



C/o Waukesha County CDBG Program
Lead Agent
515 W. Moreland Blvd.
Waukesha, WI 53188
1.262.896.3370 (direct)
1.262.896.8510 (fax)

C/o Wisconsin Partnership for Housing Development, Inc.
Program Administrator
121 South Pinckney Street Suite 420
Madison, WI 53703
1888.318.4486 (toll-free)
1.608.258.5560 (direct)
1.608.258.5565 (Fax)

The HOME Consortium
Board of Directors Meeting
Thursday, November 17, 2016
Waukesha County Administrative Building
515 W. Moreland Blvd. Rm 355/59
Waukesha, WI 53188
@ 9:00 A.M.

AGENDA

1. Call to Order
2. Pledge of Allegiance
3. Approval of the Minutes from the October 20, 2016 Board Meeting
4. Public/Staff Comment
5. WI Partnership Fund Balance Report
6. Housing Action Coalition (HAC) Administrative Fund Request
7. Family Promise of Washington County Application for CHDO Funds
8. Application Scoring Criteria for 2017
9. Assessment of Fair Housing (AFH) Update
10. Adjournment

All agenda items are potentially actionable

In accordance with the Americans with Disabilities Act, persons requiring any means of handicap accessibility for this meeting must contact Kristin Silva at 896-3370 (FAX 896-8510) at least 48 hours prior to meeting.

Minutes of the
HOME Board Meeting
October 20, 2016

Members Present: Joseph Birbaum, Rock Brandner, Ron Buchanan, John Bulawa, Christine Howard, John Kannard, Duane Paulson, Dick Schultz, Mike Wineke

Staff: Kristin Silva, and Christina Brockish, Waukesha County;
Debbie Narus, Wisconsin Partnership for Housing
Development

Excused Absence: Kathleen Schilling, Jay Schreurs, Jay Shambeau, Maria Watts

Guests: Roxanne Witte, Jefferson County Economic Development;

I. The meeting was called to order by Christine Howard, Board Vice-Chair, with a quorum of the Board present at 9:00 a.m.

II. The Board Vice-Chair led the Pledge of Allegiance.

III. On a motion by Joe Birbaum and seconded by Duane Paulson, the minutes from the September 15, 2016 HOME Board meeting were unanimously approved.

IV. No Public Comments

Staff Comments:

Kristin Silva identified agenda items for the November Board meeting such as: contract extensions for the current inspector, administrator and housing counsel agencies. She mentioned that the Housing Action Coalition (HAC) will be requesting Administrative funds for 2017. She also discussed the work being done regarding the 2011 complaint filed by Fair Housing of Milwaukee against Waukesha County-CDBG and HOME Programs. A discussion ensued regarding rental property vs. home ownership. Discussion and a vote will be added to next month's agenda.

V. The WI Partnership Balance Fund Balance Report was reviewed. The programs are really moving along; DPA has \$46,640, Purchase/Rehab has \$27,000, and Rehab has \$8,700 remaining.

There is approximately \$300,000 in the unallocated entitlement.

\$224,000 is available in CHDO funds and must be committed within six (6) months. Family Promise will possibly be requesting these funds.

Remaining Admin is \$47,878 and could be reallocated.

TBRA project is on hold and the RFP will still be out in 2016.

VI. Debbie Narus of the WI Partnership expects that the remaining funds will run out by the end of the year and is requesting additional funds of \$50,000.

On a motion by Joe Birbaum and seconded by Ron Buchanan, the Board unanimously approved to move \$50,000 from Unallocated Entitlement to the Rehab program.

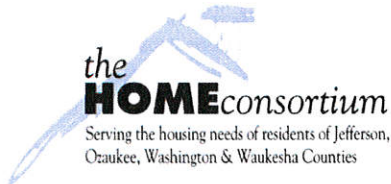
- VII. The 2017 Annual Action Plan is available on the Waukesha County Website www.waukeshacounty.gov/communitydevelopment. The 30-day public comment period has expired with no written comments received and a public hearing was held and no one attended.

On a motion by John Bulawa and seconded by Rock Brandner, the Board unanimously approved the 2017 Annual Action Plan.

- VIII. On a motion by Ron Buchanan and seconded by Dick Schultz, the Board unanimously approved the meeting adjourned at 9:30 a.m.

