



Housing Authority of the City of Columbia, Missouri

201 Switzler Street, Columbia, MO 65203

Office: 573.443.2556 ♦ TTY Relay 800.735.2966 ♦ Fax: 573.443.0051 ♦ www.ColumbiaHA.com

Open Meeting Notice

CHA Board of Commissioners Meetings

AMENDED

Date: Wednesday, August 10, 2022

Time: 5:30 p.m.

Place: Columbia Housing Authority, 201 Switzler St.

- I. Call to Order/Introductions
- II. Roll Call
- III. Adoption of Agenda
- IV. Approval of July 13, 2022, Open Meeting Minutes
- V. Public Comment (Limited to 5 minutes per speaker)

PUBLIC HEARINGS

RESOLUTIONS

- VI. **Resolution 2900:** A Resolution to Accept the Audited Financial Statements of the Mid-Missouri Veterans Housing Development Group, LP, the Stuart Parker Housing Development Group, LP, the Bear Creek Housing Development Group, LP, the Oak Towers Housing Development Group, LP, the Bryant Walkway Housing Development Group, LP, and the Bryant Walkway II Housing Development Group, LP for Calendar Year Ending December 31, 2021
- VII. **Resolution 2901:** A Resolution to Accept the Audited Financial Statements of the Housing Authority of the City of Columbia, Missouri for Fiscal Year Ending December 31, 2021.
- VIII. **Resolution 2902:** A Resolution to Accept the Single Audit Report of the Housing Authority of the City of Columbia, Missouri for Fiscal Year Ending December 31, 2021.
- IX. **Resolution 2903:** A Resolution Authorizing Submission of the Family Self-Sufficiency Program Annual Action Plan.

REPORTS

- X. Affordable Housing Initiative Update: Kinney Point, Park Avenue and Comprehensive Homeless Service Center Plan
- XI. Public Housing & Affordable Housing Properties, Section 8 Housing Choice Voucher Program, Resident Services and Safety.
- XII. June Financial Report

XIII. Current Events

PUBLIC AND COMMISSIONER COMMENT

XIV. Public Comment (Limited to 5 minutes per speaker)

XV. Commissioner Comment

XVI. Adjournment

If you wish to participate in the meeting and require specific accommodations or services related to disability, please contact Ms. Charline Johns, Executive Assistant at (573) 443-2556, extension 1122 or TTY Relay 800.735.2966, at least one working day prior to the meeting. You can contact Ms. Johns by email at the following address: www.columbiaha.info@gmail.com

Media Contact: Randy Cole, CEO
Phone: (573) 443-2556
E-mail: www.columbiaha.info@gmail.com

A complete agenda packet is available for review at all CHA offices during regular business hours and posted on the CHA web site at: www.ColumbiaHA.com.



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HOUSING AUTHORITY OF THE CITY OF COLUMBIA, MISSOURI BOARD OF COMMISSIONERS MEETING July 13, 2022 MEETING MINUTES

I. Call to Order:

The Board of Commissioners of the Housing Authority of the City of Columbia, Missouri (CHA) met in open session on July 13, 2022, in the Training Room of the Columbia Housing Authority Administration Building, 201 Switzler St., Columbia, Missouri 65203. Mr. Hutton, Chair, called the meeting to order at 5:32 p.m.

II. Roll Call:

Present: Bob Hutton, Chair Commissioner
Robin Wenneker, Vice Chair Commissioner
Steve Calloway, Commissioner
Rigel Oliveri Commissioner

Absent: Jama Rahn, Commissioner

CHA Staff: Randy Cole, CEO
Charline Johns, Executive Assistant
Jeanette Nelson, Human Resource and Support Services Manager
Tawanda Edwards, Director of Housing Programs
Laura Lewis, Director of Affordable Housing Operations
Jeff Forck, Director of Safety
Debbi Simmons, Chief Financial Officer
Tammy Matondo, Dir. Of Housing Development and Compliance

III. Adoption of Agenda:

Mr. Hutton called for a motion to approve the agenda. A motion was made by Ms. Wenneker and second by Mr. Calloway. All Commissioners voted "aye". Mr. Hutton declared the agenda adopted.

IV. Approval of June 8, 2022 Open Meeting Minutes:

Mr. Hutton called for a motion to approve the minutes from the open meeting of June 8, 2022. A motion was made by Mr. Calloway and second by Ms. Wenneker. All Commissioners voted "aye" and Mr. Hutton declared the motion approved.

V. Public Comment.

There were no public comments.

RESOLUTIONS

VI. Resolution 2889: A Resolution Approving the Job Descriptions and Salary Range for Director of Affordable Housing Development and Compliance, LIHTC Compliance Manager, Systems Administrator and Human Resource Manager and Approving Related Updates to Appendix 1 – Organizational Chart and Appendix 3 – Range and Salary Plan to the CHA Personnel Policy.

Mr. Cole reviewed highlights from his PowerPoint presentation. Ms. Wenneker asked if other than the title changes, would this staff report to other Directors as well. Mr. Cole shared that LIHTC Specialist would now report to the Director of Housing Development and Compliance and that the Systems Administrator, Executive Assistant and Receptionist would report to the Human Resource and Support Services Manager, with the Executive Assistant still working closely with the CEO.

Mr. Hutton called for further discussion and there was none.

Mr. Hutton called for a motion to approve Resolution 2889 as presented. A motion was made by Ms. Wenneker. Second by Mr. Hutton. Upon a roll call vote of the motion, the following vote was recorded:

Yes: Oliveri, Wenneker, Hutton, Calloway

No: None

VII. CEO Updates: CHA Logo Final Draft

Mr. Cole reported that CHA staff desired to move forward with the new CHA logo and referred Board Members to the PowerPoint. Commissioners gave input on what they liked and disliked about the drafted logo. Mr. Hutton requested that the font be changed so that it would look more uniform. All Commissioners agreed.

Mr. Cole shared that he would be scheduling a Ribbon Cutting event in August to showcase the new logo, as well as other current strategic initiatives: Kinney Point, Park Avenue and Expansion of Moving Ahead.

VIII. Human Resources: Personnel Policy Recommendations Report

Mr. Cole explained that the staff report recommended consideration and receipt of Board feedback on Personnel Policy pertaining to employment transitions.

