HOUSING AUTHORITY OF
THE TOWN OF STRATFORD

FINANCIAL STATEMENTS
AND
REPORTS OF INDEPENDENT
CERTIFIED PUBLIC ACCOUNTANTS

FOR THE YEAR ENDED
DECEMBER 31, 2025

HOUSING AUTHORITY OF THE TOWN OF STRATFORD
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GEEL
AUDIT & ACCOUNTING

Independent Auditor's Report

Board of Commissioners
Housing Authority of the Town of Stratford

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the business-type activities of the Housing Authority of the Town of Stratford, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Housing Authority of the Town of Stratford's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the business-type activities of the Housing Authority of the Town of Stratford as of December 31, 2025, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Housing Authority of the Town of Stratford, 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 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.

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 Housing Authority of the Town of Stratford's ability to continue as a going concern for twelve 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 Housing Authority of the Town of Stratford'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 Housing Authority of the Town of Stratford'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 Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 1 - 6 and supplemental pension and OPEB information beginning on page 24 are presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who 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 supplementary 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Housing Authority of the Town of Stratford's basic financial statements. The CHFA Supplemental HM Forms as required by the Connecticut Housing Finance Authority, the Financial Data Schedules required by Uniform Financial Reporting Standards issued by the U.S. Department of Housing and Urban Development and the Schedule of Expenditures of Federal Awards, as required by the audit requirements of Title 2 U.S. Code of

Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* Uniform Guidance, are presented for purposes 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. Such 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 CHFA Supplemental HM Forms, the Financial Data Schedule, and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 23, 2026 on our consideration of the Housing Authority of the Town of Stratford's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is 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 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 Housing Authority of the Town of Stratford's internal control over financial reporting and compliance.



Geel LLP
Certified Public Accountants

Bristol, Connecticut
September 23, 2026

HOUSING AUTHORITY OF THE TOWN OF STRATFORD
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED DECEMBER 31, 2025

As management of the Stratford Housing Authority (the Authority), we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended December 31, 2025. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the Authority exceeded its liabilities at the close of the most recent fiscal year by $24,065,422.
- The net assets of the Authority consisted of Invested in Capital Assets in the amount of $14,973,962 and Unrestricted Net Assets in the amount of $10,977,084.
- The Authority had intergovernmental revenues of $6,518,467 program revenues and other revenues/recoveries of $4,873,597 and program expenses (exclusive of depreciation expense) of $10,344,102 for the year ended December 31, 2025.
- The Authority's capital contributions for the year were $1,339,290.

OVERVIEW OF THE STRATFORD HOUSING AUTHORITY

The Stratford Housing Authority was created in 1943 to provide and promote safe and sanitary housing for low-income persons residing in Stratford, CT. The Authority is a quasi public corporation located in Stratford, CT as was established under Section 8-40 of the Connecticut State Statutes.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Stratford Housing Authority's financial statements consist of two parts:

1) Management discussion analysis which is intended to serve as an introduction to the Authority's basic financial statements, and 2) the Authority's basic financial statements which are comprised of two components: a) government–wide financial statements and b) notes to the financial statements. This report also contains the schedule of expenditures of federal awards as supplementary information in addition to the basic financial statements themselves.

The Authority is considered by accounting principles generally accepted in the United States of America (GAAP) to be a special purpose government accounted for as enterprise funds. Its chartered purpose is the housing of low and moderate income families and elderly individuals. All of the activities, programs and grants administered by the Authority are focused for that purpose.

As a single purpose enterprise fund government, the Authority is permitted to issue combined entity level and fund level financial statements. These statements report financial information for each of the Authority's funds and a combined total of all funds that represents the Authority wide financial position.

The government-wide financial statements are designed to provide readers with a broad overview of the Authority's finances, in a manner similar to a private-sector business. The following is a brief description of each financial statement:

Statement of Net Assets

- The statement of net assets is prepared using the accrual basis of accounting and provides information relating to all financial and capital resources for the Authority as of the reporting date and related debts and other liabilities. The balance sheet is presented in a format where assets equal liabilities plus net assets. Assets and liabilities are presented in order of liquidity, and are classified as "Current" *(convertible into cash within one year)*, and "Non-current".

- Net assets (formerly equity) represent the cumulative effect of revenue and expenses. It is also the difference between assets and liabilities. Net assets are reported in three broad categories:

  Unrestricted Net Assets are designed to represent the net available liquid (non-capital) assets, net of liabilities, for the entire Authority.

  Net Assets, Invested in Capital Assets, Net of Related Debt consists of all Capital Assets, reduced by the outstanding balances of any bonds, mortgages, notes or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.

  Restricted Net Assets consists of restricted assets, when constraints are placed on the assets by creditors, grantors, contributors, laws, regulations, etc.

Statement of Revenue, Expenses and Changes in Fund Net Assets

- This statement is similar to an Income Statement. It includes operating revenues, such as rental income, operating expenses, such as administrative, utilities, maintenance and depreciation. Non-Operating revenue and expenses, such as grant revenue, investment income and interest expense and capital contributions and operating transfers.

- The focus of this Statement of Revenues, Expenses and Changes in Fund Net Assets is the "Change in Net Assets", which is similar to Net Income or Loss.

Authority Funds

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Business Type Funds – All of the Authority's funds are business type funds, which are also called enterprise funds. The Authority has one major fund. There are no non-major funds.

Low and Moderate Rent Public Housing – This is used to account for all activities relating to the leasing and operation of apartments in buildings that were constructed and are owned by the Authority. These units are rented to low income families and low income elderly, disabled, and special needs individuals. The properties were constructed with grants and or loans provided by the U.S. Department of Housing and Urban Development (HUD) or the Department of Economic and Community Development (DECD). The Authority receives grants from HUD to subsidize operating deficits. The Authority's state portfolio is monitored by the Connecticut Housing Finance Authority (CHFA) and the Department of Housing (DOH). Tenants are charged rents based on a percentage of their income.

The Authority receives grants from HUD, DOH and CHFA that support the properties of the tenants that are served by the program. The major grant programs that support the funds are:

- HUD Capital Fund Grants – a grant program funded by HUD for improvements to properties owned by the Authority.
- State Modernization Grants – a grant program funded by CHFA and/or DOH for improvement to properties owned by the Authority.

Low Rent Leased Housing – This is used to account for leasing activities of properties that are not owned by the Authority. The Authority administers contracts with independent landlords that own property. The Authority subsidizes the family's rent through a Housing Assistance Payment made to the landlord. The funds for these payments are provided by program grants provided by HUD. The Authority also receives an administrative fee, which is part of the grant that supports the administration of the program.

AN OVERVIEW OF THE AUTHORITY – WIDE FINANCIAL POSITION AND OPERATIONS

The Authority's overall financial position and operations for the past two years are summarized below based on the information included in the current and prior financial statements. Fiscal year 2004 was the first year of implementation of Governmental Accounting Standards Board (GASB) Statement #34.

The Authority's total assets at December 31, 2025 were $24,065,422 an increase of $1,717,684 from December 31, 2024. A portion of this increase is related to current and capital assets.

The Authority's overall financial position and results of operations are presented at the end of this report.

CAPITAL ASSETS

As of December 31, 2025, the Authority's investment in capital assets was $12,740,160 (net of accumulated depreciation). This investment in capital assets includes buildings, improvements, equipment, and computer software.

Major capital asset purchases during the current fiscal year include the following:

- Capital expenditures of $2,443,906 were made for new bathroom renovations, roof replacements, paving, striping, curbing, sidewalk and pathway installation, tree removal and landscape improvements at the Authority's state elderly developments.

ECONOMIC FACTORS AFFECTING NEXT YEAR'S BUDGET

The following factors were considered in preparing the Authority's budget for the 2026 fiscal year:

- Administrative Fee Subsidies for the Housing Choice Voucher (HCV) program are only expected at an 88% proration level in 2026.

- Operating subsidies for the HUD Low Rent Program is expected to be funded at an 86.70% proration level for 2026.

- Increased costs of Employer Health Insurance, Employer Retirement Contributions, Workers Compensation, Fire/Liability Insurance and Utilities continue to rise.

FUTURE EVENTS THAT MAY FINANCIALLY IMPACT THE AUTHORITY

Projected funding cuts during the next fiscal year by the U.S. Department of Housing and Urban Development (HUD) along with sharp cost increases will have an impact on housing in the future.

REQUEST FOR INFORMATION

The financial report is designed to provide a general overview of the Authority's finances for interested parties. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Stratford Housing Authority, Executive Director, Elizabeth Sulik, P.O. Box 668, Stratford, CT 06615.

Statement of Net Position
December 31, 2025

	2025	2024	Increase (Decrease)
Assets			
Current Assets	$ 15,044,686	$ 15,159,273	$ (114,587)
Capital Assets, Net of Depreciation	14,973,962	12,580,992	2,392,970
Total Assets	30,018,648	27,740,265	2,278,383
Deferred outflow of Resources			
Deferred Outflows Related to Pension	417,797	447,286	(29,489)
Deferred Outflows Related to OPEB	504,953	660,761	(155,808)
Total Deferred Outflows of Resources	922,750	1,108,047	(185,297)
Liabilities			
Current Liabilities	856,613	450,356	406,257
Non-Current Liabilities	5,172,120	5,620,782	(448,662)
Total Liabilities	6,028,733	6,071,138	(42,405)
Deferred Inflows of Resources			
Deferred Inflows Related to Pension	245,814	143,102	102,712
Deferred Inflows Related to OPEB	601,429	286,334	315,095
Total Deferred Inflows of Resources	847,243	429,436	417,807
Net Assets			
Invested in Capital Assets, Net of Debt	12,740,160	10,540,079	2,200,081
Restricted Net Position	348,178	266,109	82,069
Unrestricted Net Position	10,977,084	11,541,550	(564,466)
Total Net Assets	24,065,422	22,347,738	1,717,684
Total Liabilities and Net Position	$ 30,018,648	$ 27,740,265	$ 2,278,383

Statement of Revenues, Expenses and Changes in Net Assets
December 31, 2025

	2025	2024	Increase (Decrease)
Operating Revenues:			
Grants and Subsidies	$ 6,518,467	$ 6,057,923	$ 460,544
Rental Income	3,663,723	3,483,974	179,749
Fees and Fraud Recovery	992,938	500,747	492,191
Other Income	216,936	69,666	147,270
Total Operating Revenues	11,392,064	10,112,310	1,279,754
Operating Expenses:			
Housing Assistance Payments	5,087,882	4,069,075	1,018,807
Administration	2,092,481	1,957,167	135,314
Maintenance	1,859,365	1,814,591	44,774
Utilities	652,792	595,158	57,634
Depreciation	898,219	847,185	51,034
Insurance	416,402	419,156	(2,754)
General	235,180	456,925	(221,745)
Total Operating Expenses	11,242,321	10,159,257	1,083,064
Net Operating Income	149,743	(46,947)	196,690
Non-Operating Income (Expenses):			
Interest Income	256,337	283,519	(27,182)
Other Government Grants	83,936	220,876	(136,940)
Other Income - Insurance Proceeds	347,035	-	347,035
Interest Expense	(104,204)	(80,726)	(23,478)
Nonroutine Maintenance and Replacement	(354,453)	(278,382)	(76,071)
Capital Grants	1,339,290	640,158	699,132
Total Non-Operating Income	1,567,941	785,445	782,496
Increase(Decrease) in Net Assets	$ 1,717,684	$ 738,498	$ 979,186

HOUSING AUTHORITY OF THE TOWN OF STRATFORD
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2025

ASSETS		
Current Assets		
Cash and Cash Equivalents - Unrestricted	$	14,200,012
Cash and Cash Equivalents - Restricted		553,107
Accounts Receivable		
Tenants, net of Allowances		84,597
Other		106,602
Prepaid Expenses		97,783
Inventory		2,585
Total Current Assets		15,044,686
Noncurrent Assets		
Investments - Restricted		303,612
Capital Assets, net of A/D		
Nondepreciable		5,816,902
Depreciable		8,853,448
Total Noncurrent Assets		14,973,962
Total Assets		30,018,648
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows Related to Pension		417,797
Deferred Outflows Related to OPEB		504,953
Total Deferred Outflows of Resources		922,750
LIABILITIES		
Current Liabilities		
Accounts Payable - Vendors and Contractors		127,696
Accrued Compensated Absences		20,967
Accrued PILOT		110,275
Accrued Liabilities - Other		29,374
Deposit Liability		299,100
Tenant Security Deposits Payable		209,441
Unearned Revenue		34,708
Current Portion of Long-Term Debt		25,052
Total Current Liabilities		856,613
Noncurrent Liabilities		
Accrued Compensated Absences		83,866
Long-Term Debt		1,905,138
Net Pension Liability		1,861,266
OPEB Liability		1,321,850
Total Noncurrent Liabilities		5,172,120
Total Liabilities		6,028,733
DEFERRED INFLOWS OF RESOURCES		
Deferred Inflows Related to Pension		245,814
Deferred Inflows Related to OPEB		601,429
Total Deferred Inflows of Resources		847,243
Net Position		
Net Investment in Capital Assets		12,740,160
Restricted for Housing Assistance Payments		44,566
Restricted for Lender Required Reserves		303,612
Unrestricted		10,977,084
Total Net Position	$	24,065,422

The accompanying notes are an integral part of the financial statements.