Respectfully submitted,

Christine Howard
Vice-Chair, HOME Board



HOUSING APPLICATION

APPLICANT INFORMATION

Applicant's Legal Name: Family Promise of Washington County, Inc.

Address: 724 Elm St, Suite 102, West Bend, WI 53095

Contact Name and Title: Kathleen Christenson Fisher, Executive Director

Telephone: (262) 353-9304 **FAX** (262) 353-9306

E-Mail: kathleenf@familypromisewc.org

Federal Identification Number: 27-0740203 **Date Incorporated** 08 / 09 / 2009

DUNS Number: 961923401

Debarment: Is / has the applicant organization been barred from doing business with either the State of Wisconsin or the Federal Government, or is any such action pending? ☐ Yes ☒ No (If yes, please indicate the reason(s) for the debarment and the date(s) your firm was debarred in the space below):

CHDO: Is the applicant organization a CHDO? ☒ Yes ☐ No If yes, please provide information required for CHDO certification for this project (see instructions). If you are requesting CHDO Operating Funds, refer to application instructions.

Project Summary

BRIEF DESCRIPTION OF THIS PROJECT: Family Promise of Washington County is seeking funds to develop transitional housing units attached to a singles shelter and support services space that will serve homeless single men and women in Washington County.			
ADDRESS OF PROJECT:		333 E Washington St., West Bend, WI 53095	
AMOUNT OF FUNDS REQUESTED FROM WAUKESHA COUNTY	\$250,000	TOTAL PROJECT COST	\$1,000,000
NUMBER OF UNITS TO BE ADDED		4	

PROJECT SCOPE (20 Points Maximum)

Project Name:

Promise Shelter and Housing Project

Project Address: 333 E Washington St, West Bend, WI 53095

Project County:

- ☐ Waukesha
☐ Jefferson
☒ Washington
☐ Ozaukee

Project Type (Check One):

- ☐ New Construction (For Sale)
☐ New Construction (Rental)
☐ Acquisition/Rehabilitation (For Sale)
☐ Acquisition/Rehabilitation (Rental)
☒ Other (describe) Shelter and Transitional Housing Project.

Please provide a brief description of your project:

Family Promise is developing a singles shelter and housing project to serve homeless single men and women in Washington County. The shelter will have eight beds for men and six beds for women. The project includes four transitional housing units for men moving out of shelter. The shelter and housing will be joined by shared support services space. The support services space will include a kitchen, resource center and case management space.

Provide a list of any partners who are working with you on this project:

Washington County, City of West Bend, United Way, Salvation Army, St. Vincent DePaul.

When will the project get underway? 04 / 01 / 2017

When will it be completed? 01 / 01 / 2018

Expected Occupancy Date: 01 / 01 / 2018

What percent of the housing units in your rental project are affordable to households (non-elderly) making less than 50% of the area median income?

A. Number of units for households making less than 50% of area median income	4
B. Total Units	4
Percent (A/B)	100

Are any of the units in your project public housing replacement units through an agreement with the local Housing Authority?

☐ Yes

☒ No

Is your project a mixed use development (example: housing and commercial)?

☒ Yes

☐ No

Will your project incorporate the Star Home Program requirements or another documented energy savings program that provides guaranteed EPA Energy Star Certification of the finished housing units?

☒ Yes

☐ No

What percent of the proposed units are designed to be fully handicapped accessible as defined in Federal and State guidelines?

A. Number of fully accessible units	1
B. Total Units	4
Percent (A/B)	25

Describe how you will ensure that the project meets housing and code standards, including lead hazards:

New Construction

Answer these questions ONLY for residential rental projects

Provide the following information about specific units in a RENTAL project:

For rental housing and rental assistance, at least 90 percent of benefiting families must have incomes that are no more than 60 percent of the HUD-adjusted median family income for the area. In rental projects with five or more assisted units, at least 20 percent of the units must be occupied by families with incomes that do not exceed 50 percent of the HUD-adjusted median.

Rental Project				
Number of Units	Income Category	Monthly Unit Rent	Includes Utilities?	Amount of HOME Per Unit
2	Below 30% CMI	495	Yes	50,000
1	30.1% -- 50% CMI	495	Yes	50,000
1	50.1% -- 60% CMI	495	Yes	50,000
	60.1% -- 80% CMI			

Describe briefly your tenant selection criteria and process.

