

**Report of Independent Auditors
and Financial Statements for
METROPOLITAN HOUSING COALITION, INC.
December 31, 2024 and 2023**

*Amick & Company
A Professional Service
Corporation*

CPAs / Consultants

METROPOLITAN HOUSING COALITION, INC.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Metropolitan Housing Coalition, Inc.
Louisville, Kentucky

Opinion

We have audited the financial statements of Metropolitan Housing Coalition, Inc. (a not-for-profit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Metropolitan Housing Coalition, Inc., as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 Metropolitan Housing Coalition, Inc., and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

Responsibilities of Management for the Financial Statements (continued)

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 Metropolitan Housing Coalition, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement 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 Metropolitan Housing Coalition, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Metropolitan Housing Coalition, Inc.'s ability to continue as a going concern for a reasonable period of time.

To the Board of Directors
Metropolitan Housing Coalition, Inc.
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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.

Amick & Company

Louisville, Kentucky
July 18, 2025

METROPOLITAN HOUSING COALITION, INC.
 Statements of Financial Position
 December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
ASSETS		
Cash and cash equivalents	\$ 632,400	\$ 520,530
Receivables	25,925	300
Prepaid expenses	-	800
Notes receivable	<u>100,033</u>	<u>187,999</u>
TOTAL ASSETS	<u>\$ 758,358</u>	<u>\$ 709,629</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	\$ 22,598	\$ 11,223
Accrued expenses	302	276
Other current liabilities	9,000	-
Accrued compensated absences	5,892	5,892
Deferred grant revenue	196,077	72,904
Notes payable	<u>211,441</u>	<u>265,553</u>
Total Liabilities	<u>445,310</u>	<u>355,848</u>
NET ASSETS		
Without donor restrictions	313,048	353,781
With donor restrictions	-	-
Total Net Assets	<u>313,048</u>	<u>353,781</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 758,358</u>	<u>\$ 709,629</u>

See accompanying notes.

METROPOLITAN HOUSING COALITION, INC.

Statements of Activities

For the Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Earned Revenue		
Program revenue	\$ 65	\$ 2,176
Interest and investment income	15,016	7,462
Other events revenue	<u>5,500</u>	<u>-</u>
Total Earned Revenue	<u>20,581</u>	<u>9,638</u>
Public / Private Support		
Corporate and other private	154,928	203,951
Local government	62,500	24,000
Membership dues	49,674	37,388
Annual meeting	39,069	53,285
In-kind donations	<u>-</u>	<u>4,950</u>
Total Public/Private Support	<u>306,171</u>	<u>323,574</u>
Total Earned Revenue and Support	<u>326,752</u>	<u>333,212</u>
Program Services	309,776	240,094
Fundraising	<u>33,220</u>	<u>25,155</u>
Total Program Services and Fundraising	<u>342,996</u>	<u>265,249</u>
Supporting Services		
Salaries and related expenses	9,277	8,547
Administration	14,584	13,209
Facilities	<u>628</u>	<u>382</u>
Total Supporting Services	<u>24,489</u>	<u>22,138</u>
Total Expenses	<u>367,485</u>	<u>287,387</u>
Changes in net assets from operations	<u>(40,733)</u>	<u>45,825</u>
Change in Net Assets		
Without Donor Restrictions	(40,733)	45,825
NET ASSETS AT BEGINNING OF YEAR	<u>353,781</u>	<u>307,956</u>
NET ASSETS AT END OF YEAR	<u>\$ 313,048</u>	<u>\$ 353,781</u>

See accompanying notes.

METROPOLITAN HOUSING COALITION, INC.

