum of 400 hours, depending on tenure with the Commission. Generally, after six months of service, employees are entitled to all accrued vacation leave upon termination. Employees are entitled to 60 percent of accrued sick leave upon retirement after 25 years of service. The estimated liability for vested leave benefits is recorded as an expense when it is earned in the basic financial statements. The compensated absences at June 30, 2022 totaled approximately $435,000, of which $24,000 is reported as current and $411,000 as noncurrent liabilities.

Unearned Revenue

The Commission's unearned revenue balance represents receipt of HUD or other intergovernmental program funding applicable to future periods. Unearned revenue also includes money received in full for future land leases that are recognized as revenue over the lives of the leases.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until then. The Commission reports deferred outflows related to pension and excess consideration provided in acquisition of The Villages at Parkside II, LLC and The Villages at Parkside IV, LLC. See Note 12 for further details.

Note 2 - Significant Accounting Policies (Continued)

In addition to the liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Commission reports deferred inflows related to pension.

Net Position

Net position is composed of three categories: (1) invested in capital assets - net of related debt, (2) restricted, and (3) unrestricted. The Commission's positive value of unrestricted net position in the primary government may be used to meet ongoing obligations. When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the Commission's policy is to first apply restricted resources. Each component of net position is reported separately on the statement of net position.

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

(2) *Restricted* - This category equals the restricted cash of the Commission and consists of net assets restricted in their use by (a) external groups, such as grantors, creditors, or laws and regulations of other governments, or (b) law through constitutional provisions or enabling legislation. Restricted assets in the primary government consist of reserves and HOPE VI notes receivable that are restricted upon collection in accordance with HUD guidelines.

(3) *Unrestricted* - This category includes all of the remaining net position that does not meet the definition of the other two categories.

Operating Revenue and Expenses

The Commission's operating revenue includes HUD funding and other amounts received from tenants for rent and other charges for services provided. Operating expenses are costs incurred during the operation of its primary housing activities. Such revenue and expenses are reported when earned or incurred, respectively.

Eliminations

Certain accounts are eliminated from the Commission's primary government financial statements. The accounts that are eliminated are as follows:

- *Interprogram due to/from* - In the normal course of operations, certain programs pay for common costs that create interprogram receivables or payables. These interprogram receivables or payables are eliminated for the presentation of the Commission as a whole. For the year ended June 30, 2022, $1,607,664 was eliminated.
- *Management and other fees* - The Commission's Central Office Cost Center internally charges operating fees to the AMPs in the Low Rent Housing Program, including management fees, bookkeeping fees, and asset management fees. For financial reporting purposes, $4,335,115 of fees has been eliminated for the year ended June 30, 2022.
- *Fees for service* - The Commission's Central Office Cost Center internally charges fees to other programs and projects of the Commission for legal and specialized maintenance services. For financial reporting purposes, $63,289 of internal charges has been eliminated for the year ended June 30, 2022.

Note 2 - Significant Accounting Policies (Continued)

Nonoperating Revenue and Expenses

Nonoperating revenue and expenses are derived from transactions other than those associated with the Commission's primary housing operations and are reported as incurred, including investment activity.

Interest Income

Interest income on notes receivable is recognized pursuant to the terms of the respective loan agreements. Collectibility is evaluated annually based on payments received and cash flow of each individual entity and future projected cash flow. If amounts are deemed to be uncollectible, DHC established an allowance for the doubtful account.

Capital Grants

The Commission records grants received for capital outlay as contributions from HUD.

Pensions

The Commission offers a defined benefit pension plan to its employees. The Commission records a net pension asset or liability for the difference between the total pension liability calculated by the actuary and the pension plan's fiduciary net position. For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plan and additions to/deductions from the pension plan's fiduciary net position have been determined on the same basis as they are reported by the pension plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Use of Estimates

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

Upcoming Accounting Pronouncements

In March 2020, the GASB issued Statement No. 94*, Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, to bring a uniform guidance on how to report public-private and public-public partnership arrangements. As a result, transferors in public-private or public-public arrangements will recognize receivables for installment payments; deferred inflows of resources; and, when applicable, capital assets. Operators will recognize liabilities for installment payments and intangible right-to-use assets and, when applicable, deferred outflows of resources and liabilities for assets being transferred. This statement also provides guidance for accounting and financial reporting for availability payment arrangements, in which a government compensates an operator for services such as designing, constructing, financing, maintaining, or operating an underlying asset for a period of time in an exchange or exchange-like transaction. The provisions of this statement are effective for the Commission’s financial statements for the year ending June 30, 2023.

In May 2020, the Governmental Accounting Standards Board issued Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*, which defines SBITAs and provides accounting and financial reporting for SBITAs by governments. This statement requires a government to recognize a subscription liability and an intangible right-to-use subscription asset for SBITAs. The Commission is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the Commission's financial statements for the year ending June 30, 2023.

Note 2 - Significant Accounting Policies (Continued)

In June 2022, the Governmental Accounting Standards Board issued Statement No. 101, *Compensated Absences*, which updates the recognition and measurement guidance for compensated absences under a unified model. This statement requires that liabilities for compensated absences be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means and establishes guidance for measuring a liability for leave that has not been used. It also updates disclosure requirements for compensated absences. The provisions of this statement are effective for the Commission's financial statements for the year ending June 30, 2025.

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including December 12, 2022, which is the date the financial statements were available to be issued.

Note 3 - Deposits and Investments

Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended) authorizes local governmental units to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The local unit is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; bankers' acceptances of United States banks; commercial paper rated within the two highest classifications that matures no more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions that are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

The Commission's deposits are included at their carrying values on the statement of net position under the following classifications:

	Primary Government - Business-type Activities	Total Discretely Presented Component Units
Cash and cash equivalents	$ 26,873,363	$ 3,298,608
Restricted cash and investments	22,374,981	13,180,483
Total deposits and investments	$ 49,248,344	$ 16,479,091

The above amounts are classified by Governmental Accounting Standards Board Statement Nos. 3 and 40 in the following categories as of June 30, 2022:

	Primary Government
Bank deposits	$ 5,483,311
Sweep accounts - Less than two months	43,765,033
Total	$ 49,248,344

Note 3 - Deposits and Investments (Continued)

As of June 30, 2022, the Commission's cash and cash equivalents consist of cash in banks of $49,653,876.

The Commission's cash and investments are subject to several types of risk, which are examined in more detail below:

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the Commission's deposits may not be returned to it. The Commission does not have a deposit policy for custodial credit risk. At year end, the Commission had bank deposits of $5,138,843 (certificates of deposit and checking and savings accounts) that were uninsured and uncollateralized. The discrete component units had approximately $16 million in deposits, of which approximately $10 million was uninsured and uncollateralized.

Interest Rate Risk

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates.

The Commission's investment policy is to limit its exposure to declines in fair values of its investment portfolio by only investing in HUD-allowed investments and by monitoring any such investments. At June 30, 2022, the Commission has investments in a sweep account with a fair value of $43,168,867 and a weighted-average maturity of two months.

Credit Risk

State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The Commission has no investment policy that would further limit its investment choices. As of year end, the credit quality ratings of debt securities (other than the U.S. government) are as follows:

Investment	Fair Value	Rating
Government Repo Pool	$ 43,168,867	N/A

Restricted Cash

The Commission's restricted cash at June 30, 2022 is as follows:

	Primary Government - Business-type Activities	Total Discretely Presented Component Units
Current:		
Tenant security deposits	$ 272,754	$ 297,293
Funded reserves	-	12,883,190
Family self-sufficiency escrow	1,248,110	-
Mainstream vouchers and other	399,501	-
Development program activities	20,454,616	-
Total	$ 22,374,981	$ 13,180,483

Note 4 - Property and Equipment

A summary of property and equipment for the primary government by class is as follows:

	Balance July 1, 2021	Additions	Disposals and Adjustments	Balance June 30, 2022
Capital assets not being depreciated:				
Land	$ 59,182,161	$ -	$ -	$ 59,182,161
Construction in progress	1,727,353	2,636,168	-	4,363,521
Subtotal	60,909,514	2,636,168	-	63,545,682
Capital assets being depreciated:				
Structures and improvements	83,977,354	3,962,814	-	87,940,168
Equipment	6,884,967	514,178	(79,475)	7,319,670
Subtotal	90,862,321	4,476,992	(79,475)	95,259,838
Accumulated depreciation:				
Structures and improvements	53,772,419	4,142,988	-	57,915,407
Equipment	6,311,471	217,707	(79,475)	6,449,703
Subtotal	60,083,890	4,360,695	(79,475)	64,365,110
Net capital assets being depreciated	30,778,431	116,297	-	30,894,728
Net capital assets	$ 91,687,945	$ 2,752,465	$ -	$ 94,440,410

As of June 30, 2022, the Commission has approximately $1,000,000 in future construction commitments.

The Commission and the Michigan Department of Environment, Great Lakes, and Energy (EGLE) have determined there is soil remediation needed at a property owned by the Commission. The Commission is working with EGLE to determine the remediation needed. It is unknown at this time the extent of the work to be completed, and, therefore, there is no available cost range for the remediation. There is no liability recorded on the statement of net position at June 30, 2022.