The selection criteria is based on their homeless status. Individuals must be literally homeless to qualify for the program.

Does the project include plans to provide supportive services to residents or links to appropriate services? If yes, please describe.

Yes, Family Promise will have case managers on site. In addition, FP staff will link individuals to appropriate support services as necessary.

Consolidated Plan Priorities

Select the appropriate activity category below for your project. Items are listed in order of the HOME Board's 2015—2019 preferences.

<input type="radio"/>	Development of new affordable single family owned housing
<input checked="" type="radio"/>	Development of new affordable rental housing
<input type="radio"/>	Rehabilitation of single family owned housing
<input type="radio"/>	Rehabilitation of rental housing

Analysis of Impediments

Indicate how your agency is working to alleviate impediments identified in the 2015-2019 Analysis of Impediments to Fair Housing Choice.

Increase Knowledge of Fair Housing (check all that apply)

- ☒ Agency staff attends fair housing seminars or educational opportunities.
- ☒ Agency provides education or training for rental property owners and managers on the requirements of the Fair Housing Act, the definitions of protected classes, discriminatory practices, and potential consequences for non-compliance.
- ☒ Agency provides education or training to tenants on their rights under the Fair Housing Act.

Create Balance between Job Centers and Affordable Housing Options (check all that apply)

- ☐ Project is located in high opportunity community near a job center.
- ☒ Project is located in low or moderate income census tract.

Improve NIMBY/Prejudiced Attitudes (check all that apply)

- ☒ Agency develops and integrates appropriate diversity awareness information into staff and organizational development training.
- ☒ Agency creates and disseminates information regarding what affordable, workforce and mixed-income housing is and what economic benefits they offer to the community, via printed materials, training sessions, website education or other methods.
- ☒ Agency participates in regional housing initiatives and collaborative efforts.

Offer Housing Options for People with Disabilities and the Aging Population

- ☒ Project creates housing for people with disabilities or the elderly.
- ☒ Project has construction design concepts such as universal design (UD) or visit-ability standards and features.

Market Study

Attach a market study for this project as Appendix 1. This market study should be consistent with the type and size of project you are applying for. Provide data and information to demonstrate that your project is feasible and that there is a market for the type of housing you are producing.

SITING AND DESIGN (15 Points Maximum)

Project Design

Please submit design information as Appendix 2. Include such things as a scaled site plan, and building elevation and floor plan drawings to document the design characteristics of the proposed development.

Project Amenities

Provide a list of any amenities or special design features of the housing to be developed.

The housing is designed for single occupancy and is attached to support services space. A community kitchen and resource center will be on-site.

Readiness to Proceed

Do you have site control?

☒ Yes

☐ No

Form of Site Control:

☐ Option

☐ Accepted Offer

☐ Fee Simple

☒ Other: County Resolution

Is the site zoned for this development?

☒ Yes

☐ No

If no, is site currently in process of rezoning? ☐ Yes ☐ No

When will the zoning issue be resolved? _____

Explain:

Location:

- Describe the site in terms of its accessibility to social, recreational, educational, commercial, health facilities and services, and other municipal facilities and services, or any other beneficial aspects of the site. Discuss why this location is desirable for your project. Please note if the project is in a "high opportunity" community as noted in on Map 1, PROJECTED JOB/HOUSING IMBALANCES IN SEWERED COMMUNITIES IN THE SOUTHEASTERN WISCONSIN REGION, which can be found on the Community Development Website at http://www.waukeshacounty.gov/uploadedFiles/Media/PDF/Parks_and_Land_Use/Community_Development/Apply_for/Job%20and%20Housing%20Imbalances.pdf

The location is adjacent to the Public Agency Center and easy access to the downtown area. This area is near public library, bank, temporary job bank and grocery shopping.

Adverse Conditions:

Describe any adverse conditions or other challenges this site may face, including any environmental issues, proximity to existing or proposed freeways, flooding issues, or proximity to odors or pollution from industrial issues. Note that projects funded with this grant are subject to environmental review.