- Notice of Ending Employment
 - 4 weeks for Supervisors
 - 2 weeks for non-supervisors
- Expectations for Attendance
- Use of Leave

IX. Monthly Management Reports for Public Housing and Affordable Housing Properties, Housing Choice Voucher Programs and Safety.

Housing Operations:

Mr. Cole reviewed highlights of the Property Management Report for the month of May, noting that 11 families moved in, 15 families moved out(5 to Section 8, 4 were terminated, 3 to Nursing Homes and 3 to the private sector) and an overall occupancy of 97%.

Housing Choice Voucher Programs:

Mr. Cole reviewed highlights from the Housing Programs Department for Housing Choice Voucher, Emergency Housing Vouchers, Continuum of Care, HUD VASH Vouchers, Mainstream Vouchers and Tenant Based Rental Assistance. Mr. Cole reported the Boone County Coalition to End homelessness was on June 27, 2022 and the discussion topic was on aligning supportive services to Comprehensive Homeless Service Center and reported that the Landlord Engagement event was held on July 8, 2022 at Oak Towers.

Safety:

Mr. Forck reviewed highlights from the Safety Departments May report.

X. May Financial Report

Ms. Simmons reported that the draft of the single audit was received on July 13, 2022 and the auditors would be invited to the August CHA Board of Commissioners Meeting to do a presentation.

Mr. Hutton asked Ms. Simmons if there was anything regarding the budget that worried her. Ms. Simmons reported that there was nothing other than the positions that needed to be filled.

XI. Current Events

Mr. Cole reviewed highlights from his PowerPoint regarding Current Events, noting that a Park Avenue Resident Engagement event would be held on July 29, 2022 from 10 AM – 1 PM to review and provide feedback of Park Avenue redevelopment concepts.

XII. Public Comment

There was no public comment.

XIII. Commissioner Comment

Mr. Hutton shared that the September 2022 CHA Board of Commissioners meeting may need to held before the 10th of September.

XIV. Adjournment

Mr. Hutton called for a motion to adjourn the meeting. A motion was made by Ms. Oliveri. Second by Ms. Wenneker. Mr. Hutton called the meeting adjourned at 7:00 p.m.

Bob Hutton, Chair

Date

Randy Cole, Chief Executive Officer

Date

Certification of Public Notice

I, Randy Cole, Chief Executive Officer of the Housing Authority of the City of Columbia, Missouri, do hereby certify that on July 11, 2022, I posted public notice of the July 13, 2022 Board of Commissioners Meeting and distributed copies of the notice and agenda to the Board of Commissioners and the local media. The meeting notice and agenda was also distributed to the public upon request.

The complete agenda packet was available for review at all CHA offices during regular business hours and posted on the CHA web site at: www.ColumbiaHA.com.

Randy Cole, Chief Executive Officer

Date



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Department Source: CEO

To: CHA Board of Commissioners

From: CEO & Staff

CHA Board of Commissioners Meeting Date: August 10, 2022

Re: Resolution 2900, to Accept the Audited Financial Statements of the Mid-Missouri Veterans Housing Development Group, LP, the Stuart Parker Housing Development Group, LP, the Bear Creek Housing Development Group, LP, the Oak Towers Housing Development Group, LP, the Bryant Walkway Housing Development Group, LP, and the Bryant Walkway II Housing Development Group, LP for Calendar Year Ending December 31, 2021

Executive Summary

Each of the LIHTC properties is required to have an audit of its financial statements completed annually as part of its Limited Partnership Agreement. The annual audit includes test work performed on the financial records. Additional compliance testing was performed for Bryant Walkway I and II.

Discussion

RubinBrown LLP conducted the audits in accordance with U.S. generally accepted auditing standards. Those standards require RubinBrown LLP to plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. RubinBrown LLP believes that their audits provide a reasonable basis for their opinion.

Mr. Bill Gawrych, CPA, and Partner with RubinBrown LLP will present the audits at the CHA Board meeting and answer any questions from the Board of Commissioners. The audit reports are included with the board packet.

Suggested Commission Action

Accept the Audited Financial Statements for the Mid-Missouri Veterans Housing Development Group, LP, the Stuart Parker Housing Development Group, LP, the Bear Creek Housing Development Group, LP, the Oak Towers Housing Development Group, LP, the Bryant Walkway Housing Development Group, LP, and the Bryant Walkway II Housing Development Group, LP for the calendar year ending December 31, 2021.



Housing Authority of the City of Columbia, Missouri

Board Resolution

RESOLUTION #2900

A Resolution to Accept the Audited Financial Statements of the Mid-Missouri Veterans Housing Development Group, LP, the Stuart Parker Housing Development Group, LP, the Bear Creek Housing Development Group, LP, the Oak Towers Housing Development Group, LP, the Bryant Walkway Housing Development Group, LP, and the Bryant Walkway II Housing Development Group, LP for Calendar Year Ending December 31, 2021

WHEREAS, the LIHTC Limited Partnership Agreements require that an annual audit of financial statements be performed by an independent public accounting firm; and

WHEREAS, MHDC requires additional compliance testing for entities that received HOME funding; and

WHEREAS, the accounting firm of RubinBrown LLP has performed an audit of the financial statements of the Mid-Missouri Veterans Housing Development Group, LP, the Stuart Parker Housing Development Group, LP, the Bear Creek Housing Development Group, LP, the Oak Towers Housing Development Group, LP, the Bryant Walkway Housing Development Group, LP, and the Bryant Walkway II Housing Development Group, LP for the calendar year ended December 31, 2021 that is in accordance with generally accepted auditing standards of the Comptroller General of the United States.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of the City of Columbia, Missouri, adopts Resolution 2900 accepting the independent audited financial statements of the Mid-Missouri Veterans Housing Development Group, LP, the Stuart Parker Housing Development Group, LP, the Bear Creek Housing Development Group, LP, the Oak Towers Housing Development Group, LP, the Bryant Walkway Housing Development Group, LP, and the Bryant Walkway II Housing Development Group, LP for the calendar year ending December 31, 2021, performed by RubinBrown LLP.