Note 5 - Risk Management

The Commission is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. As part of the Commission's risk management program, certain commercial insurance policies are purchased, and the Commission participates in commercial risk pools to cover designated exposures and potential loss situations. There were no significant reductions of insurance coverage from prior years, and settlements did not exceed insurance coverage for each of the past three years.

Note 6 - Capital Donation from the City

In a previous period, the Commission's assets were held in the City's name. In separation of the Commission from the City by agreement, the City transferred all assets of the Commission to the separate government unit. These transferred assets were considered donations from the City and, accordingly, were recorded at fair market value. Subsequent to the donations, appraisals were obtained on all fixed assets, which included an estimate of their remaining useful lives. Based on these appraisals, the donated fixed assets were revalued. The total book value of the capital assets transferred from the City was approximately $108 million.

Note 7 - Notes, Loans, and Mortgages Receivable

Notes, loans, and mortgages receivable consist of HUD HOPE VI, RHF, and other funds loaned by the Commission to discrete component units for development of affordable housing in Detroit, repayable from future cash flows, as defined in the agreements. During 2022, no additional loans were made from the Commission to these discrete component units from these sources.

The Commission also has mixed finance annual contributions contracts approved by HUD for all the discretely presented component units.

The Commission also has loans receivable under funds provided by HUD under the Homeownership Program. The loans do not have scheduled payments and are forgiven over time per the loan agreements. The Commission amortizes the loans receivable over the seven-year debt forgiveness schedule.

As of June 30, 2022, an allowance for accured interest of $21,239,005 was recorded.

Presented below is the detail of the loans, all of which are considered noncurrent with loan balance fully collectible:

	Maturity Date	Interest Rate	Balance	Accrued Interest Receivable
Due from discretely presented component units:				
Woodbridge Estates Apartments I, LLC (HOPE VI)*	January 2048	4.72%	$ 1,279,814	$ 1,826,805
Woodbridge Estates Apartments I, LLC (HOPE VI)*	January 2048	0.00%	840,510	-
Woodbridge Estates Apartments II, LLC (HOPE VI)*	January 2048	4.72%	1,888,460	2,689,187
Woodbridge Estates Apartments II, LLC (HOPE VI)*	January 2048	0.00%	797,955	-
Woodbridge Estates Apartments III, Limited Dividend Housing Association, LLC (HOPE VI)*	January 2051	4.61%	1,560,470	1,595,317
Woodbridge Estates Apartments IV, Limited Dividend Housing Association, LLC (HOPE VI)*	January 2051	4.61%	1,764,801	1,814,769
Woodbridge Estates Apartments V, Limited Dividend Housing Association, LLC (HOPE VI)*	January 2051	4.61%	2,057,829	2,104,432
Woodbridge Estates VI Limited Dividend Housing Association, LLC (HOPE VI)*	September 2063	3.75%	2,719,779	690,749
Woodbridge Estates IX Limited Dividend Housing Association, LLC (HOPE VI)*	September 2067	0.00%	3,700,000	219,431
Woodbridge ILF Associates Limited Dividend Housing Association Limited Partnership (HOPE VI)*	June 2049	5.20%	3,713,014	4,607,523
Emerald Springs IA Limited Dividend Housing Association Limited Partnership (RHF)*	January 2056	0.50%	5,292,434	243,590
Emerald Springs IB Limited Dividend Housing Association Limited Partnership (RHF)*	January 2056	0.50%	4,644,006	213,004
Emerald Springs IB Limited Dividend Housing Association Limited Partnership (RHF)*	March 2058	0.50%	7,431,331	304,261
Cornerstone Estates I Limited Dividend Housing Association, LLC (HOPE VI)*	March 2058	3.79%	3,734,751	2,062,975
Cornerstone Estates II Limited Dividend Housing Association, LLC (HOPE VI)*	July 2060	0.00%	9,097,354	-
Cornerstone Estates III Limited Dividend Housing Association, LLC (HOPE VI)*	October 2061	4.25%	3,088,675	1,651,380
Gardenview Homes I Limited Dividend Housing Association, LLC (HOPE VI)*	December 2053	0.00%	9,785,199	-
Gardenview Homes II and III Limited Dividend Housing Association, LLC (HOPE VI)*	December 2054	0.00%	4,456,754	-

Note 7 - Notes, Loans, and Mortgages Receivable (Continued)

	Maturity Date	Interest Rate	Balance	Accrued Interest Receivable
Gardenview Homes IV Limited Dividend Housing Association, LLC (HOPE VI)*	May 2060	0.75%	$ 3,887,485	$ 334,945
Gardenview Homes V Limited Dividend Housing Association, LLC (RHF and HOPE VI)*	March 2061	0.00%	5,407,128	-
Gardenview Homes VI Limited Dividend Housing Association, LLC (RHF and HOPE VI)*	March 2061	0.00%	4,836,094	-
Gardenview Homes IX Limited Dividend Housing Association, LLC (RHF and HOPE VI)*	June 2064	0.00%	4,294,091	-
Gardenview Homes X Limited Dividend Housing Association, LLC (RHF and HOPE VI)*	June 2067	2.50%	8,740,000	880,637
Subtotal			95,017,934	21,239,005
Less allowance for accrued interest receivable			-	(21,239,005)
Due from other - Homeownership loans - Net (accumulated amortization for forgiveness of debt of $450,000)	Various	0%	127,927	-
Total noncurrent notes receivable			$ 95,145,861	$ -

*Additional information related to these notes is presented in the long-term debt section in Note 11 for the discretely presented component units.

Note 8 - Pension Plan

Plan Description

The Commission participates in an agent multiple-employer defined benefit pension plan administered by the Municipal Employees' Retirement System of Michigan (MERS). MERS was established as a statewide public employee pension plan by the Michigan Legislature under PA 135 of 1945 and is administered by a nine-member retirement board. MERS issues a publicly available financial report, which includes the financial statements and required supplemental information of this defined benefit plan. This report can be obtained at www.mersofmichigan.com or in writing to MERS at 1134 Municipal Way, Lansing, MI 48917.

Benefits Provided

The plan provides certain retirement, disability, and death benefits to plan members and beneficiaries. PA 427 of 1984, as amended, established and amends the benefit provisions of the participants in MERS.

The MERS plan covers substantially all employees of the Commission, including the executive members, nonexecutive members, contributing union members, contributing nonexecutive members, and executive director. As of year end, the defined benefit plan was closed to all new entrants. Summary information for each of these groups is provided below:

Executive Members

Retirement benefits for employees are calculated as 2.50 percent of the employee's final 3-year average salary times the employee's years of service. Normal retirement age is 60, with early reduced retirement at age 50 with 25 years of service or age 55 with 15 years of service. The vesting period is 6 years. This plan is closed to new entrants.

Note 8 - Pension Plan (Continued)

Nonexecutive Members

Retirement benefits for employees are calculated as 2.00 percent of the employee's final 3-year average salary times the employee's years of service. Normal retirement age is 60, with early reduced retirement at age 50 with 25 years of service or age 55 with 15 years of service. The vesting period is 6 years. This plan is closed to new entrants.

Contributing Union Members

Retirement benefits for employees are calculated as 2.00 percent of the employee's final 3-year average salary times the employee's years of service. Normal retirement age is 60, with early reduced retirement at age 50 with 25 years of service or age 55 with 15 years of service. The vesting period is 3 years. This plan is closed to new entrants.

Contributing Nonexecutive Members

Retirement benefits for employees are calculated as 2.00 percent of the employee's final 3-year average salary times the employee's years of service. Normal retirement age is 60, with early reduced retirement at age 50 with 25 years of service or age 55 with 15 years of service. The vesting period is 3 years. This plan is closed to new entrants.

Executive Director

Retirement benefits for employees are calculated as 2.50 percent of the employee's final 3-year average salary times the employee's years of service. Normal retirement age is 60, with early reduced retirement at age 50 with 25 years of service or age 55 with 15 years of service. The vesting period is 6 years. This plan is closed to new entrants.

Employees Covered by Benefit Terms

At the December 31, 2021 measurement date, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	54
Inactive plan members entitled to but not yet receiving benefits	92
Active plan members	70
Total employees covered by the plan	216

Contributions

Article 9, Section 24 of the State of Michigan constitution requires that financial benefits arising on account of employee service rendered in each year be funded during that year. Accordingly, MERS retains an independent actuary to determine the annual contribution. The employer is required to contribute amounts at least equal to the actuarially determined rate established by the MERS retirement board. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The employer may establish contribution rates to be paid by its covered employees.

For the year ended December 31, 2021, the active employee contribution rate was 5.0 percent of annual pay for executive, contributing union, and contributing nonexecutive members and 0 percent for nonexecutive members and executive directors.

The Commission's contribution rates as a percentage of annual payroll are as follows: executive members - 14.31 percent, contributing union members - 10.87 percent, and contributing nonexecutive members - 10.87 percent.

Note 8 - Pension Plan (Continued)

Net Pension Asset

The net pension asset reported at June 30, 2022 was determined using a measure of the total pension liability and the plan net position as of December 31, 2021. The December 31, 2021 total pension liability was determined by an actuarial valuation performed as of that date.