NONE

AFFORDABILITY (10 Points Maximum)**Population to be served** (Check all applicable):

- ☐ Family
☒ Elderly
☒ Special Needs

Income Levels

What income levels will be served with this project?

Income Level	Number of Units
Households with income under 30% county median income	2
Households with income over 30% but under 50% county median income	1
Households with income over 50% but under 60% county median income	1
Households with income over 60% but under 80% county median income	
TOTAL UNITS	4

Length of Affordability

Income and rent are limited during the period of affordability. All units funded with HOME funds are required to meet the minimum HOME affordability periods. What is your proposed period of affordability? How will you ensure long term affordability?

This is not permanent housing. This is transitional housing. Our goal is to move them into permanent housing within six - twelve months.

FINANCIAL FEASIBILITY (25 Points Maximum)**Sources of Funds**

Please indicate the sources of funds available for your project in the spreadsheet below (double click on the table to enter information). If funds are secure, provide documentation as Appendix 3.

Sources of Funds	Amount	Type of Funds	Funds Secure (yes or no)
St. Vincent De Paul	100,000	Private	Yes
Foundations	600,000	Private	No
Corporate	300,000	Private	No
TOTAL FUNDS			

Uses of Funds

Please indicate the Uses of Funds for your project in the table below:

Uses of Funds	Amount
Acquisition	0
Construction/Rehabilitation	950,000
Construction Contingency	40,000
Developer fee	
Soft Costs:	
Financing (loan interest, etc.)	
Insurance	
Maintenance/Utilities	10,000
Property Taxes	
Reserves	
Other	
Other	
TOTAL USES OF FUNDS	\$ 1,000,000

Sources and Uses:

Do the Uses of Funds exceed the Sources of Funds?

☐ Yes

☒ No

If yes, please explain how the gap will be covered.

--

Summary of Project Costs

Please provide the following information for your project:

Construction cost per unit	75,000
Soft cost per unit	8,750
TOTAL cost per unit	83,750
Percent of total funds secure at time of application	50%
Total developer fee for the project	0
Construction costs as a percent of total development cost	99%
Percent of HOME funds to total project funding	25%

Return of Funds

How will the requested funds be returned to the HOME Consortium as program income?

- ☐ 50% or more returned within 20 years of award
- ☐ Up to 49% returned within 20 years of award
- ☒ No return within 20 years of award
- ☐ Other, please describe:

Match

Every dollar of HOME funds used must be matched with at least 25 cents from nonfederal sources, which may include donated materials or labor, the value of donated property, proceeds from bond financing, and other resources. Please describe how your project will meet the minimum 25% federal match requirement:

The proposed site rental agreement with the county is \$1 a year for 99 years. Additionally, with exception to HOME funds, the project is privately funded.

DEVELOPER CAPACITY (30 Points Maximum)

Organizational Experience

Describe the organization's housing development experience. Provide specific examples of projects your organization has completed that are similar to the one proposed here.

Family Promise of Washington County developed the Promise Center in 2014. This was a renovation project of a 17,000 square foot building in West Bend. The space included commercial and residential housing.

Developer Team Experience

Provide a list of organization staff members that will be involved in this project. Identify their role on this project and any past affordable housing development experience. Attach resumes for all staff as Appendix 4.

Kathleen Christenson Fisher- Executive Director

Mark Baldwin - Family Promise Board Member, Retired Veteran, former HOME Board Member.

Karl Glunz - Project Manager - Over 40 years experience in facility development, planning and construction management of over 50 new hospitals and major renovation projects as President of Glunz-Strathey Associates, a healthcare consulting firm, and as Senior Vice-President of Froedtert Memorial Lutheran Hospital in Milwaukee. BS from Marquette University in Accounting and Management; MS from Kellogg School of Management - Northwestern University.

Other Organizational Experience

Will the project create any challenges for the organization? If so, how will these be overcome?
Has your agency received HOME Consortium funding in the past? If so, describe the project funded and outcome.

Potential Challenges:

The project is specifically for single men and women in Washington County. Single men is a new demographic for Family Promise.

Past Experience using HOME funds:

FP has received \$150,000 in HOME funds for the Promise Center renovation project in 2014. The remainder of the project was privately funded.

Financial Capacity

Provide your most recent audited financial statements as Appendix 5.

