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NATIONAL HOUSING AGENCY
FEDERAL PUBLIC HOUSING AUTHORITY

FINANCIAL REPORT

FOR FISCAL YEARS ENDING
JUNE 30, 1944 AND JUNE 30, 1943

BUDGET-TREASURY REGULATION NO. 2
EXECUTIVE ORDER NO. 8512, AS AMENDED
BY EXECUTIVE ORDER NO. 9084

Bureau of Accounts
Treasury Department
Washington, D. C.

Dear Sirs:

In accordance with the provisions of Budget-Treasury Regulation No. 2, and Executive Order No. 8512, as amended by Executive Order No. 9084, there is submitted herewith the Financial Report of the Federal Public Housing Authority for the fiscal year ending June 30, 1944.

Sincerely yours,

H. L. WOOTEN
Comptroller

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NATIONAL HOUSING AGENCY
FEDERAL PUBLIC HOUSING AUTHORITY

CONSOLIDATED BALANCE SHEET

As of June 30, 1944 and June 30, 1943

ASSETS

CHAPTER CODES		JUNE 30, 1944		JUNE 30, 1943		INCREASE OR DECREASE
	<u>CASH:</u>					
1	On Hand or in Banks	\$115,101.15		\$7,980.76		
1-2-3	With Treasurer of United States	83,644,067.20		69,984,683.44		
			\$83,759,168.35		\$69,992,664.20	\$13,766,504.15
	<u>APPROPRIATED FUNDS:</u>					
1-2	Other		147,946,189.17		466,903,761.86	* 318,957,572.69
	<u>INVESTMENTS:</u>					
1	Public Debt Obligations of the United States	7,153,067.98		7,158,279.51		
1	Other Securities	210.00		210.00		
			7,153,277.98		7,158,489.51	* 5,211.53
	<u>LOANS RECEIVABLE:</u>					
3	Loans to Aid Homeowners	\$2,126,079.98		\$2,188,620.31		
3	Loans to Aid Industry	5,243,963.96		---		
1	Loans to Aid States, Territories, etc.	308,345,426.81		314,939,562.83		
1	Other Loans	1,586,431.43		1,619,836.18		
			317,301,902.18		318,748,019.32	
3	Less: Reserve for Losses	* 2,000,000.00		---		
			315,301,902.18		318,748,019.32	* 3,446,117.14
	<u>ACCOUNTS AND NOTES RECEIVABLE:</u>					
1-2-3	Due from Government Agencies		401,439.05		116,322.43	
	Due from Others:					
1	Anticipated Return Premium - Insurance	122,534.23		122,534.23		
3	Moratorium Interest Notes	44,266.38		52,700.36		
1-2-3	Others	15,459,973.17		8,883,888.47		
			15,626,773.78		9,059,123.06	
			16,028,212.83		9,175,445.49	6,852,767.34
	<u>ACCRUED ASSETS:</u>					
1	Interests on Public Debt Obligations		26,040.93		78,765.95	
	Due from Others:					
1	Interest		3,632,968.33		3,444,324.11	
			3,659,009.26		3,523,090.06	135,919.20
	<u>COMMODITIES, SUPPLIES AND MATERIALS:</u>					
1-2-3	Held for Use		985,907.87		51,509.65	934,398.22
	<u>LAND, STRUCTURES AND EQUIPMENT:</u>					
1-2-3	Land, Structures and Equipment	1,617,333,043.54		1,147,548,589.82		
1	Less: Reserve for Depreciation	* 577,440.54		* 478,726.26		
			1,616,755,603.00		1,147,069,863.56	469,685,739.44
1-3	DEFERRED CHARGES		233,015.10		124,047.57	108,967.53
3	UNDISTRIBUTED DEBITS		398,711.93		---	398,711.93
1	OTHER ASSETS		449,623,954.19		363,819,121.17	85,804,833.02
	TOTAL		2,641,844,947.88		2,386,566,012.39	255,278,935.49

* Minus Items Deduct.

NATIONAL HOUSING AGENCY
FEDERAL PUBLIC HOUSING AUTHORITY

CONSOLIDATED STATEMENT OF INCOME AND EXPENSE AND ANALYSIS OF SURPLUS

As of June 30, 1944

<u>CHAPTER CODE</u>	<u>INCOME AND EXPENSE</u>			
	<u>OPERATING INCOME:</u>			
1	Interests on Loans	\$8,081,380.75		
1	Interests or Dividends on Investments	14,100.99		
1-2-3	Rents and Royalties - Federally Operated Projects	47,461,490.21		
1-2	Net Income - Lease Operations	28,687,174.69		
1	Surplus Adjustments - Prior Year Operations	629,799.70		
2-3	Other Income	<u>5,724,509.58</u>		
	Total Operating Income		\$90,598,455.92	
	<u>OPERATING EXPENSE:</u>			
1	Interests on Borrowed Funds	4,219,535.39		
1-2-3	Administrative Expense	15,318,987.87		
1	Non-Administrative Expense	9,016.39		
1-2-3	Project Operating Expense - Federal Operations	25,722,960.67		
1	Depreciation - Furniture and Fixtures	98,714.28		
2	Improvements	737,121.29		
2-3	Payments in Lieu of Taxes	5,496,697.10		
2	Property Loss Replacements	224,485.17		
2	Miscellaneous Expense	603,763.31		
2	Trust Fund Reserve	<u>542,342.13</u>		
	Total Operating Expenses		52,973,623.66	
	Net Operating Income			\$37,624,832.32
	<u>NON-OPERATING INCOME AND EXPENSE:</u>			
1	Direct Contributions		* 10,131,076.59	
1	Surplus Adjustment - Cancellation of Prior Year Reserves for Other Project Administration Costs		<u>1,124,207.23</u>	
	Net Non-Operating Loss			* 9,006,869.36
	Net Income (or Loss*) (Includes Contributions)			28,617,962.96
1	Less: Direct Contributions			* 10,131,076.59
	Net Income (or Loss*) Carried to undivided Profits			<u>38,749,039.55</u>
	<u>ANALYSIS OF UNRESERVED SURPLUS</u>			
	<u>CUMULATIVE CONTRIBUTIONS:</u>			
1	At Beginning of Period			24,555,949.30
1	Contributions for Period			10,131,076.59
	At End of Period			<u>34,687,025.89</u>
	<u>UNDIVIDED PROFITS OR LOSSES:</u>			
1-3	At Beginning of Period			3,430,187.97
1-3	Net Income (or Loss*) for period			5,434,485.83
	At End of Period			<u>8,864,673.80</u>

* Minus Items Deduct.

"Chapter Codes" indicate items represented in consolidation of Income and Expense Statements as of June 30, 1944.

CHAPTER ONE

**Financial Report
Under the U. S. Housing Act
For Fiscal Years Ending
June 30, 1944 and June 30, 1943**

NATIONAL HOUSING AGENCY
FEDERAL PUBLIC HOUSING AUTHORITY

PART I

HISTORY, ORGANIZATION AND FUNCTIONS

Detailed statements covering history and development of the Authority have been set forth in the report under Senate resolution 150, 76th Congress, First Session (Senate Document No. 172), in report under Senate Resolution 292, 77th Congress, Second Session and in reports submitted under Treasury Regulation No. 2 for fiscal years ending June 30, 1942 and June 30, 1943.

PART II

COMMENTS ON FINANCIAL STATEMENTS

GENERAL COMMENTS

The balance sheet and income and expense statement presented with this report have been prepared to conform as nearly as possible with the form required under Treasury Regulation 3, under Executive Order 8512.

PART III

COMMENTS ON ITEM GROUPS

Assets

<u>Cash-Corporation Funds</u>	<u>June 30, 1944</u>	<u>June 30, 1943</u>
Item 1. On hand	\$115,101.15	\$7,980.76
Item 2. With Treasurer of U. S.	41,965,809.52	45,006,183.29
	<u>\$42,080,910.67</u>	<u>\$45,014,164.05</u>

Item 1. Cash on hand or in banks, represents rental receipts collected by Housing Managers of the directly managed PWA and PAFI Projects, which are held in safes pending deposit to the appropriate Corporation Fund account of Mr. G. F. Allen, Chief Disbursing Officer, for credit to the Authority.

Item 2. The cash on deposit with the United States Treasury is composed of the following funds:

	<u>June 30, 1944</u>	<u>June 30, 1943</u>
Administrative	\$326,608.61	\$1,961,496.54
Bond	22,812,167.95	33,470,766.39
Loan	3,038,451.75	5,561,609.70
Collection Account	10,143,497.48	1,521,628.89
Management	4,625,801.63	2,121,624.98
Operation and Maintenance	1,019,282.10	369,056.79
	<u>\$41,965,809.52</u>	<u>\$45,006,183.29</u>

The Administrative Fund represents the unexpended amounts of funds authorized for salaries and expenses in the Independent Office's Appropriation Acts of 1940, 1941, 1942, 1943 and 1944, and the second supplemental National Defense Appropriation Act of 1942. Accounts payable (item 17(a)) and miscellaneous adjustments will be liquidated from this fund.

The Bond Fund represents the unexpended balance of the proceeds of the Series "K" notes sold to the U. S. Treasury, supplemented by repayments of advances to local housing authorities.

The Loan Fund represents the repayments of principal of obligations of the PWA Limited Dividend Corporations and the realizations from other assets, not including repayments of principal of loans to local housing authorities, financed from funds borrowed by this Authority. The assets of this account are further represented by the General Fund Investments (included as part of item 4).

The Interest Fund represents the unexpended balance of interest income of the Authority, collected from Local Housing Authorities and PWA Limited Dividend Corporations. The funds deposited in this account are withdrawn for payment of interest to the U. S. Treasury and for transfer to the Administrative Fund to provide funds for payment of Administrative Salaries and Expenses.

The Management Fund is composed of rental receipt from the PWA Housing Division projects, directly operated by FPWA and the net return on projects leased to Local Housing Authorities. Disbursements from this fund are for investment in Government Bonds to cover operating reserves and for expenditures incidental to the operation of these projects, including Central and Regional office expense.

The Operation and Maintenance Fund is comprised of the rental receipts from FPWA owned projects (other than PWA Housing Division Projects) directly managed by FPWA and the net return on such projects, which are leased to Local Housing Authorities. Disbursements from this fund are for operating expenses and for payment of that portion of the FPWA interest expense which applies to the funds used for the construction of the aforementioned projects. Funds covering operating reserves are also deposited in this account and are withdrawn from time to time for investment in U. S. Government Bonds.

<u>Available Cash from Appropriation</u>	<u>June 30, 1944</u>	<u>June 30, 1943</u>
Item 3. Contribution Fund	\$2,064,054.11	\$6,444,050.70

The Contribution Fund represents the unexpended balance of appropriation and reappropriation for Annual Contributions to Local Housing Authorities for the fiscal year 1944. The balance in this fund at the close of each fiscal year is reappropriated to supplement the new appropriation for the ensuing year.

<u>Investments</u>	<u>June 30, 1944</u>	<u>June 30, 1943</u>
Item 4. Public Debt Obligations of the U. S.	\$7,153,067.98	\$7,158,279.51
Item 5. Stock - FWA Limited Dividend Corporations	210.00	210.00
	<u>\$7,153,277.98</u>	<u>\$7,158,489.51</u>

Item 4 is composed of investments in U. S. Treasury Bonds, including unamortized purchase premium, which were purchased with funds representing project operating reserves of this Authority. A schedule reflecting these purchases is attached.

Item 5 is composed of stock purchased by the Federal Emergency Administration of Public Works at the time of organization of the Limited Dividend Corporations and subsequently transferred to this Authority as paid-in surplus.