Bob Hutton, Chair

Randy Cole, Secretary

Adopted August 10, 2022

**MID-MISSOURI VETERANS HOUSING
DEVELOPMENT GROUP, L.P.
PROJECT NO. 14-417-TE
FINANCIAL STATEMENTS
DECEMBER 31, 2021**

Contents

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CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

Independent Auditors' Report

Partners

Mid-Missouri Veterans Housing Development Group, L.P.
Columbia, Missouri

Opinion

We have audited the financial statements of Mid-Missouri Veterans Housing Development Group, L.P., Project No. 14-417-TE, which comprise the balance sheet as of December 31, 2021 and 2020, and the related statements of operations, partners' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Mid-Missouri Veterans Housing Development Group, L.P. as of December 31, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis For Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities For The Audit Of The Financial Statements section of our report. We are required to be independent of Mid-Missouri Veterans Housing Development Group, L.P. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities Of Management For The Financial Statements

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

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 Mid-Missouri Veterans Housing Development Group, L.P.'s ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than 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 auditing standards generally accepted in the United States of America, 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 Mid-Missouri Veterans Housing Development Group, L.P.'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 Mid-Missouri Veterans Housing Development Group, L.P.'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.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information, shown on pages 21 to 29, is presented for purposes of additional analysis and is not a required part of the 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 financial statements. Such information, except for page 29, has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, except for page 29, the information is fairly stated in all material respects in relation to the financial statements as a whole.

RubinBrown LLP

March 16, 2022

**MID-MISSOURI VETERANS HOUSING
DEVELOPMENT GROUP, L.P.
PROJECT NO. 14-417-TE**

BALANCE SHEET

Page 1 Of 2

Assets		December 31,	
		2021	2020
Current Assets			
1120	Cash - operations	\$ 61,818	\$ 56,535
1130	Tenant accounts receivable	1,022	165
1131	Allowance for doubtful accounts	(214)	(97)
1130N	Net tenant accounts receivable	808	68
1135	Accounts receivable - HUD	291	352
1160	Accounts receivable - interest	1,750	—
1200	Prepaid expenses	915	10,160
1100T	Total Current Assets	65,582	67,115
Deposits Held In Trust - Funded			
1191	Tenant deposits held in trust	14,874	16,553
Restricted Deposits And Funded Reserves (Note 2)			
1320	Replacement reserve	63,823	54,962
1330	Other reserves	100,898	100,890
1300T	Total Deposits	164,721	155,852
Fixed Assets (Notes 4 And 5)			
1410	Land	122,500	122,500
1410	Land improvements	415,953	415,953
1420	Buildings and improvements	3,579,228	3,579,228
1450	Furniture for project/tenant use	125,219	125,219
1465	Furniture and equipment	5,240	5,240
1400T	Total Fixed Assets	4,248,140	4,248,140
1495	Less: Accumulated depreciation	677,756	554,432
1400N	Net Fixed Assets	3,570,384	3,693,708
Other Assets			
1520	Deferred costs, net (Note 1)	7,379	9,224
1000T	Total Assets	\$ 3,822,940	\$ 3,942,452

**MID-MISSOURI VETERANS HOUSING
DEVELOPMENT GROUP, L.P.
PROJECT NO. 14-417-TE**

**BALANCE SHEET
Page 2 Of 2**

Liabilities

		December 31,	
		2021	2020
Current Liabilities			
2110	Accounts payable - operations	\$ 3,056	\$ 2,071
2113	Accounts payable - entity (Note 3)	8,697	9,021
2120	Accrued wages payable	3,497	4,112
2123	Accrued management fee payable (Note 3)	768	767
2131	Accrued interest payable - first mortgage (Note 4)	730	755
2170	Mortgage payable - first mortgage (short-term) (Note 4)	11,009	10,693
2210	Prepaid revenue	1,593	705
2122T Total Current Liabilities		29,350	28,124
Deposit And Prepayment Liabilities			
2191	Tenant deposits held in trust (contra)	14,868	15,300
Long-Term Liabilities			
2320	Mortgage payable - first mortgage (Note 4)	293,273	304,282
2322	Other mortgages payable - (long term) (Note 5)	2,268,558	2,296,570
2340	Debt issuance costs (Note 1)	(72,709)	(79,032)
2300T Total Long-Term Liabilities		2,489,122	2,521,820
2000T Total Liabilities		2,533,340	2,565,244
Partners' Equity			
3130	Partners' equity	1,289,600	1,377,208
2033T Total Liabilities And Partners' Equity		\$ 3,822,940	\$ 3,942,452

**MID-MISSOURI VETERANS HOUSING
DEVELOPMENT GROUP, L.P.
PROJECT NO. 14-417-TE**

STATEMENT OF OPERATIONS

		For The Years Ended December 31,	
		2021	2020
Revenues			
5100	Gross potential rents	\$ 191,875	\$ 188,225
5200	Less: Vacancies	2,264	2,204
5152N	Net Rental Revenues	189,611	186,021
5400	Financial revenue	2,334	1,164
5900	Other revenue	3,221	8,531
5000T	Total Revenues	195,166	195,716
Operating Expenses			
6300	Administrative expenses	34,603	37,867
6400	Utilities expense	20,253	21,076
6500	Operating and maintenance expenses	46,741	50,977
6600	Depreciation and amortization	125,169	125,170
6700	Taxes and insurance	28,132	29,479
6800	Financial expenses	18,782	19,005
6000T	Total Operating Expenses	273,680	283,574
Rental Loss Before Partnership Expenses		(78,514)	(87,858)
7100T	Partnership Expenses	8,696	8,442
3250	Net Loss	\$ (87,210)	\$ (96,300)

**MID-MISSOURI VETERANS HOUSING
DEVELOPMENT GROUP, L.P.
PROJECT NO. 14-417-TE**

**STATEMENT OF PARTNERS' EQUITY
For The Years Ended December 31, 2021 And 2020**

		General Partner	Limited Partner	Special Limited Partner	State Limited Partner	Total
Allocation Percentage		0.009%	98.990%	0.001%	1.000%	100.000%
Balance - January 1, 2020		\$ 84	\$ 876,936	\$ —	\$ 597,175	\$ 1,474,195
Distributions		—	(680)	—	(7)	(687)
Net Loss		(9)	(95,328)	—	(963)	(96,300)
S1100-010	Balance - December 31, 2020	75	780,928	—	596,205	1,377,208
S1200-420	Distributions	—	(394)	—	(4)	(398)
3250	Net Loss	(9)	(86,329)	—	(872)	(87,210)
3130	Balance - December 31, 2021	\$ 66	\$ 694,205	\$ —	\$ 595,329	\$ 1,289,600