Changes in the net pension asset during the measurement year were as follows:

	Increase (Decrease)		
Changes in Net Pension Asset	Total Pension Liability	Plan Net Position	Net Pension Asset
Balance at December 31, 2020	$ 22,801,795	$ 23,058,929	$ (257,134)
Changes for the year:			
Service cost	445,160	-	445,160
Interest	1,712,950	-	1,712,950
Differences between expected and actual experience	(319,325)	-	(319,325)
Changes in assumptions	996,097	-	996,097
Contributions - Employer	-	414,275	(414,275)
Contributions - Employee	-	243,471	(243,471)
Net investment income	-	3,112,153	(3,112,153)
Benefit payments, including refunds	(970,341)	(970,341)	-
Administrative expenses	-	(36,851)	36,851
Net changes	1,864,541	2,762,707	(898,166)
Balance at December 31, 2021	$ 24,666,336	$ 25,821,636	$ (1,155,300)

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

For the year ended June 30, 2022, the Commission recognized pension expense of $365,654. At June 30, 2022, the Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ (191,505)
Changes in assumptions	705,045	-
Net difference between projected and actual earnings on pension plan investments	-	(1,915,741)
Employer contributions to the plan subsequent to the measurement date	221,658	-
Total	$ 926,703	$ (2,107,246)

Note 8 - Pension Plan (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (note that employer contributions subsequent to the measurement date of $221,658 will impact the net pension asset and, therefore, will not be included in future pension expense):

Years Ending June 30	Amount
2023	$ 222,768
2024	(767,843)
2025	(566,517)
2026	(290,609)
Total	$ (1,402,201)

Actuarial Assumptions

The total pension liability in the December 31, 2021 actuarial valuation was determined using an inflation assumption of 2.5 percent, a salary increases (including inflation) of 3 percent, and an investment rate of return (net of pension plan investment expenses) of 7.25 percent.

Mortality rates were based on certain sex distinct Pub-2010 mortality tables.

The actuarial assumptions used in the December 31, 2021 valuation were based on the results of an actuarial experience study covering the period from January 1, 2014 through December 31, 2018.

Discount Rate

The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Projected Cash Flows

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension asset.

Note 8 - Pension Plan (Continued)

The long-term expected rate of return on pension plan investments was determined using a model in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return as of December 31, 2021, the measurement date, for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Global equity	60.00 %	4.50 %
Global fixed income	20.00	2.00
Private investments	20.00	7.00

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

The following presents the net pension asset of the Commission, calculated using the discount rate of 7.25 percent, as well as what the Commission's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.25 percent) or 1 percentage point higher (8.25 percent) than the current rate:

	1 Percentage Point Decrease (6.25%)	Current Discount Rate (7.25%)	1 Percentage Point Increase (8.25%)
Net pension liability (asset) of the Commission	$ 2,082,896	$ (1,155,300)	$ (3,836,757)

Pension Plan Fiduciary Net Position

Detailed information about the plan's fiduciary net position is available in the separately issued financial report found at www.mersofmichigan.com. The plan's fiduciary net position has been determined on the same basis used by the plan. The plan uses the economic resources measurement focus and the full accrual basis of accounting. Investments are stated at fair value. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments and refunds of employee contributions are recognized as expense when due and payable in accordance with the benefit terms.

Assumption Changes

The discount rate was reduced from 7.6 percent to 7.25 percent in the December 31, 2021 actuarial valuation.

Note 9 - Commitments and Contingencies

Grants and Contracts

The Commission participates in various federal and local grants, contracts, or sponsored agreements that are subject to review and audit by the grantor agencies. Entitlements to these resources are generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from a federal audit may become a liability of the Commission. As of the date of this report, management is not aware of any such disallowance.

Note 9 - Commitments and Contingencies (Continued)

Section 8 Housing Choice Voucher Program

The Commission has received cumulative funding in excess of housing assistance payments and earned administrative fees through the Section 8 Housing Choice Voucher Program (the "program") under the implementation of the Consolidated Appropriations Act of 2005, Funding Provisions for the Housing Choice Voucher Program. Due to decreases in federal funding, HUD decreased its HAP payments made to the Commission, forcing it to use its HAP reserves. As of June 30, 2022, there is no remaining HAP reserve that is subject to possible future recapture.

Funds Awarded

The Commission receives funding from HUD through the Capital Fund and public housing development programs to help subsidize the cost of redevelopment of projects, project repairs, improvements, component unit developments, and certain operating costs. Awards available to be spent as of June 30, 2022 for qualifying eligible expenditures amounted to $35,780,635 and $1,451,455, respectively.

Note 10 - Concentrations

The Commission operates in a heavily regulated environment. The operations of the Commission are subject to the administrative directives, rules, and regulations of federal, state, and local regulatory agencies, including, but not limited to, HUD.

Such administrative directives, rules, and regulations are subject to change by an Act of Congress or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related costs and the additional administrative burden to comply with the changes.

For the year ended June 30, 2022, approximately 90 percent of the operating revenue reflected in the primary government basic financial statements is from HUD.

Note 11 – Discretely Presented Component Units

The following entities are considered discrete component units of the Commission and are presented in accordance with GASB No. 61. Certain items may have changed for presentation purposes from the separately issued audited financial statements to conform to the Commission's presentation. The discrete component units disclosures included are those required under GASB No. 61 that are deemed essential to fair presentation of the financial entity's general purpose financial statements. The following disclosures are those that are material to the Commission and are not meant to be a full representation of each component unit's financial position and required disclosures. A copy of each component unit's separately issued financial statements can be obtained from the Commission's management. See Note 2 for detail on accounting policy and the for-profit entities that are considered discretely presented component units.

Each of the discrete component units are located in the City of Detroit and were formed as limited partnerships or limited liability companies for the purpose of owning, developing, and operating affordable housing projects.

The significant activity of the entities consists of residential rental operations and the primary assets are the land, buildings, improvements, furniture, fixtures, and equipment. Debt is primarily long term in nature and is collateralized by the property. Equity is contributed by investor partners or members.

A summary of the capital assets of the discrete component units is as follows:

Schedule of Component Unit Capital Assets June 30, 2022 and December 31, 2021	Nondepreciable	Depreciable		Accumulated Depreciation	2022 Net Capital Assets
	Land	Land Improvements, Buildings, and Building Improvements	Furniture, Fixtures, and Equipment		
Woodbridge Estates Apartments I, LLC	$ -	$ 6,216,574	$ 12,368	$ (2,725,547)	$ 3,503,395
Woodbridge Estates Apartments II, LLC	-	8,146,960	7,629	(3,557,684)	4,596,905
Woodbridge Estates Apartments III, LDHA LLC	-	6,110,920	1,540	(2,267,958)	3,844,502
Woodbridge Estates Apartments IV, LDHA LLC	-	7,411,130	1,870	(2,753,637)	4,659,363
Woodbridge Estates Apartments V, LDHA LLC	-	10,710,627	16,679	(3,932,146)	6,795,160
Woodbridge Estates Apartments VI, LDHA LLC	-	9,517,950	396,215	(3,442,367)	6,471,798
Woodbridge Estates Apartments IX, LDHA LLC	-	15,619,881	244,245	(1,206,351)	14,657,775
Woodbridge ILF Associates LDHA LP	291,667	12,641,830	1,201,059	(6,430,137)	7,704,419
Cornerstone Estates I LDHA, LLC	-	8,871,414	368,243	(4,136,145)	5,103,512
Cornerstone Estates II LDHA, LLC	-	9,223,625	435,818	(4,132,681)	5,526,762
Cornerstone Estates III LDHA, LLC	-	9,325,228	411,920	(4,021,002)	5,716,146
Gardenview Homes I LDHA, LLC	2,973,750	16,140,968	557,865	(6,467,513)	13,205,070
Gardenview Homes II LDHA, LLC	1,143,033	6,626,498	1,519,182	(3,458,233)	5,830,480
Gardenview Homes III LDHA, LLC	1,164,608	6,791,783	1,317,998	(3,740,971)	5,533,418
Gardenview Homes IV LDHA, LLC	268,440	9,692,441	401,248	(4,566,046)	5,796,083
Gardenview Homes V LDHA, LLC	410,006	12,872,546	394,291	(5,345,043)	8,331,800
Gardenview Homes VI LDHA, LLC	368,485	11,404,236	601,043	(4,407,428)	7,966,336
Gardenview Homes VII LDHA, LLC	2,881,616	11,267,284	624,221	(5,206,531)	9,566,590
Gardenview Homes VIII LDHA, LLC	433,136	13,264,932	593,552	(5,006,869)	9,284,751
Gardenview Homes IX LDHA, LLC	250,986	8,851,959	337,402	(1,908,077)	7,532,270
Gardenview Homes X LDHA, LLC	-	21,845,236	539,166	(3,254,214)	19,130,188
Emerald Springs IA LDHA LP	242,444	13,156,525	256,388	(5,441,124)	8,214,233
Emerald Springs IB LDHA LP	366,545	12,518,949	221,838	(5,134,896)	7,972,436
Emerald Springs II LDHA LP	311,656	9,062,090	155,405	(3,308,560)	6,220,591
Total fixed assets placed in service	**$ 11,106,372**	**$ 257,291,586**	**$ 10,617,185**	**$ (95,851,160)**	183,163,983
Total discrete component unit net capital assets					**$ 183,163,983**