<u>Loans Receivable</u>	<u>June 30, 1944</u>	<u>June 30, 1943</u>
Item 6. Loans to aid States, Territories, etc.	\$308,345,426.81	\$314,939,562.83
Item 7. Other Loans	1,586,431.43	1,619,836.18
	<u>\$309,931,858.24</u>	<u>\$316,559,399.01</u>

Item 6 comprises the net advances to local housing authorities for account of commitments under loan contracts and is represented by interest bearing notes and Series "B" Bonds of the local housing authorities held by Federal Reserve Banks as custodians and fiscal agents for this Authority. The reduction evidenced during the year is increased borrowings by the Local Housing Authorities from other sources and subsequent refunding to this Authority.

Item 7 represents the unpaid principal balance of indebtedness of the Limited Dividend Corporations to this Authority. This account has been reduced during the 1944 fiscal year by the amounts of principal repayments received from the Limited Dividend Corporations.

<u>Accounts Receivable</u>	<u>June 30, 1944</u>	<u>June 30, 1943</u>
Item 8. Due from Government Agencies	\$1,712.35	\$20,802.02
Item 9(a). Anticipated Return Premium-Insurance	122,534.23	122,534.23
Item 9(b). Other	4,929,547.58	3,688,773.33
	<u>\$5,053,794.16</u>	<u>\$3,832,109.58</u>

Item 8 consists of receivables from other Government agencies for personal services and supplies furnished and for rent on FWA Housing Division Projects leased to the National Capital Housing Authority. (See schedule listing agencies involved.)

Item 9(a) consists of differences in amounts advanced to various insurance companies as deposit premiums and the estimated three year costs of Public Liability and Fire Insurance on the FWA Housing Division Projects under blanket coverage.

Item 9(b) Accounts Receivable, other represents amounts due this Authority from various sources, but principally from Local Housing Authorities, for accrued rents under lease operations or for materials purchased, for which the Authority is to receive reimbursement. Also included are construction funds held by Local Housing Authorities for completion of certain projects in the State of Ohio.

<u>Accrued Assets</u>	<u>June 30, 1944</u>	<u>June 30, 1943</u>
Item 10. Interest on Public Debt Obligations	\$26,040.93	\$78,765.95
Item 11(a). Interest - FWA Ltd. Dividend Corporations	30,807.18	31,410.28
Item 11(b). Interest - Local Housing Authorities	3,602,151.15	3,400,068.43
	<u>\$3,659,009.26</u>	<u>\$3,510,244.66</u>

Item 10 represents interest accrued on investments in U. S. Treasury Bonds.

Item 11(a) represents accrued interest due this Authority from the FWA Limited Dividend Corporations.

Item 11(b) represents accrued interest due this Authority from the Local Housing Authorities on Notes and Bonds Receivable.

<u>Commodities, Supplies and Materials</u>	<u>June 30, 1944</u>	<u>June 30, 1943</u>
Item 12. Held for use	\$12,300.23	\$9,727.04

This item represents supplies and materials included in inventories at the sites of projects operated directly by FPHA which have not been charged to expense.

Item 13. Land, Structures and Equipment

The following items are included in the amount shown under this caption:

	<u>June 30, 1944</u>	<u>June 30, 1943</u>
(a) Development Cost - FWA Housing Division Projects	\$127,120,332.25	\$127,114,730.02

	June 30, 1944	June 30, 1943
(b) Development Cost - FFHA owned projects (other)	\$59,453,760.01	\$46,023,195.74
(c) Indeterminate Dev. Cost Charges - FFHA Owned Projects	-----	158,314.04
(d) Advances on Purchase Agreements	1,700,000.00	1,700,000.00
(e) Furniture and Fixtures	532,783.87	532,783.87
	<u>\$181,915,876.13</u>	<u>\$175,529,023.67</u>

(a) represents the initial development cost of FWA Housing Division Projects plus or minus any subsequent adjustments for additional costs or sale of property or equipment. The increase of \$5,602.23 in the fiscal year 1944 is made up of an amount of \$8,131.73 covering a liquidation of an obligation in connection with a FWA Housing Project in Buffalo, New York, from funds acquired under Deficiency Appropriation, which amount is partially offset by collections for surplus equipment sold or transferred to War Housing Projects in the amount of \$2,529.50.

(b) represents amounts of borrowed funds of the Authority which are invested in housing projects, either through direct construction or through purchase in lieu of foreclosure of certain FFHA aided projects in the state of Ohio. The increase during the 1944 fiscal year is due to expenditures for direct construction.

(c) Indeterminate Development Cost charges on FFHA owned projects as shown for June 30, 1943 represented items of development cost which were undistributed at that date. This distribution has now been completed.

(d) represents cash advances to local housing authorities in accordance with agreements for the completion of construction and subsequent purchase by this Authority of the projects involved. No change in this amount is reflected for the 1944 fiscal year, since the projects are involved in litigation, at the conclusion of which title will be transferred to the FFHA.

(e) represents cumulative expenditures from Administrative Funds for purchase of furniture and fixtures currently used in the Central and Regional offices of this Authority.

Item 14. Reserve for Depreciation

This item represents depreciation on furniture and fixtures purchased from Administrative Funds only. Depreciation is computed at the rate of 15.6% per annum from the date of purchase.

Note: No item for depreciation on structures is carried on the books of the Authority at this date. It should also be noted that Reserves for Repairs, Maintenance and Replacements are not depreciation reserves, but are merely maintained to spread costs of unusual repairs, etc. over a period of years. Such reserves are accrued as follows:

"Deferred Charges" is represented by the following:

Item 15. <u>Prepaid Expense</u>	June 30, 1944	June 30, 1943
(a) Prepaid Insurance	\$82,587.92	\$75,123.22
(b) Prepaid Expense (other)	19,999.77	14,059.36
	<u>\$102,587.69</u>	<u>\$89,182.58</u>

(a) Prepaid Insurance represents the unexpensed portion of insurance premiums on blanket policies for Fire, Public Liability, Burglary and Robbery, Plate Glass and Boiler coverage on the FWA Housing Division Projects.

(b) Prepaid Expense (other) represents the unexpensed portion of costs for alterations and betterments or operating improvements at project sites which are being amortized over a five year period.

<u>Other Assets</u>	June 30, 1944	June 30, 1943
Item 16. Loan Allotment Contracts (Contra)	\$49,623,954.19	\$363,819,121.17

This item represents the unliquidated portion of definite and contingent commitments for purchase of Local Housing Authority obligations and is contra to item 22(b) of the balance sheet.

Liabilities

Accounts Payable

Item 17. Due Others	June 30, 1944	June 30, 1943
(a) Administrative and other obligations	\$63,776.06	\$392,909.27
(b) Security deposits	12,972.45	10,487.90
	<u>\$76,748.51</u>	<u>\$403,397.17</u>

This item represents unliquidated obligations for administrative and project operating expenses.

(b) This item represents funds collected from project tenants at the time of occupancy, to be held in trust by the lessor during the period of such occupancy. These deposits are held as security to cover misuse of property or negligence on the part of the lessee in maintaining the premises in accordance with regulations prescribed in the tenants' leases. Unapplied balances of such accounts are refunded to the tenants at the termination of tenancy.

Accrued Liabilities

Item 18. Due Others	June 30, 1944	June 30, 1943
(a) Payments in lieu of taxes	\$774,935.33	\$686,517.39
(b) Allowance for leave liability	47,270.44	149,371.83
(c) Interest - Series "B" Notes guaranteed by U. S.	-0-	654,024.47
	<u>\$822,205.77</u>	<u>\$1,489,913.69</u>

Item 18(a) represents accrued payments in lieu of taxes on the FPA and other FPA owned projects.

Item 18(b) represents amounts billed and received from Local Housing Authorities for accrued annual leave of construction advisers and their staffs, who are employees of this Authority, rendering technical advice and assistance in the construction of the FPHA aided projects.

Item 18(c) represents the accrual of interest on 1-3/8 per cent, Series "B" notes of the FPHA, sold on the open market and guaranteed by the United States. (These notes were retired on February 1, 1944 with the proceeds of additional Series "K" notes of this Authority which are held by the U. S. Treasury.)

Bonds, Debentures and Notes Payable

Item 19. Due Government Agencies	<u>June 30, 1944</u>	<u>June 30, 1943</u>
(a) U. S. Treasury	\$398,000,000.00	\$283,000,000.00

Item 19(a) represents Series "K" 1" notes dated June 30, 1943, issued by the FPHA to the U. S. Treasury. These notes have been extended to mature June 30, 1944. The additional borrowings during the fiscal year 1944 were used to refund Series "F" notes held by the general public.

Item 20. Other Obligations	<u>June 30, 1944</u>	<u>June 30, 1943</u>
(a) Guaranteed by the United States:	-0-	114,157,000.00

Item 20(a) represents Series "B" five year notes, at 1-3/8", held by the general public and retired on February 1, 1944 with funds realized from the issuance of additional Series "K" notes to the U. S. Treasury. (Item 19.)

	<u>June 30, 1944</u>	<u>June 30, 1943</u>
Item 21. Prepaid Rent	10,699.40	16,771.09

Item 21 represents prepaid rentals from tenants of the directly operated FPA Housing Division Projects, which will subsequently be applied to income.

Other Liabilities

Item 22. Other Liabilities	<u>June 30, 1944</u>	<u>June 30, 1943</u>
(a) Operating reserves	6,143,456.71	7,783,411.80
(b) Unliquidated loan allotments	449,823,954.19	333,819,121.17
	<u>455,967,410.90</u>	<u>333,262,438.07</u>

Item 22(a) represents operating reserves for all FPHA owned projects distributed as follows:

<u>FPA Housing Division Projects</u>	<u>June 30, 1944</u>	<u>June 30, 1943</u>
Repairs, Maintenance and Replacements	4,521,889.69	4,521,228.25
Vacancy and Collection Losses	1,519,967.02	1,078,168.64
Insurance	1,100.00	1,000.00
	<u>6,142,956.71</u>	<u>5,599,416.89</u>

Item 22(b) represents the unliquidated portion of definite and contingent loan contract commitments for purchase of local housing authority obligations and is contra to item 16 of the balance sheet. This item is reflected on the books as follows:

<u>FPHA Loan Contracts</u>	<u>June 30, 1944</u>	<u>June 30, 1943</u>
Commitments under Loan Contract - Definite	747,339,085.00	647,245,911.00
Add: Contingent Loan Commitments	10,600,296.00	33,802,773.00
Total Loan Contract Commitments	<u>757,939,381.00</u>	<u>678,758,784.00</u>
Less: Loan Advances	308,345,426.81	314,539,612.83
	<u>449,593,954.19</u>	<u>333,819,121.17</u>

Capital

<u>Paid-In Capital</u>	<u>June 30, 1944</u>	<u>June 30, 1943</u>
Item 23. Capital Stock	1,000,000.00	1,000,000.00
Item 24. Paid-In Surplus	114,830,708.02	114,830,708.02
Item 25. Expended Appropriations (Net)	60,642,601.39	50,483,411.31
Total Paid-In Capital	<u>1,764,333,309.41</u>	<u>1,758,314,127.35</u>

Item 23 represents the amount of Capital Stock authorized in the United States Housing Act of 1937, Section 17, whereby it was provided that the Secretary of the Treasury, out of any funds available, make such purchase.

Item 24 is composed of property and equipment transferred from the Federal Emergency Administration of Public Works at November 1, 1937.

Item 25 is composed of and represents the use of appropriated funds, made available for the construction of the FPA Housing Division Projects, and those funds appropriated for the purpose of subsidizing the income of the FPHA aided projects which is abnormally low, due to the substandard rents prescribed by Congress in the Housing Act, in order that normal operating expenses and debt amortization may be met each year.