**MID-MISSOURI VETERANS HOUSING
DEVELOPMENT GROUP, L.P.
PROJECT NO. 14-417-TE**

**STATEMENT OF CASH FLOWS
Page 1 Of 2**

	For The Years Ended December 31,	
	2021	2020
Cash Flows From Operating Activities		
Receipts:		
Rental receipts	\$ 189,820	\$ 187,523
Interest receipts	584	1,164
Other operating receipts	3,221	8,531
Total Receipts	193,625	197,218
Disbursements:		
Administrative	12,667	20,922
Management fee	9,633	9,471
Utilities	20,253	21,076
Salaries and wages	30,090	26,758
Operating and maintenance	28,583	31,275
Real estate taxes	6,972	7,419
Property insurance	741	15,342
Miscellaneous taxes and insurance	11,174	13,154
Tenant security deposits	432	(46)
Interest on mortgages	9,039	9,372
Miscellaneous financial	4,023	3,336
Entity/construction disbursements:		
Asset management fees	8,442	8,196
Total Disbursements	142,049	166,275
Net Cash Provided By Operating Activities	51,576	30,943
Cash Flows From Financing Activities		
Mortgage principal payments	(10,693)	(10,358)
Principal payments on other mortgages payable	(28,012)	(25,728)
Distributions	(398)	(687)
Net Cash Used In Financing Activities	(39,103)	(36,773)
Net Increase (Decrease) In Cash And Restricted Cash	12,473	(5,830)
Beginning Of Year Cash And Restricted Cash	228,940	234,770
End Of Year Cash And Restricted Cash	\$ 241,413	\$ 228,940

**MID-MISSOURI VETERANS HOUSING
DEVELOPMENT GROUP, L.P.
PROJECT NO. 14-417-TE**

**STATEMENT OF CASH FLOWS
Page 2 Of 2**

	For The Years	
	Ended December 31,	
	2021	2020
Reconciliation Of Net Loss To Net Cash		
From Operating Activities		
Net loss	\$ (87,210)	\$ (96,300)
Adjustments to reconcile net loss to net cash from operating activities:		
Depreciation	123,324	123,325
Amortization	1,845	1,845
Amortization of debt issuance costs	6,323	6,323
Changes in assets and liabilities:		
Tenant accounts receivable	(740)	1,395
Accounts receivable - HUD	61	(352)
Prepaid expenses	9,245	(6,436)
Accounts receivable - interest	(1,750)	—
Accounts payable - operations	985	1,741
Accounts payable - entity	(578)	(1,842)
Accrued liabilities	(614)	519
Accrued interest payable	(25)	(25)
Tenant security deposits held in trust	(432)	46
Prepaid revenue	888	459
Entity/construction liability accounts:		
Accrued asset management fees	254	245
Net Cash Provided By Operating Activities	\$ 51,576	\$ 30,943

**MID-MISSOURI VETERANS HOUSING
DEVELOPMENT GROUP, L.P.
PROJECT NO. 14-417-TE**

**NOTES TO FINANCIAL STATEMENTS
December 31, 2021 And 2020**

1. Organization And Summary Of Significant Accounting Policies

Mid-Missouri Veterans Housing Development Group, L.P. (the Partnership), was organized on July 15, 2014 as a Missouri limited partnership for the purpose of acquiring, owning, developing, constructing and/or rehabilitating, leasing, managing, and operating a 25-unit apartment complex located in Columbia, Missouri, currently known as Mid-Missouri Veteran's Campus (the Project).

On May 1, 2015, the Partnership Agreement was amended and restated to permit the withdrawal of Philip Steinhaus, the Withdrawing Limited Partner, and admit RSEP Holding, LLC, a Delaware limited liability company, as the new Limited Partner, and Red Stone Equity Manager, LLC, a Delaware limited liability company, as the new Special Limited Partner, and Missouri Fund 2015 V, LLC, a Missouri limited liability company, as the State Limited Partner. On January 21, 2016, RSEP Holding, LLC assigned their interest in the Partnership to Red Stone Fund 48 Limited Partnership.

Rehabilitation was complete and the building was placed in service in March 2016.

The partners' interests in profits and losses are as follows:

General Partner:	Mid-Missouri Veterans Housing GP, LLC	0.009%
Limited Partner:	Red Stone Fund 48, LP	98.990%
Special Limited Partner:	Red Stone Equity Manager, LLC	0.001%
State Limited Partner:	Missouri Fund 2015 V, LLC	1.000%

The Project has qualified for and has been allocated low-income housing tax credits pursuant to Internal Revenue Code Section 42 (Section 42) which regulates the use of the Project as to occupant eligibility and unit gross rent, among other requirements. The Project must meet the provisions of these requirements during each of the 15 consecutive years in order to be qualified to receive the credits.

The Project is regulated by the Missouri Housing Development Commission (MHDC) as to rent charges and operating methods. The regulatory agreement limits annual distributions of net operating receipts to surplus cash available at the end of each year.

**MID-MISSOURI VETERANS HOUSING
DEVELOPMENT GROUP, L.P.**

Notes To Financial Statements (*Continued*)

The Partnership will continue to operate perpetually, unless it is earlier dissolved and terminated by provisions of the Partnership Agreement.

Certain defined terms contained in the Partnership Agreement are denoted with initial capital letters throughout the notes to the financial statements.

Estimates And Assumptions

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 statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash And Restricted Cash

The Partnership invests its cash in financial institutions with strong credit ratings. At times, such balances may be in excess of Federal Deposit Insurance Corporation (FDIC) insurance limits.

The following is a reconciliation between cash and restricted cash reported within the balance sheet and the total cash and restricted cash on the statement of cash flows as of December 31:

		<u>2021</u>	<u>2020</u>
1120	Cash - operations	\$ 61,818	\$ 56,535
1191	Tenant deposits held in trust	14,874	16,553
1320	Replacement reserve	63,823	54,962
1330	Other reserves	100,898	100,890
	Total Cash And Restricted Cash	\$ 241,413	\$ 228,940

Tenant Deposits Held In Trust

Tenant deposits held in trust consist of security deposit funds collected from the tenants, separated from Project funds, and deposited into a trust account. All disbursements from the security deposit account must be only for refunds to tenants and for payment of expenses incurred by or on behalf of the tenants.