Note 11 – Discretely Presented Component Units (Continued

A summary of the changes to the capital asset of the discrete component unit follows:

	Beginning Balance*	Capital Additions and Other Adjustments	Depreciation	End of Year Balance
Woodbridge Estates Apartments I, LLC	$ 3,659,369	$ -	$ (155,974)	$ 3,503,395
Woodbridge Estates Apartments II, LLC	4,801,041	283	(204,419)	4,596,905
Woodbridge Estates Apartments III, LDHA LLC	3,997,596	-	(153,094)	3,844,502
Woodbridge Estates Apartments IV, LDHA LLC	4,845,029	-	(185,666)	4,659,363
Woodbridge Estates Apartments V, LDHA LLC	7,063,467	-	(268,307)	6,795,160
Woodbridge Estates Apartments VI, LDHA LLC	6,772,499	-	(300,701)	6,471,798
Woodbridge Estates Apartments IX, LDHA LLC	15,348,791	-	(691,016)	14,657,775
Woodbridge ILF Associates LDHA LP	8,042,492	63,881	(401,954)	7,704,419
Cornerstone Estates I LDHA, LLC	5,460,737	-	(357,225)	5,103,512
Cornerstone Estates II LDHA, LLC	5,896,560	-	(369,798)	5,526,762
Cornerstone Estates III LDHA, LLC	6,090,000	-	(373,854)	5,716,146
Gardenview Homes I LDHA, LLC	13,746,281	-	(541,211)	13,205,070
Gardenview Homes II LDHA, LLC	6,026,215	-	(195,735)	5,830,480
Gardenview Homes III LDHA, LLC	5,763,063	-	(229,645)	5,533,418
Gardenview Homes IV LDHA, LLC	6,196,588	-	(400,505)	5,796,083
Gardenview Homes V LDHA, LLC	8,856,468	-	(524,668)	8,331,800
Gardenview Homes VI LDHA, LLC	8,381,804	-	(415,468)	7,966,336
Gardenview Homes VII LDHIA, LLC	10,141,097	-	(574,507)	9,566,590
Gardenview Homes VIII LDHIA, LLC	9,836,503	-	(551,752)	9,284,751
Gardenview Homes IX LDHA, LLC	7,782,024	45,000	(294,754)	7,532,270
Gardenview Homes X LDHA, LLC	20,159,336	7,010	(1,036,158)	19,130,188
Emerald Springs IA LDHA LP	8,688,204	86,383	(560,354)	8,214,233
Emerald Springs IB LDHA LP	8,456,269	51,427	(535,260)	7,972,436
Emerald Springs II LDHA LP	6,566,515	40,205	(386,129)	6,220,591
Total fixed assets placed in service	192,577,948	294,189	(9,708,154)	183,163,983
Woodbridge ILF Associates LDHA LP - Construction in Progress	-	-	-	-
Woodbridge IX - Construction in Progress	-	-	-	-
Total discrete component unit net capital assets	**$ 192,577,948**	**$ 294,189**	**$ (9,708,154)**	**$ 183,163,983**

*As restated. See Footnote 12 for further discussion.

Note 11 – Discretely Presented Component Units (Continued)

A summary of the discrete component units' debt outstanding and maturity dates are as follows:

Schedule of Component Unit Debt June 30, 2022 and December 31, 2021	Lender	Interest Rate	Maturity Date	Balance - Beginning of Year*	Additions (Payments)	Balance - End of Year	Principal Due Within One Year
Woodbridge Estates Apartments I, LLC	SA Affordable Housing, LLC	7.06%	2035	$ 1,143,969	(24,588)	$ 1,119,381	$ 26,500
	Detroit Housing Commission	AFR	2048	1,279,824	-	1,279,824	-
	Detroit Housing Commission	0.00%	2048	840,500	-	840,500	-
Woodbridge Estates Apartments II, LLC	SA Affordable Housing, LLC	7.06%	2035	1,652,312	(35,992)	1,616,320	38,700
	Detroit Housing Commission	AFR	2048	1,888,460	-	1,888,460	-
	Detroit Housing Commission	0.00%	2048	797,954	-	797,954	-
Woodbridge Estates Apartments III, LDHA LLC	SA Affordable Housing, LLC	6.04%	2047	1,327,560	(21,811)	1,305,749	29,900
	Detroit Housing Commission	4.61%	2042	1,559,212	-	1,559,212	-
	City of Detroit, Michigan	0.00%	2036	414,926	(7,289)	407,637	-
Woodbridge Estates Apartments IV, LDHA LLC	SA Affordable Housing, LLC	6.04%	2047	1,765,445	(29,197)	1,736,248	37,600
	Detroit Housing Commission	4.61%	2051	1,763,593	-	1,763,593	-
	City of Detroit, Michigan	0.00%	2036	414,919	(7,289)	407,630	-
Woodbridge Estates Apartments V, LDHA LLC	SA Affordable Housing, LLC	6.04%	2047	2,856,012	(47,780)	2,808,232	56,700
	Detroit Housing Commission	4.61%	2051	2,056,904	-	2,056,904	-
	City of Detroit, Michigan	0.00%	2036	414,809	(7,095)	407,714	-
Woodbridge Estates Apartments VI, LDHA LLC	Detroit Housing Commission	3.75%	2063	2,448,114	1,731	2,449,845	-
Woodbridge Estates Apartments IX, LDHA LLC	Detroit Housing Commission	5.00%	2067	3,665,033	714	3,665,747	
	Citizens	5.00%	2067	-	1,002,082	1,002,082	10,200
Woodbridge ILF Associates LDHA LP	Detroit Housing Commission	5.20%	2049	3,683,357	988	3,684,345	-
Cornerstone I LDHA, LLC	Detroit Housing Commission	3.79%	2060	3,693,852	1,023	3,694,875	-
Cornerstone II LDHA, LLC	Detroit Housing Commission	0.00%	2060	9,072,732	325	9,073,057	-
Cornerstone III LDHA, LLC	Detroit Housing Commission	4.25%	2061	3,031,038	1,405	3,032,443	-
Gardenview Homes I LDHA, LLC	MSHDA	6.00%	2046	1,518,609	(27,010)	1,491,599	33,181
	MSHDA - HOME Note	3.00%	2058	265,459	(3,525)	261,934	-
	Detroit Housing Commission	0.00%	2053	9,783,354	-	9,783,354	-
Gardenview Homes II, III, IV, V, VI, VII, VIII, and IX LDHA, LLC	MSHDA - Section 1602 TCAP funds	0.00%	(a)	13,122,960	-	13,122,960	-
	MSHDA	3.00%	2062	20,261,000	-	20,261,000	-
	Detroit Housing Commission	0.00%	2054-2064	19,024,775	(51,624)	18,973,151	-
	Detroit Housing Commission	0.75%	2060	3,887,485	-	3,887,485	-
Gardenview Homes X LDHA, LLC	Detroit Housing Commission	2.50%	2067	8,740,000	-	8,740,000	-
	MSHDA	2.50%	2067	1,425,000	-	1,425,000	-
	MSHSA	2.50%	2067	825,000	-	825,000	-
Emerald Springs IA and IB LDHA LP	Detroit Housing Commission	0.50%	2056	9,908,306	780	9,909,086	-
Emerald Springs II LDHA LP	Detroit Housing Commission	0.50%	2058	7,247,955	7,251	7,255,206	-
Totals				**$ 141,780,428**	**$ 753,099**	**$ 142,533,527**	**$ 232,781**

(a) - TCAP funds will be forgivable at the end of the 15-year Section 42 compliance period if no default or recapture event has occurred.
*Net of debt issuance costs and as restated. See Footote 12 for further discussion.

Note 12 - Acquisition and Change in Reporting Entity

In prior years, the Commission was the co-managing member of The Villages at Parkside II, LLC and The Villages at Parkside IV, LLC. The Villages at Parkside II, LLC and The Villages at Parkside IV, LLC were treated as discretely presented component units. In December 2021, the investor member and other co-managing member of The Villages at Parkside II, LLC and The Villages at Parkside IV, LLC sold their interest to DHC. The LLCs are now reported as blended component units. DHC had approximately $24,279,633 in notes receivable and related accrued interest due from The Villages at Parkside II, LLC and $22,575,920 in notes receivable and related accrued interest due from The Villages at Parkside IV, LLC that was forgiven as part of the acquisition by DHC. Under GASB 90, when acquiring a 100 percent equity interest in a separate legal entity, the GASB 69 guidance for governmental acquisitions requires measurement at acquisition value. The most significant asset of The Villages at Parkside II, LLC and The Villages at Parkside IV, LLC was the property, which had an acquisition value of $115,000 and $110,000, respectively, at the time of the purchase of the investor member interest. The deemed consideration of this transaction was the forgiven debt and accrued interest. The consideration provided exceeded the net position acquired, resulting in a deferred outflow of $46,838,877 as of June 30, 2022. The deferred outflow of resources will be amortized in a systematic and rational manner over the life of the building.