<u>Earned Surplus</u>	<u>June 30, 1944</u>	<u>June 30, 1943</u>
Item 26. Reserve for Contingencies	\$983,884.84	\$1,819,727.43
Item 27. Unreserved Surplus		
(a) Cumulative Grants, Subsidies and Contributions	34,587,025.89*	24,555,910.30*
(b) Undivided Profits	8,549,895.07	3,300,837.19
	<u>\$25,153,215.98*</u>	<u>\$19,435,384.38*</u>

Item 26 represents reserves for alterations and betterments, working capital and other project administration costs, the latter having been cancelled during the 1944 fiscal year, is shown as a surplus adjustment on Income and Expense Statement (item 40).

Item 27(a) represents the deletion of cumulative appropriation for Annual Contributions which were included and explained under item 25 above, in order that the total capital may not include such appropriations as surplus.

Item 27(b) represents cumulative profits from FPHA operations since inception.

<u>UNEXPENDED APPROPRIATION</u>	<u>June 30, 1944</u>	<u>June 30, 1943</u>
Item 28. Unexpended Appropriation - Annual Contributions	\$2,064,054.11	\$6,444,050.70

Item 28 represents the unexpended balance of amounts appropriated by Congress for the purpose of subsidizing income of Local Housing Authorities in order to maintain the low-rent character of the FPHA aided projects. See United States Housing Act of 1937 (as amended), Section 10(e).

INCOME AND EXPENSE AND ANALYSIS OF SURPLUS

INCOME AND EXPENSE

<u>Operating Income</u>	<u>June 30, 1944</u>	<u>June 30, 1943</u>
Item 29. Interest on Loans	\$8,081,380.75	\$9,574,130.68
Item 30. Interest or Dividends on Investments	14,100.99	11,171.15
Item 31. Dwelling Rent - Federal Operations	875,776.35	778,202.56
Item 32. Net Income - Lease Operations	2,864,170.90	1,228,705.65
Item 33. Surplus Adjustments - Prior Year Operations	529,799.70	227,113.75
Total Operating Income	<u>\$12,465,228.69</u>	<u>\$11,819,323.79</u>

Item 29 represents the total accrued interest revenue derived from loan advances to Local Housing Authorities for account of FPHA aided projects, and from loans to FWA Limited Dividend Corporations on mortgages executed by FWA.

Item 30 comprises total accrued interest on General Fund Investments of the Authority, represented by U. S. Government Bonds.

Item 31 represents total rental revenue of the FWA Housing Division Projects, directly operated by FPHA.

Item 32 represents net profit, after expense and reserve accruals, from the FWA and other FPHA owned projects leased to Local Housing Authorities for operation.

Item 33 represents adjustments in earned surplus for prior year operations, resulting from adjustments of reserves and other accrued items at the time the projects' books were audited.

<u>Operating Expense</u>	<u>June 30, 1944</u>	<u>June 30, 1943</u>
Item 34. Interest on Borrowed Funds	\$4,219,535.39	\$4,378,254.09
Item 35. Administrative Expense	3,165,000.00	3,649,133.51
Item 36. Non-Administrative Expense	269,016.39	269,557.29
Item 37. Project Operating Expense - Federal Operations	588,112.28	561,913.18
Item 38. Depreciation - Furniture and Fixtures	98,714.28	87,180.70
Total Operating Expenses	<u>\$8,340,378.34</u>	<u>\$8,946,038.77</u>

Item 34 represents the interest expense during the year on funds borrowed from the U. S. Treasury and from the General Public, the latter in the form of Series "B" five year notes dated February 1, 1939 were retired on February 1, 1944.

Item 35 represents the total amount of funds transferred to the General Administrative (pooled) Appropriation of this Authority which were estimated to cover the expense of administering the FPHA aided program for the 1944 fiscal year.

Item 36 being similar in nature to item 35, represents \$260,000.00 in funds, so transferred to cover cost of administration of that part of the program related to the FWA Housing Division Projects, plus additional obligations in the amount of \$9,016.39 incurred and liquidated at the beginning of the current year which were appropriately applicable to the prior fiscal year.

Item 37 represents operating expenses, including accrual of reserves, which were incurred in connection with the operation of the directly operated FWA Housing Division Projects, income for which is shown under item 31.

Item 38 represents depreciation at the rate of 15.6% of the total amount included in item 13, as Furniture and Fixtures and corresponds to the change reflected for the year in item 14 of the balance sheet.

*Minus items - deduct.

Non-Operating Income and Expense

	<u>June 30, 1944</u>	<u>June 30, 1943</u>
Item 39. Direct Contributions	\$10,131,076.59*	\$9,882,882.45*
Item 40. Surplus Adjustments - Cancellation of Prior Year Reserves for Other Project Administration Costs	<u>1,124,207.23</u>	<u>1,824,970.81</u>
Net Loss carried to Undivided Profits	<u>\$9,006,869.36*</u>	<u>\$8,057,911.64*</u>

Item 39 represents the disbursements of funds for Annual Contributions to Local Housing Authorities during the 1944 fiscal year. (For further detail, refer to comments on item 25 of the Balance Sheet.)

Item 40 represents amount of reserves for "Other Project Administration Costs" which was released to surplus upon the execution of new leases with local housing authorities covering the operation of the PWA Projects. The expired leases had previously committed these funds to be reserved.

*Minus items - deduct.

NATIONAL HOUSING AGENCY
FEDERAL PUBLIC HOUSING AUTHORITY
BALANCE SHEET UNDER THE UNITED STATES HOUSING ACT

As of June 30, 1944 and June 30, 1943

<u>ASSETS</u>	<u>JUNE 30, 1944</u>	<u>JUNE 30, 1943</u>	<u>INCREASE OR DECREASE</u>
CASH - CORPORATION FUNDS:			
1. On hand or in banks	\$115,101.15	\$7,980.76	
2. With Treasurer of United States	<u>44,965,809.52</u>	<u>45,006,183.29</u>	
	\$42,080,910.67	\$45,014,164.05	* \$2,933,253.38
APPROPRIATED FUNDS:			
3. (Other) Annual Contribution Fund	2,064,054.11	6,444,050.70	* 4,379,996.59
INVESTMENTS:			
4. Public Debt Obligations of the United States	7,153,067.98	7,158,279.51	
5. Other Securities	<u>210.00</u>	<u>210.00</u>	
	7,153,277.98	7,158,489.51	* 5,211.53
LOANS RECEIVABLE:			
6. Loans to aid States, Territories, etc.	308,345,426.81	314,939,562.83	
7. Other Loans	<u>1,586,431.43</u>	<u>1,619,836.18</u>	
	309,931,858.24	316,559,399.01	* 6,627,540.77
ACCOUNTS AND NOTES RECEIVABLE:			
8. Due from Government Agencies	1,712.35	20,802.02	
9. Due From Others:			
(a) Anticipated Return Premium - Insurance	\$122,534.23	\$122,534.23	
(b) Other	<u>4,929,547.58</u>	<u>3,688,773.33</u>	
	<u>5,052,081.81</u>	<u>3,811,307.56</u>	
	5,053,794.16	3,832,109.58	1,221,684.58
ACCRUED ASSETS:			
10. Interest on Public Debt Obligations	26,040.00	78,765.95	
11. Due From Others:			
(a) Interest - FWA Limited Dividend Corporations	30,807.18	31,410.28	
(b) Interest - Local Housing Authorities	<u>3,602,151.15</u>	<u>3,400,068.43</u>	
	<u>3,632,968.33</u>	<u>3,431,478.71</u>	
	3,659,009.26	3,510,244.66	148,764.60
COMMODITIES, SUPPLIES AND MATERIALS:			
12. Held for use	12,300.23	9,727.04	2,573.19
LAND, STRUCTURES AND EQUIPMENT:			
13. Land, Structures and Equipment	188,916,876.13	175,229,323.67	
14. Less: Reserve for depreciation	<u>* 577,440.54</u>	<u>470,726.26</u>	
	188,339,435.59	175,150,297.41	13,189,138.18
DEFERRED CHARGES:			
15. Prepaid Expense	102,527.69	89,182.58	13,345.11
OTHER ASSETS:			
16. Loan Allotment Contracts (Contra)	<u>449,523,754.19</u>	<u>363,819,121.17</u>	<u>85,804,833.02</u>
TOTAL	<u>1,000,721,162.12</u>	<u>921,586,785.71</u>	<u>86,434,396.41</u>

* Minus Item Deduct.

NATIONAL HOUSING AGENCY
FEDERAL PUBLIC HOUSING AUTHORITY

BALANCE SHEET UNDER THE UNITED STATES HOUSING ACT

As of June 30, 1944 and June 30, 1943

<u>LIABILITIES</u>		<u>JUNE 30, 1944</u>	<u>JUNE 30, 1943</u>	<u>INCREASE OR DECREASE</u>
<u>ACCOUNTS PAYABLE:</u>				
17.	<u>Due Others:</u>			
	(a) Administrative and other Obligations	\$63,776.06	53,290.27	
	(b) Security Deposits	12,972.45	10,487.90	
		\$76,748.51	\$403,397.17	* \$326,648.66
<u>ACCRUED LIABILITIES:</u>				
18.	<u>Due Others:</u>			
	(a) Payments in Lieu of Taxes	774,935.33	606,517.39	
	(b) Allowance for Leave Liability	47,270.44	119,571.83	
	(c) Interest - Series "B" Notes - Guaranteed by United States	---	654,024.47	
		822,205.77	1,489,913.69	* 667,707.92
<u>BONDS, DEBENTURES AND NOTES PAYABLE:</u>				
19.	<u>Due Government Agencies:</u>			
	(a) United States Treasury	398,000,000.00	283,000,000.00	115,000,000.00
20.	<u>Other Obligations:</u>			
	(a) Guaranteed by United States	---	114,157,000.00	* 114,157,000.00
<u>DEFERRED CREDITS:</u>				
21.	Prepaid Rents	10,699.40	10,671.09	28.31
<u>OTHER LIABILITIES:</u>				
22.	<u>Reserves and Loan Obligations:</u>			
	(a) Operating Reserves	6,113,456.71	5,383,416.89	
	(b) Unliquidated Loan Obligations	449,623,954.19	359,819,121.17	
		455,767,410.90	369,202,538.06	86,564,872.84
	TOTAL LIABILITIES	854,677,064.58	768,263,520.01	86,413,544.57
<u>CAPITAL</u>				
<u>PAID-IN CAPITAL:</u>				
23.	Capital Stock	1,000,000.00	1,000,000.00	
24.	Paid-in Surplus	114,830,708.02	114,830,708.02	
25.	Expended Appropriations (Net)	60,602,601.39	50,483,091.36	
		176,433,309.41	166,314,599.38	10,118,710.03
<u>EARNED SURPLUS:</u>				
26.	Reserve for Contingencies	983,884.84	1,019,727.43	
27.	<u>Unreserved Surplus</u>			
	(a) Cumulative Grants, Subsidies and Contributions	* 34,687,025.89	* 24,55,949.30	
	(b) Undivided Profits	8,549,895.07	3,300,837.49	
		* 25,153,245.98	* 19,435,284.38	* 5,717,861.60
	TOTAL CAPITAL	151,280,063.43	145,779,215.00	4,400,848.43
<u>UNEXPENDED APPROPRIATION</u>				
28.	Unexpended Appropriation - Annual Contributions	2,064,051.11	6,444,050.70	* 4,379,996.59
	TOTAL	1,009,021,182.12	921,586,785.71	86,434,396.41

* Minus Items Deduct.