HOUSING AUTHORITY OF THE TOWN OF STRATFORD
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2025

OPERATING REVENUE		
Rental Revenue	$	3,663,723
HUD Operating Grants		6,518,467
Fees for Services		992,938
Other Revenue		216,936
Total Operating Revenue		11,392,064
OPERATING EXPENSES		
Administrative		2,092,481
Utilities		652,792
Ordinary Maintenance and Operations		1,859,365
Insurance Premiums		416,402
General		235,180
Housing Assistance Payments		5,087,882
Depreciation		898,219
Total Operating Expenses		11,242,321
Operating Income (Loss)		149,743
NONOPERATING INCOME (EXPENSES)		
Interest Income		256,337
Other Government Grants		83,936
Other Income - Insurance Proceeds		347,035
Interest Expense		(104,204)
Nonroutine Maintenance and Replacement		(354,453)
Total Nonoperating Income (Expenses)		228,651
Income (Loss) before Capital Contributions		378,394
Capital Contributions - State of CT		141,576
Capital Contributions - HUD		1,197,714
Change in Net Position		1,717,684
Net Position, Beginning of Year		22,347,738
Net Position, End of Year	$	24,065,422

The accompanying notes are an integral part of the financial statements.

HOUSING AUTHORITY OF THE TOWN OF STRATFORD
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025

CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received from Operations	$	4,612,048
HUD Operating Grants		6,518,467
Housing Assistance Payments		(5,087,882)
Payments to Vendors and Suppliers		(3,340,643)
Payments for Employee Wages		(1,655,379)
Other Receipts (Payments)		578,169
Net Cash Provided by (Used in) Operating Activities		1,624,780
CASH FLOWS FROM CAPITAL RELATED FINANCING ACTIVITIES:		
Purchases of Property and Equipment		(3,252,927)
Capital Grants Received		1,339,290
Proceeds from Acquisition of Debt		174,437
Principal Payements of Debt		(19,810)
Interest Payments on Debt		(104,204)
Net Cash Provided by (Used in) Capital Related Financing Activities		(1,863,214)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Net Proceeds from (Deposits to) Investments		(38,262)
Interest Income		256,337
Net Cash Provided by (Used in) Investing Activities		218,075
Net Increase (Decrease) in Cash		(20,359)
Cash at the Beginning of the Year		14,773,478
Cash at the End of the Year	$	14,753,119
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating Income (Loss)	$	149,743
Adjustments to Reconcile Change in Net Cash Provided by Operating Activities:		
Depreciation Expense		898,219
Nonroutine Maintenance		(354,453)
Nonoperating Revenues		430,971
Pension & OPEB Expense		303,464
Employer Pension & OPEB Contributions		(294,168)
Change in Operating Assets and Liabilities:		
Decrease (Increase) in Receivables		(61,263)
Decrease (Increase) in Prepaid Expenses		155,491
Decrease (Increase) in Inventories		-
Increase (Decrease) in Accounts Payable		133,752
Increase (Decrease) in Tenants Security Deposits		8,321
Increase (Decrease) in Other Liabilities		254,703
Net Cash Provided by (Used in) Operating Activities	$	1,624,780

The accompanying notes are an integral part of the financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The summary of significant accounting policies of the Housing Authority of the Town of Stratford (the Authority) is presented to assist in understanding the Authority's financial statements. The financial statements and notes are representations of the Authority's management, who are responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Reporting Entity

The Authority was created pursuant to Section 8-40 of the Connecticut General Statutes. The Authority has contracted with the Federal Government, acting through the Department of Housing and Urban Development (HUD), for financial assistance of Housing Choice Vouchers and Federal Operating Subsidy pursuant to the United States Housing Act of 1937, as amended. The Authority has also contracted the State of Connecticut Department of Community Development (DECD) and Department of Housing (DOH) for financial assistance for elderly and moderate rental projects in the form of capital grants pursuant to Section 8-70 and 8-114a of the Connecticut General Statutes. As such, the Authority has entered into annual contribution contracts with the U.S. Department of Housing and Urban Development ("HUD") to be the administrator of the housing and housing related programs described herein. The Authority is not subject to Federal or State income taxes and is not required to file Federal or State income tax returns.

The Authority's combined financial statements include the accounts of all the Authority's operations. The criteria for including organizations as component units within the reporting entity, as set forth in GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

the organization is legally separate (can sue and be sued in their own name)
the Authority holds the corporate powers of the organization
the Authority appoints a voting majority of the organization's Board
the Authority is able to impose its will on the organization
the organization has the potential to impose a financial benefit/burden on the Authority
there is fiscal dependency by the organization on the Authority

Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the Authority's Board of Commissioners or the component unit provides services entirely to the Authority. These component units' funds are blended into those of the Authority's by appropriate activity type to compose the primary government presentation. Discretely presented component units are separate legal entities that meet the component unit criteria but do not meet the criteria for blending.

Based on the aforementioned criteria, the Authority is not a component unit of the city, nor does it include any component units.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements.

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 statement and the reported amounts of revenues and expenses used during the reporting period. Actual results could differ from those estimates. Significant estimates include the economic lives of capital assets.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

The Authority's funds are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation are included on the Statement of Net Position.

Operating Revenue includes rental income, operating grants and all other revenue relating to the provision of safe, decent, and affordable housing that do not result from transactions defined as capital related financing, non-capital and related financing, or investing activities. Operating expenses include wages, housing assistance payments, utilities, maintenance, depreciation, and all other expenses relating to the provision of safe, decent, and affordable housing that do not result from transactions defined as capital related financing, non-capital and related financing, or investing activities.

In addition, the Authority receives capital grants to be used for various purposes connected with the planning, modernization, and expansion of housing facilities and equipment. Receipts used for non-capitalizable costs are reported as operating revenue and receipts used for capitalization costs are reported as capital contributions.

The Authority has elected to report as a single enterprise proprietary fund and its primary operations consist of housing and grant programs as follows:

- The ***Housing Choice Voucher Program*** provides rental housing assistance to serve up to 285 housing units, of which, 30 units are currently administered as Project Based Vouchers (PBV) under a HAP contract, including 25 units owned by the Authority. The purpose of the program is to provide decent and affordable housing to low-income families wherein rental assistance is provided by HUD. The associated units are owned, maintained, and managed by private landlords.

- The ***Public Housing Program*** operates under HUD's Annual Contribution Contract and consists of the operations of low rent public housing properties totaling 301 units. The purpose of the program is to provide decent and affordable housing to low-income families at reduced rents.

- The ***Capital Fund Program*** accounts for the capital and management improvement activities, primarily for the modernization and development of low-rent public housing units.

- The **State/Local Programs** consist of the operations of low rent public housing properties totaling 113 units of State Elderly Housing and 100 units of State Moderate Rental Program under contract with the State of Connecticut Department of Housing.

The financial statements of the Authority are prepared in accordance with U.S. generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

The financial statements include:

1. A Management Discussion and Analysis (MD&A) section providing an analysis of the Authority's overall financial position and results of operations.

2. Financial statements prepared using full accrual accounting for all of the Authority's activities.

Cash and Cash Equivalents
Cash and cash equivalents represent cash in checking accounts, demand deposits, money market funds or short-term investments with original maturities of three months or less.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Accounts Receivable
Management periodically assesses the collectability of its receivables and establishes an allowance for uncollectible accounts for all accounts it deems uncollectible. Currently, the allowance established for tenant receivables and other receivables is $118,400 and $17,928, respectively.

Capital Assets
Land, buildings, and equipment are stated at cost and depreciated over their estimated useful lives. The capitalization threshold is $5,000. Donated assets are recorded at estimated market value as of the date of the donation. Construction in progress costs are not depreciated until the corresponding projects are completed.

Depreciation has been provided over the following useful lives using the straight-line method of depreciation as follows:

Building and Improvements	15 to 40 years
Machinery and Equipment	3 to 10 years
Vehicles	5 years

Leases
The Authority's leases consist of leases of apartments to tenants reported as rental income and equipment reported as operating expenses. Substantially all the Authority's carrying balance in depreciable Capital Assets is leased to tenants in the form of operating leases. All operating leases are for a term of one year and cancelable upon sufficient notice.

Compensated Absences
Employees accumulate vacation and sick days for subsequent use or payment upon termination. The Authority recognizes a liability for leave that is attributable to services already rendered, accumulates, and is more likely than not to be used for time off or otherwise paid or settled. The liability for unused leave is measured using the employee's pay rate in effect at yearend, plus salary-related payments that are directly and incrementally associated with leave payouts.

Deferred Outflows and Inflows of Resources
Deferred outflows of resources represent a consumption of net position that applies to future periods that will be recognized as an expense in future periods. Deferred inflows of resources represent an acquisition of net position of fund balance that applies to future periods and will be recognized as revenue, or a reduction in expense, in future periods.

Pensions
For purposes 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 Connecticut Municipal Employee Retirement System (CMERS) pension plan and additions to/deductions from CMERS's fiduciary net position have been determined on the same basis as they are reported by CMERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

Other Post-Employment Benefits (OPEB)
For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, have been determined on the same basis as the Authority's Other Postemployment Benefits Plan (OPEB plan). For this purpose, the OPEB plan recognizes benefit payments when due and payable in accordance with the benefit terms.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Equity Classifications

Equity is classified as net position and displayed in three components in the Statement of Net Position.

Net Investment in Capital Assets consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bond mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. The Authority has no related debt.

Restricted consist of residual funding with constraints placed on the use either by (1) external groups such as creditors, grantors, contributions, or laws or regulations or other governments; or (2) law through constitutional provisions or enabling legislation. The Authority's restricted net position consists of unspent HCV HAP funding provided by HUD and certain other federal grants restricted as to purpose.

Unrestricted consists of all other residual funding that do not meet the definition of restricted or Net Investment in Capital Assets.

Use of Restricted Funds

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

NOTE 2 – DEPOSITS

Custodial Credit Risk for Deposits

The Authority maintains cash with FDIC depository banks. Additional protection against loss is provided for deposits in excess of FDIC insurance under Chapter 656 of the Connecticut General Statutes. The Statutes require every qualified public depository to maintain segregated collateral equal to at least ten percent of the average of the public deposits. Such additional protection is limited to the segregated collateral available. At times, these balances may exceed the Federal insurance limits; however, the Authority has not experienced any losses with respect to its bank balances in excess of government provided insurance. In addition, such balances are fully collateralized through agreements with the financial institution in the entity's name. Management believes that no significant concentration of credit risk exists with respect to these cash balances as of December 31, 2025.

The breakdown of restrictions on deposits reported as of December 31, 2025 is as follows:

Restrictions on Deposits and Investments		
Deposits		
Housing Assistance Payments	$	44,566
Tenant Security Deposits		209,441
Construction Bond		299,100
Total Restricted Cash	$	553,107
Investments		
Operating Reserve	$	276,787
Replacement Reserve		15,970
Insurance Escrow		10,855
Total Restricted Investments	$	292,757

NOTE 3 – CAPITAL ASSETS

The following is a summary of Capital Assets as of December 31, 2025:

	Beginning	Additions	Deductions	Ending
Nondepreciable Assets:				
Land	$ 659,873	$ -	$ -	$ 659,873
Construction in Progress	4,776,304	374,578	-	5,150,882
Depreciable Assets:				
Building and Improvements	36,424,217	2,518,894	-	38,943,111
Equipment	1,170,793	2,346	-	1,173,139
	43,031,187	2,895,818	-	45,927,005
Accumulated Depreciation	(30,715,545)	(898,218)	-	(31,613,763)
Net Book Value	$ 12,315,642			$ 14,313,242

Significant activity includes rehabilitation of Shiloh Gardens, funded by a CHFA mortgage and SSHP grant, sidewalks, paving, and roofing at Lucas I and II, funded by reserves and CDBG grants, and bathroom renovations at the Public Housing properties, funded by Capital Fund grants.

NOTE 4 – NONCURRENT LIABILITIES

The following is a summary of Noncurrent Liabilities as of December 31, 2025:

	Beginning	Additions	Deductions	Ending	Due Within One Year
Compensated Absences	$ 127,754	$ 163,246	$ (186,167)	$ 104,833	$ 20,967
Net Pension Liability	2,050,834	104,600	(294,168)	1,861,266	-
OPEB Liability	1,726,090	159,356	(563,596)	1,321,850	-
	$ 3,904,678	$ 427,202	$ (1,043,931)	3,287,949	$ 20,967
			Less: Current Portion	(20,967)	
			Noncurrent Portion	$ 3,266,982	

NOTE 5 – LONG TERM DEBT

CHFA First Mortgage
The Authority obtained financing from CHFA to support the SSHP renovation at Shiloh Gardens. The mortgage loan has a maximum amount of $1,850,000 and is secured by the property. Payments of interest only, at a rate of 5.73% are due through the 24-month construction period. Upon conversion to permanent, the loan requires monthly payments of principal and interest, amortized over a 30-year period and due at maturity on February 1, 2055.

CHFA Additional Loan
The Authority obtained additional financing from CHFA in the maximum amount of $100,000 and is secured by the property. The loan is non-amortizing, second in priority, and has a 0% interest rate. Payments equal to 20% of surplus cash are due annually, with the entire unpaid balance due at maturity on February 1, 2055.

NOTE 5 – LONG TERM DEBT (CONT'D)

The following is a summary of long-term debt activity as of December 31, 2025:

	Beginning	Additions	Deductions	Ending	Due Within One Year
CHFA First Mortgage	$ 1,675,842	$ 174,158	$ (19,810)	$ 1,830,190	$ 25,052
CHFA Additional Loan	99,721	279	-	100,000	-
Total Long Term Debt	$ 1,775,563	$ 174,437	$ (19,810)	$ 1,930,190	$ 25,052
			Less: Current Portion	(25,052)	
			Long-Term Portion	$ 1,905,138	

Annual payments of long-term obligations through maturity are as follows:

Years Ending	Principal	Interest	Total
2026	$ 25,052	$ 104,219	$ 129,271
2027	26,526	102,745	129,271
2028	28,087	101,184	129,271
2029	29,739	99,532	129,271
2030	31,489	97,782	129,271
2031-2035	187,508	458,848	646,356
2036-2040	249,545	396,811	646,356
2041-2045	332,109	314,247	646,356
2046-2050	441,985	204,371	646,356
2051-2055	578,150	60,480	638,630
	$ 1,930,190	$ 1,940,219	$ 3,870,409

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS

Plan Description

The Authority provides postemployment benefits to Authority retirees and their covered dependents. The plan, a defined benefit OPEB plan, is a single-employer plan administered by the Authority. The plan provides benefits for any non-union employee hired prior to January 1, 2006, who has at least 25 years of service with the Authority and any bargaining unit employee, hired prior to January 1, 2006, who has at least 25 years of service with the Authority and is at least 55 years old. The plan is closed to employees hired after January 1, 2006. The Authority contributes the full medical and dental premium for non-union retirees. Retirees must contribute 50% of their spouse's portion of the premium. Union retirees are required to contribute 17% of the pre-Medicare premium for themselves and their spouses. Medicare supplement plan/coverage for union retirees is paid for by the Authority but the retired employee continues to pay the applicable copay. Dental insurance is not offered to union retirees. Medical coverage continues to the spouse after death of the retiree provided the spouse makes the required contributions. As of the January 1, 2023 valuation, there were six (6) active employees who may be eligible in the future and four (4) retired employees who are receiving benefits. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB statement 75.