In addition, as of June 30, 2022, Alexadrine Square Limited Dividend Housing Association Limited Partnership no longer meets the requirements to be presented as a discretely presented component unit in accordance with GASB 14, as amended

The beginning net position for discretely presented component units has been reduced in the amount of $47,093,101 to reflect the changes in reporting entity noted above.

Note 13 - Blended Component Units

Condensed combining information for the Commission's blended component units is presented as follows:

Balance sheet information is as follows:

	The Villages at Parkside II, LLC	The Villages at Parkside IV, LLC	Total
Assets			
Current assets	$ 273,580	$ 119,225	$ 392,805
Noncurrent assets - Capital assets	112,525	107,250	219,775
Total assets	386,105	226,475	612,580
Deferred Outflows of Resources	-	425,441	425,441
Liabilities - Current liabilities	353,123	642,565	995,688
Net Position - Unrestricted	$ (150,416)	$ 9,351	$ (141,065)

Note 13 - Blended Component Units (Continued)

Income statement information is as follows:

	The Villages at Parkside II, LLC	The Villages at Parkside IV, LLC	Total
Operating Revenue			
Rent - Net	$ 960,741	$ 734,585	$ 1,695,326
Other tenant income	1,312	135	1,447
Other income	-	18,953	18,953
Total operating revenue	962,053	753,673	1,715,726
Operating Expenses			
General operating expenses	1,109,594	741,572	1,851,166
Depreciation	2,875	2,750	5,625
Total operating expenses	1,112,469	744,322	1,856,791
Change in Net Position	$ (150,416)	$ 9,351	$ (141,065)

Cash flow statement information is as follows:

	The Villages at Parkside II, LLC	The Villages at Parkside IV, LLC	Total
Cash Flows from Operating Activities			
Receipts from customers	$ 758,600	$ 993,031	$ 1,751,631
Payments to vendors	(382,169)	(813,147)	(1,195,316)
Net cash provided by operating activities	376,431	179,884	556,315
Cash Flows Used in Capital and Related Financing Activities - Purchases of PPE	(112,525)	(107,250)	(219,775)
Net Increase in Cash	263,906	72,634	336,540
Cash - Beginning of year	-	-	-
Cash - End of year	$ 263,906	$ 72,634	$ 336,540

Required Supplemental Information

Detroit Housing Commission

Required Supplemental Information
Schedule of Changes in the Net Pension Liability and Related Ratios

Last Eight Plan Years

	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability								
Service cost	$ 445,160	$ 500,254	$ 557,107	$ 567,969	$ 689,391	$ 675,349	$ 733,320	$ 687,970
Interest	1,712,950	1,585,212	1,553,489	1,485,607	1,325,191	1,300,408	1,140,300	1,024,974
Changes in benefit terms	-	-	-	-	-	-	67,218	-
Differences between expected and actual experience	(319,325)	(95,526)	(542,468)	(538,371)	582,568	(1,238,155)	232,453	-
Changes in assumptions	996,097	620,989	660,928	-	-	-	699,473	-
Benefit payments, including refunds	(970,341)	(834,120)	(688,260)	(634,241)	(428,238)	(441,417)	(379,545)	(295,860)
Net Change in Total Pension Liability	1,864,541	1,776,809	1,540,796	880,964	2,168,912	296,185	2,493,219	1,417,084
Total Pension Liability - Beginning of year	22,801,795	21,024,986	19,484,190	18,603,226	16,434,314	16,138,129	13,644,910	12,227,826
Total Pension Liability - End of year	**$ 24,666,336**	**$ 22,801,795**	**$ 21,024,986**	**$ 19,484,190**	**$ 18,603,226**	**$ 16,434,314**	**$ 16,138,129**	**$ 13,644,910**
Plan Fiduciary Net Position								
Contributions - Employer	$ 414,275	$ 404,014	$ 740,301	$ 442,685	$ 448,258	$ 424,089	$ 454,635	$ 484,806
Contributions - Member	243,471	235,177	263,768	333,465	325,762	322,349	327,138	318,583
Net investment income (loss)	3,112,153	2,919,133	2,431,256	(733,715)	2,135,126	1,619,273	(215,842)	806,700
Administrative expenses	(36,851)	(41,254)	(41,976)	(35,824)	(33,709)	(31,909)	(30,915)	(29,860)
Benefit payments, including refunds	(970,341)	(834,120)	(688,260)	(634,241)	(428,238)	(441,417)	(379,545)	(295,860)
Net Change in Plan Fiduciary Net Position	2,762,707	2,682,950	2,705,089	(627,630)	2,447,199	1,892,385	155,471	1,284,369
Plan Fiduciary Net Position - Beginning of year	23,058,929	20,375,979	17,670,891	18,298,521	15,851,322	13,958,937	13,803,466	12,519,097
Plan Fiduciary Net Position - End of year	**$ 25,821,636**	**$ 23,058,929**	**$ 20,375,980**	**$ 17,670,891**	**$ 18,298,521**	**$ 15,851,322**	**$ 13,958,937**	**$ 13,803,466**
Commission's Net Pension (Asset) Liability - Ending	**$ (1,155,300)**	**$ (257,134)**	**$ 649,006**	**$ 1,813,299**	**$ 304,705**	**$ 582,992**	**$ 2,179,192**	**$ (158,556)**
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	104.68 %	101.13 %	96.91 %	90.69 %	98.36 %	96.45 %	86.50 %	101.16 %
Covered Payroll	$ 3,959,751	$ 4,599,504	$ 5,160,041	$ 5,259,688	$ 6,362,792	$ 6,304,406	$ 6,730,040	$ 6,283,273
Commission's Net Pension (Asset) Liability as a Percentage of Covered Payroll	(29.18)%	(5.59)%	12.58 %	34.48 %	4.79 %	9.25 %	32.38 %	(2.52)%

See note to required supplemental information.

Required Supplemental Information
Schedule of Pension Contributions

Last Ten Fiscal Years

Years Ended June 30

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	$ 443,726	$ 366,463	$ 467,626	$ 442,685	$ 448,258	$ 424,089	$ 454,635	$ 484,806	$ 775,604	$ 694,053
Contributions in relation to the actuarially determined contribution	443,726	366,463	467,626	442,685	448,258	424,089	454,635	484,806	775,604	694,053
Contribution Deficiency	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Covered Payroll	$ 3,959,751	$ 4,599,504	$ 5,160,041	$ 5,259,688	$ 6,362,792	$ 6,304,406	$ 6,730,040	$ 6,283,273	$ 6,283,273	$ 6,476,619
Contributions as a Percentage of Covered Payroll	11.21 %	7.97 %	9.06 %	8.42 %	7.04 %	6.73 %	6.76 %	7.72 %	12.34 %	10.72 %

See note to required supplemental information.

Pension Information

Actuarial valuation information relative to the determination of contributions:

Valuation date	Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which the contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, closed
Remaining amortization period	15 years
Asset valuation method	5-year smoothed market
Inflation	2.5 percent
Salary increase	3 percent, average, including inflation
Investment rate of return	7.35 percent
Retirement age	60
Mortality	50 percent male - 50 percent female blend of the Pub-2010 tables
Other information	None

Benefit Changes

During fiscal year 2021, the Commission closed the defined benefit plan to new entrants for the contribution union members. Those participants who are grandfathered into the plan are still receiving the same benefits as in the prior years; new employees are offered the opportunity to join the defined contribution plan.

In fiscal year 2019, the Commission closed the defined benefit plan to new entrants, except for those participants who are categorized as contributing union members. Those participants who are grandfathered into the plan are still receiving the same benefits as in prior years; new employees are offered the opportunity to join the defined contribution plan.

Changes in Assumptions

Fiscal year 2022 (plan year 2021): The discount rate was reduced from 7.6 percent to 7.25 percent in the December 31, 2021 actuarial valuation.

Fiscal year 2021 (plan year 2020): A five-year experience study analyzing historical experience from 2013 through 2018 was completed in February 2020. The experience study resulted in updated demographic assumptions, including adjustments to the following actuarial assumptions that were first used in the December 31, 2020 actuarial valuation: mortality, retirement, disability, and termination rates.

Fiscal year 2020 (plan year 2019): The discount was reduced from 8.0 to 7.6 percent in the December 31, 2019 actuarial valuation. Effective this valuation, the MERS retirement board has adopted a reduction in the investment rate of return assumption from 7.75 percent to 7.35 percent and a reduction in the rate of wage inflation from 3.75 percent to 3.00 percent.

Fiscal year 2016 (plan year 2015): The mortality rates were updated to be based on the RP-2014 tables.

Changes in Size or Composition of the Covered Population

There were no significant changes in size or composition of the covered population.