Statements of Cash Flows

For the Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (40,733)	\$ 45,825
Adjustments to reconcile change in net assets to net cash from operating activities:		
Change in operating assets		
Receivables	(25,625)	42,779
Prepaid expenses	800	(800)
Change in operating liabilities		
Accounts payable	11,375	10,680
Accrued expenses	26	1,930
Other current liabilities	9,000	
Deferred revenue	<u>123,173</u>	<u>70,404</u>
NET CASH FROM OPERATING ACTIVITIES	<u>78,016</u>	<u>170,818</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
New notes awarded	-	(200,000)
Principal payments received on notes receivable	<u>87,966</u>	<u>145,000</u>
NET CASH FROM INVESTING ACTIVITIES	<u>87,966</u>	<u>(55,000)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Change in notes payable	<u>(54,112)</u>	<u>(61,445)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	111,870	54,373
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>520,530</u>	<u>466,157</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 632,400</u>	<u>\$ 520,530</u>

See accompanying notes.

METROPOLITAN HOUSING COALITION, INC.
 Statements of Functional Expenses
 For the Years Ended December 31, 2024 and 2023

	2024		
	Program	Support	Fundraising
	<u>Services</u>	<u>Services</u>	
Compensation of officers	\$ 62,894	\$ 9,277	\$ 5,329
Other salaries and wages	79,015	-	17,705
Employee benefits	21,617	1,637	4,095
Payroll taxes	10,755	814	2,037
Accounting	-	11,140	-
Other professional fees	86,340	120	300
Office expenses	750	57	142
Occupancy	8,281	628	1,566
Conferences and meetings	16,879	-	-
Development expense	10,295	-	-
Interest	2,164	-	-
Insurance	4,723	357	895
Other administrative	6,063	459	1,151
	<u>\$ 309,776</u>	<u>\$ 24,489</u>	<u>\$ 33,220</u>
TOTALS			
	<u>\$ 309,776</u>	<u>\$ 24,489</u>	<u>\$ 33,220</u>
	2023		
	Program	Support	Fundraising
	<u>Services</u>	<u>Services</u>	
Compensation of officers	\$ 57,942	\$ 8,547	\$ 4,909
Other salaries and wages	54,626	-	12,240
Employee benefits	16,426	1,244	3,112
Payroll taxes	8,267	626	1,566
Accounting	-	10,391	-
Other professional fees	54,036	75	188
Office expenses	732	55	139
Occupancy	5,039	382	953
Conferences and meetings	23,438	-	-
Development expense	5,754	-	-
Interest	3,027	-	-
Insurance	4,706	356	892
Other administrative	6,101	462	1,156
	<u>\$ 240,094</u>	<u>\$ 22,138</u>	<u>\$ 25,155</u>
TOTALS			
	<u>\$ 240,094</u>	<u>\$ 22,138</u>	<u>\$ 25,155</u>

See accompanying notes.

METROPOLITAN HOUSING COALITION, INC.
Notes to Financial Statements

NOTE 1. NATURE OF ACTIVITIES

Mission

The Metropolitan Housing Coalition, Inc, (the “Coalition” or “MHC”) exists to bring together this community’s private and public resources to provide equitable, accessible housing opportunities for all people through advocacy, public education, and support for affordable housing providers.

Coalition

The Metropolitan Housing Coalition, Inc. is a not-for-profit corporation organized in 1991 under the laws of the Commonwealth of Kentucky. The mission of the Coalition is to coalesce Louisville, Kentucky’s public, and private resources to provide equitable, accessible housing choices for all people through advocacy, public education, and support for affordable housing providers.

The Coalition is the united voice for affordable housing advocacy in our region. Our membership list is a powerful one, with over 100 Coalition al members, including financial institutions, private and not-for-profit developers of affordable housing, social services providers, local government, labor unions and faith-based groups. MHC is also supported by more than 200 individual members, who help us to advocate for fair, safe, decent, and affordable housing for every member of our regional community.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of Metropolitan Housing Coalition, Inc. have been prepared in accordance with U.S. generally accepted accounting principles (“US GAAP”), which requires Metropolitan Housing Coalition, Inc. to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Coalition. These net assets may be used at the discretion of Metropolitan Housing Coalition, Inc.'s management and the board of directors.