Has your audit indicated any deficiencies or concerns in the last three year period?

☐ Yes

☒ No

If yes, please identify and explain:

Provide a description of your organization's financial reporting systems. What internal controls are in place that minimize opportunities for fraud, waste and abuse? What is your Board's role in fiscal oversight? What accounting procedures are in place that will allow you to segregate HOME funds from other agency fund for purposes of identification, tracking and reporting?

See attached policy and procedures for financial controls.

APPLICANT AUTHORIZATION

On behalf of Family Promise of Washington County, Inc. (Applicant), I submit this application for funding to the HOME Consortium. To the best of my knowledge all information contained herein is accurate and complete as stated. I am authorized to sign on behalf of my organization.



Signature

Kathleen Christenson Fisher

Print Name

Executive Director

Title

11 / 9 / 16

Date

WASHINGTON COUNTY EMERGENCY SHELTER AND SUPPORTIVE HOUSING PROJECT SUMMARY SHEET

THE LEADERSHIP

The Singles Shelter and Housing Council is working on a plan to develop emergency shelter and supportive housing for homeless men and women in Washington County. The Council is under the guidance and leadership of Family Promise of Washington County. Family Promise has a history of safely sheltering and successfully housing individuals and families at risk of homelessness in Washington County.

THE NEED

A multi-use facility will help meet our community needs by addressing:

Safety- Immediate access to food and shelter

Health – Assessment and access to basic physical and behavioral health services

Income – Connection to employment opportunities

Family - Address situations to improve family relationships.

THE STATISTICS

Number of Persons Served 2015

Female 40

Male 46

TOTAL 86

THE PROJECT

14 Bed Emergency Shelter - serve single men and women who are homeless.

8 beds for Men

6 beds for Women

Four Supportive Housing Units – One-bedroom units to house men and women moving directly out of shelter.

Support Services Space– Joining shelter spaces for men and women to include space for reception, case management, meeting space and resource center.

THE LOCATION

A two-acre parcel on Washington County land in West Bend, adjacent to the Public Agency Building.

THE PROCESS

2016

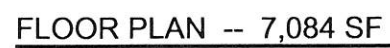
- Spring - Determine needs and options
- Spring - Organizational readiness
- Summer - Campaign and project planning
- Fall - Begin project design and capital campaign

2017

- Winter/Spring - Continue Capital Campaign
- Summer /Fall - Facility construction

2018

- JAN/FEB - Open facility



N. INDIANA AVENUE
CITY OF WEST BEND, WASHINGTON COUNTY

Sheet Number:

A-101



Kathleen Fisher <familyprom.washco@gmail.com>

Commitment Letter

Karl Glunz <kndglunz3@gmail.com>

Wed, Nov 9, 2016 at 2:33 PM

To: Kathleen Christenson Fisher <familyprom.washco@gmail.com>

Kathy Christenson Fisher::

The Board of Directors of the Society of St. Vincent de Paul District Council of Washington County has approved the commitment of \$100,000 to the capital needs of the Shelter for Singles Project in addition to \$100,000 for operations funding at \$50,000 over the first two year period.

Karl Glunz, Treasurer

[Quoted text hidden]

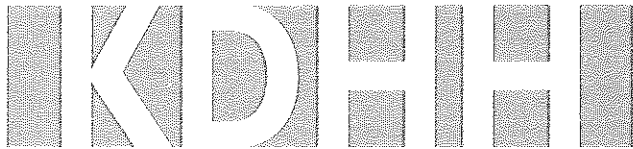
FAMILY PROMISE OF WASHINGTON COUNTY, INC.

FINANCIAL STATEMENTS

For the Years Ended December 31, 2015 and 2014

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KIECKHAFFER DIETZLER HAUSER HANSON LLP
Certified Public Accountants

Richard J. Dietzler
Mark A. Hauser
Troy B. Hanson
Jon J. Kieckhafer

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors of
Family Promise of Washington County, Inc.
West Bend, Wisconsin

We have reviewed the accompanying financial statements of Family Promise of Washington County, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2015 and 2014, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles; this includes 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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with U.S. generally accepted accounting principles. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with U.S. generally accepted accounting principles.