Other Supplemental Information

Detroit Housing Commission

Capital Fund Program Schedule of Actual Program Costs and Advances

Year Ended June 30, 2022

Program	MI28P001501-17	MI28P001501-18	MI28P001501-19	MI128L001501-19	MI28P001501-20	MI28P001501-21	TOTAL
Budget	**$ 8,586,102**	**$ 12,602,526**	**$ 11,764,044**	**$ 1,000,000**	**$ 11,153,098**	**$ 11,153,098**	**$ 56,258,868**
Advances							
Cash receipts - prior years	$ 7,419,835	$ 8,926,705	$ 4,716,566	$ -	$ 4,238,592	$ -	$ 25,301,698
Cash receipts - current year	787,762	2,293,427	1,816,943	7,478	154,674	5,111,331	$ 10,171,614
Cumulative as of June 30, 2022	8,207,597	11,220,132	6,584,087	7,478	4,393,266	5,111,331	35,473,312
Costs							
Prior years	7,482,441	9,222,303	4,747,914	-	4,238,592	-	$ 25,691,250
Current year	749,571	2,012,043	1,836,174	7,478	154,674	5,329,446	$ 10,089,386
Cumulative as of June 30, 2022	8,232,012	11,234,346	6,584,088	7,478	4,393,266	5,329,446	35,780,636
Excess (Deficiency) of Advances Due to HUD	**$ 24,415**	**$ 14,214**	**$ 50,578**	**$ -**	**$ -**	**$ 218,115**	**$ 307,323**
Soft Costs							
Prior years	$ 5,029,388	$ 4,862,713	$ 1,779,621	$ -	$ 1,115,310	$ -	$ 12,787,032
Current year	318,507	182,462	132,001	7,478	-	860,882	$ 1,501,330
Cumulative as of June 30, 2022	5,347,895	5,045,175	1,911,622	7,478	1,115,310	860,882	14,288,362
Hard Costs							
Prior years	2,453,053	4,359,590	2,968,292	-	3,123,282	-	$ 12,904,217
Current year	431,064	1,829,581	1,704,172	-	154,674	4,468,564	$ 8,588,056
Cumulative as of June 30, 2022	2,884,117	6,189,171	4,672,464	-	3,277,956	4,468,564	21,492,273
Other Costs							
Prior years	-	-	-	-	-	-	-
Current year	-	-	-		-	-	-
Cumulative as of June 30, 2022	-	-	-	-	-	-	-
Cumulative Hard, Soft, and Other Costs	**$ 8,232,012**	**$ 11,234,346**	**$ 6,584,086**	**$ 7,478**	**$ 4,393,266**	**$ 5,329,446**	**$ 35,780,635**

Detroit Housing Commission

ROSS Schedule of Actual Program Costs and Advances

Year Ended June 30, 2022

Program	MI001RPS440A019	ROSS221712	MI001FJP5FPH-20	MI001FSS21	MI001FSS22	Total
Budget	**$ 582,971**	**$ 491,700**	**$ 2,300,000**	**$ 307,780**	**$ 380,418**	**$ 4,062,869**
Advances						
Cash receipts - prior years	$ 379,777	$ -	$ -	$ 67,063	$ -	$ 446,840
Cash receipts - current year	203,194	-	48,583	85,832	50,472	388,081
Cumulative as of June 30, 2022	582,971	-	$ 48,583	152,895	50,472	834,921
Costs						
Prior years	396,987	-	-	83,789	-	480,776
Current year	185,984	1,226	70,120	69,107	61,271	387,708
Cumulative as of June 30, 2022	582,971	1,226	70,120	152,896	61,271	868,484
Excess (Deficiency) of Advances Due to HUD	**$ 396,804**	**$ 1,226**	**$ 21,537**	**$ 0**	**$ 10,799**	**$ 430,367**
Soft Costs						
Prior years	$ 396,804	$ -	$ -	$ 85,632	$ -	$ 482,436
Current year	185,984	1,226	70,120	69,107	61,271	387,708
Cumulative as of June 30, 2022	582,788	1,226	70,120	154,739	61,271	870,144
Hard Costs						
Prior years	183	-	-	(1,843)	-	(1,660)
Current year	-	-	-	-	-	-
Cumulative as of June 30, 2022	183	-	-	(1,843)	-	(1,660)
Other Costs						
Prior years	-	-	-	-	-	-
Current year	582,971	-	-	-	-	582,971
Cumulative as of June 30, 2022	-	-	-	-	-	582,971
Cumulative Hard, Soft, and Other Costs	**$ -**	**$ 1,226**	**$ 70,120**	**$ 152,896**	**$ 61,271**	**$ 1,451,455**

Detroit Housing Commission

Financial Data Schedules

Year Ended June 30, 2022

Line Item No.	Account Description	Total AMPs 14.850	LIPH Cares	COCC Total	COCC CARES	Total Programs	HCV CARES	Elimination	Total Primary Government	Total Component Units (Discretely Presented)	REAC Total (Primary Government and Component Units)
111	Cash - Unrestricted	18,481,567	-	2,235,529		6,156,267			26,873,363	3,298,608	30,171,971
112	Cash - Restricted - Modernization and Development	19,645,092		-		-			19,645,092	-	19,645,092
113	Cash - other restricted	863,703		-		1,563,757	-		2,427,460	12,903,752	15,331,212
114	Cash - Tenant Security Deposits	272,754		-		-			272,754	276,731	549,485
115	Cash - Restricted for payment of current liability	29,675		-		-			29,675	-	29,675
100	Total Cash	39,292,791	-	2,235,529	-	7,720,024	-	-	49,248,344	16,479,091	65,727,435
				-							-
121	Accounts Receivable - PHA Projects	-		-		-			-	-	-
122-010	Accounts receivable - HUD other projects - Operating Subsidy	-		-		-			-	-	-
122-020	Accounts receivable - HUD other projects - Capital fund	307,291		-		-			307,291	-	307,291
122-030	Accounts receivable - HUD other projects - Other	-	-	-		727,016			727,016	-	727,016
124	Accounts Receivable - other government	-		-		-			-	-	-
125-050	Accounts Receivable - Miscellaneous	275,009		9,480		870,896			1,155,385	71,215	1,226,600
126	Accounts Receivable - Tenants - Dwelling Rents	1,892,912		-		36,502			1,929,414	767,961	2,697,375
126.1	Allowance for Doubtful Accounts - Dwelling Rents	(1,147,962)		-		-			(1,147,962)	-	(1,147,962)
126.2	Allowance for Doubtful Accounts - Other	(536,401)		-		(700,581)			(1,236,982)	-	(1,236,982)
127	Notes, Loans, & Mortgages Receivable - current	-		-		-			-	-	-
128	Fraud recovery	-		-		36,648			36,648	-	36,648
128.1	Allowance for doubtful accounts - fraud	-		-		-			-	-	-
129	Accrued interest receivable	-		-		-			-	-	-
120	Total Receivables, net of allowances for doubtful accounts	790,849	-	9,480	-	970,481		-	1,770,810	839,176	2,609,986
		-		-					-		-
131	Investments - Unrestricted	-		-		-			-	-	-
132	Investments - restricted	-		-		-			-	-	-
135	Investments - restricted for payment of current liability	-		-		-			-	-	-
142	Prepaid Expenses and Other Assets	458,337		201,445		70,355			730,137	215,057	945,194
143	Inventories	-		-		-			-	-	-
143.1	Allowance for Obsolete Inventories	-		-		-			-	-	-
144	**Interprogram due from**	-	-	**907,668**		**699,996**		**(1,607,664)**	-	-	-
145	Assets held for sale	-		-		-			-	-	-
146	Amounts to be provided	-		-		-			-	-	-
150	Total Current Assets	40,541,977	-	3,354,122	-	9,460,856	-	**(1,607,664)**	51,749,291	17,533,324	69,282,615
				-					-		-
161	Land	55,630,225		958,000		2,593,936			59,182,161	35,137,390	94,319,551
162	Buildings	85,260,843		1,564,067		1,115,258			87,940,168	233,260,568	321,200,736
163	Furniture, Equipment & Machinery - Dwellings	22,903		-	-	-			22,903	10,583,231	10,606,134
164	Furniture, Equipment & Machinery - Administration	6,305,481		842,048		102,319			7,249,848	33,954	7,283,802
165	Leasehold Improvements	-		-		-			-	-	-
166	Accumulated Depreciation	(62,922,620)		(1,346,474)		(49,097)			(64,318,191)	(95,851,160)	(160,169,351)
167	Construction In Progress	4,363,121		-		400			4,363,521	-	4,363,521
168	Infrastructure	-		-		-			-	-	-
160	Total Fixed Assets, Net of Accumulated Depreciation	88,659,953	-	2,017,641	-	3,762,816		-	94,440,410	183,163,983	277,604,393
						-			-		-
171-050	Notes, loans, and mortgages receivable - Noncurrent Other	87,365,669		-		7,780,192			95,145,861	-	95,145,861
172	Notes, Loans, & Mortgages Receivable - past due	-		-		-			-	-	-
173	Grants receivable - noncurrent	-		-		-			-	-	-
174-050	Other Assets	536,274		1,155,300		12,173			1,703,747	1,841,548	3,545,295
176	Investment in joint ventures	-		-		-			-	-	-
180	Total Non-Current Assets	176,561,896	-	3,172,941	-	11,555,181		-	191,290,018	185,005,531	376,295,549
		-		-					-		-
190	Total Assets	217,103,873	-	6,527,063	-	21,016,037	-	(1,607,664)	**243,039,309**	202,538,855	445,578,164
											-
200	Deferred Outflow of Resources	43,920,556		926,703		2,918,321			47,765,580	-	47,765,580
290	**Total Assets and Deferred Outflow of Resource**	**261,024,429**	**-**	**7,453,766**	**-**	**23,934,358**	**-**	**(1,607,664)**	**290,804,889**	**202,538,855**	**493,343,744**
		-		-		-			-		-