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS (CONT'D)

Funding Policy
The contribution requirements of plan members and the Authority are established and may be amended through Authority policies. The Authority is not required by law or contractual agreement to provide funding for the Plan other than the pay-as-you-go amount necessary to provide current benefits to retirees and eligible beneficiaries/dependents. For the fiscal year ended , the Authority paid $49,925 on behalf of the Plan.

Actuarial Methods and Assumptions
The total OPEB liability was determined by an actuarial valuation as of January 1, 2025, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary Increases	3.00% annually
Discount Rate	4.43%
Healthcare Trend Rates	10.00% in 2025, grading to 4.77% long-term (Getzen model)

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. Additional disclosures concerning an actuarial valuation include:

- Actuarial valuations are based on estimates that are likely to change over time.
- Actuarial calculations are long-term in nature, and techniques are used to reduce the short-term volatility of actuarial accrued liabilities and the actuarial valuation of assets.

Mortality rates were based on the PubG-2010 mortality table with generational scale MP-2020.

Sensitivity of the Net OPEB Liability to changes in the Healthcare Trend Rates
The following presents the net OPEB liability of the Authority, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rate that are 1-percentage-point lower or 1-percentage point higher than the current healthcare cost trend rates:

	Decrease 1%	Baseline Trend	Increase 1%
Net OPEB Liability (Asset)	$ 1,137,887	$ 1,321,850	$ 1,549,564

Discount Rate
As of December 31, 2025, the Discount Rate was 4.43%, a 0.43% increase from December 31, 2024. The discount rate is based on the S&P Municipal Bond 20-Year High Grade Index (SAPIHG).

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS (CONT'D)

Sensitivity of the Net OPEB Liability to changes in the Discount Rate

The following presents the net OPEB liability of the Authority, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.43%) or 1-percentage-point higher (5.43%) than the current rate:

	1% Decrease (3.43%)	Discount Rate (4.43%)	1% Increase (5.43%)
Net OPEB Liability (Asset)	$ 1,532,984	$ 1,321,850	$ 1,150,362

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability	**Plan Fiduciary Net Position**	**Net OPEB Liability**
Beginning Balances	$ 1,726,090	$ -	$ 1,726,090
Service Cost	27,831	-	27,831
Interest	69,168	-	69,168
Differences between Expected and Actual Experience	(513,671)	-	(513,671)
Changes in Assumptions	62,357	-	62,357
Benefit Payments	(49,925)	-	(49,925)
Net Changes	(404,240)	-	(404,240)
Ending Balances	$ 1,321,850	$ -	$ 1,321,850

Net OPEB Liability of the Authority

The Authority's net OPEB liability was measured as of December 31, 2025, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2025. The components of the net OPEB liability of the Authority as of December 31, 2024, were as follows:

Total OPEB Liability	$ 1,321,850
Plan Fiduciary Net Position	-
Authority's net OPEB Liability	$ 1,321,850

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS (CONT'D)

Key assumptions changed since the prior actuarial valuation as follows:

The discount rate was updated from 4.00% at the beginning of the fiscal year to 4.43% at the end of the fiscal year.

Assumptions for future increases in healthcare costs were modified using the Getzen model to reflect higher costs in the near-term.

OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB
For the year ended December 31, 2025, the Authority recognized OPEB expense of $116,588. As of December 31, 2025, the Authority reported deferred outflows of resources and deferred inflows of resources related to the OPEB plan as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	$ 392,737	$ 410,937
Differences between Projected and Actual Investment Earnings	-	-
Changes of Assumptions	112,216	190,492
Contributions Made after Measurement Date	-	-
	$ 504,953	$ 601,429

The Authority reported $-0- as deferred outflows of resources related to contributions subsequent to the measurement date that will be recognized as a reduction of the total OPEB liability in the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB plan will be recognized in OPEB expense as follows:

Year ended	
2026	$ (89,684)
2027	(90,954)
2028	(41,878)
2029	(41,877)
2030	48,385
Thereafter	119,532

NOTE 7 – RETIREMENT PLAN

Plan Description

The Authority is a member of a multiple-employer public retirement system established by the State of Connecticut and administered by the Connecticut Retirement Commission to provide retirement benefits for participating municipalities. Municipalities may designate which departments (including elective officers if so specified) are to be covered under CMERS. This designation may be the result of collective bargaining. Only employees covered under the State Teachers' Retirement System may not be included. There are no minimum age or service requirements. Membership is mandatory for all regular full-time employees of participating departments Chapter 113 Part II of the General Statutes of Connecticut, which can be amended by legislative action, establishes benefits, contribution rates, and other plan provisions. The State Treasurer is responsible for investing CMERS funds for the exclusive benefit of CMERS members. CMERS is considered to be a part of the State of Connecticut financial reporting entity and is included in the State's financial reports as a pension trust fund. Those reports may be obtained by writing to the State of Connecticut, Office of the State Comptroller, 55 Elm Street, Hartford, CT 06106 or by calling 860-702-3500.

Benefits Provided

The plan provides retirement, disability, and death benefits as defined in the Statutes. The retirement benefit is 2% of average final compensation, times years of service for members not covered by social security. The benefit for members covered by social security is 1 ½% of the average final compensation not in excess of the year's breakpoint plus 2% of average final compensation in excess of the year's breakpoint, times years of service. Employees are eligible to retire at age 55 with 5 years of continuous active service, or 15 years of active non-continuous aggregate service. Employees under the age of 55 are eligible to retire with 25 years of service under certain conditions. Employees can retire early after 5 years of continuous or 15 years of active aggregate service. The benefit can either be deferred to normal retirement age, or an actuarially reduced allowance may begin at the time of separation. Long term disability benefits are calculated based on compensation and service to the date of the disability with a minimum benefit of 50% of compensation at the time of the disability. Pre-retirement death benefits are available in the form of a lump sum return of contributions with interest or surviving spouse benefit depending on length of service.

Contributions

The contribution requirements of the Authority are established and may be amended by the State Retirement Commission. Employees covered by social security are required by State Statute to contribute 5.25% of compensation up to the social security taxable wage base, plus 5% of compensation in excess of such base. Employees not covered by social security are required to contribute 5% of earnings. As of December 31, 2025, the Authority is required to contribute 16.71% of earnings. The total contribution is based on 21.96% of gross earnings. Contributions to the pension plan from the Authority totaled $266,690 for the year ended December 31, 2025.

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

As of December 31, 2025, the Authority reported a net pension liability of $1,861,266. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2025. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plan relative to the projected contributions, actuarially determined. As of June 30, 2025, the Authority's proportion was 0.4683%, which represents a decrease of 0.02087% from June 30, 2024.

NOTE 7 – RETIREMENT PLAN (CONT'D)

For the year ended December 31, 2025 the Authority recognized pension expense of $228,587. As of December 31, 2025, the Authority 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
Differences between Expected and Actual Experience	$ 165,739	$ -
Differences between Projected and Actual Investment Earnings	-	137,100
Changes in Assumptions	103,186	-
Changes in Proportion and Differences between Employer Contributions and Porportionate Share of Contributions	12,480	108,714
Contributions Made after Measurement Date	136,392	-
	$ 417,797	$ 245,814

$136,392 reported as deferred outflows of resources related to pensions resulting from the Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended	
2026	$ 159,526
2027	(52,236)
2028	(51,700)
2029	(21,793)
2030	1,794
Thereafter	-

Actuarial Assumptions

The actuarial assumptions used in the June 30, 2025 valuation were based on the results of an actuarial experience study for the period July 1, 2018 - June 30, 2022. The total pension liability reported on the June 30, 2025 measurement date was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary Increases	3.00 - 9.50%, including inflation
Investment Rate of Return	7.00%, net of pension plan investment expense, including inflation

Mortality rates were based on the Pub-2010 Mortality Tables set-forward one year (except Active Employees) and are projected generationally with scale MP-2021.

NOTE 7 – RETIREMENT PLAN (CONT'D)

The long-term expected rate of return on pension plan investments was determined using a statistical analysis 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. Best estimates of arithmetic real rates of return for each major asset class included in the plan's target asset allocation as of June 30, 2025 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	37%	6.80%
Public Credit	2%	2.90%
Core Fixed Income	13%	0.40%
Liquidity Fund	1%	-0.40%
Risk Mitigation	5%	0.10%
Private Equity	15%	11.20%
Private Credit	10%	6.10%
Real Estate	10%	6.30%
Infrastructure & Natural Resources	7%	7.70%
Total	100%	

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. 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.

Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following projects the Authority's proportionate share of the net pension liability calculated using the discount rate of 7%, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6%) or 1-percentage-point higher (8%) than the current rate:

	1% Decrease (6%)	Discount Rate (7%)	1% Increase (8%)
Authority's Porportionate Share of Net Pension Liability	$ 2,747,883	$ 1,861,266	$ 1,114,710

NOTE 8 – HOUSING CHOICE VOUCHERS NET POSITION SUMMARY

A detailed breakdown of HCV Net Position is as follows:

	Unrestricted Net Position	Restricted Net Position	Total
Beginning Net Position	$ (94,058)	$ 759	$ (93,299)
Revenues			
HUD Operating Grants	389,882	4,808,335	5,198,217
Investment Income	5,280	-	5,280
Fraud Recovery	25,476	25,476	50,952
Portability	551,310	-	551,310
Other Revenue	25	-	25
Total Revenues	971,973	4,833,811	5,805,784
Expenses			
Operating	401,105	-	401,105
Housing Assistance Payments	530,602	4,790,004	5,320,606
Total Expenses	931,707	4,790,004	5,721,711
Change in Net Position	40,266	43,807	84,073
Ending Net Position	$ (53,792)	$ 44,566	$ (9,226)
HUD-Held Reserves (HHR)		$ 492,413	

NOTE 9 – HUD CAPITAL FUND PROGRAM

The Authority is awarded federal capital grants from HUD. The grants are to be expended for modernization and replacement housing related to its federal public housing projects. The following grants have been fully expended, disbursed, all work completed, and liabilities fully paid as of December 31, 2025:

	CT26-P027	
	501-21	501-21
Funds Authorized	$ 790,105	$ 963,016
Funds Advanced	790,105	963,016
Less Project Expenditures	(790,105)	(963,016)
Excess(Deficiency) of Advances	$ -	$ -

NOTE 9 – HUD CAPITAL FUND PROGRAM (CONT'D)

The following grants are open as of December 31, 2025:

	CT26-P027			CT26-E027
	501-23	501-24	501-25	501-22
Funds Authorized	$ 994,721	$ 1,004,649	$ 1,024,942	$ 250,000
Funds Advanced	946,881	175,969	-	212,493
Less Project Expenditures	(946,881)	(175,969)	-	(212,493)
Excess(Deficiency) of Advances	$ -	$ -	$ -	$ -

NOTE 10 – COMMITMENTS AND CONTINGENCIES

During 2023, the Authority was awarded a grant through the State Sponsored Housing Program in the amount of $3,190,275 for the purpose of revitalizing the property known as Shiloh Gardens. The agreement requires the Authority to rent all 60 units to persons whose income is at or below 80% of the area median income for a period of 30 years. The grant does not accrue interest, and repayment is not required unless the Authority defaults on the terms of the agreement or the project generates Surplus Cash.

If Surplus Cash is generated, 50% is required to be applied toward the outstanding balance of the grant, 25% is required to be deposited into a replacement reserve account, and the remaining 25% may be retained by the Authority and used to advance affordable housing initiatives. Prior to these distributions, an amount equal to 20% of Surplus Cash is required to be paid toward the Additional CHFA Loan.

Surplus Cash available for distribution for the year ended December 31, 2025 was $132,377.

NOTE 11 – CURRENT VULNERABILITY DUE TO CERTAIN CONCENTRATIONS

The Authority receives a substantial portion of revenue from HUD. The Authority operates in a heavily regulated environment. The operations of the Authority 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 cost to comply with the change.