**MID-MISSOURI VETERANS HOUSING
DEVELOPMENT GROUP, L.P.**

Notes To Financial Statements (*Continued*)

Tenant Accounts Receivable

Tenant accounts receivable are stated at the amount management expects to collect from balances outstanding at year end. Based on management's assessment of the credit history with tenants having outstanding balances and current relationships with them, management has recorded an allowance for doubtful accounts. As of December 31, 2021 and 2020, the amount recorded in the allowance was \$214 and \$97, respectively.

Restricted Deposits And Funded Reserves

Restricted deposits and funded reserves are comprised of checking and money market funds which are stated at cost.

Replacement Reserve

The replacement reserve can only be used for improvements to buildings upon prior approval of the Special Limited Partner.

Rental Property

Rental property is carried at cost, less accumulated depreciation. Depreciation is provided using the half-year method with the following estimated useful lives:

Buildings and improvements	40 years
Land improvements	20 years
Furniture and equipment	10 years

Maintenance and repairs are charged to expense when incurred. Upon retirement or other disposition, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in income.

The Partnership reviews its investment in rental property for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the rental property to the future net undiscounted cash flow expected to be generated by the rental property, including the residual value of the rental property. If the rental property is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the rental property exceeds the fair value of such property. There was no impairment loss recognized for the years ended December 31, 2021 or 2020.

**MID-MISSOURI VETERANS HOUSING
DEVELOPMENT GROUP, L.P.**

Notes To Financial Statements (*Continued*)

Capitalized Interest

Interest during the period of construction, amounting to \$23,358 has been capitalized and is being amortized over the life of the buildings and its components.

Development Fees

Development fees of \$450,000 incurred for the development of the Project have been capitalized and added to the depreciable basis of the buildings.

Debt Issuance Costs

Debt issuance costs totaling \$101,161 consist of fees for obtaining the mortgage loans and are being amortized using the straight-line method over the term of the loan. Accumulated amortization totaled \$28,452 and \$22,129 at December 31, 2021 and 2020, respectively. Amortization expense amounted to \$6,323 during the years ended December 31, 2021 and 2020, and is included in financial expenses.

Accounting principles generally accepted in the United States of America require that the effective yield method be used to amortize financing costs; however, the effect of using the straight-line method is not materially different from the results that would have been obtained under the effective yield method.

Tax Credit Fees

Tax credit fees totaling \$18,448 consist of fees associated with the low-income housing tax credits allocated to the Project. The fees are being amortized using the straight-line method over 10 years. As of December 31, 2021 and 2020, accumulated amortization amounted to \$11,069 and \$9,224, respectively.

Rental Revenue

The rental property is generally leased to tenants under one-year operating leases. Rental revenue is recognized as rent becomes due. Rental revenue received in advance is deferred until earned.

Income Taxes

Under provisions of the Internal Revenue Code and applicable state laws, the Partnership is not directly subject to income taxes. The results of its operations are includable in the tax returns of its partners. Therefore, no provision for income tax expense has been included in the accompanying financial statements.

**MID-MISSOURI VETERANS HOUSING
DEVELOPMENT GROUP, L.P.**

Notes To Financial Statements *(Continued)*

Reclassification

Certain 2020 amounts have been reclassified, where appropriate, to conform to the financial statement presentation used in 2021.

Subsequent Events

Management evaluates subsequent events through the date the financial statements are available for issue, which is the date of the Independent Auditors' Report.

2. Restricted Deposits And Funded Reserves

Restricted deposits and funded reserves consist of the following as of December 31:

	<u>2021</u>	<u>2020</u>
Replacement Reserve		
Balance at January 1	\$ 54,962	\$ 46,205
Monthly deposits	8,630	8,386
Interest earned, net of bank fees	231	371
Balance at December 31	<u>63,823</u>	<u>54,962</u>
Special Needs Reserve	25,000	25,000
Operating Reserve	73,467	73,459
Compliance Fund	767	767
Bond Fund	<u>1,664</u>	<u>1,664</u>
	<u>\$ 164,721</u>	<u>\$ 155,852</u>

Replacement Reserve

A Replacement Reserve is to be funded on the date of payment of the Fourth Capital Installment in an amount of \$15,000. Additional deposits of \$7,500 are required per year, payable in equal monthly installments, commencing on the anniversary date upon which the Project is placed in service. Such monthly payments shall increase by 3% each year. No withdrawal may be made without the consent of the Special Limited Partner.

**MID-MISSOURI VETERANS HOUSING
DEVELOPMENT GROUP, L.P.**

Notes To Financial Statements (*Continued*)

Special Needs Reserve

A Special Needs Reserve is to be funded in the amount of \$25,000 or \$1,000 per unit, no later than the making of the Fourth Capital Contribution, to fund the Special Needs Reserve Fund, which was established by MHDC on July 1, 2013. The reserve provides assistance to properties with special needs residents that are experiencing temporary operational issues.

Operating Reserve

An Operating Reserve of \$70,000 is to be funded on the date of payment of the Fourth Capital Installment into a segregated reserve account in the name of the Partnership. The Partnership shall fund the Operating Reserve from Net Cash Flow in order to maintain, to the extent possible, a balance at all times of at least \$70,000. No withdrawal may be made without the consent of the Special Limited Partner.

Compliance Fund

A reserve was established to fund compliance costs related to the bonds.

Bond Fund

A reserve was established to fund principal and interest payments related to the bonds.

3. Related Party Transactions

Property Management Fees

The Partnership entered into a management contract with the Housing Authority of the City of Columbia, Missouri (CHA), an affiliate of the General Partner. The management fee is equal to 5% of monthly gross collections. Management fees of \$9,634 and \$9,450 were incurred for the years ended December 31, 2021 and 2020, respectively. As of December 31, 2021 and 2020, \$768 and \$767, respectively, was payable.

**MID-MISSOURI VETERANS HOUSING
DEVELOPMENT GROUP, L.P.**

Notes To Financial Statements (*Continued*)

Asset Management Fee

The Partnership shall pay the Special Limited Partner \$5,000 as an Asset Management Fee in connection with the Special Limited Partner's review of the operations of the Partnership and Project. The Asset Management Fee shall increase annually by 3% of the prior year's Asset Management Fee. The fee shall be paid out of Net Cash Flow and shall accrue if not paid. During the years ended December 31, 2021 and 2020, the Partnership incurred an Asset Management Fee of \$5,797 and \$5,628, respectively. As of December 31, 2021 and 2020, fees of \$5,796 and \$5,627, respectively, remained payable and are included in accounts payable - entity.