NATIONAL HOUSING AGENCY
FEDERAL PUBLIC HOUSING AUTHORITY

STATEMENT OF INCOME AND EXPENSE AND ANALYSIS OF SURPLUS

As of June 30, 1944 and June 30, 1943

<u>INCOME AND EXPENSE</u>		<u>JUNE 30, 1944</u>	<u>JUNE 30, 1943</u>	<u>INCREASE OR DECREASE</u>
OPERATING INCOME:				
29.	Interest on Loans	\$8,081,380.75	\$9,574,130.68	
30.	Interest or Dividends on Investments	14,100.99	11,171.15	
31.	Dwelling Rent - Federal Operations	875,776.35	778,202.56	
32.	Net Income - Lease Operations	2,864,170.90	1,228,705.65	
33.	Surplus Adjustments - Prior Years Operations	529,799.70	227,113.75	
	Total Operating Income	\$12,465,228.69	\$11,819,323.79	\$645,904.90
OPERATING EXPENSES:				
34.	Interest on Borrowed Funds	4,219,535.39	4,378,254.09	
35.	Administrative Expense	3,165,000.00	3,649,133.51	
36.	Non-Administrative Expense	269,016.39	269,557.29	
37.	Project Operating Expense - Federal Operations	588,112.28	551,913.16	
38.	Depreciation - Furniture and Fixtures	98,714.28	87,180.70	
	Total Operating Expenses	8,340,378.34	8,946,038.77	* 605,660.43
	Net Operating Income	\$4,124,850.35	\$2,873,285.02	1,251,565.33
NON-OPERATING INCOME AND EXPENSE:				
39.	Direct Contributions	* 10,131,076.59	* 9,882,882.45	
40.	Surplus Adjustment - Cancellation of Prior Year Reserves for Other Project Administration Costs	1,124,207.23	1,824,970.81	
	Net Non-Operating Loss	* 9,006,869.36	* 8,057,911.64	948,957.72
	Net Income (or Loss*) (Includes Contributions)	* 4,882,019.01	* 5,184,626.62	302,607.61
	Less: Direct Contributions	10,131,076.59	9,882,882.45	248,194.14
	Net Income (or Loss*) Carried to Undivided Profits	5,249,057.58	4,698,255.83	550,801.75
ANALYSIS OF UNRESERVED SURPLUS				
CUMULATIVE CONTRIBUTIONS:				
	At Beginning of Period	24,555,949.30	14,673,056.85	9,882,882.45
	Contributions for Period (From Line 39)	10,131,076.59	9,882,882.45	248,194.14
	At End of Period	34,687,025.89	24,555,949.30	10,131,076.59
UNDIVIDED PROFITS OR LOSSES:				
	At Beginning of Period	3,300,837.49	* 1,397,418.34	4,698,255.83
	Net Income (or Loss*) for Period	5,249,057.58	4,698,255.83	550,801.75
	At End of Period	8,549,895.07	3,300,837.49	5,249,057.58

* Minus Item Deduct.

NATIONAL HOUSING AGENCY
FEDERAL PUBLIC HOUSING AUTHORITY

STATEMENT OF CASH RECEIPTS FROM AND PAYMENTS TO U. S. TREASURY

	CUMULATIVE TO JUNE 30, 1944	JUNE 30, 1944	JUNE 30, 1943
RECEIPTS FROM U. S. TREASURY:			
Capital and Surplus Subscriptions	\$1,000,000.00	---	---
Borrowings from Treasury	483,000,000.00	\$115,000,000.00	\$9,000,000.00
Appropriations	<u>34,687,025.89</u>	<u>10,131,076.59</u>	<u>9,882,882.45</u>
TOTAL RECEIPTS	<u>518,687,025.89</u>	<u>125,131,076.59</u>	<u>18,882,882.45</u>
PAYMENTS TO U. S. TREASURY:			
Repayment of Borrowings through exchange of Notes	85,000,000.00	---	---
TOTAL PAYMENTS	<u>85,000,000.00</u>	<u>---</u>	<u>---</u>
NET RECEIPTS OR PAYMENTS	<u>433,687,025.89</u>	<u>125,131,076.59</u>	<u>18,882,882.45</u>

SCHEDULE OF ITEM NO. 4 OF BALANCE SHEET
PUBLIC DEBT OBLIGATIONS OF THE UNITED STATES

ISSUE	INTEREST RATE	JUNE 30, 1944			JUNE 30, 1943		
		FACE AMOUNT	UNAMORTIZED PREMIUM	TOTAL	FACE AMOUNT	UNAMORTIZED PREMIUM	TOTAL
U. S. TREASURY BONDS 1967-72	2.50%	\$1,000,000.00	---	\$1,000,000.00	\$1,000,000.00	---	\$1,000,000.00
U. S. TREASURY BONDS 1960-65	2.75%	2,200,000.00	\$77,244.85	2,277,244.85	2,200,000.00	\$82,000.33	2,282,000.33
U. S. TREASURY BONDS 1958-63	2.75%	350,000.00	3,637.46	353,637.46	350,000.00	3,898.02	353,898.02
U. S. TREASURY BONDS 1955-60	2.875%	450,000.00	2,185.67	452,185.67	450,000.00	2,381.16	452,381.16
U. S. TREASURY BONDS 1954-56	2.25%	770,000.00	---	770,000.00	770,000.00	---	770,000.00
U. S. TREASURY BONDS 1952-54	2.50%	1,500,000.00	---	1,500,000.00	1,500,000.00	---	1,500,000.00
U. S. TREASURY BONDS 1951-53	2.25%	800,000.00	---	800,000.00	800,000.00	---	800,000.00
		<u>7,070,000.00</u>	<u>83,067.98</u>	<u>7,153,067.98</u>	<u>7,070,000.00</u>	<u>88,279.51</u>	<u>7,158,279.51</u>

SCHEDULE OF ITEM NO. 5 OF BALANCE SHEET
STOCK - FPA LIMITED DIVIDEND CORPORATION

	JUNE 30, 1944	JUNE 30, 1943
ALTA VISTA, VA. - ALTA VISTA HOUSING CORPORATION	\$100.00	\$100.00
PHILADELPHIA, PA. - JUNIATA PARK HOUSING CORPORATION	10.00	10.00
ST. LOUIS, MO. - NEIGHBORHOOD GARDENS, INCORPORATED	<u>100.00</u>	<u>100.00</u>
	<u>210.00</u>	<u>210.00</u>

NATIONAL HOUSING AGENCY
FEDERAL PUBLIC HOUSING AUTHORITY

SCHEDULE ITEM NO. 6 OF BALANCE SHEET

OBLIGATIONS - LOCAL AUTHORITIES - FPFA-AIDED PROJECTS

LOCATION	JUNE 30, 1944 ADVANCES TO LHA'S	JUNE 30, 1943 ADVANCES TO LHA'S
ALABAMA	\$13,602,470.65	\$13,192,400.00
ALASKA	1,624,781.81	1,635,781.81
ARIZONA	927,369.49	902,043.73
CALIFORNIA	2,275,466.12	2,266,133.39
COLORADO	1,432,000.00	1,412,000.00
CONNECTICUT	14,870,000.00	14,836,000.00
DELAWARE	---	---
FLORIDA	17,898,500.00	17,876,500.00
GEORGIA	23,458,211.70	23,507,211.70
IDAHO	392,513.67	397,000.00
ILLINOIS	11,978,300.00	11,940,000.00
INDIANA	7,104,200.00	7,044,700.00
KENTUCKY	12,040,059.51	11,751,174.08
LOUISIANA	23,108,895.91	23,102,700.00
MARYLAND	5,084,225.31	4,946,225.31
MASSACHUSETTS	16,192,000.00	15,947,000.00
MICHIGAN	3,917,000.00	2,449,000.00
MISSISSIPPI	5,232,526.20	5,224,444.32
MISSOURI	84,000.00	638,500.00
MONTANA	1,755,000.00	1,755,000.00
NEBRASKA	553,000.00	553,000.00
NEW JERSEY	26,289,000.00	25,968,835.75
NEW MEXICO	11,629.82	11,629.82
NEW YORK	11,826,000.00	11,817,000.00
NORTH CAROLINA	9,271,852.47	9,257,550.47
OHIO	16,725,000.00	16,725,000.00
OREGON	---	---
PENNSYLVANIA	23,472,800.00	23,363,800.00
RHODE ISLAND	1,223,000.00	1,197,000.00
SOUTH CAROLINA	5,732,934.00	5,726,234.00
TENNESSEE	10,600,000.00	18,267,000.00
TEXAS	24,433,288.00	26,092,352.78
VIRGINIA	2,780,125.96	2,776,094.91
WASHINGTON	2,708,000.00	2,612,000.00
WEST VIRGINIA	4,476,506.74	4,478,320.00
DISTRICT OF COLUMBIA	3,119,000.00	3,088,000.00
TERRITORIES:		
HAWAII	1,998,000.00	2,084,000.00
PUERTO RICO	147,769.45	97,930.74
TOTAL	<u>308,345,426.81</u>	<u>314,939,562.83</u>

NATIONAL HOUSING AGENCY
FEDERAL PUBLIC HOUSING AUTHORITY
SCHEDULE OF ITEM NO. 8 OF BALANCE SHEET
ACCOUNTS RECEIVABLE - OTHER GOVERNMENTAL AGENCIES

AGENCY	JUNE 30, 1944	JUNE 30, 1943
FEDERAL WORKS AGENCY	---	\$19,977.21
TENNESSEE VALLEY AUTHORITY	---	83.33
SELECTIVE SERVICE	---	11.30
WAR DEPARTMENT	---	205.32
FARM SECURITY ADMINISTRATION	---	285.00
FEDERAL SECURITY AGENCY	---	26.93
DEFENSE HOMES CORPORATION	---	154.16
NATIONAL HOUSING AGENCY	\$246.75	55.77
NATIONAL CAPITAL HOUSING AUTHORITY	1,465.60	---
	<u>1,712.35</u>	<u>20,802.02</u>

SCHEDULE OF ITEM NO. 9(b) OF BALANCE SHEET
ACCOUNTS RECEIVABLE - OTHER

	JUNE 30, 1944	JUNE 30, 1943
<u>FFHA-AIDED PROJECTS</u>		
Local Housing Authorities	\$435,357.35	\$738,670.74
<u>FHA HOUSING DIVISION PROJECTS</u>		
Tenants Rentals	18,300.60	8,987.17
Local Housing Authorities	2,507,736.66	2,148,672.55
Miscellaneous	10,130.10	17,632.60
<u>FFHA-OWNED (AIDED AND DIRECT CONSTRUCTION) PROJECTS:</u>		
Tenants Rentals	1,985.34	---
Local Housing Authorities	1,856,097.53	774,810.27
	<u>4,929,547.58</u>	<u>3,688,773.33</u>

SCHEDULE OF PART OF ITEM NO. 13 OF BALANCE SHEET
DEVELOPMENT COSTS - FWA HOUSING DIVISION PROJECTS

LOCATION	JUNE 30, 1944	JUNE 30, 1943
ALABAMA	3,343,713.22	23,343,713.22
CONNECTICUT	828,041.07	828,041.07
DISTRICT OF COLUMBIA	1,742,541.30	1,742,541.30
FLORIDA	1,828,591.38	1,828,591.38
GEORGIA	5,404,659.32	5,404,659.32
ILLINOIS	15,568,332.57	15,568,332.57
INDIANA	4,073,250.39	4,073,250.39
KENTUCKY	3,567,879.04	3,567,879.04
MASSACHUSETTS	8,717,951.61	8,717,951.61
MICHIGAN	8,833,060.59	8,833,060.59
MINNESOTA	3,375,203.71	3,375,280.71
NEBRASKA	1,756,346.95	1,756,346.95
NEW JERSEY	4,427,189.97	4,427,189.97
NEW YORK	24,549,616.18	24,544,484.45
OHIO	18,703,684.71	18,706,137.21
OKLAHOMA	2,500,361.24	2,500,361.24
PENNSYLVANIA	2,323,604.91	2,323,604.91
SOUTH CAROLINA	1,910,075.65	1,910,075.65
TENNESSEE	10,051,282.22	10,051,282.22
TEXAS	938,521.14	938,521.14
WISCONSIN	2,446,689.87	2,446,689.87
VIRGIN ISLANDS	229,735.21	229,735.21
	<u>127,120,332.25</u>	<u>127,114,730.02</u>

NATIONAL HOUSING AGENCY
FEDERAL PUBLIC HOUSING AUTHORITY

SCHEDULE OF ITEM NO. 19 OF BALANCE SHEET

NOTES PAYABLE

CHARACTER OF SECURITIES	DATE OF ISSUE	MATURITY DATE	INTEREST RATE	PAR VALUE
SERIES "K" NOTES	Various	6-30-46	1%	\$398,000,000.00

Note: Maturity Date extended one year by Mutual Agreement.