NOTE 12 – DATE OF MANAGEMENT'S REVIEW

Events that occur after the balance sheet date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the balance sheet date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the balance sheet date require disclosure in the accompanying notes. Management evaluated the activity of the Authority through September 23, 2026, the date the financial statements were available to be issued, and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

HOUSING AUTHORITY OF THE TOWN OF STRATFORD
SCHEDULES OF REQUIRED SUPPLEMENTARY PENSION INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2025

Schedule of the Authority's Proportionate Share of the Net Position Liability

	Reporting Fiscal Year (Measurement Date)				
	2025 (2025)	**2024 (2024)**	**2023 (2023)**	**2022 (2022)**	**2021 (2021)**
Authority's Portion of the Net Pension Liability (Asset)	0.4683%	0.4891%	0.4898%	0.5300%	0.5110%
Authority's Proportionate Share of the Net Pension Liability (Asset)	$ 1,861,267	$ 2,050,834	$ 2,234,775	$ 1,300,112	$ 1,209,329
Authority's Covered-Employee Payroll	$ 1,540,144	$ 1,529,877	$ 1,478,337	$ 1,492,968	$ 1,383,596
Authority's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	120.85%	134.05%	151.17%	87.08%	87.40%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.36%	72.85%	69.54%	68.71%	82.59%

	2020 (2020)	**2019 (2019)**	**2018 (2018)**	**2017 (2017)**	**2016 (2016)**
Authority's Portion of the Net Pension Liability (Asset)	0.5314%	0.5082%	0.4836%	0.5371%	0.5371%
Authority's Proportionate Share of the Net Pension Liability (Asset)	$ 2,086,685	$ 1,875,819	$ 1,849,483	$ 887,869	$ 1,054,251
Authority's Covered-Employee Payroll	$ 1,360,836	$ 1,306,542	$ 1,361,176	$ 1,278,602	$ 1,278,602
Authority's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	153.34%	143.57%	135.87%	69.44%	82.45%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	71.18%	72.69%	73.60%	91.68%	88.29%

Schedule of Authority Contributions

	2025	2024	2023	2022	2021
Statutorily Required Contribution	$ 266,690	$ 255,458	$ 247,897	$ 244,243	$ 219,489
Contributions in Relation to the Statutorily Required Contribution	(266,690)	(255,458)	(247,897)	(244,243)	(219,489)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -
Authority's Covered Payroll	$ 1,597,424	$ 1,570,599	$ 1,484,413	$ 1,437,146	$ 1,398,464
Contributions as a Percentage of Covered-Employee Payroll	16.71%	16.68%	15.85%	17.55%	16.44%

	2020	2019	2018	2017	2016
Statutorily Required Contribution	$ 204,810	$ 181,797	$ 157,779	$ 152,644	$ 157,840
Contributions in Relation to the Statutorily Required Contribution	(204,810)	(181,797)	(157,779)	(152,644)	(157,840)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -
Authority's Covered Payroll	$ 1,459,280	$ 1,427,538	$ 1,343,944	$ 1,320,450	$ 1,386,995
Contributions as a Percentage of Covered-Employee Payroll	14.95%	13.73%	11.74%	11.74%	11.38%

Notes to Schedules of Required Supplementary Pension Information

Changes in Benefits:
There were no changes in benefit terms from the prior measurement date.

Changes in Assumptions:
There were no changes in assumptions from the prior measurement date.

Schedule of Changes in the Authority's Net OPEB Liability and Related Ratios

	2025	2024	2023	2022	2021
Total OPEB Liability					
Service Cost	$ 27,831	$ 26,974	$ 34,288	$ 34,726	$ 34,977
Interest	69,168	67,243	42,819	42,155	28,982
Changes of Benefit Terms	-	-	-	-	-
Differences between expected and actual experience	(513,671)	-	230,838	-	86,166
Changes of Assumptions	62,357	-	(476,226)	-	399,631
Benefit Payments	(49,925)	(44,043)	(48,926)	(44,946)	(41,150)
Net Change in Total OPEB Liability	(404,240)	50,174	(217,207)	31,935	508,606
Total OPEB Liability - Beginning	1,726,090	1,675,916	1,893,123	1,861,188	1,352,582
Total OPEB Liability - Ending	$ 1,321,850	$ 1,726,090	$ 1,675,916	$ 1,893,123	$ 1,861,188
Authority's Total OPEB Liability as a percentage of covered payroll	322.39%	332.11%	332.13%	326.11%	330.23%
Covered-Employee Payroll	$ 410,012	$ 519,734	$ 504,596	$ 580,514	$ 563,606

Schedule of Changes in the Authority's Net OPEB Liability and Related Ratios (Cont'd)

	2020	2019	2018	2017 - 2016
Total OPEB Liability				
Service Cost	$ 16,950	$ 14,082	$ 13,529	Information
Interest	19,281	25,055	23,211	not available
Changes of Benefit Terms	-	-	-	
Differences between expected and actual experience	541,672	-	-	
Changes of Assumptions	110,096	99,140	(46,490)	
Benefit Payments	(44,293)	(55,805)	(50,568)	
Net Change in Total OPEB Liability	643,706	82,472	(60,318)	
Total OPEB Liability - Beginning	708,876	626,404	686,722	
Total OPEB Liability - Ending	$ 1,352,582	$ 708,876	$ 626,404	
Authority's Total OPEB Liability as a percentage of covered payroll	246.57%	120.35%	110.06%	
Covered-Employee Payroll	$ 548,549	$ 589,000	$ 569,139	

Notes to Schedule:
Benefit Changes: None

Changes of Assumptions:
Changes of Assumptions: the discount rate has been changed from 4.00% to 4.43%.

Housing Authority of the Town of Stratford (CT027)
STRATFORD, CT
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2025

	Project Total	14.218 Community Development Block Grants/Entitlement Grants	2 State/Local	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
111 Cash - Unrestricted	$7,298,961		$6,648,533	$252,518	$14,200,012		$14,200,012
112 Cash - Restricted - Modernization and Development							
113 Cash - Other Restricted				$44,566	$44,566		$44,566
114 Cash - Tenant Security Deposits	$100,093		$109,348		$209,441		$209,441
115 Cash - Restricted for Payment of Current Liabilities	$299,100				$299,100		$299,100
100 Total Cash	$7,698,154	$0	$6,757,881	$297,084	$14,753,119		$14,753,119
121 Accounts Receivable - PHA Projects				$64,112	$64,112		$64,112
122 Accounts Receivable - HUD Other Projects							
126 Accounts Receivable - Tenants	$46,531		$156,466		$202,997		$202,997
126.1 Allowance for Doubtful Accounts -Tenants	-$15,269		-$103,131		-$118,400		-$118,400
127 Notes, Loans, & Mortgages Receivable - Current	$11,703		$10,316		$22,019		$22,019
128 Fraud Recovery				$17,472	$17,472		$17,472
128.1 Allowance for Doubtful Accounts - Fraud				-$17,928	-$17,928		-$17,928
120 Total Receivables, Net of Allowances for Doubtful Accounts	$42,965	$0	$84,578	$63,656	$191,199		$191,199
131 Investments - Unrestricted							
132 Investments - Restricted			$303,612		$303,612		$303,612
142 Prepaid Expenses and Other Assets	$60,916		$28,261	$8,606	$97,783		$97,783
143 Inventories	$2,585				$2,585		$2,585
143.1 Allowance for Obsolete Inventories	$0				$0		$0
144 Inter Program Due From							
150 Total Current Assets	$7,804,620	$0	$7,174,332	$369,346	$15,348,298		$15,348,298
161 Land	$384,525		$275,348		$659,873		$659,873
162 Buildings	$25,832,570		$13,461,503		$39,294,073		$39,294,073
163 Furniture, Equipment & Machinery - Dwellings	$927,278		$216,861		$1,144,139		$1,144,139
164 Furniture, Equipment & Machinery - Administration				$29,000	$29,000		$29,000
166 Accumulated Depreciation	-$22,258,456		-$9,330,284	-$25,024	-$31,613,764		-$31,613,764
167 Construction in Progress	$2,374		$5,154,655		$5,157,029		$5,157,029
160 Total Capital Assets, Net of Accumulated Depreciation	$4,888,291	$0	$9,778,083	$3,976	$14,670,350		$14,670,350
180 Total Non-Current Assets	$4,888,291	$0	$9,778,083	$3,976	$14,670,350		$14,670,350
200 Deferred Outflow of Resources	$413,205		$418,186	$91,359	$922,750		$922,750
290 Total Assets and Deferred Outflow of Resources	$13,106,116	$0	$17,370,601	$464,681	$30,941,398		$30,941,398

Housing Authority of the Town of Stratford (CT027)
STRATFORD, CT
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2025

	Project Total	14.218 Community Development Block Grants/Entitlement Grants	2 State/Local	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
311 Bank Overdraft							
312 Accounts Payable <= 90 Days	$67,831		$31,385	$28,480	$127,696		$127,696
313 Accounts Payable >90 Days Past Due							
321 Accrued Wage/Payroll Taxes Payable							
322 Accrued Compensated Absences - Current Portion	$8,676		$8,458	$3,833	$20,967		$20,967
324 Accrued Contingency Liability							
325 Accrued Interest Payable							
331 Accounts Payable - HUD PHA Programs							
332 Account Payable - PHA Projects							
333 Accounts Payable - Other Government	$110,275				$110,275		$110,275
341 Tenant Security Deposits	$100,093		$109,348		$209,441		$209,441
342 Unearned Revenue	$17,845		$16,863		$34,708		$34,708
344 Current Portion of Long-term Debt - Operating Borrowings							
345 Other Current Liabilities	$299,100				$299,100		$299,100
346 Accrued Liabilities - Other	$29,374				$29,374		$29,374
347 Inter Program - Due To							
310 Total Current Liabilities	$633,194	$0	$191,106	$32,313	$856,613		$856,613
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue			$1,905,138		$1,905,138		$1,905,138
352 Long-term Debt, Net of Current - Operating Borrowings							
353 Non-current Liabilities - Other							
354 Accrued Compensated Absences - Non Current	$34,703		$33,831	$15,332	$83,866		$83,866
357 Accrued Pension and OPEB Liabilities	$1,436,281		$1,408,295	$338,540	$3,183,116		$3,183,116
350 Total Non-Current Liabilities	$1,470,984	$0	$3,347,264	$353,872	$5,172,120		$5,172,120
300 Total Liabilities	$2,104,178	$0	$3,538,370	$386,185	$6,028,733		$6,028,733
400 Deferred Inflow of Resources	$364,697		$394,824	$87,722	$847,243		$847,243
508.4 Net Investment in Capital Assets	$4,888,291		$7,847,893	$3,976	$12,740,160		$12,740,160
511.4 Restricted Net Position	$0		$303,612	$44,566	$348,178		$348,178
512.4 Unrestricted Net Position	$5,748,950	$0	$5,285,902	-$57,768	$10,977,084		$10,977,084
513 Total Equity - Net Assets / Position	$10,637,241	$0	$13,437,407	-$9,226	$24,065,422		$24,065,422
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	$13,106,116	$0	$17,370,601	$464,681	$30,941,398		$30,941,398

Housing Authority of the Town of Stratford (CT027)
STRATFORD, CT
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2025

	Project Total	14.218 Community Development Block Grants/Entitlement Grants	2 State/Local	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	$1,663,979		$1,922,404		$3,586,383		$3,586,383
70400 Tenant Revenue - Other	$45,931		$31,409		$77,340		$77,340
70500 Total Tenant Revenue	$1,709,910	$0	$1,953,813	$0	$3,663,723	$0	$3,663,723
70600 HUD PHA Operating Grants	$1,320,250			$5,198,217	$6,518,467		$6,518,467
70610 Capital Grants	$1,197,714				$1,197,714		$1,197,714
70800 Other Government Grants		$83,936	$374,300		$458,236	-$232,724	$225,512
71100 Investment Income - Unrestricted	$136,150		$101,793	$5,280	$243,223		$243,223
71400 Fraud Recovery				$50,952	$50,952		$50,952
71500 Other Revenue	$421,014		$539,348	$551,335	$1,511,697	-$5,740	$1,505,957
71600 Gain or Loss on Sale of Capital Assets							
72000 Investment Income - Restricted			$13,114		$13,114		$13,114
70000 Total Revenue	$4,785,038	$83,936	$2,982,368	$5,805,784	$13,657,126	-$238,464	$13,418,662
91100 Administrative Salaries	$391,644		$462,748	$172,700	$1,027,092		$1,027,092
91200 Auditing Fees	$9,120		$5,280		$14,400		$14,400
91300 Management Fee							
91310 Book-keeping Fee							
91400 Advertising and Marketing							
91500 Employee Benefit contributions - Administrative	$256,842		$288,707	$131,582	$677,131		$677,131
91600 Office Expenses	$150,274		$95,643	$18,700	$264,617	-$5,740	$258,877
91700 Legal Expense	$14,883		$1,808	$998	$17,689		$17,689
91800 Travel	$2,159		$1,754	$330	$4,243		$4,243
91810 Allocated Overhead							
91900 Other	$75,479		$1,700	$15,870	$93,049		$93,049
91000 Total Operating - Administrative	$900,401	$0	$857,640	$340,180	$2,098,221	-$5,740	$2,092,481
93100 Water	$245,760		$23,617		$269,377		$269,377
93200 Electricity	$121,849		$37,476		$159,325		$159,325
93300 Gas	$193,619		$30,471		$224,090		$224,090
93400 Fuel							
93500 Labor							
93600 Sewer							
93000 Total Utilities	$561,228	$0	$91,564	$0	$652,792	$0	$652,792

Housing Authority of the Town of Stratford (CT027)
STRATFORD, CT
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit Fiscal Year End: 12/31/2025

	Project Total	14.218 Community Development Block Grants/Entitlement Grants	2 State/Local	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
94100 Ordinary Maintenance and Operations - Labor	$373,825		$231,541		$605,366		$605,366
94200 Ordinary Maintenance and Operations - Materials and Other	$237,581		$82,914		$320,495		$320,495
94300 Ordinary Maintenance and Operations Contracts	$344,494		$178,166		$522,660		$522,660
94500 Employee Benefit Contributions - Ordinary Maintenance	$225,937		$184,907		$410,844		$410,844
94000 Total Maintenance	$1,181,837	$0	$677,528	$0	$1,859,365	$0	$1,859,365
96110 Property Insurance							
96120 Liability Insurance							
96130 Workmen's Compensation							
96140 All Other Insurance	$277,241		$122,911	$16,250	$416,402		$416,402
96100 Total insurance Premiums	$277,241	$0	$122,911	$16,250	$416,402	$0	$416,402
96200 Other General Expenses				$10,955	$10,955		$10,955
96210 Compensated Absences							
96300 Payments in Lieu of Taxes	$110,275				$110,275		$110,275
96400 Bad debt - Tenant Rents	$33,260		$52,648		$85,908		$85,908
96500 Bad debt - Mortgages							
96600 Bad debt - Other				$28,042	$28,042		$28,042
96800 Severance Expense							
96000 Total Other General Expenses	$143,535	$0	$52,648	$38,997	$235,180	$0	$235,180
96710 Interest of Mortgage (or Bonds) Payable			$104,204		$104,204		$104,204
96720 Interest on Notes Payable (Short and Long Term)							
96700 Total Interest Expense and Amortization Cost	$0	$0	$104,204	$0	$104,204	$0	$104,204
96900 Total Operating Expenses	$3,064,242	$0	$1,906,495	$395,427	$5,366,164	-$5,740	$5,360,424
97000 Excess of Operating Revenue over Operating Expenses	$1,720,796	$83,936	$1,075,873	$5,410,357	$8,290,962	-$232,724	$8,058,238

