

# 2011-2012 City of Stillwater Housing Authority

## Navigating Fiscal Shifts: A Deep Dive into Stillwater Housing Authority Financials (2011–2012)

### 1. Overview

This report examines the audited basic financial statements and supplemental data for the Housing Authority of the City of Stillwater for fiscal years ended September 30, 2011 and 2012. It provides a comparative analysis of key financial metrics, identifies drivers of fiscal change, and highlights operational and compliance considerations for the Authority. 2011-Housing Authority-... 2012-Housing Authority-...

### 2. Key Financial Findings

- **Total Assets & Net Position**
  - **2011 → 2012:** Total assets declined from \$7.10 M to \$6.68 M (–6%) and net assets decreased by \$397,910 to \$6.44 M. 2012-Housing Authority-...
- **Revenue Trends**
  - Operating revenue fell by 8% (from \$4.65 M to \$4.29 M), driven primarily by a \$121,690 reduction in Low-Rent Program funding and a \$75,845 cut in Housing Choice Voucher subsidies. 2012-Housing Authority-...
- **Expense Dynamics**
  - Total expenses rose 3% (from \$4.57 M to \$4.69 M), led by a \$57,549 increase in maintenance and a \$32,532 administrative decrease offset by higher utilities and maintenance costs. 2012-Housing Authority-...

### 3. Operational & Capital Highlights

- **Maintenance & Modernization**
  - Capital asset additions in FY 2012 totaled \$83,542, including covered walkways and flooring projects funded by CFP grants. Depreciation expense of \$267,530 reflected accelerated aging of existing assets. 2012-Housing Authority-...
- **Housing Assistance Payments (HAP)**
  - HAP payments increased \$100,125 due to higher unit occupancy (7,418 vs. 7,597 unit-months). Portability-in costs rose \$6,048 as the Authority became a conduit for incoming voucher holders. 2012-Housing Authority-...
- **Liquidity & Cash Flows**
  - Net cash used by operations was \$4.03 M, with ending cash of \$2.92 M. Restricted cash for HAP and FSS totaled \$390,000, preserving program solvency. 2012-Housing Authority-...

**Disclaimer:** This analysis is based on the Housing Authority's publicly available audited financial statements for fiscal years ended September 30, 2011 and 2012. While every effort has been made to ensure accuracy, data may be subject to interpretation and revision. This document does not constitute financial advice. If discrepancies are noted, please contact the author for clarification.

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### 4. Compliance & Risk Considerations

- Both audit years yielded **unqualified opinions** with **no material weaknesses or findings**, demonstrating strong internal controls and HUD compliance. 2012-Housing Authority-...
- Exposure to decreases in Federal funding poses a fiscal cliff risk; management's contingency of using operating reserves provides short-term relief but underscores the need for diversified revenue. 2012-Housing Authority-...

### 5. Strategic Implications & Recommendations

1. **Diversify Revenue Sources**
  - Explore service fees or local partnerships to offset potential HUD cuts.
2. **Optimize Maintenance Cycles**
  - Implement predictive maintenance to reduce extraordinary repairs and stabilize depreciation.
3. **Strengthen Reserve Policies**
  - Formalize a reserve drawdown plan to bridge funding gaps while protecting core operations.

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