SCHEDULE OF ITEM NO. 35 OF INCOME AND EXPENSE STATEMENT

ADMINISTRATIVE EXPENSE

CLASSIFICATION	JUNE 30, 1944	JUNE 30, 1943
Personal Services		\$2,843,564.23
Supplies and Materials		63,549.86
Communication Services		106,725.38
Travel Expense		204,409.99
Transportation of Things		17,246.12
Printing and Binding		41,871.40
Rents and Utility Services		213,188.99
Other Contractual Services		70,678.56
Undistributed		<u>1,868.98</u>
Sub-total		3,563,103.51
Add:		
Transfer to other agencies for services rendered		<u>1/ 86,030.00</u>
TOTAL	<u>2/ \$3,165,000.00</u>	<u>3/ 3,649,133.51</u>

1/ This item represents transfer to the National Housing Agency, Office of the Administrator for Administrative Expense and Payment to the Treasury Department for services rendered.

2/ This amount was transferred to the Administrative Expense pool and will appear by objective class in the Consolidated Report of War Housing and Corporate Activity.

3/ Does not include equipment expenditures in amount of \$72,344.91 capitalized.

SCHEDULE OF ITEM NO. 36 OF INCOME AND EXPENSE STATEMENT

NON-ADMINISTRATIVE EXPENSE

CLASSIFICATION	JUNE 30, 1944	JUNE 30, 1943
Personal Services		\$199,096.41
Supplies and Materials		330.29
Communication Services		3,446.54
Travel Expense		9,993.13
Transportation of Things		47.15
Rents and Utility Services		7,032.51
Other Contractual Services		1,933.11
Undistributed		<u>47,678.15</u>
TOTAL	<u>2/ \$269,016.39</u>	<u>1/ 269,557.29</u>

1/ Does not include equipment expenditures in amount of \$1,588.29 capitalized.

2/ This amount represents \$260,000.00 transferred to the Administrative Expense Pool to cover cost of Administration of the FWA Housing Division Projects, plus additional obligations of \$9,016.39 incurred and liquidated during the current fiscal year but which are applicable to the prior fiscal year.

CHAPTER TWO

**Financial Report
Under the War Housing Acts
For Fiscal Years Ending
June 30, 1944 and June 30, 1943**

NATIONAL HOUSING AGENCY
FEDERAL PUBLIC HOUSING AUTHORITY

HISTORY, ORGANIZATION AND FUNCTIONS

The basic public war housing legislation, the Lanham Act, Public 849, 76th Congress, enacted into law in October of 1940; like other public war housing legislation, it called for the provision of housing for persons engaged in national defense activities in those localities in which an acute shortage of housing existed or impended which would impede national defense activities and where private capital could not provide such housing when needed.

Accordingly, the Lanham Act (which indicates the general legal and financial pattern for most public war housing) provides for the acquisition by the Federal Government of the real property necessary for the construction of projects and for the execution of construction contracts between the Government itself and the building contractors. The Act provides, however, that the acquisition of real property by the United States shall not deprive the States of their jurisdiction over such property or impair the local civil rights of the tenants of Federal projects. It also calls for payments in lieu of taxes to local communities in an amount approximating full taxes on the property, less appropriate deductions for Federal expenditures for streets or other public services which are normally obtained in return for taxation. It further provides that FPFA may, in the construction and management of housing projects, utilize and act through local public agencies, and that consultation shall be had with local public officials and local housing authorities to the end that, so far as practicable, projects shall conform in location and design to local planning and tradition.

In March, 1941, the Congress passed the P-9 (77th Congress) Temporary Shelter Act (later extended by Public Laws 73 and 353, 77th Congress, and Public Laws 140 and 375, 78th Congress) which provided for a Presidential Emergency Fund to construct temporary shelter in national defense areas with acute housing shortages. This law, passed to furnish temporary and immediate stopgap shelter for defense workers, was enacted at a time when the Federal housing functions were still scattered over a number of Government agencies, when the Lanham Act program was only in its initial stages, and it was felt that an emergency appropriation for allocation by the President might alleviate some of the most serious shortages within a minimum amount of time.

FPFA itself was created by Executive Order 9070, February 24, 1942, as a constituent unit of NHA, for one reason, because the distribution of public housing functions over no less than eight different Government agencies had proved a great handicap to the efficient and speedy execution of the public war housing program. It was made the central public war housing agency and was given the task (apart from a number of other functions) of administering Lanham Act, P-9, and most of Public 701, housing.

NATIONAL HOUSING AGENCY
FEDERAL PUBLIC HOUSING AUTHORITY

COLLECTS OF ITEM GROUPS

ASSETS

<u>CASH:</u>	<u>JUNE 30, 1944</u>	<u>JUNE 30, 1943</u>
Item 1 - With Treasurer of United States	\$40,555,896.98	\$24,515,895.75
Item 2 - Other - Appropriated Funds	145,882,135.06	460,459,711.16
TOTAL	<u>186,438,032.04</u>	<u>484,975,606.91</u>

The "Cash with Treasurer of United States" represents the unexpended balance of rental revenue remaining in the 01. Treasury Cash Account and the 03.31 and 03.32 Accounts of G. F. Allen, Chief Disbursing Officer, under Appropriation Symbol 66Xo516. This item also includes rental collections from projects managed by the Federal Public Housing Authority for the United States Maritime Commission and the Defense Plant Corporation. Funds collected for deposit to Miscellaneous Receipts and to the credit of the Collector of Internal Revenue and for War Bond Savings Account are also included in this item.

The cash in "Other - Appropriated Funds" represents the unexpended balance of appropriated funds for War Housing Projects remaining in the 01. Treasury Cash Account and the 03.31 Disbursing Accounts of G. F. Allen.

<u>ACCOUNTS AND NOTES RECEIVABLE:</u>	<u>JUNE 30, 1944</u>	<u>JUNE 30, 1943</u>
Item 3 - Due from Government Agencies	\$365,097.95	\$60,891.66
Item 4 - Due from Others	10,415,358.87	5,103,448.93
	<u>10,783,456.82</u>	<u>5,164,340.59</u>

Accounts Receivable "Due from Government Agencies" are for personal services and supplies furnished. This item also includes the Accounts Receivable from the National Capital Housing Authority and the Tennessee Valley Authority for net income from leased projects. See schedule for Agencies involved.

Accounts Receivable "Due from Others" consists of net income from various Local Housing Authorities for fourth quarter operations under leased type management. Tenants Accounts Receivable from Federally Operated Projects are also included in this item.

<u>COMMODITIES, SUPPLIES AND MATERIALS:</u>	<u>JUNE 30, 1944</u>	<u>JUNE 30, 1943</u>
Item 5 - Held for use	\$823,988.66	-0-

This item represents the cost of various types of supplies and materials, the major part of which consists of coal stock piles.

	<u>JUNE 30, 1944</u>	<u>JUNE 30, 1943</u>
Item 6 - Land, Structures and Materials	\$1,377,036,004.96	\$920,061,298.68

This item represents the cost of Land and Construction of War Housing Projects developed by this Authority and by other Government Agencies acting as the constructing agents for this Authority.

LIABILITIES AND CAPITAL

<u>ACCOUNTS PAYABLE:</u>	<u>JUNE 30, 1944</u>	<u>JUNE 30, 1943</u>
Item 7 - Due Government Agencies	\$969,923.92	\$48,683.45
Item 8 - Due Others	9,641,680.16	12,857,388.79
TOTAL	<u>10,611,604.08</u>	<u>12,906,072.24</u>

Item number 7 represents the amount "Due Government Agencies" for personal services and supplies received. Also included are the amounts owed to the United States Maritime Commission and the Defense Plant Corporation for net income from projects managed by this Authority as Agent for these Agencies.

Item number 8 for "Due Others" represents unliquidated obligations in connection with Management Activities on Federally Operated War Housing Projects.

	<u>JUNE 30, 1944</u>	<u>JUNE 30, 1943</u>
Item 9 - Amount Due Miscellaneous Receipts	-0-	\$9,701,314.25

The item "Amount Due Miscellaneous Receipts" represents amounts deposited from inception of the War Housing Program through June 30, 1943 deposited to the Miscellaneous Receipt Account, number 860345, on the following dates:

TRUST AND DEPOSIT LIABILITIES:

	June 30, 1943
Item 10 - Due Government Agencies	1,704.29
Item 11 - Due Others	2,934.50
TOTAL	<u>4,638.79</u>

The amount shown under item 10 "Due Government Agencies" represents Deposits for Federal Tax Withheld from Salaries of Federal Employees.

The amount shown under item 11 "Due Others" represents amounts due for United States War Savings Bonds and unapplied Special Deposits.

Item 12 - Deferred Credits	814.54
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This item represents prepaid rent collected from tenants of War Housing Projects. See Section 303 of Lanham Act for authority for reserve.

Item 13 - Expended Appropriations (Net)	11,353.71
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This item represents Invested and Donated Capital for Land, Buildings and other miscellaneous expenditures resulting in the accrual of Assets.

EARNED SURPLUS:

Item 14 - Legal Reserves - United States Interests	821.49
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This item represents the net earnings from all War Housing Activities of the War Housing Program to June 30, 1944 and has been reduced by the amount of \$1,000.00 to Miscellaneous Receipts in May 1944 as unobligated balance of certain amounts as of June 30, 1943. See Section 303 of Lanham Act for authority for reserve.

UNEXPENDED APPROPRIATIONS:

Item 15 - Unliquidated Obligations	2,056.70
Item 16 - Unobligated Appropriations	2,654.46
TOTAL	<u>4,711.16</u>

The total of items 15 and 16 represents the unexpended amounts available for the construction of War Housing Projects and for Administrative Expenses under the authority of the War Relocation Authority.

INCOME AND EXPENSE STATEMENT

OPERATING INCOME:

Item 17 - Federally Operated War Housing Projects	1,000.00
Item 18 - Lease Operated War Housing Projects	1,000.00

The amount shown under item 17 represents gross income from operations of the Federal Public Housing Authority.

The amount shown under item 18 represents net income from operations of the Federal Public Housing Authority, National Capital Housing Authority and the Tennessee Valley Authority type operations.

Item 19 - Other Income	1,000.00
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The amount under this item represents transfers from other sources for the payment of Administrative Salaries and Expenses. See Section 303 of Lanham Act for authority for reserve.

OPERATING EXPENSE:

Item 20 - Operations	1,000.00
Item 21 - Improvements	1,000.00
Item 22 - Payments in Lieu of Taxes	1,000.00
Item 23 - Property Loss Replacements	1,000.00
Item 24 - Miscellaneous Expense	1,000.00
Item 25 - Administrative Expense	1,000.00
TOTAL	<u>6,000.00</u>

Items 20 through 24 represent the total amount of operating expense in connection with projects which are directly managed by the Federal Public Housing Authority; expense in connection with leased type operations is not included as settlements are made net for this type of operation. Item 25 represents the amount of administrative expense in connection with the Management of both Federally operated and leased projects.