Detroit Housing Commission

Financial Data Schedules

Year Ended June 30, 2022

Line Item No.	Account Description	Total AMPs 14.850	LIPH CARES	COCC Total	COCC CARES	Total Programs	HCV CARES	Elimination	Total Primary Government	Total Component Units (Discretely Presented)	REAC Total (Primary Government and Component Units)
311	Bank overdrafts	-		-		-			-	-	-
312	Accounts Payable <= 90 Days	2,064,034	-	116,425		1,464,377	-		3,616,712	523,614	4,140,326
313	Accounts Payable >90 Days Past Due	-		-		-			-	-	-
321	Accrued Wage/Payroll Taxes Payable	156,836		76,922		86,534			320,292	41,536	361,828
322	Accrued Compensated Absences	8,388		11,747		3,532			23,667	-	23,667
324	Accrued contingency liability	-		-		-			-	-	-
325	Accrued interest payable	-		-		-			-	20,772,608	20,772,608
331	Accounts Payable - HUD PHA Programs	-		-		-			-	2,500,003	2,500,003
331-030	Accounts Payable - HUD Other	-		-		-			-	-	-
332	Accounts Payable - PHA Projects	-		-		-			-	-	-
333	Accounts Payable - Other Government	293		-		-			293	13,982	14,275
341	Tenant Security Deposits	300,605		-		27,260			327,865	333,625	661,490
342	Deferred Revenues									129,588	129,588
342-010	Deferred Revenues-Operating Subsidy	25,666		-		-			25,666	-	25,666
342-030	Deferred Revenues-Operating Other	239,124		53,458		118,213	-		378,715	-	378,715
343	Current portion of L-T debt - capital projects	-		-		-			-	232,781	232,781
344	Current portion of L-T debt - operating borrowings	-		-		-			-	-	-
345	Other current liabilities	812,992		81,008		18,009			912,009	1,013,091	1,925,100
345	FSS Escrow	-		-		-			-	-	-
346	Accrued Liabilities - Other	51,928		(79,436)		209,473			(32,840)	1,091,563	1,058,723
347	**Interprogram due to**	857,736		**265**		**749,663**		**(1,607,664)**	-	-	-
348	Loan liability - current	-		-		-			-	-	-
310	Total Current Liabilities	4,517,602	-	260,389	-	2,677,061	-	**(1,607,664)**	5,847,388	26,652,391	32,499,779
		-		-					-		-
351	Long-term debt, net of current - capital projects	-		-		-			-	142,300,745	142,300,745
352	Long-Term debt, net of current - operating borrowings	-		-		-			-	-	-
353	Noncurrent Liabilities - Other	38,038		-		9,480			47,518	7,250,213	7,297,731
353	FSS Escrow	-		-		1,164,256			1,164,256	-	1,164,256
354	Accrued compensated Absences - Non Current	136,352		214,305		60,520			411,177	-	411,177
355	Loan liability - noncurrent	-		-		-			-	-	-
357	Accrued pension and OPEB liabilities			-		-			-	-	-
350	Total Noncurrent Liabilities	174,390	-	214,305	-	1,234,256		-	1,622,951	149,550,958	151,173,909
		-		-					-		-
300	Total Liabilities	4,691,992	-	474,694	-	3,911,317	-	**(1,607,664)**	**7,470,339**	176,203,349	183,673,688
									-		-
400	Deferred Inflow of Resources			2,107,246		-			**2,107,246**	-	2,107,246
		-		-					-		-
508.1	Invested in capital assets, net of related debt	88,659,953		2,017,641	-	3,762,816			94,440,410	40,630,457	135,070,867
511.1	Restricted Net Assets	107,820,285		-		7,780,209			115,600,494	12,883,190	128,483,684
512.1	Unrestricted Net Assets	59,852,199	-	2,854,185		8,480,016			71,186,400	(27,178,141)	44,008,259
513	Total Equity	256,332,437	-	4,871,826	-	20,023,041	-	-	281,227,304	26,335,506	307,562,810
											-
600	**Total Liabilities, Deferred Inflows, and Equity**	**261,024,429**	**-**	**7,453,766**	**-**	**23,934,358**	**-**	**(1,607,664)**	**290,804,889**	**202,538,855**	**493,343,744**
		-		-		-		-	-	-	

Detroit Housing Commission

Financial Data Schedules

Year Ended June 30, 2022

Line Item No.	Account Description	Total AMPs 14.850	LIPH CARES	COCC Total	COCC CARES	Total Programs	HCV CARES	Elimination	Total Primary Government	Total Component Units (Discretely Presented)	REAC Total (Primary Government and Component Units)
70300	Net Tenant Rental Revenue	5,778,328		-		1,733,598			7,511,926	13,261,941.00	20,773,867
70400	Tenant Revenue - Other	156,582		49		-			156,631	210,690.00	367,321
70500	Total Tenant Revenue	5,934,910	-	49		1,733,598		-	7,668,557	13,472,631.00	21,141,188
		-		-					-		-
70600-010	Housing assistance payments	-		-		37,645,176			37,645,176	-	37,645,176
70600-020	Ongoing administrative fees earned	-		-		3,534,268	171,286		3,705,554	-	3,705,554
70600-030	Hard to house fee revenue	-		-		78,000			78,000	-	78,000
70600-031	FSS Coordinator	-		-		-			-	-	-
70600-040	Actual independent public accountant audit costs	-		-		-			-	-	-
70600-050	Total preliminary fees earned	-		-		-			-	-	-
70600-060	All other fees	-	349,028	-		3,150			352,178	-	352,178
70600-070	Admin fee calculation description	-		-		-			-	-	-
70600-080	Public Housing Operating Subsidy	17,601,512		-		-			17,601,512	-	17,601,512
70600	HUD PHA Grants	8,919,949		-		-			8,919,949	-	8,919,949
70610	HUD PHA Capital Grants	1,173,368		-		-			1,173,368	-	1,173,368
		-		-		-			-		-
70710	Management Fee	-		3,301,542		-		(3,301,542)	-	-	-
70720	Asset Management Fee	-		340,300		-		(340,300)	-	-	-
70730	Book-Keeping Fee	-		693,273		-		(693,273)	-	-	-
70740	Front Line Service Fee	-		63,289		-		(63,289)	-	-	-
70750	Other Fees	-		-		-			-	-	-
70700	Total Fee Revenue	-	-	4,398,404		-		**(4,398,404)**	-	-	-
		-		-		-			-		-
70800	Other government grants	-		-		-			-	-	-
71100-030	Investment Income - Unrestricted	118,381		-		291,392			409,773	95,320.00	505,093
71100	Investment Income - Unrestricted	-		4,233		-			4,233	-	4,233
71200	Mortgage interest income	-		-		-			-	-	-
71300	Proceeds from disposition of assets held for sale	-		-		-			-	-	-
71310	Cost of Sale of Assets	-		-		-			-	-	-
71400-010	Fraud recovery	-		-		29,480			29,480	-	29,480
71500	Other revenue	574,876		158,158	399,498	43,808		(399,498)	776,842	1,173,731.00	1,950,573
71600	Gain/Loss on Sale of Fixed Assets	600		6,676		-			7,276	-	7,276
72000-010	Investment income - restricted	2,302,233		-		-			2,302,233	-	2,302,233
70000	Total Revenue	36,625,829	349,028	4,567,520	399,498	43,358,872	171,286	**(4,797,902)**	**80,674,131**	14,741,682.00	**95,415,813**
		-		-		-			-		-
91100	Administrative salaries	1,850,775		1,957,452		1,302,784	67,920		5,178,931	2,330,559.00	7,509,490
91200	Auditing fees	70,276		11,556		27,443			109,275	94,350.00	203,625
91300	Management Fee	2,631,041	299,193	-		670,500	100,305	**(3,701,039)**	-	934,958.00	934,958
91310	Book-Keeping Fee	274,211		-		419,062		(693,273)	-	-	-
91400	Advertising and Marketing	13,841		1,348		16,415			31,604	34,506.00	66,110
91500	Employee benefit contributions - administrative	473,124		552,769		422,782			1,448,675	-	1,448,675
91600	Office Expenses	590,443		413,704		450,684	26		1,454,857	132,069.00	1,586,926
91700	Legal Expense	166,006		7,177		-		**(8,520)**	164,663	43,592.00	208,255
91800	Travel	74,478		25,775		5,553			105,806	-	105,806
91810	Allocated Overhead	-		-		-			-	-	-
91900	Other	655,333		498,437		790,698			1,944,468	907,877.00	2,852,345
		-		-		-			-		-
92000	Asset Management Fee	340,300		-		-		(340,300)	-	6,149.00	6,149