Kieckhafer, Dietzler, Hauser, Hanson LLP
West Bend, Wisconsin

June 28, 2016

FAMILY PROMISE OF WASHINGTON COUNTY, INC.
 STATEMENTS OF FINANCIAL POSITION
 December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
ASSETS		
Cash	\$ 171,487	\$ 72,909
Contributions receivable	-	13,600
Grant receivable	-	4,750
Rapid Rehousing advance	980	5,080
Property and equipment - net	<u>997,399</u>	<u>1,032,543</u>
TOTAL ASSETS	<u><u>\$ 1,169,866</u></u>	<u><u>\$ 1,128,882</u></u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	\$ 1,028	\$ 1,166
Accrued payroll liabilities	10,192	10,775
Deferred revenue	25,750	34,750
HOME note payable	<u>91,718</u>	<u>87,559</u>
TOTAL LIABILITIES	128,688	134,250
NET ASSETS		
Unrestricted	980,834	927,672
Temporarily restricted	<u>60,344</u>	<u>66,960</u>
	<u>1,041,178</u>	<u>994,632</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 1,169,866</u></u>	<u><u>\$ 1,128,882</u></u>

See accompanying notes and accountant's review report

FAMILY PROMISE OF WASHINGTON COUNTY, INC.
STATEMENTS OF ACTIVITIES
For the Years Ended December 31, 2015 and 2014

	2015	2014
UNRESTRICTED NET ASSETS		
Revenue and other support		
Contributions	\$ 171,185	\$ 164,047
United Way	49,996	21,827
Government grants	12,432	16,423
Client rental income	31,308	34,224
Family Promise Ozaukee revenue	40,000	-
In-kind contributions of meals and shelter	37,250	56,000
Fundraising events	94,165	27,440
Less: direct benefit to participants	(6,009)	(4,833)
Interest	21	84
Net assets released from restrictions	6,616	466,938
	<u>436,964</u>	<u>782,150</u>
TOTAL REVENUE AND OTHER SUPPORT	436,964	782,150
Expenses		
Program services	328,139	276,700
Supporting services		
Management and general	36,841	28,011
Fundraising	18,822	8,855
	<u>383,802</u>	<u>313,566</u>
TOTAL EXPENSES	383,802	313,566
INCREASE IN UNRESTRICTED NET ASSETS	53,162	468,584
TEMPORARILY RESTRICTED NET ASSETS		
Contributions	-	64,208
Less: net assets released from restrictions	(6,616)	(466,938)
	<u>(6,616)</u>	<u>(402,730)</u>
DECREASE IN TEMPORARILY RESTRICTED NET ASSETS	(6,616)	(402,730)
INCREASE IN NET ASSETS	46,546	65,854
BEGINNING NET ASSETS	994,632	928,778
ENDING NET ASSETS	<u>\$ 1,041,178</u>	<u>\$ 994,632</u>

See accompanying notes and accountant's review report

FAMILY PROMISE OF WASHINGTON COUNTY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2015

	Program Services	Supporting Services		Total
		Management and General	Fundraising	
Salaries and wages	\$ 142,227	\$ 5,668	\$ 5,668	\$ 153,563
Professional development	-	1,170	-	1,170
Payroll taxes	14,550	580	580	15,710
Communications expense	5,287	457	-	5,744
Day center expenses	12,790	-	-	12,790
Depreciation	45,255	3,258	-	48,513
Fundraising expense	-	-	18,226	18,226
In-kind shelter	21,280	-	-	21,280
In-kind food	15,970	-	-	15,970
Interest expense	-	4,158	-	4,158
Interfaith hospitality network	9,483	-	-	9,483
Liability and other insurance	9,992	7,618	-	17,610
Loss on disposal of assets	-	915	-	915
Miscellaneous expense	415	2,670	64	3,149
Occupancy expenses	19,892	-	-	19,892
Office supplies	136	1,452	21	1,609
Ozaukee County expenses	22,837	-	-	22,837
Printing and postage	294	1,921	272	2,487
Professional fees	-	6,974	-	6,974
Transportation expenses	7,731	-	-	7,731
TOTAL EXPENSES	328,139	36,841	24,831	389,811
Less direct benefit to participants	-	-	(6,009)	(6,009)
TOTAL EXPENSES IN EXPENSE SECTION	\$ 328,139	\$ 36,841	\$ 18,822	\$ 383,802