	<u>JUNE 30, 1944</u>	<u>JUNE 30, 1943</u>
Item 26 - Administrative Expense	\$8,727,987.87	-0-

This item represents the amount of Administrative Expense for all activities of the Federal Public Housing Authority other than the expense in connection with the Management of War Housing Projects.

	<u>JUNE 30, 1944</u>	<u>JUNE 30, 1943</u>
Item 27 - Trust Fund Reserve	\$542,342.13	-0-

The amount shown under this item represents the unobligated balance of funds made available for the payment of Administrative Salaries and Expenses. Upon final determination of costs this amount will be transferred to the appropriations and other sources from which originally made available.

	<u>JUNE 30, 1944</u>	<u>JUNE 30, 1943</u>
Item 28 - Net Income	\$33,314,553.72	-0-

This item represents the net income derived from all types of War Housing Activities for Fiscal Year 1944 and is reserved for disposition in accordance with Section 303 of the Lanham Act which reads in part as follows: "Moneys derived from rental or operation of property acquired or constructed under the provisions of this Act, of Public Laws Numbered 9, 73, and 353, Seventy-seventh Congress, and of section 201 of the Second Supplemental National Defense Appropriation Act, 1941, as amended, shall be available for expenses of operation and maintenance and expenses found necessary in the disposition of any such property or the removal of temporary housing by the Administrator, including the establishment of necessary reserves therefor and administrative expenses in connection therewith...:"

NATIONAL HOUSING AGENCY
FEDERAL PUBLIC HOUSING AUTHORITY

BALANCE SHEET UNDER THE WAR HOUSING ACTS

As of June 30, 1944 and June 30, 1943

<u>ASSETS</u>	<u>JUNE 30, 1944</u>		<u>JUNE 30, 1943</u>		<u>INCREASE OR DECREASE</u>
<u>CASH:</u>					
1. With Treasurer of United States	\$40,555,896.98		\$24,515,895.75		
2. Other - Appropriated Funds	<u>145,882,135.06</u>		<u>460,459,711.16</u>		
		\$186,438,032.04		\$484,975,606.91	* \$298,537,574.87
<u>ACCOUNTS AND NOTES RECEIVABLE:</u>					
3. Due from Government Agencies	365,097.95		60,891.66		
4. Due from Others	<u>10,418,358.87</u>		<u>5,103,448.93</u>		
		10,783,456.82		5,164,340.59	5,619,116.23
<u>COMMODITIES, SUPPLIES AND MATERIALS:</u>					
5. Held for Use		823,988.66		-0-	823,988.66
6. LAND, STRUCTURES AND EQUIPMENT		<u>1,377,036,004.96</u>		<u>920,061,298.88</u>	<u>456,974,706.28</u>
TOTAL		<u>1,575,081,482.48</u>		<u>1,410,201,246.18</u>	<u>164,880,236.30</u>
<u>LIABILITIES AND CAPITAL</u>					
<u>ACCOUNTS PAYABLE:</u>					
7. Due Government Agencies	969,923.92		48,683.45		
8. Due Others	<u>9,641,680.16</u>		<u>12,857,388.79</u>		
		10,611,604.08		12,906,072.24	* 2,294,468.16
9. AMOUNT DUE MISCELLANEOUS RECEIPTS		-0-		9,761,314.25	* 9,761,314.25
<u>TRUST AND DEPOSIT LIABILITIES:</u>					
10. Due Government Agencies	766,126.49		245,764.29		
11. Due Others	<u>3,416,119.29</u>		<u>1,952,834.50</u>		
		4,182,245.78		2,198,598.79	1,983,646.99
12. DEFERRED CREDITS		-0-		3,814.54	* 3,814.54
<u>PAID IN CAPITAL:</u>					
13. Expended Appropriations (Net)		1,376,336,562.35		920,117,353.71	456,219,208.64
<u>EARNED SURPLUS:</u>					
14. Legal Reserves - United States Interests		38,068,935.21		4,754,381.49	33,314,553.72
<u>UNEXPENDED APPROPRIATIONS:</u>					
15. Unliquidated Obligations	97,448,168.73		292,707,056.70		
16. Unobligated Appropriations	<u>48,433,966.33</u>		<u>167,752,654.46</u>		
		145,882,135.06		<u>460,459,711.16</u>	* 314,577,576.10
TOTAL		<u>1,575,081,482.48</u>		<u>1,410,201,246.18</u>	<u>164,880,236.30</u>

* Minus Item Deduct.

NATIONAL HOUSING AGENCY
FEDERAL PUBLIC HOUSING AUTHORITY

INCOME AND EXPENSE STATEMENT

For the Fiscal Year Ended June 30, 1944

<u>OPERATING INCOME</u>		
17.	Federally Operated War Housing Projects	\$44,928,593.60
18.	Lease Operated War Housing Projects	<u>25,823,003.79</u>
	TOTAL OPERATING INCOME.	\$70,751,597.39
19.	Other Income.	<u>9,270,330.00</u>
	TOTAL INCOME.	80,021,927.39
<u>OPERATING EXPENSE</u>		
20.	Operations.	24,130,572.47
21.	Improvements.	737,121.29
22.	Payments in Lieu of Taxes	5,150,101.43
23.	Property Loss Replacements.	224,485.17
24.	Miscellaneous Expense	603,763.31
25.	Administrative Expense.	<u>6,591,000.00</u>
	TOTAL OPERATING EXPENSE	37,437,043.67
26.	Administrative Expense.	8,727,987.87
27.	Trust Fund Reserve.	<u>542,342.13</u>
	TOTAL	<u>46,707,373.67</u>
28.	Net Income.	<u>33,314,553.72</u>

NATIONAL HOUSING AGENCY
FEDERAL PUBLIC HOUSING AUTHORITY

ANALYSIS OF BALANCE SHEET FOR
WAR HOUSING MAINTENANCE AND OPERATION FUND

JUNE 30, 1944

ASSETS

	<u>Amount</u>
1. Cash with Treasurer of the United States	\$35,707,392.26
<u>Accounts and Notes Receivable</u>	
3. 10.1 Accounts Receivable	77,501.19
<u>Due from Others</u>	
4. 10.1 and 10.13 Accounts Receivable	9,993,162.98
<u>Commodities, Supplies and Materials</u>	
5. Held for Use	823,988.66
6. Land, Structures and Equipment	<u>1,108,570.28</u>
TOTAL ASSETS	<u>\$47,710,615.37</u>

LIABILITIES

<u>Due Others</u>	
8. Accounts Payable	9,641,680.16
<u>Earned Surplus</u>	
14. Legal Reserves - United States Interests	<u>38,068,935.21</u>
TOTAL LIABILITIES.	<u>\$47,710,615.37</u>

STATEMENT OF CASH RECEIPTS FROM AND
PAYMENTS TO U. S. TREASURY

	<u>Cumulative to June 30, 1944</u>	<u>Fiscal Year 1944</u>	<u>Fiscal Year 1943</u>
Receipts from U. S. Treasury.	\$1,394,369,093.63	\$471,471,824.69	\$600,874,084.75
Payments to U. S. Treasury.	<u>654,155.22</u>	<u>446,942.23</u>	<u>206,832.69</u>
NET RECEIPTS.	<u>\$1,393,714,938.41</u>	<u>471,024,882.46</u>	<u>600,667,252.06</u>

NATIONAL HOUSING AGENCY
FEDERAL PUBLIC HOUSING AUTHORITY

SCHEDULE OF ITEM 1 OF BALANCE SHEET

CASH WITH TREASURER OF UNITED STATES

AS OF JUNE 30, 1944

<u>FUND</u>	<u>AMOUNT</u>
86X6517	\$505,273.43
86X6518	35,707,392.26
66F5050	171,279.11
66F5065	160,985.51
86F5057	766,126.49
Unapplied Special Deposits	<u>3,244,840.18</u>
TOTAL	<u>\$40,555,896.98</u>

SCHEDULE OF ITEM 3 OF BALANCE SHEET

ACCOUNTS RECEIVABLE - OTHER GOVERNMENTAL AGENCIES

<u>AGENCY</u>	<u>JUNE 30, 1944</u>	<u>JUNE 30, 1943</u>
DEFENSE HOMES CORPORATION	\$34,000.00	-0-
FEDERAL WORKS AGENCY.	177,133.26	-0-
NATIONAL CAPITAL HOUSING AUTHORITY.	2,538.60	-0-
NATIONAL HOUSING AGENCY	4,624.77	-0-
PUBLIC HEALTH SERVICE	14,507.19	-0-
TENNESSEE VALLEY AUTHORITY.	62,994.00	360,891.66
UNITED STATES COAST GUARD	540.40	-0-
WAR DEPARTMENT.	<u>68,759.71</u>	-0-
TOTAL	<u>365,097.95</u>	<u>60,891.66</u>

SCHEDULE OF ITEM 7 OF BALANCE SHEET

ACCOUNTS PAYABLE - OTHER GOVERNMENT AGENCIES

<u>AGENCY</u>	<u>JUNE 30, 1944</u>	<u>JUNE 30, 1943</u>
DEFENSE PLANT CORPORATION	255,729.49	-0-
HOME OWNERS' LOAN CORPORATION	295.97	3,324.15
FEDERAL HOUSING ADMINISTRATION.	18,307.93	37,653.27
FEDERAL WORKS AGENCY.	2,550.00	-0-
MARITIME COMMISSION	693,040.53	1,626.37
TENNESSEE VALLEY AUTHORITY.	-0-	2,294.71
PUBLIC WORKS ADMINISTRATION	-0-	<u>3,784.95</u>
TOTAL	<u>969,923.92</u>	<u>48,683.45</u>

NATIONAL HOUSING AGENCY
FEDERAL PUBLIC HOUSING AUTHORITY

SCHEDULE OF ITEM 11 OF BALANCE SHEET
SPECIAL DEPOSITS, ETC. - DUE OTHERS

	<u>JUNE 30, 1944</u>	<u>JUNE 30, 1943</u>
06X0350 Employees' Payroll Allotment Account United States Savings Bonds	\$ 171,279.11	\$ 111,816.72
06F5801 Security Deposits and Unidentified Items	3,244,840.15	1,111,840.95
06F5802 Contributions Civil Service Retirement and Disability Fund.	-0-	370,330.73
1011 Accounts Receivable - Prepaid Rents	-	<u>358,846.10</u>
TOTAL	<u>\$3,416,119.29</u>	<u>\$1,952,834.50</u>

Amount reflected under "86F5875" represents Security Deposits held to insure against negligence to property by tenants.

Amounts deposited to Civil Service Retirement Fund and amounts collected for prepaid rents are not reported as of June 30, 1944.