METROPOLITAN HOUSING COALITION, INC.
Notes to Financial Statements (Continued)

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Metropolitan Housing Coalition, Inc. or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Measure of operations

The statement of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to Metropolitan Housing Coalition, Inc.'s ongoing programs and interest and dividends earned on investments. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

Use of estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, the Coalition considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

METROPOLITAN HOUSING COALITION, INC.
Notes to Financial Statements (Continued)

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Sources of Revenue

Promises To Give

Contributions are recognized when the donor makes a promise to give to the Coalition that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Contributions and Support

Contributions received are recorded as without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-related support is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Receivables

Receivables consist of third-party reimbursements. The Coalition estimates the amount to be collected based upon historical experience and management evaluation of outstanding receivables. There is no allowance for uncollectible accounts as of December 31, 2024, and 2023.

METROPOLITAN HOUSING COALITION, INC.
Notes to Financial Statements (Continued)

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Notes Receivable

Notes receivable represents amounts due to the Coalition for loans made to housing associations and other not-for-profit entities for the acquisition, financing, and production of housing to provide safe, decent, and affordable housing to low-income residents of Kentucky. These loans have a 1% to 5% interest rate and a two to six-year maturity date. A provision for loan losses is not considered necessary. (See Note 4).

Donated Property and Equipment

Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as support without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire the property and equipment are reported as support with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Coalition reports expirations of donor restriction when the donated or acquired assets are placed in service as instructed by the donor. The Coalition reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Property and equipment are depreciated using the straight-line method.

Deferred Revenue

At December 31, 2024 and 2023, the Coalition reported deferred grant revenue totaling \$196,077 and \$72,904, which represents funds received in advance for services or goods to be provided in future periods. Deferred revenue is recognized as income when the related performance obligations are satisfied.

Contributed Services

The Coalition receives services contributed from various companies (see Note 6). Many individuals volunteer their time and perform a variety of tasks that assist the Coalition in their operations. The value of these services has not been recorded.

METROPOLITAN HOUSING COALITION, INC.
Notes to Financial Statements (Continued)

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Functional Cost Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the Statements of Functional Expenses. Directly identifiable expenses are charged to programs and supporting services. Certain costs have been allocated among the programs and support services benefited based on management's estimate of employee hours devoted to each function.

Third Party Reimbursement Agreement

The Coalition provides payroll and related services to the Louisville Affordable Housing Trust Fund (LAHTF) under a third-party reimbursement agreement. LAHTF is an unrelated not-for-profit Coalition. The services provided include payment of salaries, payroll taxes and employee benefits. LAHTF is billed monthly for the cost of these services and pays an administrative fee of 10% of the total costs to Coalition. This agreement was not renewed for 2024.

Tax Status

Metropolitan Housing Coalition, Inc. has been granted tax-exempt status under Section 501(a) of the Internal Revenue Code as described in Section 501(c)(4). Metropolitan Housing Coalition, Inc. has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. They are not classified as a private foundation.

METROPOLITAN HOUSING COALITION, INC.
Notes to Financial Statements (Continued)

NOTE 3. LIQUIDITY AND AVAILABILITY

The following represents Metropolitan Housing Coalition’s financial assets at December 31, 2024 and 2023:

Financial asset at year end:	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 632,400	\$ 520,530
Receivables	<u>25,925</u>	<u>300</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 658,325</u>	<u>\$ 520,830</u>

NOTE 4. NOTES RECEIVABLE

Notes receivable consist of the following:

<u>Lendee</u>	<u>Date of</u>	<u>Maturity</u>	<u>Interest</u>	<u>Balance at December 31:</u>	
	<u>Note</u>	<u>Date</u>	<u>Rate</u>	<u>2024</u>	<u>2023</u>
New Directions	2/1/2021	2/1/2023	5.00%	\$ -	\$ -
The Housing Partnership	1/24/2021	1/24/2024	5.00%	33	37,999
River City Housing	6/13/2023	6/13/2026	5.00%	<u>100,000</u>	<u>150,000</u>
				<u>\$ 100,033</u>	<u>\$ 187,999</u>