See accompanying notes and accountant's review report

FAMILY PROMISE OF WASHINGTON COUNTY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2014

		Supporting Services		
	Program Services	Management and General	Fundraising	Total
Salaries and wages	\$ 126,188	\$ 6,112	\$ 6,112	\$ 138,412
Professional development	-	1,475	-	1,475
Payroll taxes	11,761	570	570	12,901
Communications expense	4,467	1,631	-	6,098
Day center expenses	5,078	-	-	5,078
Depreciation	31,112	3,660	-	34,772
Fundraising expense	-	-	6,827	6,827
In-kind shelter	36,440	-	-	36,440
In-kind food	19,560	-	-	19,560
Interest expense	-	2,426	-	2,426
Interfaith hospitality network	5,650	-	-	5,650
Liability and other insurance	11,836	-	-	11,836
Miscellaneous expense	339	3,043	-	3,382
Occupancy expenses	22,949	-	-	22,949
Office supplies	66	1,987	-	2,053
Printing and postage	32	1,034	179	1,245
Professional fees	-	6,073	-	6,073
Tenant assistance	1,400	-	-	1,400
Transportation expenses	6,822	-	-	6,822
TOTAL EXPENSES	283,700	28,011	13,688	325,399
Less direct benefit to participants	-	-	(4,833)	(4,833)
Less elimination of internal rent charge	(7,000)	-	-	(7,000)
TOTAL EXPENSES IN EXPENSE SECTION	\$ 276,700	\$ 28,011	\$ 8,855	\$ 313,566

See accompanying notes and accountant's review report

FAMILY PROMISE OF WASHINGTON COUNTY, INC.
 STATEMENTS OF CASH FLOWS
 For the Years Ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	\$ 46,546	\$ 65,854
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation	48,513	34,772
Contribution in lieu of interest expense	-	(64,208)
Amortization of note payable discount as interest expense	4,159	1,767
Loss on sale of assets	915	-
(Increase) decrease in:		
Contributions receivable	13,600	158,345
Grant receivable	4,750	(3,481)
Rapid Rehousing advance	4,100	(1,520)
Employee advance	-	478
Increase (decrease) in:		
Accounts payable	(138)	34
Accrued payroll liabilities	(583)	1,304
Deferred revenue	(9,000)	34,750
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>112,862</u>	<u>228,095</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(14,284)	(650,073)
Decrease in cash-restricted	-	297,744
NET CASH USED IN INVESTING ACTIVITIES	<u>(14,284)</u>	<u>(352,329)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from note payable	-	150,000
NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>-</u>	<u>150,000</u>
NET INCREASE IN CASH	98,578	25,766
BEGINNING CASH	<u>72,909</u>	<u>47,143</u>
ENDING CASH	<u><u>\$ 171,487</u></u>	<u><u>\$ 72,909</u></u>
SUPPLEMENTAL DISCLOSURES		
Interest paid	\$ -	\$ 659

See accompanying notes and accountant's review report

FAMILY PROMISE OF WASHINGTON COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies affecting the financial statements of Family Promise of Washington County, Inc. (the Organization):

a) Business Organization

The Organization is a not-for-profit organization exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code, and is not a private foundation. The Organization works to provide resources and services to empower homeless families in Washington County, Wisconsin.

b) Cash

Cash consists of cash in operating checking accounts and savings accounts.

c) Contributions Receivable

Contributions receivable are stated at the amount management expects to collect from outstanding balances. An allowance for uncollectible accounts is established for differences between the amount pledged and the amount management expects to collect. Management believes that all pledges are collectible. Pledges will be collected within one year. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance and a credit to contributions receivable.

d) Uninsured Cash Balances

The Organization maintains cash balances at one financial institution. These balances may at times exceed the federally insured limit of \$250,000. The Organization has not experienced any losses in such accounts, and believes it is not exposed to any significant credit risk on cash.

e) Property, Equipment and Depreciation

Property and equipment is stated at cost or if donated, at the approximate fair value at the date of donation. Maintenance and repairs are expensed as incurred and major additions to equipment are capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets which range as follows:

Building and improvements	5 - 30 years
Vehicles	3 - 5 years
Office equipment	3 - 5 years

f) Uncertain Tax Positions

The Organization's current accounting policy is to disclose liabilities for uncertain tax positions when a liability is probable and estimable. Management is not aware of any violation of its tax status as an organization exempt from income taxes, nor is it aware of any exposure to unrelated business income tax.