Housing Authority of the Town of Stratford (CT027)
STRATFORD, CT
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit Fiscal Year End: 12/31/2025

	Project Total	14.218 Community Development Block Grants/Entitlement Grants	2 State/Local	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
97100 Extraordinary Maintenance			$354,453		$354,453		$354,453
97200 Casualty Losses - Non-capitalized							
97300 Housing Assistance Payments				$4,790,004	$4,790,004	-$232,724	$4,557,280
97350 HAP Portability-In				$530,602	$530,602		$530,602
97400 Depreciation Expense	$551,712		$340,829	$5,678	$898,219		$898,219
90000 Total Expenses	$3,615,954	$0	$2,601,777	$5,721,711	$11,939,442	-$238,464	$11,700,978
10010 Operating Transfer In	$133,949				$133,949		$133,949
10020 Operating transfer Out	-$133,949				-$133,949		-$133,949
10100 Total Other financing Sources (Uses)	$0	$0	$0	$0	$0	$0	$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	$1,169,084	$83,936	$380,591	$84,073	$1,717,684	$0	$1,717,684
11020 Required Annual Debt Principal Payments	$0	$0	$0	$0	$0		$0
11030 Beginning Equity	$9,456,207	$0	$12,984,830	-$93,299	$22,347,738		$22,347,738
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	$11,950	-$83,936	$71,986		$0		$0
11170 Administrative Fee Equity				-$53,792	-$53,792		-$53,792
11180 Housing Assistance Payments Equity				$44,566	$44,566		$44,566
11190 Unit Months Available	3612		2556	3420	9588		9588
11210 Number of Unit Months Leased	3584		2387	3337	9308		9308
11270 Excess Cash	$6,852,572				$6,852,572		$6,852,572
11610 Land Purchases	$0				$0		$0
11620 Building Purchases	$2,395,428				$2,395,428		$2,395,428
11630 Furniture & Equipment - Dwelling Purchases	$0				$0		$0
11640 Furniture & Equipment - Administrative Purchases	$0				$0		$0
11650 Leasehold Improvements Purchases	$0				$0		$0
11660 Infrastructure Purchases	$0				$0		$0
13510 CFFP Debt Service Payments	$0				$0		$0
13901 Replacement Housing Factor Funds	$0				$0		$0

STATEMENT OF OPERATIONS

Connecticut Housing Finance Authority
Asset Management - Multifamily Housing

CHFA Form HM 6-50 (Rev. 09/2024 - Effective FYE 12/31/2024)

Project Name: Lucas Gardens
Fiscal Year-End: December 31, 2025
CHFA Number: 88048D, 92080D
Beginning Date: January 1, 2025
HUD Number:
Mortgagor: Stratford Housing Authority

Part I- P&L	Description of Account	HUD Acct. #	SHP Acct. #	Amount*	
Rental Income 5100	Rent Revenue- Gross Potential (Tenant's Portion)	5120	3100	$ 382,036	
	Rental Income-Excess of Base	5120.1	3100.1	$ 62,127	
	Tenant Assistance Payments (HAP Receipts)	5121		$ 11,000	
	Tenant Assistance Payments (RAP Receipts)	5121.1	2811	$ -	
	Tenant Assistance Payments (ERAP Receipts)	5121.2		$ -	
	Tenant Assistance Payments - Congregate	5121.3		$ -	
	Rent Revenue- Stores & Commercial	5140		$ -	
	Rent Revenue- Garage & Parking	5170	3300	$ -	
	Flexible Subsidy Revenue	5180		$ -	
	Miscellaneous Rent Revenue**	5190	3120 & 3300	$ -	
	Excess Rent	5191	3100.1	$ -	
	Excess Utilities	5191.1	3110	$ -	
	Rent Revenue- Insurance	5192		$ -	
	Special Claims Revenue	5193	3220	$ -	
	Retained Excess Income	5194		$ -	
	Total Rent Revenue (GPI @ 100% Occupancy)	5100T			$ 455,163
Vacancies 5200	Apartments- Vacancy	5220	3210	$ 5,141	
	Stores & Commercial- Vacancy	5240		$ -	
	Rental Concessions	5250		$ 2,122	
	Garage & Parking- Vacancy	5270		$ -	
	Miscellaneous** (other vacancy)	5290		$ -	
	Total Vacancies	5200T			$ 7,263
	Net Rental Revenue Rent Revenue Less Vacancy	5125N			$ 447,900
	Elderly & Congregate Service Income (attach schedule)	5300			$ -
Financial Revenue 5400	Financial Revenue - Project Operations	5410	3610	$ 5,170	
	Revenue from Investments - Residual Receipts	5430		$ -	
	Revenue from Investments - Replacement Reserves	5440		$ -	
	Revenue from Investments - Miscellaneous **	5490		$ -	
	Total Financial Revenue	5400T			$ 5,170
Other Revenue 5900	Laundry & Vending Revenue	5910	3620	$ -	
	Tenant Charges	5920		$ 8,249	
	Sales & Service to Tenants (including Cable TV fees)	5943	3510	$ -	
	Interest Reduction Payments	5945		$ -	
	Grant Income - Capital Grant - Unrestricted	5980		$ 62,811	
	Grant Income - Capital Grant - Temporarily Restricted	5981		$ -	
	Miscellaneous Revenue (Specify) **	5990	6100	$ -	
	Total Other Revenue	5900T			$ 71,060
	Total Revenue	5000T			$ 524,130
Administrative Expenses 6200/6300	Conventions & Meetings	6203	4153	$ 1,277	
	Management Consultants	6204		$ 28	
	Advertising & Marketing	6210		$ 2,034	
	Apartment Resale Expenses (Coops)	6235		$ -	
	Other Renting Expenses	6250	4152	$ 272	
	Office Salaries	6310	4120	$ 59,849	
	Salaries - RSC	6310.1		$ -	
	Office Expenses	6311		$ 2,302	
	Office or Model Apartment Rent	6312		$ -	
	Compensated Absences - Administrative Salaries	6313	4120.1	$ -	
	Management Fee	6320	4132	$ -	
	Manager or Superintendent Salaries	6330		$ -	
	Administrative Rent Free Unit	6331		$ -	
	Legal Expense (Project)	6340	4130	$ 811	
	Audit Expense	6350		$ 1,120	
	Bookkeeping Fees/Accounting Services	6351	4131	$ -	
	Bad Debts	6370	4820	$ 4,700	
	State Service Charge - Administrative	6380	4716	$ -	
	Miscellaneous Administrative Expenses **	6390		$ 5,497	
	Total Administrative Expenses	6263T			$ 77,890

Statement of Operations

Part I- Cont.	Description of Account	HUD Acct. #	SHP Acct. #	Amount*	
Utilities Expenses 6400	Fuel Oil/ Coal	6420	4340	$ -	
	Electricity	6450	4320	$ 13,587	
	Water	6451	4310	$ 14,998	
	Gas	6452	4330	$ -	
	Sewer	6453	4360	$ -	
	Cable Television	6454	4350	$ -	
	Total Utilities Expense	6400T			$ 28,585
Operating & Maintenance Expenses 6500	Payroll	6510	4410	$ 52,640	
	Compensated Absences - Maintenance Wages	6510.1	4410.1	$ -	
	Supplies	6515	4420	$ 21,813	
	Contracts	6520	4430	$ 28,243	
	Operating & Maintenance Rent Free Unit	6521		$ -	
	Garbage & Trash Removal	6525	4710	$ -	
	Security Payroll/ Contracts	6530		$ -	
	Security Rent Free Unit	6531		$ -	
	Heating/Cooling Repairs & Maintenance	6546		$ -	
	Snow Removal	6548		$ 27,323	
	Vehicle & Maintenance Equip. Operation & Repair	6570	4440	$ 1,496	
	Miscellaneous Operating & Maintenance **	6590	6200	$ (94,459)	
	Total Operating & Maintenance Expenses	6500T			$ 37,056
Taxes & Insurance 6700	Real Estate Tax	6710	4715	$ -	
	Payroll Taxes (project share)	6711	4161	$ 7,301	
	Property & Liability Insurance	6720	4711	$ 30,561	
	Fidelity Bond Insurance	6721		$ -	
	Workmen's Compensation	6722		$ -	
	Health Insurance & Other Employee Benefits	6723	4160	$ 65,524	
	Pension Expense	6724		$ (1,990)	
	Other Post-Employment Benefits Expense	6725		$ (832)	
	Misc. Taxes, Licenses, Permits & Insurance **	6790		$ -	
	Total Taxes & Insurance	6700T			$ 100,564
Financial Expenses 6800	Interest on Mortgage Payable	6820	4717	$ -	
	Interest on Capital Improvement Loan	6821		$ -	
	Interest on Other Mortgages	6825		$ -	
	Interest on Notes Payable (Long Term)	6830		$ -	
	Interest on Notes Payable (Short Term)	6840		$ -	
	Mortgage Insurance Premium/ Services Charges	6850		$ -	
	Miscellaneous Financial Expenses **	6890		$ -	
	Total Financial Expenses	6800T			$ -
	Elderly & Congregate Services Exp. (attach schedule)	6900			$ -
	Total Cost of Operations before Depreciation & Amortization	6000T			$ 244,095
	Profit (Loss) before Depreciation & Amortization	5060T			$ 280,035
	Depreciation Expenses	6600		$ -	
	Amortization Expense	6610		$ -	
	Total Depreciation & Amortization Expense				$ -
	Operating Profit (Loss) after Depreciation & Amortization	5060N			$ 280,035
Entity Expenses 7100	Entity Revenue	7105		$ -	
	Officer's Salaries	7110		$ -	
	Legal Expenses	7120		$ -	
	Federal, State, and Other Income Taxes	7130		$ -	
	Interest Income	7140		$ -	
	Interest on Notes Payable	7141		$ -	
	Interest on Mortgage Payable	7142		$ -	
	Other Expenses	7190		$ -	
	Net Entity Expenses	7100T			$ -
	Net Profit (Loss)	3250			$ 280,035

Statement of Operations
Part II- Principal & Reserve

1	Total principal payments required under the mortgage in the audit year (12 monthly payments). This applies to all direct loans and HUD-held and fully insured mortgages. Any HUD approved second mortgages should be included in the figures.	$ -
2	Replacement Reserve deposits required by the Regulatory Agreement or Amendments thereto, even if payments may be temporarily suspended or waived.	$ -
3	Replacement or Painting Reserve releases which are included as expense items on the Income Statement.	$ -
4	Project Improvement Reserve Releases under the Flexible Subsidy Program that are included as expense items on this Income Statement.	$ -

Part III- Income & Expense Sub-Accounts

	Description of Account	HUD Acct. #	SHP Acct. #	Amount*	
Tenant Charges 5920	NSF & Late Charges	5915		$ -	
	Damages & Cleaning Fees	5930		$ 8,249	
	Forfeited Tenant Security Deposits	5940		$ -	
	Tenant Charges	5920			$ 8,249
Office 6311	Office Supplies	6315	4151	$ 560	
	Telephone and Answering Service	6360		$ 1,742	
	Office Expenses	6311			$ 2,302
Payroll 6510	Janitor and Cleaning Payroll	6511		$ -	
	Grounds Payroll	6535		$ -	
	Repairs Payroll	6540		$ 52,640	
	Payroll	6510			$ 52,640
Supplies 6515	Janitor and Cleaning Supplies	6516		$ -	
	Exterminating Supplies	6522		$ -	
	Ground Supplies	6536		$ -	
	Repairs Material	6541		$ 21,813	
	Decorating Supplies	6561		$ -	
	Supplies	6515	4420		$ 21,813
Contracts 6520	Janitor and Cleaning Contracts	6517		$ -	
	Exterminating Contracts	6519		$ 460	
	Grounds Contracts	6537		$ 15,865	
	Repairs Contracts	6542		$ 11,918	
	Elevator Maintenance Contract	6545		$ -	
	Swimming Pool Maintenance Contract	6547		$ -	
	Decorating (Painting) Contract/Payroll	6560		$ -	
	Contracts	6520	4430		$ 28,243
Misc. 6790	Miscellaneous Taxes, Licenses, Permits	6719		$ -	
	Other Insurance	6729		$ -	
	Miscellaneous Taxes, Permits & Insurance	6790			$ -

COMPUTATION OF SURPLUS CASH, DISTRIBUTIONS, AND RESIDUAL RECEIPTS

Connecticut Housing Finance Authority
Asset Management - Multifamily Housing

CHFA Form HM 6-51A (Rev. 09/2024 - Effective FYE 12/31/2024)

Project Name:	Lucas Gardens	Fiscal Year-End:	December 31, 2025
CHFA Number:	88048D, 92080D	Beginning Date:	January 1, 2025
HUD Number:	0	Mortgagor:	Stratford Housing Authority