Financial Data Schedules

Year Ended June 30, 2022

Line Item No.	Account Description	Total AMPs 14.850	LIPH CARES	COCC Total	COCC CARES	Total Programs	HCV CARES	Elimination	Total Primary Government	Total Component Units (Discretely Presented)	REAC Total (Primary Government and Component Units)
92100	Tenant services - salaries	12,197	28,063	-	80,058	1,849			122,167	-	122,167
92200	Relocation Costs	146,035		1,537		-			147,572	-	147,572
92300	Employee benefit contributions - tenant services	4,618		1,586		-			6,204	-	6,204
92400	Tenant Services - Other	105,210	21,772	4,215	99,700	78,000			308,897	-	308,897
		-		-		-			-		-
93100	Water	754,261		24,649		547,715			1,326,625	43,220.00	1,369,845
93200	Electricity	1,314,547		108,994		36,747			1,460,288	51,188.00	1,511,476
93300	Gas	612,059		28,097		21,599			661,755	37,801.00	699,556
93400	Fuel	-		-		-			-	-	-
93500	Labor	-		-		-			-	-	-
93600	Sewer	1,731,477		36,097		-			1,767,574	-	1,767,574
93700	Employee benefit contributions - utilities	-		-		-			-	-	-
93800	Other utilities expense	-		-		-			-	1,813,219.00	1,813,219
		-		-		-			-		-
94100	Ordinary Maintenance and Operations - Labor	2,599,882		201,870		138,465	3,034		2,943,251	150,329.00	3,093,580
94200	OMO - Materials and Other	745,221		70,932		18,415			834,568	1,132,859.00	1,967,427
94300-010	*Ordinary Maintenance and Operations Contracts - Garbage and Trash Removal Contracts*	217,078		4,058		2,185			223,321	-	223,321
94300-020	*Ordinary Maintenance and Operations Contracts - Heating & Cooling Contracts*	518,354		36,976		130,853			686,183	-	686,183
94300-030	*Ordinary Maintenance and Operations Contracts - Snow Removal Contracts*	440,484		15,432		49,350			505,266	-	505,266
94300-040	*Ordinary Maintenance and Operations Contracts - Elevator Maintenance Contracts*	-		-		-			-	-	-
94300-050	*Ordinary Maintenance and Operations Contracts - Landscape & Grounds Contracts*	300,185		131,071		117,099			548,355	-	548,355
94300-060	*Ordinary Maintenance and Operations Contracts - Unit Turnaround Contracts*	357,978		-		-			357,978	-	357,978
94300-070	*Ordinary Maintenance and Operations Contracts - Electrical Contracts*	109,531		814		10,574			120,919	-	120,919
94300-080	*Ordinary Maintenance and Operations Contracts - Plumbing Contracts*	217,229		-		49,979		-	267,208	-	267,208
94300-090	*Ordinary Maintenance and Operations Contracts - Extermination Contracts*	203,018		-		-		***(36,550)***	166,468	-	166,468
94300-100	*Ordinary Maintenance and Operations Contracts - Janitorial Contracts*	89,921		-		19,004			108,925	-	108,925
94300-110	*Ordinary Maintenance and Operations Contracts - Routine Maintenance Contracts*	7,069		650		-			7,719	-	7,719
94300-120	*Ordinary Maintenance and Operations Contracts - Misc Contracts*	2,411,040		48,330		79,266		***(18,219)***	2,520,417	-	2,520,417
94300	Ordinary Maintenance and Operations - Contract Costs	4,871,887		237,331		458,310		(54,769)	5,512,759	1,771,223.00	7,283,982
94500	Employee Benefit Contributions - Ordinary Maintenance	800,075		48,785		-			848,860	-	848,860
		-		-		-			-	-	-
95100	Protective Services - labor	-		-		-			-	-	-
95200	Protective Services - Other Contract Costs	2,563,473		-		97,509			2,660,982	-	2,660,982
95300	Protective Services - Other	-		-		-			-	-	-
95500	Employee benefit contributions - protective services	-		-		-			-	-	-

Detroit Housing Commission

Financial Data Schedules

Year Ended June 30, 2022

Line Item No.	Account Description	Total AMPs 14.850	LIPH CARES	COCC Total	COCC CARES	Total Programs	HCV CARES	Elimination	Total Primary Government	Total Component Units (Discretely Presented)	REAC Total (Primary Government and Component Units)
96110	Property Insurance	653,229		22,008		229,684			904,921	878,283.00	1,783,204
96120	Liability Insurance	-		-		13,224			13,224	-	13,224
96130	Workmen's Compensation	191,856		24,786		12,298			228,940	-	228,940
96140	All other Insurance	260,353		23,579		67,626			351,558	27,353.00	378,911
96200	Other General Expenses	5,040,944		-		-			5,040,944	601,314.00	5,642,258
96210	Compensated Absences	109,495		121,572		57,810			288,877	-	288,877
96300	Payments in Lieu of Taxes	39,832		-		-			39,832	528,990.00	568,822
96400	Bad Debt - Tenant Rents	551,364		-		-			551,364	216,409.00	767,773
96500	Bad Debt - Mortgages	-		-		-			-	-	-
96600	Bad Debt - Other	2,414,927		-		60,114			2,475,041	-	2,475,041
96710	Interest of Mortgage (or Bonds) Payable	-		-		-			-	3,462,397.00	3,462,397
96720	Interest on Notes Payable (Short and Long Term)	-		-		-			-	-	-
96730	Amortization of Bond Issue Costs	-		-		-			-	325.00	325
96800	Severance Expense	-		-		-			-	-	-
96900	Total Operating Expenses	32,662,770	349,028	4,424,256	179,758	5,945,286	171,285	**(4,797,901)**	38,934,482	15,198,970.00	**54,133,452**
		-		-		-			-	-	-
97000	Excess Operating Revenue over Operating Expenses	3,963,059	-	143,264	219,740	37,413,586		(1)	41,739,648	(457,288.00)	**41,282,360**
		-		-		-			-	-	-
97100	Extraordinary Maintenance	-		-		-			-	-	-
97200	Casualty Losses - Non-Capitalized	-		-		-			-	-	-
97300-050	Housing Assistance Payments	-		-		37,415,346	-		37,415,346	-	37,415,346
97300-070	All Other	14,979		-		-	-		14,979	-	14,979
97400	Depreciation Expense	4,233,982		114,548		12,164			4,360,694	9,718,875.00	14,079,569
97500	Fraud losses	-		-		-			-	-	-
97800	Dwelling units rent expense	-		-		-			-	-	-
90000	Total Expenses	36,911,731	349,028	4,538,804	179,758	43,372,796	171,285	**(4,797,901)**	80,725,501	24,917,845.00	105,643,346
		-		-					-		-
10010	Operating transfers in	2,772,024	-	67,480		474,694		(3,314,198)	-	-	-
10020	Operating transfers out	(3,566,839)		-		-		3,566,839	-	-	-
10030	Operating transfers from/to primary government	-		-		(67,480)		67,480	-	-	-
10040	Operating transfers from/to component unit	-		-		-			-	-	-
10050	Proceeds from notes, loans and bonds	-		-		-		-	-	-	-
10060	Proceeds from property sales	-		-		-		-	-	-	-
10070	Extraordinary Items, net gain/loss	-		-		-		-	-	-	-
10080	Special items, net gain/loss	-		-		-		-	-	-	-
10091	Inter Project Excess Cash Transfer In	1,713,844		-		-		(1,713,844)	-	-	-
10092	Inter Project Excess Cash Transfer Out	(1,393,722)		-		-		1,393,722	-	-	-
10093	Special items, net gain/loss	-		-		-			-	-	-
10094	Special items, net gain/loss	-		-		-			-	-	-
10100	Total other financing sources (Uses)	(474,693)	-	67,480		407,214		**(1)**	-	-	-
		-		-		-			-	-	-
10000	Excess (deficiency) of total revenue over (under) total expenses	(760,595)	-	96,196	219,740	393,290	1	**(3)**	(51,371)	(10,176,163.00)	**(10,227,534)**
11010	Capital Outlays Enterprise Fund	-		-		-			-	-	-
11020	Debt Principal Payments - Enterprise Funds	-		-		-			-	-	-
11030	Beginning Equity	253,373,862	-	4,555,891	-	19,629,751			277,559,504	(10,581,435.00)	266,978,069
11040	Prior Period Adjustments, Equity transfer and correction of errors	3,719,170		-		-			3,719,170	47,093,104.00	50,812,274
11040-070	Equity transfer	-		219,739	(219,739)	-			-	-	-
		-		-					-		-
11190	Unit Months Available	46,692		-		80,232			126,924	-	126,924
11210	Number of Unit Months Leased	36,585		-		57,606			94,191	-	94,191
11170	Administrative Fee Equity	1		-		1,258,076			1,258,077	-	1,258,077
11180	Housing Assistance Payments Equity	-		-		-			-	-	-
		-		-		-			-	-	-
11270	Excess Cash	13,171,418		-		-			13,171,418	-	13,171,418
		-		-		-			-	-	-
11610	Land Purchases	-		-		-			-	-	-
11620	Building Purchases	4,799,665		-		-			4,799,665	-	4,799,665
11630	Furniture & Equipment - Dwelling Purchases	-		-		-			-	-	-
11640	Furniture & Equipment - Administrative Purchases	-		356,516		-			356,516	-	356,516
11650	Leasehold Improvements Purchases	-		-		-			-	-	-
11660	Infrastructure Purchases	60,000		-		-			60,000	-	60,000
13510	CFFP Debt Service Payments	-		-		-			-	-	-
13901	Replacement Housing Factor Funds	-		-		-			-	-	-