SCHEDULE OF ITEM 19 OF INCOME AND EXPENSE STATEMENT
TRANSFERS TO ADMINISTRATIVE FUND

<u>Symbol</u>	<u>Title</u>	<u>Amount</u>
06X0350	National Defense Housing, Federal Public Housing Authority	\$5,265,000.00
06-112/40007(03)	Emergency Fund for the President, Defense Housing, Temporary Shelter (Transfer from National Housing Agency, Office of Administrator to Federal Public Housing Authority) 1942-1944.	675,000.00
06X0500	Operation and Maintenance Resettlement Projects - FPHA	172,400.00
06F5801	Collection Account, United States Housing Authority, Federal Public Housing Authority.	3,165,000.00
06F5803	Management Account, United States Housing Authority, Federal Public Housing Authority.	<u>260,000.00</u>
	TOTAL	\$9,557,400.00
	Minus transfers to Office of the Administrator, National Housing Agency and the Treasury Department	<u>- 287,070.00</u>
	NET TOTAL	<u>\$9,270,330.00</u>

NATIONAL HOUSING AGENCY
FEDERAL PUBLIC HOUSING AUTHORITY

SCHEDULE OF ITEMS 25 AND 26 OF INCOME AND EXPENSE STATEMENT

ANALYSIS OF ADMINISTRATIVE EXPENSE FOR FISCAL YEAR 1944

OFFICE	TOTAL	PERSONAL SERVICES	TRAVEL	TRANSPORTATION OF THINGS	COMMUNICATION SERVICES	RENTS AND UTILITIES	PRINTING AND BINDING	OTHER CONTRACTUAL SERVICES	SUPPLIES AND MATERIALS	EQUIPMENT
REGION 1 - BOSTON	\$846,578.51	719,838.83	50,866.10	1,901.44	18,768.77	36,935.27	-0-	2,166.08	11,744.43	6,357.62
REGION 2 - NEW YORK	1,166,800.85	1,005,495.37	59,331.34	1,494.11	25,871.31	54,880.83	43.00	7,979.47	8,784.02	2,921.40
REGION 3 - WASHINGTON	1,108,167.36	990,936.20	42,593.00	2,109.40	29,914.13	5,336.57	-0-	17,340.02	7,933.16	12,004.88
REGION 4 - ATLANTA	1,259,360.68	1,066,557.13	61,732.88	3,976.84	18,069.17	58,590.00	-0-	9,179.66	12,219.82	9,035.18
REGION 5 - CLEVELAND	1,205,722.85	976,600.75	70,698.20	2,544.03	35,664.66	57,448.90	-0-	26,788.57	24,292.68	11,685.06
REGION 6 - CHICAGO	727,358.78	624,957.17	32,215.72	1,811.76	16,020.66	37,726.41	44.00	3,937.66	8,110.81	2,534.53
REGION 7 - KANSAS CITY	613,528.19	516,246.77	34,902.82	2,312.57	11,622.60	26,744.90	-0-	3,817.26	10,908.24	4,973.03
REGION 8 - FORT WORTH	782,082.26	661,614.91	41,492.18	3,234.91	20,619.68	37,124.88	-0-	4,999.26	4,722.44	8,714.00
REGION 9 - SEATTLE	747,170.02	607,407.10	55,680.57	7,403.44	20,849.30	33,845.03	-0-	7,804.80	9,467.09	4,632.69
REGION 10 - SAN FRANCISCO	1,345,996.91	1,022,860.95	106,941.07	7,682.34	63,948.91	60,990.02	-0-	54,083.97	17,567.89	11,921.76
CENTRAL OFFICE	<u>5,534,221.46</u>	<u>4,248,222.40</u>	<u>332,229.91</u>	<u>4,050.02</u>	<u>138,390.77</u>	<u>409,545.58</u>	<u>86,124.44</u>	<u>199,871.47</u>	<u>74,765.86</u>	<u>41,021.01</u>
TOTAL	<u>15,318,987.87</u>	<u>12,440,737.58</u>	<u>888,683.79</u>	<u>38,600.83</u>	<u>399,739.96</u>	<u>821,168.39</u>	<u>86,211.44</u>	<u>337,968.22</u>	<u>190,516.44</u>	<u>115,361.22</u>

CHAPTER THREE

**Financial Report
for
Subsistence Homestead Projects, Resettlement Projects
Industrial Cooperatives
For Fiscal Years Ending
June 30, 1944 and June 30, 1943**

NATIONAL HOUSING AGENCY
FEDERAL PUBLIC HOUSING AUTHORITY

PART I

HISTORY, ORGANIZATION AND FUNCTIONS

Details of history and organization are covered in current and previous reports on FPFA activities under the U. S. Housing Act of 1937, as amended.

This report covers only the activities related to the Subsistence Homesteads, Rural and Suburban Resettlement Projects and the Industrial Cooperative Organizations, the administration of which was delegated to this Authority under Executive Order No. 9070.

The Subsistence Homestead and Resettlement Projects were transferred to this Authority as of October 1, 1942 together with the sum of \$310,000.00 in operating funds which was deemed adequate to cover outstanding obligations.

The unpaid balances of organizational loans made to the various Industrial Cooperatives by the Farm Security Administration were transferred as of October 1, 1943 together with the responsibility for management and accounting supervision of the Cooperative activities, in the interest of the U. S. Government.

PART II

COMMENTS ON FINANCIAL STATEMENTS

GENERAL COMMENTS

The Balance Sheet and Income and Expense Statement submitted with this report have been prepared to conform as nearly as possible with the form prescribed under Treasury Regulation 3, Executive Order 6512.

PART III

COMMENTS ON ITEM GROUPS

<u>Cash</u>	<u>June 30, 1944</u>	<u>June 30, 1943</u>
1. With Treasurer of the United States	\$1,122,360.70	\$462,604.40

Item 1. The cash on deposit with the Treasurer of the United States is composed of the following:

	<u>June 30, 1944</u>	<u>June 30, 1943</u>
Project Operating Fund	\$495,205.45	\$334,781.75
Trust Deposits for Purchase Contracts	4,410.92	-0-
Trust Deposits for Maintenance, etc.	1,338.69	-0-
Special Deposits	621,405.64	127,822.65
	<u>\$1,122,360.70</u>	<u>\$462,604.40</u>

The Project Operating Fund represents unexpended balances of cash realized from rental revenues at the directly operated Subsistence Homestead and Resettlement Projects.

The Trust Deposits for Purchase represents the funds currently collected from tenants as deposits on purchase price under Lease and Purchase Agreements. These funds are held in trust for the tenants until the full amount of purchase price has been collected, at which time these funds are transferred to Miscellaneous Receipts. In the event the tenant vacates, the total of his deposits, less depreciation, is refunded.

The Trust Deposits for Maintenance represents the funds currently collected from tenants as security for proper maintenance and repair of the property in tenancy under Lease and Purchase Agreements.

Special Deposits is represented by funds held for project employees for War Bond Purchases, by funds collected as rental and trust deposits which have not been distributed to the proper fund accounts and by property sale and furniture loan repayments which are to be covered into Miscellaneous Receipts.

<u>Loans Receivable</u>	<u>June 30, 1944</u>	<u>June 30, 1943</u>
Item 2. Loans to aid homeowners	\$2,126,079.98	\$2,168,620.31
Item 3. Loans to aid industry	5,243,963.96	-0-
Total Loans Receivable	7,370,043.94	2,168,620.31
Item 4. Less: Reserve for Losses	2,000,000.00	-0-
	<u>\$5,370,043.94</u>	<u>\$2,168,620.31</u>

Item 2 represents the unpaid balance of amounts of mortgage notes of Subsistence Homestead Associations, transferred to this Authority from the Farm Security Administration on October 1, 1942.

Item 3 represents the unpaid balance of amounts of notes covering organizational loans to the various Industrial Cooperative organizations, located on or near the Subsistence Homestead Projects.

Item 4 represents the amount established by this Authority as the amount of Cooperative

Loans estimated to be uncollectible.

<u>Accounts and Notes Receivable</u>	<u>June 30, 1944</u>	<u>June 30, 1943</u>
Item 5. Due from Government Agencies	\$34,628.75	\$34,628.75
Item 6. Due from Others		
(a) Moratorium Interest Notes	44,266.38	52,700.36
(b) Tenants' Accounts	112,066.72	91,666.21
	<u>\$190,961.85</u>	<u>178,995.32</u>

Item 5 represents amounts of trust funds on deposit with the U. S. Treasury to the credit of the Farm Security Administration which cover trust obligations of this Authority to lessees under Lease and Purchase Contracts, at the projects now administered by this Authority. The transfer of these funds has been initiated but has not been completed at this date.

Item 6(a) represents the unpaid balances of notes of the Subsistence Homestead Associations, which were executed to cover interest accrued during the moratorium period (first year of operation) and are being liquidated concurrently with the mortgage notes of these associations.

Item 6(b) represents amounts of accounts receivable from tenants at the directly operated Subsistence Homestead and Resettlement Projects.

<u>Commodities, Supplies and Materials</u>	<u>June 30, 1944</u>	<u>June 30, 1943</u>
Item 7. Held for Use	\$149,615.00	\$41,782.61

Item 7 represents the value of supplies held at the projects which will later be charged to operating expense.

<u>Accrued Assets</u>	<u>June 30, 1944</u>	<u>June 30, 1943</u>
Item 8. Due from Others		
(a) Interest-Homestead Notes	-0-	\$10,912.99
(b) Interest-Lease and Purchase Contracts	-0-	1,932.41
	<u>-0-</u>	<u>\$12,845.40</u>

Item 8(a) represents the balance of accrued interest on mortgage and moratorium interest notes of the Subsistence Homestead Associations.

Item 8(b) represents the balance of accrued interest on Lease and Purchase Contracts with individual tenants at the directly operated Subsistence Homestead Projects.

<u>Land, Structures and Equipment</u>	<u>June 30, 1944</u>	<u>June 30, 1943</u>
Item 9. Land, Structures and Equipment	\$51,380,162.45	\$51,858,267.47

Item 9 represents the balance of the value of property transferred from the Farm Security Administration. The reduction in this amount during the 1944 fiscal year is due to certain parcels of undeveloped land, previously included herein, being transferred to the Procurement Division, Treasury Department, as surplus property.

<u>Deferred Charges</u>	<u>June 30, 1944</u>	<u>June 30, 1943</u>
Item 10. Prepaid Expense	\$130,427.41	\$34,864.99

Item 10 represents the unexpensed balance of blanket insurance premiums covering the Subsistence Homestead and Resettlement Projects.

<u>Undistributed Debits</u>	<u>June 30, 1944</u>	<u>June 30, 1943</u>
Item 11. Undistributed Development Cost Expenditures	\$398,711.93	-0-

Item 11 represents unidentified items of cost in connection with the development of the Resettlement Projects by the Farm Security Administration. Such items are in addition to the costs furnished by the Farm Security Administration at the transfer date and were therefore not shown in the report submitted at June 30, 1943.

Liabilities

<u>Accounts Payable</u>	<u>June 30, 1944</u>	<u>June 30, 1943</u>
Item 12. Audited Vouchers Payable	\$73,664.75	\$15,970.50

Item 12 represents amounts of Audited Vouchers Payable for project operating expenses.

<u>Accrued Liabilities</u>	<u>June 30, 1944</u>	<u>June 30, 1943</u>
Item 13. Due Government Agencies	\$1,003.75	\$10,912.99
Item 14. Accrued Trust Liabilities	34,628.75	34,628.75
	<u>\$35,632.50</u>	<u>\$45,541.74</u>

Item 13 represents amounts of maturities on furniture purchase contracts which when collected are applicable for deposit to Miscellaneous Receipts.

Item 14 represents amounts of collections on Lease and Purchase Contracts, which when transferred from the Farm Security Administration are applicable for deposit to Trust Fund Accounts and held in trust for tenants.

<u>Trust and Deposit Liabilities</u>	<u>June 30, 1944</u>	<u>June 30, 1943</u>
Item 15. Due U. S. Treasury - Miscellaneous Receipts	\$365,096.84	\$89,796.11
Item 16. War Bond Deductions on Deposit	3,046.50	-0-
Item 17. Tenants' Trust Deposits	212,725.84	13,014.44
	<u>\$580,869.18</u>	<u>102,810.55</u>

Item 15 represents amounts of collections on Homestead Association Notes and Furniture Contracts which are deposited in Special Deposits, but which are applicable to Miscellaneous Receipts.

Item 16 represents the amounts of funds held for the employees for subsequent purchase of War Savings Bonds.

Item 17 represents the trust liabilities to project tenants for collections currently deposited in trust accounts. These collections, upon completion of the contracts, will be deposited to Miscellaneous Receipts or returned to the tenants upon cancellation of such contracts.