Part A - COMPUTE SURPLUS CASH

CASH	1. Cash (Accounts 1110, 1120, 1191)	$ 347,541	
	2. Tenant Subsidy vouchers due for period covered by financial statement	$ 1,100	
	3. Replacement Reserve withdrawals requested prior to the balance sheet date and approved by CHFA prior to the date of the audit report	$ -	
	4. Other (describe)	$ -	
	(A) Total Cash (Add Lines 1, 2, and 3)		$ 348,641
CURRENT OBLIGATIONS	5. Accrued mortgage interest payable	$ -	
	6. Delinquent mortgage principal payments	$ -	
	7. Delinquent deposits to reserve for replacements	$ -	
	8. Accounts payable (due within 30 days)	$ 11,360	
	9. Loans and notes payable (due within 30 days, if allowed under CHFA loan documents)	$ -	
	10. Deficient Tax Insurance or MIP Escrow Deposits	$ -	
	11. Accrued expenses (not escrowed)	$ 1,608	
	12. Prepaid Rents (Account 2210)	$ 4,121	
	13. Tenant security deposits liability (Account 2191)	$ 21,722	
	14. Other (Describe)	$ -	
	(B) Less: Total Current Obligations (Add Lines 4 through 13)		$ 38,811
	(C) Surplus Cash (Deficiency)(Line (A) minus Line (B))		$ 309,830

Part B - COMPUTE DISTRIBUTIONS TO OWNERS AND REQUIRED DEPOSIT TO RESIDUAL RECEIPTS

	1a. Surplus Cash (From Line (C))		$ 309,830
	1b. Less: Additional Interest Due CHFA, if applicable		$ -
	1c. Surplus Cash Available for Distribution		$ -
LIMITED DIVIDEND PROJECTS	2a. Annual Distribution Earned During Fiscal Period Covered by Statement	$ -	
	2b. Distribution Accrued and Unpaid as of the End of the Fiscal Period	$ -	
	2c. Distributions Paid During Fiscal Period Covered by Statement	$ -	
	3. Cumulative Distributions Earned but Unpaid (Line 2a plus 2b minus 2c)	$ -	
	4. Amount Available for Distribution During Next Fiscal Period		$ -
	5. Cash Flow Loan Payments Due CHFA, if applicable		$ -
	6. Deposits Due Residual Receipts or Other Reserve held by CHFA (Must be deposited with Mortgagee as stated in your Legal Documents (e.g. Regulatory Agreement, Assistance Agreement, etc.))		$ -

COMPUTATION OF
NET OPERATING INCOME

Connecticut Housing Finance Authority
Asset Management - Multifamily Housing

CHFA Form HM 6-52 (Rev. 09/2024 - Effective FYE 12/31/2024)

Project Name: Lucas Gardens
Fiscal Year-End: December 31, 2025
CHFA Number: 88048D, 92080D
Beginning Date: January 1, 2025
HUD Number:
Mortgagor: Stratford Housing Authority

Part I - COMPUTE NET OPERATING INCOME (Source HM 6-50 "Statement of Operations")

	Account #	
A. Profit (Loss) before Depreciation	5060T	$ 280,035
B. Less: Revenue from Investments - Residual Receipts	5430	$ -
C. Less: Revenue from Investments - Replacement Reserves	5440	$ -
D. Less: Revenue from Investments - Miscellaneous (Restricted Accounts Only)	5490	$ -
E. Plus: Total Financial Expenses	6800T	$ -
F. Less: Replacement Reserve Deposits	Part II #2	$ -
G. Net Operating Income (NOI)		**$ 280,035**

Part II - IDENTIFY SPECIAL FINANCIAL CONDITIONS FOR ADJUSTMENT

A. Replacement Reserves and One-Time Sources of Activity

1) Disbursements from replacement reserve during period covered by the statement $ -
   a) Plus: Pending requests at year-end for the release of funds from the replacement reserve to cover items either expensed or capitalized during the period covered by the statement $ -
   b) Less: Total of funds received from replacement reserve during the period covered by the statement that were expensed or capitalized in prior years $ -
   c) Less: Amount capitalized as increases in fixed assets during the period covered by the statement $ -
   d) Total disbursements from the replacement reserve included as expenses on HM 6-50 $ -

2) Are there any extraordinary or one-time sources of income and/or expense(s) that are included on the Statement of Operations? (e.g.: Proceeds from Insurance claim not received in the same period as the loss) YES [X] NO [ ]

3) If YES, explain reason(s) and amount(s) below:

CDBG revenue	**$ (62,811)**
	$ -
	$ -
	$ -
TOTAL Extraordinary or one-time income / expense(s)	**$ (62,811)**

B. Other Restricted Reserves

1) Have all disbursements from other restricted reserve accounts (Operating Reserve, Residual Receipts, etc.) been capitalized as Increases on the Schedule of Fixed Assets? YES [ ] NO [ ] N/A [X]

2) If NO, what is the amount of other restricted reserve account releases that are represented as expenditures on the Statement of Operations? Explain reason(s) and amount(s) below:

	$ -
	$ -
	$ -

C. Interest Reduction Payments (HUD Section 236 developments only)

1) Are Interest Reduction Payments (IRP) from HUD Section 236 contracts shown as Income in Account #5945 and included in the expense line item Interest on Mortgage Payable in Account #6820? YES [ ] NO [ ] N/A [X]

2) If NO, what is the annual amount of the IRP paid to CHFA by HUD on the development's behalf not included as income in Account #5945? $ -

Part III - ADJUSTED NET OPERATING INCOME FROM PART II

	Source	
Net Operating Income	Part I - G	$ 280,035
Plus: Replacement Reserve releases included as expenses in Statement of Operations	Part II - A1	$ -
Less/Plus: Extraordinary or one-time income / expense(s)	Part II - A3	$ (62,811)
Plus: Other Restricted Reserve Accounts	Part II - B2	$ -
Plus: Interest Reduction Payments	Part II - C2	$ -
Equals: Adjusted Net Operating Income (NOI)		**$ 217,224**

STATEMENT OF OPERATIONS

Connecticut Housing Finance Authority
Asset Management - Multifamily Housing

CHFA Form HM 6-50 (Rev. 09/2024 - Effective FYE 12/31/2024)

Project Name: Shiloh Gardens
Fiscal Year-End: December 31, 2025
CHFA Number: 20-601
Beginning Date: January 1, 2025
HUD Number:
Mortgagor: Stratford Housing Authority

Part I- P&L	Description of Account	HUD Acct. #	SHP Acct. #	Amount*	
Rental Income 5100	Rent Revenue- Gross Potential (Tenant's Portion)	5120	3100	$ 347,928	
	Rental Income-Excess of Base	5120.1	3100.1	$ 44,761	
	Tenant Assistance Payments (HAP Receipts)	5121		$ 221,724	
	Tenant Assistance Payments (RAP Receipts)	5121.1	2811	$ -	
	Tenant Assistance Payments (ERAP Receipts)	5121.2		$ -	
	Tenant Assistance Payments - Congregate	5121.3		$ -	
	Rent Revenue- Stores & Commercial	5140		$ -	
	Rent Revenue- Garage & Parking	5170	3300	$ -	
	Flexible Subsidy Revenue	5180		$ -	
	Miscellaneous Rent Revenue**	5190	3120 & 3300	$ -	
	Excess Rent	5191	3100.1	$ -	
	Excess Utilities	5191.1	3110	$ -	
	Rent Revenue- Insurance	5192		$ -	
	Special Claims Revenue	5193	3220	$ -	
	Retained Excess Income	5194		$ -	
	Total Rent Revenue (GPI @ 100% Occupancy)	5100T			$ 614,413
Vacancies 5200	Apartments- Vacancy	5220	3210	$ 6,067	
	Stores & Commercial- Vacancy	5240		$ -	
	Rental Concessions	5250		$ 7,410	
	Garage & Parking- Vacancy	5270		$ -	
	Miscellaneous** (other vacancy)	5290		$ -	
	Total Vacancies	5200T			$ 13,477
	Net Rental Revenue Rent Revenue Less Vacancy	5125N			$ 600,936
	Elderly & Congregate Service Income (attach schedule)	5300			$ -
Financial Revenue 5400	Financial Revenue - Project Operations	5410	3610	$ 15,511	
	Revenue from Investments - Residual Receipts	5430		$ -	
	Revenue from Investments - Replacement Reserves	5440		$ 13,114	
	Revenue from Investments - Miscellaneous **	5490		$ -	
	Total Financial Revenue	5400T			$ 28,625
Other Revenue 5900	Laundry & Vending Revenue	5910	3620	$ -	
	Tenant Charges	5920		$ 3,657	
	Sales & Service to Tenants (including Cable TV fees)	5943	3510	$ -	
	Interest Reduction Payments	5945		$ -	
	Grant Income - Capital Grant - Unrestricted	5980		$ 141,576	
	Grant Income - Capital Grant - Temporarily Restricted	5981		$ -	
	Miscellaneous Revenue (Specify) **	5990	6100	$ 61,194	
	Energy Rebates $54,869, CDBG Revenue $6,325				
	Total Other Revenue	5900T			$ 206,427
	Total Revenue	5000T			$ 835,988
Administrative Expenses 6200/6300	Conventions & Meetings	6203	4153	$ 1,484	
	Management Consultants	6204		$ 28	
	Advertising & Marketing	6210		$ -	
	Apartment Resale Expenses (Coops)	6235		$ -	
	Other Renting Expenses	6250	4152	$ 239	
	Office Salaries	6310	4120	$ 45,028	
	Salaries - RSC	6310.1		$ -	
	Office Expenses	6311		$ 2,772	
	Office or Model Apartment Rent	6312		$ -	
	Compensated Absences - Administrative Salaries	6313	4120.1	$ -	
	Management Fee	6320	4132	$ -	
	Manager or Superintendent Salaries	6330		$ -	
	Administrative Rent Free Unit	6331		$ -	
	Legal Expense (Project)	6340	4130	$ 539	
	Audit Expense	6350		$ 1,120	
	Bookkeeping Fees/Accounting Services	6351	4131	$ -	
	Bad Debts	6370	4820	$ 5,300	
	State Service Charge - Administrative	6380	4716	$ -	
	Miscellaneous Administrative Expenses **	6390		$ 9,858	
	Total Administrative Expenses	6263T			$ 66,368

Statement of Operations

Part I- Cont.	Description of Account	HUD Acct. #	SHP Acct. #	Amount*	
Utilities Expenses 6400	Fuel Oil/ Coal	6420	4340	$ -	
	Electricity	6450	4320	$ 20,229	
	Water	6451	4310	$ 8,372	
	Gas	6452	4330	$ 30,471	
	Sewer	6453	4360	$ -	
	Cable Television	6454	4350	$ -	
	Total Utilities Expense	6400T			$ 59,072
Operating & Maintenance Expenses 6500	Payroll	6510	4410	$ 49,102	
	Compensated Absences - Maintenance Wages	6510.1	4410.1	$ -	
	Supplies	6515	4420	$ 26,295	
	Contracts	6520	4430	$ 32,172	
	Operating & Maintenance Rent Free Unit	6521		$ -	
	Garbage & Trash Removal	6525	4710	$ -	
	Security Payroll/ Contracts	6530		$ -	
	Security Rent Free Unit	6531		$ -	
	Heating/Cooling Repairs & Maintenance	6546		$ -	
	Snow Removal	6548		$ 36,285	
	Vehicle & Maintenance Equip. Operation & Repair	6570	4440	$ 1,716	
	Miscellaneous Operating & Maintenance **	6590	6200	$ 94,459	
	Total Operating & Maintenance Expenses	6500T			$ 240,029
Taxes & Insurance 6700	Real Estate Tax	6710	4715	$ -	
	Payroll Taxes (project share)	6711	4161	$ 8,668	
	Property & Liability Insurance	6720	4711	$ 31,295	
	Fidelity Bond Insurance	6721		$ -	
	Workmen's Compensation	6722		$ -	
	Health Insurance & Other Employee Benefits	6723	4160	$ 77,280	
	Pension Expense	6724		$ 6,189	
	Other Post-Employment Benefits Expense	6725		$ -	
	Misc. Taxes, Licenses, Permits & Insurance **	6790		$ -	
	Total Taxes & Insurance	6700T			$ 123,432
Financial Expenses 6800	Interest on Mortgage Payable	6820	4717	$ 104,204	
	Interest on Capital Improvement Loan	6821		$ -	
	Interest on Other Mortgages	6825		$ -	
	Interest on Notes Payable (Long Term)	6830		$ -	
	Interest on Notes Payable (Short Term)	6840		$ -	
	Mortgage Insurance Premium/ Services Charges	6850		$ -	
	Miscellaneous Financial Expenses **	6890		$ -	
	Total Financial Expenses	6800T			$ 104,204
	Elderly & Congregate Services Exp. (attach schedule)	6900			$ -
	Total Cost of Operations before Depreciation & Amortization	6000T			$ 593,105
	Profit (Loss) before Depreciation & Amortization	5060T			$ 242,883
	Depreciation Expenses	6600		$ 64,373	
	Amortization Expense	6610		$ -	
	Total Depreciation & Amortization Expense				$ 64,373
	Operating Profit (Loss) after Depreciation & Amortization	5060N			$ 178,510
Entity Expenses 7100	Entity Revenue	7105		$ -	
	Officer's Salaries	7110		$ -	
	Legal Expenses	7120		$ -	
	Federal, State, and Other Income Taxes	7130		$ -	
	Interest Income	7140		$ -	
	Interest on Notes Payable	7141		$ -	
	Interest on Mortgage Payable	7142		$ -	
	Other Expenses	7190		$ -	
	Net Entity Expenses	7100T			$ -
	Net Profit (Loss)	3250			$ 178,510

Statement of Operations
Part II- Principal & Reserve

1	Total principal payments required under the mortgage in the audit year (12 monthly payments). This applies to all direct loans and HUD-held and fully insured mortgages. Any HUD approved second mortgages should be included in the figures.	$ 80,034
2	Replacement Reserve deposits required by the Regulatory Agreement or Amendments thereto, even if payments may be temporarily suspended or waived.	$ 17,358
3	Replacement or Painting Reserve releases which are included as expense items on the Income Statement.	$ 11,737
4	Project Improvement Reserve Releases under the Flexible Subsidy Program that are included as expense items on this Income Statement.	$ -