NOTE 5. NOTES PAYABLE

The Coalition borrows money from the Kentucky Housing Corporation through the Non-Profit Housing Productions and Repair Program (“NHPR”). The Coalition in turn loans this money to other housing associations and not-for-profit organizations. Maturity is 20 years with an interest rate of 1%, payable quarterly, with an annual principal payment of 5%, except for the 2009 and 2010 loans. These two loans also mature in 20 years with an interest rate of 1%; however, they have monthly principal and interest payments of \$995 and \$1,285, respectively.

METROPOLITAN HOUSING COALITION, INC.
Notes to Financial Statements (Continued)

NOTE 5. NOTES PAYABLE (continued)

Date of <u>Note</u>	Original <u>Commitment</u>	Loan <u>Number</u>	<u>Balance</u>	
			<u>2024</u>	<u>2023</u>
7/1/2003	\$ 108,750	8174	\$ -	\$ -
7/1/2004	36,000	8215	-	1,800
7/1/2005	177,000	8237	8,850	17,700
7/1/2006	223,200	8272	22,320	33,480
7/1/2007	174,948	8297	26,241	34,989
7/1/2009	216,388	8316	58,217	68,578
7/1/2010	<u>279,451</u>	8345	<u>95,813</u>	<u>109,005</u>
	<u>\$ 1,215,737</u>		<u>\$ 211,441</u>	<u>\$ 265,552</u>
	2026			47,271
	2027			36,111
	2028			27,364
	2029			25,871
	2030 and after			<u>18,702</u>
				<u>\$ 211,441</u>

Interest expense on notes payable for the years ended December 31, 2024 and 2023 was \$2,164 and \$3,027, respectively.

NOTE 6. LEASE COMMITMENT

The Coalition leases office space and equipment under one-year operating leases. The lease term is October 1, 2024, to September 30, 2025. Lease expense of office space for the years ended December 31, 2024 and 2023 was \$9,600, and \$5,750 (including in-kind donations), respectively.

In February 2021, the Coalition moved into office space owned by Bray Property Management, LLC. Robin Bray is a member of the Board of Directors. The Coalition does not pay rent. This arrangement ended in September 2023. An in-kind donation of \$4,950 has been recorded in the financial statements for the years ended December 31, 2023

METROPOLITAN HOUSING COALITION, INC.
Notes to Financial Statements (Continued)

NOTE 7. RETIREMENT PLAN

The Coalition sponsors a SEP-IRA for its employees. The plan covers all employees of the Coalition. Contributions to the plan for the years ended December 31, 2024 and 2023 amounted to \$5,075 and \$4,631, respectively.

NOTE 8. UNCERTANITIES, CONTINGENCIES AND RISK

Concentration of Credit Risk

The Coalition maintains its cash balances in various financial institutions. At times, the balance may exceed federally insured limits. The Coalition has not experienced any losses in these accounts and management believes the Coalition is not exposed to any significant risks on these bank balances.

Income Taxes

Effective January 1, 2009, the Coalition implemented the accounting guidance for uncertainty in income taxes using the provisions of Financial Accounting Standards Board (FASB) *Accounting Standards Codification* (ASC) 740 *Income Taxes*. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more-likely-than-not the positions will be sustained upon examination by the tax authorities.

As of December 31, 2024 and 2023, the Coalition had no uncertain tax positions, or interest or penalties that qualify for either recognition or disclosure in the financial statements.

NOTE 9. SUBSEQUENT EVENTS

Subsequent events for the Coalition have been considered through the date of the Independent Auditors' Report which represents the date on which the financial statements were available to be issued.