<u>Deferred Credits</u>	<u>June 30, 1944</u>	<u>June 30, 1943</u>
Item 18. Prepaid Tenants Rentals	\$7,059.62	\$1,568.32

Item 18 represents amounts of prepaid rentals collected from tenants of the various directly operated Housing Projects.

Capital

<u>Paid-In Capital</u>	<u>June 30, 1944</u>	<u>June 30, 1943</u>
Item 19. Paid-In Surplus	\$57,730,278.50	\$54,462,738.91

Item 19 represents the amount of surplus acquired from the Farm Security Administration and is represented by the value of property and loan balances which were transferred. The change in this item during the 1944 fiscal year is due to the addition of the Cooperative Loan Note balances and the deletion of the value of land transferred to the Procurement Division, Treasury Department.

<u>Earned Surplus</u>	<u>June 30, 1944</u>	<u>June 30, 1943</u>
Item 20. Earned Surplus	\$314,778.73	\$129,350.48

Item 20 represents the amount of unreserved surplus gained from the operation of the various directly managed Subsistence Homestead and Resettlement Projects. Since no operating reserves are allowed under this program, it is necessary to withhold these funds from deposit to the General Surplus of the Treasury, in order to maintain a balance of funds sufficient to cover periodical maintenance and repair costs.

Income and Expense

<u>Operating Income</u>	<u>June 30, 1944</u>	<u>June 30, 1943</u>
Item 21. Rents and Royalties	\$1,657,120.26	\$1,032,074.33
Item 22. Other Income	51,579.58	45,500.75
	<u>\$1,708,699.84</u>	<u>\$1,077,575.08</u>

Item 21 represents total accrued rents and utility charges for the fiscal year, proceeds of which are appropriated for Operating and Administrative Expenses.

Item 22 represents total accrued Miscellaneous and Lease and Purchase Contract interest charges for the fiscal year, proceeds of which are appropriated for Operating and Administrative Expenses.

<u>Operating Expenses</u>	<u>June 30, 1944</u>	<u>June 30, 1943</u>
Item 23. Project Operating Expense	\$1,004,275.92	\$706,770.94
Item 24. Administrative Expense	172,400.00	-0-
Item 25. Payments in lieu of Taxes	346,595.67	241,453.66
	<u>\$1,523,271.59</u>	<u>\$948,224.60</u>

Item 23 represents total cost of operating the directly operated Subsistence Homestead and Resettlement Projects, exclusive of Payments in lieu of Taxes (Item 25).

Item 24 represents the total amount of funds transferred to the General Administrative (pooled) Appropriation of this Authority, which were estimated to cover the expense of administering the Subsistence Homestead and Resettlement Management Program.

Item 25 represents total expense for Payments in Lieu of Taxes for the directly operated Subsistence Homestead and Resettlement Projects.

NATIONAL HOUSING AGENCY
FEDERAL PUBLIC HOUSING AUTHORITY

BALANCE SHEET COVERING SUBSISTENCE HOMESTEAD, AND RESETTLEMENT PROJECTS AND INDUSTRIAL CO-OPERATIVES
TRANSFERRED FROM FARM SECURITY ADMINISTRATION UNDER EXECUTIVE ORDER 9070

As of June 30, 1944 and June 30, 1943

<u>ASSETS</u>	<u>JUNE 30, 1944</u>	<u>JUNE 30, 1943</u>	<u>INCREASE OR DECREASE</u>
CASH:			
1. With Treasurer of United States	\$1,122,360.70	\$462,574.40	\$659,786.30
LOANS RECEIVABLE:			
2. Loans to Aid Homeowners	\$2,126,079.98	\$2,188,620.31	
3. Loans to Aid Industry	<u>5,243,963.96</u>	-0-	
Total Loans Receivable	\$7,370,043.94	\$2,188,620.31	
4. Less: Reserve for Losses	<u>* 2,000,000.00</u>	-0-	
	5,370,043.94	2,188,620.31	3,181,423.63
ACCOUNTS AND NOTES RECEIVABLE:			
5. Due from Government Agencies	34,628.75	34,628.75	
6. Due from Others:			
(a) Moratorium Interest Notes	44,266.38	52,700.31	
(b) Tenants Accounts	<u>112,066.72</u>	<u>91,666.21</u>	
Total Due from Others	<u>156,333.10</u>	<u>144,366.57</u>	
	190,961.85	178,995.32	12,966.53
COMMODITIES, SUPPLIES AND MATERIALS:			
7. Held for use	49,615.00	11,782.61	37,832.39
ACCRUED ASSETS:			
8. Due from Others:			
(a) Interest - Homestead Notes	-0-	10,912.99	
(b) Interest - Lease and Purchase Contracts	<u>-0-</u>	<u>1,932.41</u>	
	-0-	12,845.40	* 12,845.40
LAND, STRUCTURES AND EQUIPMENT:			
9. Land, Structures and Equipment	51,380,162.45	51,856,267.17	* 476,104.72
DEFERRED CHARGES:			
10. Prepaid Expense	130,427.41	34,864.99	95,562.42
UNDISTRIBUTED DEBITS:			
11. Undistributed Development Cost Expenditures	<u>398,711.93</u>	-0-	398,711.93
TOTAL ASSETS	<u><u>58,742,283.28</u></u>	<u><u>54,777,980.50</u></u>	<u><u>3,964,302.78</u></u>

* Minus Item Deduct.

NATIONAL HOUSING AGENCY
FEDERAL PUBLIC HOUSING AUTHORITY

BALANCE SHEET COVERING SUBSISTENCE HOMESTEAD AND RESETTLEMENT PROJECTS AND INDUSTRIAL CO-OPERATIVES
TRANSFERRED FROM FARM SECURITY ADMINISTRATION UNDER EXECUTIVE ORDER 9070

As of June 30, 1944 and June 30, 1943

<u>LIABILITIES</u>		<u>JUNE 30, 1944</u>	<u>JUNE 30, 1943</u>	<u>INCREASE OR DECREASE</u>
<u>ACCOUNTS PAYABLE:</u>				
12. Audited Vouchers Payable		\$73,664.75	\$15,970.50	\$57,694.25
<u>ACCRUED LIABILITIES:</u>				
13. Due Government Agencies		\$1,003.75	\$10,912.99	
14. Accrued Trust Liabilities		<u>34,628.75</u>	<u>34,628.75</u>	
		35,632.50	45,541.74	* 9,909.24
<u>TRUST AND DEPOSIT LIABILITIES:</u>				
15. Due United States Treasury - Miscellaneous Receipts		305,096.84	89,796.11	
16. War Bond Deductions on Deposit	\$3,046.50		-0-	
17. Tenants Trust Deposits	<u>212,725.84</u>		<u>\$13,014.44</u>	
		<u>225,772.34</u>	<u>13,014.44</u>	
		580,669.18	102,810.55	478,058.63
<u>DEFERRED CREDITS:</u>				
18. Prepaid Tenants Rentals		<u>7,050.62</u>	<u>1,568.42</u>	<u>5,482.20</u>
		687,226.05	165,891.11	531,334.94
TOTAL LIABILITIES		<u>687,226.05</u>	<u>165,891.11</u>	<u>531,334.94</u>
<u>CAPITAL</u>				
<u>PAID-IN CAPITAL:</u>				
19. Paid-in Surplus		57,730,278.50	54,482,738.91	3,247,539.59
<u>EARNED SURPLUS:</u>				
20. Earned Surplus		<u>314,778.73</u>	<u>129,350.48</u>	<u>185,428.25</u>
TOTAL LIABILITIES AND CAPITAL		<u>58,742,283.28</u>	<u>54,777,980.50</u>	<u>3,964,302.78</u>

* Minus Item Deduct.

NATIONAL HOUSING AGENCY
FEDERAL PUBLIC HOUSING AUTHORITY
STATEMENT OF INCOME AND EXPENSE AND ANALYSIS OF SURPLUS
FOR SUBSISTENCE HOMESTEAD AND RESETTLEMENT PROJECTS AND INDUSTRIAL CO-OPERATIVES
 As at June 30, 1944 and June 30, 1943

<u>INCOME AND EXPENSE</u>	<u>JUNE 30, 1944</u>	<u>JUNE 30, 1943</u>	<u>INCREASE OR DECREASE</u>
OPERATING INCOME:			
21. Rents and Royalties	\$1,657,120.26	\$1,032,074.33	
22. Other Income	<u>51,579.58</u>	<u>45,500.75</u>	
	\$1,708,699.84	\$1,077,575.08	\$631,124.76
OPERATING EXPENSES:			
23. Project Operating Expense	1,004,275.92	706,770.94	
24. Administrative Expense	172,400.00	-0-	
25. Payments in Lieu of Taxes	<u>346,595.67</u>	<u>241,453.66</u>	
	<u>1,523,271.59</u>	<u>948,224.60</u>	575,046.99
NET INCOME CARRIED TO UNDIVIDED PROFITS		<u>\$185,428.25</u>	<u>\$129,350.48</u>
 <u>ANALYSIS OF UNRESERVED SURPLUS</u>			
UNDIVIDED PROFITS OR LOSSES:			
At Beginning of Period		129,350.48	-0- 129,350.48
Net Income for Period		<u>185,428.25</u>	<u>129,350.48</u> 56,077.77
At End of Period		<u>314,778.73</u>	<u>129,350.48</u> <u>185,428.25</u>

NATIONAL HOUSING AGENCY
FEDERAL PUBLIC HOUSING AUTHORITY

SCHEDULE OF ITEM NO. 1 OF BALANCE SHEET

ANALYSIS OF CASH BALANCES

	JUNE 1944	JUNE 1943
Operation and Maintenance, Resettlement Projects	\$495,205.45	\$334,781.75
Reserve for Maintenance and Repair, Lease and Purchase Agreements.	1,338.69	-0-
Deposits toward Purchase Price, Lease and Purchase Agreements.	4,410.92	-0-
Special Deposits	<u>621,405.64</u>	<u>127,822.65</u>
	<u>\$1,122,360.70</u>	<u>\$462,604.40</u>

SCHEDULE OF ITEM NO. 2 OF BALANCE SHEET

LOANS RECEIVABLE

	JUNE 1944	JUNE 1943
Alabama	\$509,223.96	\$524,367.27
Arizona	87,411.87	88,678.11
California	342,077.01	350,078.43
Indiana	130,826.06	133,398.61
Iowa	49,449.92	50,022.92
Maryland	23,394.85	-0-
Minnesota	250,912.97	257,000.35
Texas	503,259.08	632,610.36
Washington	<u>149,524.26</u>	<u>152,464.26</u>
	<u>\$2,126,079.96</u>	<u>\$2,158,620.31</u>

SCHEDULE OF ITEM NO. 3 OF BALANCE SHEET

LOANS RECEIVABLE

	June 30, 1944	June 30, 1943
Alabama	\$410,824.42	-0-
Ohio	28,712.82	-0-
Pennsylvania	902,584.68	-0-
Tennessee	1,026,400.27	-0-
Virginia	11,703.77	-0-
West Virginia	<u>2,863,738.00</u>	<u>-0-</u>
	<u>\$5,243,963.96</u>	<u>-0-</u>

SCHEDULE OF ITEMS NO. 5 AND 6 OF BALANCE SHEET

ACCOUNTS AND NOTES RECEIVABLE

	JUNE 1944	JUNE 1943
<u>Due from Government Agencies</u>		
Farm Security Administration (Item 5)	\$34,628.75	\$34,628.75
<u>Due from Others (Item 6)</u>		
(a) Moratorium Interest Notes	\$44,266.38	\$52,700.36
(b) Tenants' Accounts	<u>112,066.72</u>	<u>91,666.21</u>
Total Due from Others	<u>156,333.10</u>	<u>144,366.57</u>
	<u>\$190,961.85</u>	<u>\$170,995.32</u>