State LP Asset Management Fee

The Partnership shall pay the State Limited Partner \$2,500 as a State LP Asset Management Fee in connection with the State Limited Partner's annual review of the operations of the Partnership and Project. The State LP Asset Management Fee shall increase annually by 3% of the prior year's State LP Asset Management Fee. The fee shall be paid out of Net Cash Flow and shall accrue if not paid. During the years ended December 31, 2021 and 2020, the Partnership incurred a State LP Asset Management Fee of \$2,899 and \$2,814, respectively. As of December 31, 2021 and 2020, fees of \$2,899 and \$2,814, respectively, remained payable and are included in accounts payable - entity.

Due To Affiliate

An entity associated with the Partnership through common ownership paid for costs on behalf of the Partnership. The balances owed at December 31, 2021 and 2020 were \$2 and \$580, respectively, and are included in accounts payable - entity.

Tax Credit Compliance Guaranty

The General Partner guarantees that the Limited Partner and State Limited Partner will be allocated federal and state low-income housing tax credits, in accordance with the Partnership Agreement, for any shortfall.

Operating Deficit Guaranty

Pursuant to the Amended and Restated Agreement of Limited Partnership, the General Partner shall advance to the Partnership as a loan an amount equal to the amount of the Operating Deficit. This obligation shall continue until the end of the Fiscal Year in which the fifth anniversary of the Lease-up Period or Stabilization period occurs. The guarantee is limited to a maximum of \$136,000. At December 31, 2021 and 2020, no such advance had been made.

**MID-MISSOURI VETERANS HOUSING
DEVELOPMENT GROUP, L.P.**

Notes To Financial Statements (*Continued*)

Net Cash Flow Distribution

Net Cash Flow, as defined in the Partnership Agreement, is available for distribution at year end as follows:

1. To the Limited Partner until the aggregate amount of distributions made to the Limited Partner for the current and all prior years equals the Assumed Limited Partner Tax Liability for the current and all prior years;
2. To the Limited Partner and State Limited Partner in an amount equal to any unpaid Tax Credit Shortfall, Unpaid State Tax Credit Shortfall, Limited Partner Advances, and Special Additional Capital Contributions;
3. To pay any outstanding and unpaid Special Limited Partner Asset Management Fees to the Special Limited Partner and to pay any outstanding and unpaid State LP Asset Management Fees to the State Limited Partner;
4. To replenish the Operating Reserve to the Operating Reserve Floor;
5. To pay all amounts due under the Development Agreement;
6. To pay all amounts then due and payable under the subordinate secured Sponsored Loans;
7. To pay any outstanding Operating Deficit Loans and General Partner Loans, pro rata based on the outstanding balances of each;
8. To the Partners in accordance with their Percentage Interests, provided however that the Limited Partner receives a distribution equal to at least 10% of Net Cash Flow.

4. Mortgage Note Payable

The Partnership entered into a loan agreement with CHA on May 1, 2015, which allowed for total advances up to \$2,400,000 from proceeds from tax-exempt bonds to fund the acquisition and rehabilitation of the Project (the Note). The Note bears interest at an effective annual rate of Prime Rate plus 2%, but never less than 4%. Commencing on July 1, 2017, the loan converted to permanent financing and the Partnership is required to make monthly payments of principal and interest at 2.875% per annum. The Note matures on June 1, 2033 and is secured by a first mortgage on the property.

As of December 31, 2021 and 2020, the balance of the Note was \$304,282 and \$314,975, respectively. Interest expense of \$9,014 and \$9,347 was incurred for the years ended December 31, 2021 and 2020, respectively. Accrued interest as of December 31, 2021 and 2020 was \$730 and \$755, respectively.

**MID-MISSOURI VETERANS HOUSING
DEVELOPMENT GROUP, L.P.**

Notes To Financial Statements *(Continued)*

Aggregate annual maturities of the mortgage note payable as of December 31, 2021 are as follows:

<u>Year</u>	<u>Amount</u>
2022	\$ 11,009
2023	11,334
2024	11,646
2025	12,013
2026	12,368
Thereafter	245,912
	<u>\$ 304,282</u>

5. Other Mortgages Payable

The Partnership obtained additional financing from CHA under a loan commitment of \$500,000, secured by a deed of trust, for the acquisition and rehabilitation of the Project. The note is non-interest bearing through maturity. The Partnership shall make annual payments beginning on or after January 1, 2032 equal to 50% of Net Cash Flow, after full payment of the deferred development fee. The entire principal will become due at maturity on May 31, 2047. As of December 31, 2021 and 2020, the balance of the note was \$500,000.

Financing was also provided by Columbia Community Housing Trust, an affiliate of the General Partner, under a loan commitment of \$1,345,000 for the acquisition and rehabilitation of the Project. The loan is non-interest bearing through maturity. The Partnership shall make annual payments equal to 72% of remaining Net Cash Flow, subordinate to payment terms noted in the note payable above. The entire principal will become due at maturity on May 31, 2047. As of December 31, 2021 and 2020, the balance of the note was \$1,289,181 and \$1,309,636, respectively.

The Partnership obtained additional financing from Columbia Community Housing Trust, under a loan commitment of \$500,000 for the acquisition and rehabilitation of the Project. The loan is non-interest bearing through maturity. The Partnership shall make annual payments equal to 95% of remaining Net Cash Flow, subordinate to payment terms noted in both notes payable above. The entire principal will become due at maturity on May 31, 2047. As of December 31, 2021 and 2020, the balance of the note was \$479,377 and \$486,934, respectively.

**MID-MISSOURI VETERANS HOUSING
DEVELOPMENT GROUP, L.P.**

Notes To Financial Statements (Continued)

6. Capital Contributions

Contingent upon various requirements as outlined in the Partnership Agreement, the Partners shall make capital contributions to the Partnership as follows:

Capital Installment	General Partner	Limited Partner	Special Limited Partner	State Limited Partner	Total
First	\$ 100	\$ 108,820	\$ 10	\$ 59,899	\$ 168,829
Second	—	108,820	—	59,899	168,719
Third	—	544,100	—	299,497	843,597
Fourth	—	326,460	—	179,698	506,158
	<u>\$ 100</u>	<u>\$ 1,088,200</u>	<u>\$ 10</u>	<u>\$ 598,993</u>	<u>\$ 1,687,303</u>

As of December 31, 2021 and 2020, \$100 had been contributed by the General Partner, \$1,086,613 by the Limited Partner and \$598,993 by the State Limited Partner. The Special Limited Partner has made no contributions as of December 31, 2021. The Limited Partner's final capital contribution was adjusted for a Net Downward Adjuster.