Part III- Income & Expense Sub-Accounts

	Description of Account	HUD Acct. #	SHP Acct. #	Amount*	
Tenant Charges 5920	NSF & Late Charges	5915		$ -	
	Damages & Cleaning Fees	5930		$ 3,657	
	Forfeited Tenant Security Deposits	5940		$ -	
	Tenant Charges	5920			$ 3,657
Office 6311	Office Supplies	6315	4151	$ 589	
	Telephone and Answering Service	6360		$ 2,183	
	Office Expenses	6311			$ 2,772
Payroll 6510	Janitor and Cleaning Payroll	6511		$ -	
	Grounds Payroll	6535		$ -	
	Repairs Payroll	6540		$ 49,102	
	Payroll	6510			$ 49,102
Supplies 6515	Janitor and Cleaning Supplies	6516		$ -	
	Exterminating Supplies	6522		$ -	
	Ground Supplies	6536		$ -	
	Repairs Material	6541		$ 26,295	
	Decorating Supplies	6561		$ -	
	Supplies	6515	4420		$ 26,295
Contracts 6520	Janitor and Cleaning Contracts	6517		$ -	
	Exterminating Contracts	6519		$ 960	
	Grounds Contracts	6537		$ 13,135	
	Repairs Contracts	6542		$ 18,077	
	Elevator Maintenance Contract	6545		$ -	
	Swimming Pool Maintenance Contract	6547		$ -	
	Decorating (Painting) Contract/Payroll	6560		$ -	
	Contracts	6520	4430		$ 32,172
Misc. 6790	Miscellaneous Taxes, Licenses, Permits	6719		$ -	
	Other Insurance	6729		$ -	
	Miscellaneous Taxes, Permits & Insurance	6790			$ -

COMPUTATION OF ADJUSTED CASH FLOW, DISTRIBUTIONS, AND RESIDUAL RECEIPTS

Connecticut Housing Finance Authority
Asset Management - Multifamily Housing

CHFA Form HM 6-51B (Rev. 09/2024 - Effective FYE 12/31/2024)

Project Name:	Shiloh Gardens	Fiscal Year-End:	December 31, 2025
CHFA Number:	20-601	Beginning Date:	January 1, 2025
HUD Number:		Mortgagor:	Stratford Housing Authority

Part A - COMPUTE ADJUSTED CASH FLOW

PROFIT	1. Operating Profit before Depreciation & Amortization (Account 5060T)		$ 242,883
ADD	2. Accrued Interest Expense (Included in Account 6820)	$ -	
	3. Imputed Interest Expense/Amortization of Deferred Loan Costs (Included in Account 6820)	$ -	
	4. Additional Interest Expense (Included in Account 6820)	$ -	
	5. Interest on Construction and Non-CHFA Mortgages (Accounts 6821, 6825, 6830, 6840)	$ -	
	6. Other Financial Expenses (Accounts 6850, 6890)	$ -	
	7. Total Replacement Reserve Disbursements Included as Expenses (HM6-52, Part II, A(1)(d))	$ -	
	(A) Subtotal		$ -
DEDUCT	8. Prior Year Accrued Interest Expense Paid in Current Year	$ -	
	9. Mortgage Principal on CHFA Mortgage (Account 1301)	$ 80,034	
	10. Replacement Reserve Deposit Payments (Account 1302)	$ 17,358	
	11. Interest Income on Reserves (Accounts 5430, 5440, 5490)	$ 13,114	
	(B) Subtotal		$ 110,506
	12. Other Non-Operating Additions or Deductions (Describe)	$ -	
	(C) Adjusted Cash Flow		$ 132,377

Part B -ADDITIONAL INTEREST, DISTRIBUTION, & RESIDUAL RECEIPTS

	1a. Adjusted Cash Flow (From Line (D))		$ 132,377
	1b. Less: Additional Interest Due CHFA, if applicable		$ -
	1c. Cash Available for Distribution		$ 132,377
LIMITED DIVIDEND PROJECTS	2. Annual Distribution Earned During Fiscal Period Covered by Statement	$ -	
	3. Amount Available for Distribution During Next Fiscal Period		$ -
	4. Cash Flow Loan Payments Due CHFA, if applicable		$ 79,426
	5. Deposits Due Residual Receipts or Other Reserve (Must be deposited with Mortgagee as stated in your Legal Documents (e.g. Regulatory Agreement, Assistance Agreement, etc.))		$ 26,475

COMPUTATION OF
NET OPERATING INCOME

Connecticut Housing Finance Authority
Asset Management - Multifamily Housing

CHFA Form HM 6-52 (Rev. 09/2024 - Effective FYE 12/31/2024)

Project Name: Shiloh Gardens
Fiscal Year-End: December 31, 2025
CHFA Number: 20-601
Beginning Date: January 1, 2025
HUD Number:
Mortgagor: Stratford Housing Authority

Part I - COMPUTE NET OPERATING INCOME (Source HM 6-50 "Statement of Operations")

	Account #	
A. Profit (Loss) before Depreciation	5060T	$ 242,883
B. Less: Revenue from Investments - Residual Receipts	5430	$ -
C. Less: Revenue from Investments - Replacement Reserves	5440	$ 13,114
D. Less: Revenue from Investments - Miscellaneous (Restricted Accounts Only)	5490	$ -
E. Plus: Total Financial Expenses	6800T	$ 104,204
F. Less: Replacement Reserve Deposits	Part II #2	$ 17,358
G. Net Operating Income (NOI)		$ 316,615

Part II - IDENTIFY SPECIAL FINANCIAL CONDITIONS FOR ADJUSTMENT

A. Replacement Reserves and One-Time Sources of Activity

1) Disbursements from replacement reserve during period covered by the statement $ -
   a) Plus: Pending requests at year-end for the release of funds from the replacement reserve to cover items either expensed or capitalized during the period covered by the statement $ -
   b) Less: Total of funds received from replacement reserve during the period covered by the statement that were expensed or capitalized in prior years $ -
   c) Less: Amount capitalized as increases in fixed assets during the period covered by the statement $ -
   d) Total disbursements from the replacement reserve included as expenses on HM 6-50 $ -

2) Are there any extraordinary or one-time sources of income and/or expense(s) that are included on the Statement of Operations? (e.g.: Proceeds from Insurance claim not received in the same period as the loss) YES [X] NO [ ]

3) If YES, explain reason(s) and amount(s) below:

SSHP grant	$ (141,576)
Energy rebates	$ (54,869)
	$ -
	$ -
TOTAL Extraordinary or one-time income / expense(s)	$ (196,445)

B. Other Restricted Reserves

1) Have all disbursements from other restricted reserve accounts (Operating Reserve, Residual Receipts, etc.) been capitalized as Increases on the Schedule of Fixed Assets? YES [ ] NO [ ] N/A [X]

2) If NO, what is the amount of other restricted reserve account releases that are represented as expenditures on the Statement of Operations? Explain reason(s) and amount(s) below:

	$ -
	$ -
	$ -

C. Interest Reduction Payments (HUD Section 236 developments only)

1) Are Interest Reduction Payments (IRP) from HUD Section 236 contracts shown as Income in Account #5945 and included in the expense line item Interest on Mortgage Payable in Account #6820? YES [ ] NO [ ] N/A [X]

2) If NO, what is the annual amount of the IRP paid to CHFA by HUD on the development's behalf not included as income in Account #5945? $ -

Part III - ADJUSTED NET OPERATING INCOME FROM PART II

	Source	
Net Operating Income	Part I - G	$ 316,615
Plus: Replacement Reserve releases included as expenses in Statement of Operations	Part II - A1	$ -
Less/Plus: Extraordinary or one-time income / expense(s)	Part II - A3	$ (196,445)
Plus: Other Restricted Reserve Accounts	Part II - B2	$ -
Plus: Interest Reduction Payments	Part II - C2	$ -
Equals: Adjusted Net Operating Income (NOI)		$ 120,170

STATEMENT OF OPERATIONS

Connecticut Housing Finance Authority
Asset Management - Multifamily Housing

CHFA Form HM 6-50 (Rev. 09/2024 - Effective FYE 12/31/2024)

Project Name: Meadowview Manor
Fiscal Year-End: December 31, 2025
CHFA Number: 85182D
Beginning Date: January 1, 2025
HUD Number:
Mortgagor: Stratford Housing Authority

Part I- P&L	Description of Account	HUD Acct. #	SHP Acct. #	Amount*	
	Rent Revenue- Gross Potential (Tenant's Portion)	5120	3100	$ 937,289	
	Rental Income-Excess of Base	5120.1	3100.1	$ 200,679	
	Tenant Assistance Payments (HAP Receipts)	5121		$ -	
	Tenant Assistance Payments (RAP Receipts)	5121.1	2811	$ -	
	Tenant Assistance Payments (ERAP Receipts)	5121.2		$ -	
	Tenant Assistance Payments - Congregate	5121.3		$ -	
	Rent Revenue- Stores & Commercial	5140		$ -	
Rental	Rent Revenue- Garage & Parking	5170	3300	$ -	
Income	Flexible Subsidy Revenue	5180		$ -	
5100	Miscellaneous Rent Revenue**	5190	3120 & 3300	$ -	
	Excess Rent	5191	3100.1	$ -	
	Excess Utilities	5191.1	3110	$ -	
	Rent Revenue- Insurance	5192		$ -	
	Special Claims Revenue	5193	3220	$ -	
	Retained Excess Income	5194		$ -	
	Total Rent Revenue (GPI @ 100% Occupancy)	5100T			$ 1,137,968
	Apartments- Vacancy	5220	3210	$ 15,012	
	Stores & Commercial- Vacancy	5240		$ -	
Vacancies	Rental Concessions	5250		$ 16,664	
5200	Garage & Parking- Vacancy	5270		$ -	
	Miscellaneous** (other vacancy)	5290		$ -	
	Total Vacancies	5200T			$ 31,676
	Net Rental Revenue Rent Revenue Less Vacancy	5125N			$ 1,106,292
	Elderly & Congregate Service Income (attach schedule)	5300			$ -
	Financial Revenue - Project Operations	5410	3610	$ 54,609	
Financial	Revenue from Investments - Residual Receipts	5430		$ -	
Revenue	Revenue from Investments - Replacement Reserves	5440		$ -	
5400	Revenue from Investments - Miscellaneous **	5490		$ -	
	Total Financial Revenue	5400T			$ 54,609
	Laundry & Vending Revenue	5910	3620	$ -	
	Tenant Charges	5920		$ 19,503	
Other	Sales & Service to Tenants (including Cable TV fees)	5943	3510	$ -	
Revenue	Interest Reduction Payments	5945		$ -	
5900	Grant Income - Capital Grant - Unrestricted	5980		$ -	
	Grant Income - Capital Grant - Temporarily Restricted	5981		$ -	
	Miscellaneous Revenue (Specify) **	5990	6100	$ 2,850	
	CDBG grant				
	Total Other Revenue	5900T			$ 22,353
	Total Revenue	5000T			$ 1,183,254
	Conventions & Meetings	6203	4153	$ 3,053	
	Management Consultants	6204		$ 75	
	Advertising & Marketing	6210		$ -	
	Apartment Resale Expenses (Coops)	6235		$ -	
	Other Renting Expenses	6250	4152	$ 636	
	Office Salaries	6310	4120	$ 102,464	
	Salaries - RSC	6310.1		$ -	
Administrative	Office Expenses	6311		$ 5,608	
Expenses	Office or Model Apartment Rent	6312		$ -	
6200/6300	Compensated Absences - Administrative Salaries	6313	4120.1	$ -	
	Management Fee	6320	4132	$ -	
	Manager or Superintendent Salaries	6330		$ -	
	Administrative Rent Free Unit	6331		$ -	
	Legal Expense (Project)	6340	4130	$ 327	
	Audit Expense	6350		$ 3,040	
	Bookkeeping Fees/Accounting Services	6351	4131	$ -	
	Bad Debts	6370	4820	$ 42,648	
	State Service Charge - Administrative	6380	4716	$ -	
	Miscellaneous Administrative Expenses **	6390		$ 18,782	
	Total Administrative Expenses	6263T			$ 176,633