The Organization files tax returns in the U.S. federal jurisdiction and the state of Wisconsin. The Organization's federal income and state tax returns prior to fiscal year 2010 are closed. The Organization does not have any tax returns currently under examination by a federal or state jurisdiction.

g) Revenue and Expense Classifications and Allocations

The majority of the Organization's revenue is received from contributions from individuals and foundations and United Way. Expenses are classified between expenses for the program and expenses for administrative and fundraising purposes.

FAMILY PROMISE OF WASHINGTON COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

h) Use of Estimates

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

i) Donated Meals, Shelter, and Services

A significant portion of the Organization's functions are conducted by unpaid volunteers and board members. The value of this contributed time is not reflected in the accompanying financial statements since the volunteers' time does not meet the criteria necessary for recognition. During 2014, over 10,000 hours were provided from volunteers.

Religious congregations provide shelter and meals to transitional families identified by the Organization and for whom the Organization provides program services. The Organization directs to whom the meals and shelter are provided. The in-kind value of these meals and shelter has been reflected as contributions and corresponding costs of program services provided based on the relative market value of the meals and shelter provided. For the years ended December 31, 2015 and 2014, the total value of meals and food was determined to be \$15,970 and \$19,560 based on a total of 1,597 and 1,956 days at \$10 per day, respectively. The total value of shelter provided for the same period was determined to be \$21,280 and \$36,440 based on a total of 532 and 911 family shelter days at \$40 per day, respectively.

j) Date of Management Evaluation

Management has evaluated subsequent events through June 28, 2016, the date of management evaluation.

NOTE 2 - PROPERTY AND EQUIPMENT

The Organization maintains property and equipment at December 31, 2015 and 2014 as follows:

	<u>2015</u>	<u>2014</u>
Building	\$1,019,235	\$1,019,235
Vehicles	26,134	32,049
Furnishings	23,268	23,268
Office equipment	<u>12,796</u>	<u>12,796</u>
	1,081,433	1,087,348
Accumulated depreciation	<u>(84,034)</u>	<u>(54,805)</u>
	<u>\$ 997,399</u>	<u>\$1,032,543</u>

Depreciation expense for the years ended December 31, 2015 and 2014 was \$48,513 and \$34,772, respectively.

NOTE 3 - LEASE COMMITMENTS

The Organization leased the facility for operation of its programs. The lease required monthly payments of \$750, payable beginning March 1, 2012. The lease expired on February 28, 2014, and continued month-to-month until May 31, 2014. Total rent expense was \$3,000 in 2014.

FAMILY PROMISE OF WASHINGTON COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 4 – NOTE PAYABLE

The Organization obtained a loan through Waukesha County and Four County HOME Consortium on June 26, 2014 for \$150,000. The note requires payments of \$10,000 per year beginning November 30, 2020 through November 30, 2034. No interest is charged on the note, which results in the lenders making a contribution to the Organization. The contribution has been recorded as temporarily restricted, along with a discount to the face value of the note. As time passes, the restriction on the contribution is released and the amortization of the discount is recorded as interest expense. This debt is secured with the building.

	<u>2015</u>	<u>2014</u>
Face value of note payable	\$ 150,000	\$ 150,000
Less: remaining discount on note	<u>(58,282)</u>	<u>(62,441)</u>
Present value of note payable	<u>\$ 91,718</u>	<u>\$ 87,559</u>

The amortization of the discount as interest expense for the years ended December 31, 2015 and 2014 was \$4,158 and \$1,767, respectively.

NOTE 5 - RESTRICTIONS ON NET ASSETS

At December 31, 2015 and 2014, temporarily restricted net assets are available for the following purposes:

	<u>2015</u>	<u>2014</u>
Contribution in lieu of interest expense	\$ 58,282	\$ 62,441
Rent assistance	<u>2,062</u>	<u>4,519</u>
	<u>\$ 60,344</u>	<u>\$ 66,960</u>