7. Commitments And Contingencies

The Project's low-income housing tax credits are contingent on its ability to maintain compliance with applicable sections of Section 42. Failure to maintain compliance with occupant eligibility, and/or gross rent or to correct non-compliance within a specified time period could result in recapture of previously taken tax credits, plus interest. Additionally, such potential noncompliance may require an adjustment to the contributed capital by the Limited Partners.

The Partnership is bound by a Land-Use Restriction Agreement with MHDC, which mandates the utilization of the Project pursuant to Section 42 of the Internal Revenue Code (Section 42) for a minimum of 30 years, even if disposition of the property by the Partnership occurs.

The Partnership has also entered into Land Use Restriction Agreements with the Housing Authority of the City of Columbia and UMB Bank, N.A. These agreements require that a percentage of the units be leased to low-income tenants, and otherwise regulates the Project for the duration of ownership by the Partnership and its successors.

**MID-MISSOURI VETERANS HOUSING
DEVELOPMENT GROUP, L.P.**

Notes To Financial Statements (*Continued*)

The Partnership and CHA have entered into a Section 8 Project-Based Voucher Program - PBV Housing Assistance Payments (HAP) Contract New Construction or Rehabilitation agreement with the Department of Housing and Urban Development (HUD). Under the agreement, CHA will provide the Partnership with housing assistance payments, consisting of both rent and utility allowance, on behalf of qualified tenants. The term of the agreement is for 15 years plus one option to renew for 5 years. The length of the initial term and any extension term shall be subject to availability, as determined by HUD, or CHA in accordance with HUD requirements, or sufficient appropriated funding (budget authority), as provided in appropriations acts and in the CHA's annual contributions contract with HUD, to make full payment of housing assistance payments due to the Partnership for any contract year in accordance with the HAP contract. The availability of sufficient funding must be determined by HUD or by CHA in accordance with HUD requirements. If there is not sufficient funding to continue housing assistance payments for all contract units or for the full term of the HAP contract, CHA has the right to terminate the HAP contract for any or all of the units.

In March 2020, the World Health Organization designated COVID-19 as a pandemic. While the Partnership has taken various actions in response to the COVID-19 pandemic, the ultimate impact on its results of operations, cash flows, financial condition and liquidity will depend on (i) the duration and severity of the pandemic, (ii) the effectiveness of vaccines, (iii) the duration and nature of governmental responses to contain the spread of the disease and assist residents and businesses, (iv) resident and business responses to the pandemic, and (v) how quickly and to what extent normal economic conditions can resume. Because of this uncertainty, any estimate of the expected future impact of the COVID-19 pandemic on results of operations, cash flows, financial condition, or liquidity is uncertain.

**MID-MISSOURI VETERANS HOUSING
DEVELOPMENT GROUP, L.P.
PROJECT NO. 14-417-TE**

**SUPPORTING DATA REQUIRED BY MHDC
For The Year Ended December 31, 2021**

Statement Of Profit And Loss

Part 1	Description of Account	Acct. No.	Amount	
Rent Revenue 5100	Rent Revenue - Gross Potential	5120	\$ 90,005	
	Tenant Assistance Payments	5121	\$ 101,870	
	Rent Revenue - Stores and Commercial	5140	\$ —	
	Garage and Parking Spaces	5170	\$ —	
	Flexible Subsidy Revenue	5180	\$ —	
	Miscellaneous Rent Revenue	5190	\$ —	
	Excess Rent	5191	\$ —	
	Rent Revenue/Insurance	5192	\$ —	
	Special Claims Revenue	5193	\$ —	
	Retained Excess Income	5194	\$ —	
	Total Rent Revenue	5100T		\$ 191,875
Vacancies 5200	Apartments	5220	\$ 65	
	Stores and Commercial	5240	\$ —	
	Rental Concessions	5250	\$ 526	
	Loss to Lease	5260	\$ 1,673	
	Garage and Parking Space	5270	\$ —	
	Miscellaneous	5290	\$ —	
Total Vacancies	5200T		\$ 2,264	
	Net Rental Revenue <i>Rent Revenue Less Vacancies</i>	5152N		\$ 189,611
Supportive Services 5390	Supportive Services Revenue	5390	\$ —	
Financial Revenue 5400	Financial Revenue - Project Operations	5410	\$ 2,103	
	Revenue from Investments - Residual Receipts	5430	\$ —	
	Revenue from Investments - Replacement Reserve	5440	\$ 231	
	Revenue from Investments - Miscellaneous	5490	\$ —	
Total Financial Revenue	5400T		\$ 2,334	
Other Revenue 5900	Laundry and Vending Revenue	5910	\$ 1,997	
	Tenant Charges	5920	\$ 1,224	
	Interest Reduction Payments Revenue	5945	\$ —	
	Cable TV / Internet Access Revenue	5954	\$ —	
	Miscellaneous Revenue	5990	\$ —	
Total Other Revenue	5900T		\$ 3,221	
	Total Revenue	5000T		\$ 195,166
Administrative Expenses 6200/6300	Conventions and Meetings	6203	\$ 126	
	Management Consultants	6204	\$ —	
	Advertising and Marketing	6210	\$ —	
	Other Renting Expenses	6250	\$ —	
	Office Salaries	6310	\$ 11,317	
	Office Expenses	6311	\$ 1,679	
	Office or Model Apartment Rent	6312	\$ —	
	Leased Furniture	6313	\$ —	
	Management Fee/ Bookkeeping/ Accounting Services	6320	\$ 9,634	
	Manager or Superintendent Salaries	6330	\$ —	
	Administrative Rent Free Unit	6331	\$ —	
	Legal Expense - Project	6340	\$ 360	
	Audit Expense	6350	\$ 8,250	
	Telephone Expense	6360	\$ 2,508	
	Bad Debts	6370	\$ 278	
	Miscellaneous Administrative Expenses	6390	\$ 451	
Total Administrative Expenses	6263T		\$ 34,603	
Utilities Expense 6400	Fuel Oil/Coal	6420	\$ —	
	Electricity	6450	\$ 11,789	
	Water	6451	\$ 2,357	
	Gas	6452	\$ 4,346	
	Sewer	6453	\$ 1,761	
	Cable TV / Internet Access	6454	\$ —	
Total Utilities Expense	6400T		\$ 20,253	
	Total Expenses (Carry Forward)		\$ 54,856	

Project Name: Mid-Missouri Veterans Housing Development Group, L.P.