Statement of Operations

Part I- Cont.	Description of Account	HUD Acct. #	SHP Acct. #	Amount*	
Utilities Expenses 6400	Fuel Oil/ Coal	6420	4340	$ -	
	Electricity	6450	4320	$ 3,660	
	Water	6451	4310	$ 247	
	Gas	6452	4330	$ -	
	Sewer	6453	4360	$ -	
	Cable Television	6454	4350	$ -	
	Total Utilities Expense	6400T			$ 3,907
Operating & Maintenance Expenses 6500	Payroll	6510	4410	$ 129,799	
	Compensated Absences - Maintenance Wages	6510.1	4410.1	$ -	
	Supplies	6515	4420	$ 26,629	
	Contracts	6520	4430	$ 59,143	
	Operating & Maintenance Rent Free Unit	6521		$ -	
	Garbage & Trash Removal	6525	4710	$ -	
	Security Payroll/ Contracts	6530		$ -	
	Security Rent Free Unit	6531		$ -	
	Heating/Cooling Repairs & Maintenance	6546		$ -	
	Snow Removal	6548		$ -	
	Vehicle & Maintenance Equip. Operation & Repair	6570	4440	$ 4,381	
	Miscellaneous Operating & Maintenance **	6590	6200	$ 349,453	
	Total Operating & Maintenance Expenses	6500T			$ 569,405
Taxes & Insurance 6700	Real Estate Tax	6710	4715	$ -	
	Payroll Taxes (project share)	6711	4161	$ 18,140	
	Property & Liability Insurance	6720	4711	$ 55,106	
	Fidelity Bond Insurance	6721		$ -	
	Workmen's Compensation	6722		$ -	
	Health Insurance & Other Employee Benefits	6723	4160	$ 159,427	
	Pension Expense	6724		$ 4,606	
	Other Post-Employment Benefits Expense	6725		$ (845)	
	Misc. Taxes, Licenses, Permits & Insurance **	6790		$ -	
	Total Taxes & Insurance	6700T			$ 236,434
Financial Expenses 6800	Interest on Mortgage Payable	6820	4717	$ -	
	Interest on Capital Improvement Loan	6821		$ -	
	Interest on Other Mortgages	6825		$ -	
	Interest on Notes Payable (Long Term)	6830		$ -	
	Interest on Notes Payable (Short Term)	6840		$ -	
	Mortgage Insurance Premium/ Services Charges	6850		$ -	
	Miscellaneous Financial Expenses **	6890		$ -	
	Total Financial Expenses	6800T			$ -
	Elderly & Congregate Services Exp. (attach schedule)	6900			$ -
	Total Cost of Operations before Depreciation & Amortization	6000T			$ 986,379
	Profit (Loss) before Depreciation & Amortization	5060T			$ 196,875
	Depreciation Expenses	6600		$ 276,456	
	Amortization Expense	6610		$ -	
	Total Depreciation & Amortization Expense				$ 276,456
	Operating Profit (Loss) after Depreciation & Amortization	5060N			$ (79,581)
Entity Expenses 7100	Entity Revenue	7105		$ -	
	Officer's Salaries	7110		$ -	
	Legal Expenses	7120		$ -	
	Federal, State, and Other Income Taxes	7130		$ -	
	Interest Income	7140		$ -	
	Interest on Notes Payable	7141		$ -	
	Interest on Mortgage Payable	7142		$ -	
	Other Expenses	7190		$ -	
	Net Entity Expenses	7100T			$ -
	Net Profit (Loss)	3250			$ (79,581)

Statement of Operations
Part II- Principal & Reserve

1	Total principal payments required under the mortgage in the audit year (12 monthly payments). This applies to all direct loans and HUD-held and fully insured mortgages. Any HUD approved second mortgages should be included in the figures.	$ -
2	Replacement Reserve deposits required by the Regulatory Agreement or Amendments thereto, even if payments may be temporarily suspended or waived.	$ -
3	Replacement or Painting Reserve releases which are included as expense items on the Income Statement.	$ -
4	Project Improvement Reserve Releases under the Flexible Subsidy Program that are included as expense items on this Income Statement.	$ -

Part III- Income & Expense Sub-Accounts

	Description of Account	HUD Acct. #	SHP Acct. #	Amount*	
Tenant Charges 5920	NSF & Late Charges	5915		$ -	
	Damages & Cleaning Fees	5930		$ 19,503	
	Forfeited Tenant Security Deposits	5940		$ -	
	Tenant Charges	5920			$ 19,503
Office 6311	Office Supplies	6315	4151	$ 1,538	
	Telephone and Answering Service	6360		$ 4,070	
	Office Expenses	6311			$ 5,608
Payroll 6510	Janitor and Cleaning Payroll	6511		$ -	
	Grounds Payroll	6535		$ -	
	Repairs Payroll	6540		$ 129,799	
	Payroll	6510			$ 129,799
Supplies 6515	Janitor and Cleaning Supplies	6516		$ -	
	Exterminating Supplies	6522		$ -	
	Ground Supplies	6536		$ -	
	Repairs Material	6541		$ 26,629	
	Decorating Supplies	6561		$ -	
	Supplies	6515	4420		$ 26,629
Contracts 6520	Janitor and Cleaning Contracts	6517		$ -	
	Exterminating Contracts	6519		$ 4,455	
	Grounds Contracts	6537		$ 21,120	
	Repairs Contracts	6542		$ 33,568	
	Elevator Maintenance Contract	6545		$ -	
	Swimming Pool Maintenance Contract	6547		$ -	
	Decorating (Painting) Contract/Payroll	6560		$ -	
	Contracts	6520	4430		$ 59,143
Misc. 6790	Miscellaneous Taxes, Licenses, Permits	6719		$ -	
	Other Insurance	6729		$ -	
	Miscellaneous Taxes, Permits & Insurance	6790			$ -

COMPUTATION OF SURPLUS CASH, DISTRIBUTIONS, AND RESIDUAL RECEIPTS

Connecticut Housing Finance Authority
Asset Management - Multifamily Housing

CHFA Form HM 6-51A (Rev. 09/2024 - Effective FYE 12/31/2024)

Project Name:	Meadowview Manor	Fiscal Year-End:	December 31, 2025
CHFA Number:	85182D	Beginning Date:	January 1, 2025
HUD Number:	0	Mortgagor:	Stratford Housing Authority

Part A - COMPUTE SURPLUS CASH

CASH	1. Cash (Accounts 1110, 1120, 1191)	$ 2,504,985	
	2. Tenant Subsidy vouchers due for period covered by financial statement	$ -	
	3. Replacement Reserve withdrawals requested prior to the balance sheet date and approved by CHFA prior to the date of the audit report	$ -	
	4. Other (describe)	$ -	
	(A) Total Cash (Add Lines 1, 2, and 3)		$ 2,504,985
CURRENT OBLIGATIONS	5. Accrued mortgage interest payable	$ -	
	6. Delinquent mortgage principal payments	$ -	
	7. Delinquent deposits to reserve for replacements	$ -	
	8. Accounts payable (due within 30 days)	$ 2,720	
	9. Loans and notes payable (due within 30 days, if allowed under CHFA loan documents)	$ -	
	10. Deficient Tax Insurance or MIP Escrow Deposits	$ -	
	11. Accrued expenses (not escrowed)	$ 2,744	
	12. Prepaid Rents (Account 2210)	$ -	
	13. Tenant security deposits liability (Account 2191)	$ 64,488	
	14. Other (Describe)	$ -	
	(B) Less: Total Current Obligations (Add Lines 4 through 13)		$ 69,952
	(C) Surplus Cash (Deficiency)(Line (A) minus Line (B))		$ 2,435,033

Part B - COMPUTE DISTRIBUTIONS TO OWNERS AND REQUIRED DEPOSIT TO RESIDUAL RECEIPTS

	1a. Surplus Cash (From Line (C))		$ 2,435,033
	1b. Less: Additional Interest Due CHFA, if applicable		$ -
	1c. Surplus Cash Available for Distribution		$ -
LIMITED DIVIDEND PROJECTS	2a. Annual Distribution Earned During Fiscal Period Covered by Statement	$ -	
	2b. Distribution Accrued and Unpaid as of the End of the Fiscal Period	$ -	
	2c. Distributions Paid During Fiscal Period Covered by Statement	$ -	
	3. Cumulative Distributions Earned but Unpaid (Line 2a plus 2b minus 2c)	$ -	
	4. Amount Available for Distribution During Next Fiscal Period		$ -
	5. Cash Flow Loan Payments Due CHFA, if applicable		$ -
	6. Deposits Due Residual Receipts or Other Reserve held by CHFA (Must be deposited with Mortgagee as stated in your Legal Documents (e.g. Regulatory Agreement, Assistance Agreement, etc.))		$ -

COMPUTATION OF
NET OPERATING INCOME

Connecticut Housing Finance Authority
Asset Management - Multifamily Housing

CHFA Form HM 6-52 (Rev. 09/2024 - Effective FYE 12/31/2024)

Project Name: Meadowview Manor
Fiscal Year-End: December 31, 2025
CHFA Number: 85182D
Beginning Date: January 1, 2025
HUD Number:
Mortgagor: Stratford Housing Authority

Part I - COMPUTE NET OPERATING INCOME (Source HM 6-50 "Statement of Operations")

	Account #	
A. Profit (Loss) before Depreciation	5060T	$ 196,875
B. Less: Revenue from Investments - Residual Receipts	5430	$ -
C. Less: Revenue from Investments - Replacement Reserves	5440	$ -
D. Less: Revenue from Investments - Miscellaneous (Restricted Accounts Only)	5490	$ -
E. Plus: Total Financial Expenses	6800T	$ -
F. Less: Replacement Reserve Deposits	Part II #2	$ -
G. Net Operating Income (NOI)		**$ 196,875**

Part II - IDENTIFY SPECIAL FINANCIAL CONDITIONS FOR ADJUSTMENT

A. Replacement Reserves and One-Time Sources of Activity

1) Disbursements from replacement reserve during period covered by the statement $ -
   a) Plus: Pending requests at year-end for the release of funds from the replacement reserve to cover items either expensed or capitalized during the period covered by the statement $ -
   b) Less: Total of funds received from replacement reserve during the period covered by the statement that were expensed or capitalized in prior years $ -
   c) Less: Amount capitalized as increases in fixed assets during the period covered by the statement $ -
   d) Total disbursements from the replacement reserve included as expenses on HM 6-50 $ -

2) Are there any extraordinary or one-time sources of income and/or expense(s) that are included on the Statement of Operations? (e.g.: Proceeds from Insurance claim not received in the same period as the loss) YES [X] NO [ ]

3) If YES, explain reason(s) and amount(s) below:

	$ -
	$ -
	$ -
	$ -

TOTAL Extraordinary or one-time income / expense(s) $ -

B. Other Restricted Reserves

1) Have all disbursements from other restricted reserve accounts (Operating Reserve, Residual Receipts, etc.) been capitalized as Increases on the Schedule of Fixed Assets? YES [ ] NO [ ] N/A [X]

2) If NO, what is the amount of other restricted reserve account releases that are represented as expenditures on the Statement of Operations? Explain reason(s) and amount(s) below:

	$ -
	$ -

$ -

C. Interest Reduction Payments (HUD Section 236 developments only)

1) Are Interest Reduction Payments (IRP) from HUD Section 236 contracts shown as Income in Account #5945 and included in the expense line item Interest on Mortgage Payable in Account #6820? YES [ ] NO [ ] N/A [X]

2) If NO, what is the annual amount of the IRP paid to CHFA by HUD on the development's behalf not included as income in Account #5945? $ -

Part III - ADJUSTED NET OPERATING INCOME FROM PART II

	Source	
Net Operating Income	Part I - G	$ 196,875
Plus: Replacement Reserve releases included as expenses in Statement of Operations	Part II - A1	$ -
Less/Plus: Extraordinary or one-time income / expense(s)	Part II - A3	$ -
Plus: Other Restricted Reserve Accounts	Part II - B2	$ -
Plus: Interest Reduction Payments	Part II - C2	$ -
Equals: Adjusted Net Operating Income (NOI)		**$ 196,875**

GEEL
AUDIT & ACCOUNTING

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Commissioners
Housing Authority of the Town of Stratford

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Housing Authority of the Town of Stratford as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Housing Authority of the Town of Stratford's basic financial statements, and have issued our report thereon dated September 23, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Housing Authority of the Town of Stratford's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of the Town of Stratford's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the Town of Stratford 's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Housing Authority of the Town of Stratford's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Geel LLP
Certified Public Accountants

Bristol, Connecticut
September 23, 2026

GEEL
AUDIT & ACCOUNTING

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE

Board of Commissioners
Housing Authority of the Town of Stratford

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Housing Authority of the Town of Stratford's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Housing Authority of the Town of Stratford's major federal programs for the year ended December 31, 2025. The Housing Authority of the Town of Stratford's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Housing Authority of the Town of Stratford complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Geel LLP
Certified Public Accountants

Bristol, Connecticut
September 23, 2026

HOUSING AUTHORITY OF THE TOWN OF STRATFORD
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2025

Federal Grantor / Pass-Through Grantor / Program Title	Assistance Listing Number	Pass-Through / Grant Identification Number	Federal Expenditures
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)			
Direct Programs:			
Public Housing Operating Fund	14.850	CT027	$ 1,186,301
Section 8 Housing Choice Vouchers	14.871	CT027	5,198,217
Total Housing Voucher Cluster			5,198,217
Public Housing Capital Fund	14.872	CT26-P027-501-21	3,563
Public Housing Capital Fund	14.872	CT26-P027-501-22	268,629
Public Housing Capital Fund	14.872	CT26-P027-501-23	883,502
Public Housing Capital Fund	14.872	CT26-P027-501-24	175,969
Total PHCF			1,331,663
Total Direct Programs			$ 7,716,181
Pass-through the Town of Stratford:			
Community Development Block Grant	14.218	49, 50	$ 83,936
Total Expenditures of Federal Awards			$ 7,800,117

See accompanying notes to
Schedule of Expenditures of Federal Awards.

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the Authority under programs of the federal government for the year ended December 31, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, change in net positions, or cash flows of the Authority.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(1) Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(2) Pass-through entity identifying numbers are presented where available.

(3) The Authority has not elected to use the 15 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE C – PROGRAM COST

The amounts presented as federal expenditures represent only the federal portion of the actual program costs. Actual program costs, including the Authority's portion, may be more than is shown on the schedule.

I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: **Unmodified**

Internal control over financial reporting:			
• Material weakness(es) identified?	____ Yes	X No	
• Significant deficiency(ies) identified?	____ Yes	X None Reported	
Noncompliance material to financial statements noted?	____ Yes	X No	

Federal Awards

Internal control over major programs:			
• Material weakness(es) identified?	____ Yes	X No	
• Significant deficiency(ies) identified?	____ Yes	X None Reported	
Type of auditor's report issued on compliance for major federal programs:	**Unmodified**		
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	____ Yes	X No	

Identification of major federal programs:	
Assistance Listing Number(s)	Name of federal program or cluster
14.871	Housing Voucher Cluster

Dollar threshold used to distinguish between type A and type B programs:	$ 1,000,000		
Auditee qualified as a low-risk auditee?	X Yes	____ No	

II. Financial Statement Findings

No current year audit findings reported.

III. Federal Awards Findings

No current year audit findings reported.