		Balance Carried Forward		\$ 54,856
Operating Maintenance Expenses 6500	Payroll	6510	\$ 18,158	
	Supplies	6515	\$ 6,786	
	Contracts	6520	\$ 9,261	
	Operating and Maintenance Rent Free Unit	6521	\$ —	
	Garbage and Trash Removal	6525	\$ 4,635	
	Security Payroll/Contract	6530	\$ 5,773	
	Security Rent Free Unit	6531	\$ —	
	Heating/Cooling Repairs and Maintenance	6546	\$ 60	
	Snow Removal	6548	\$ 65	
	Vehicle and Maintenance Equipment Operation and Repairs	6570	\$ 114	
	Maintenance Tools and Equipment	6571	\$ —	
	Pool Supplies and Pool Maintenance/Contracts	6572	\$ —	
	Exterminating	6573	\$ 1,889	
	Elevator Maintenance/Contracts	6574	\$ —	
	Vacant Unit Preparation	6580	\$ —	
Miscellaneous Operating and Maintenance Expenses	6590	\$ —		
Total Operating and Maintenance Expenses	6500T		\$ 46,741	
Taxes and Insurance 6700	Real Estate Taxes	6710	\$ 6,972	
	Payroll Taxes (Project's Share)	6711	\$ 2,870	
	Property and Liability Insurance (Hazard)	6720	\$ 9,986	
	Fidelity Bond Insurance	6721	\$ —	
	Workmen's Compensation	6722	\$ 671	
	Health Insurance and Other Employee Benefits	6723	\$ 7,044	
	Miscellaneous Taxes, Licenses, Permits and Insurance	6790	\$ 589	
	Total Taxes and Insurance	6700T		
Financial Expenses 6800	Interest on Mortgage Payable	6820	\$ 9,014	
	Interest attributable to debt issuance costs	6822	\$ 6,323	
	Interest on Notes Payable (Long-Term)	6830	\$ —	
	Interest on Notes Payable (Short-Term)	6840	\$ —	
	Mortgage Insurance Premium/Service Charge	6850	\$ —	
	Miscellaneous Financial Expenses	6890	\$ 3,445	
Total Financial Expenses	6800T		\$ 18,782	
Supportive Services 6990	Supportive Services Expenses	6990	\$ —	
	Total Cost of Operations before Depreciation and Amortization	6000T		\$ 148,511
	Profit (Loss) before Depreciation and Amortization	5060T		\$ 46,655
	Depreciation Expense	6600	\$ 123,324	
	Amortization Expense	6610	\$ 1,845	
	Total Depreciation and Amortization			\$ 125,169
	Operating Profit or (Loss)	5060N		\$ (78,514)
Corporate or Mortgagor Entity Expenses 7100	Entity Revenue	7105	\$ —	
	Officer's Salaries	7110	\$ —	
	Asset Management, Partnership and Incentive Performance Fee	7115	\$ 8,696	
	Legal Expenses	7120	\$ —	
	Federal, State and Other Income Taxes	7130	\$ —	
	Fidelity and Bond Expense	7135	\$ —	
	Interest Income	7140	\$ —	
	Interest on Notes Payable (subordinate/surplus cash/non-MHDC loans)	7141	\$ —	
	Interest on Mortgage Payable (subordinate/surplus cash/non-MHDC loan)	7142	\$ —	
	Other Expenses	7190	\$ —	
Net Entity Expenses	7100T		\$ 8,696	
Profit or Loss (Net Income or Loss)	3250		\$ (87,210)	

Miscellaneous or other Income and Expense Sub-account Groups. If miscellaneous or other income and/or expense sub-accounts (5190, 5290, 5490, 5990, 6390, 6590, 6790, 6890 and 7190) exceed the Account Groupings by 10% or more, attach a separate schedule describing or explaining the miscellaneous income or expense.

Part II

1. Total mortgage principal payments required during the audit year (12 monthly payments). (Account 7001)	\$ 10,693
2. Total of 12 monthly deposits in the audit year into the Replacement Reserve account. (Account 7002)	\$ 8,630
3. Replacement Reserve or Residual Receipts releases which are included as expense items on this Profit and Loss Statement. (Account 7003)	\$ —
4. Debt Service for other loans (surplus cash / non-MHDC / partner loans) (Account 7145)	\$ —

**MID-MISSOURI VETERANS HOUSING
DEVELOPMENT GROUP, L.P.
PROJECT NO. 14-417-TE**

**SUPPORTING DATA REQUIRED BY MHDC (Continued)
For The Year Ended December 31, 2020**

Statement Of Profit And Loss

Part 1	Description of Account	Acct. No.	Amount		
Rent Revenue 5100	Rent Revenue - Gross Potential	5120	\$	72,895	
	Tenant Assistance Payments	5121	\$	115,330	
	Rent Revenue - Stores and Commercial	5140	\$	—	
	Garage and Parking Spaces	5170	\$	—	
	Flexible Subsidy Revenue	5180	\$	—	
	Miscellaneous Rent Revenue	5190	\$	—	
	Excess Rent	5191	\$	—	
	Rent Revenue/Insurance	5192	\$	—	
	Special Claims Revenue	5193	\$	—	
	Retained Excess Income	5194	\$	—	
	Total Rent Revenue	5100T		\$	188,225
Vacancies 5200	Apartments	5220	\$	211	
	Stores and Commercial	5240	\$	—	
	Rental Concessions	5250	\$	—	
	Loss to Lease	5260	\$	1,993	
	Garage and Parking Space	5270	\$	—	
	Miscellaneous	5290	\$	—	
Total Vacancies	5200T		\$	2,204	
	Net Rental Revenue <i>Rent Revenue Less Vacancies</i>	5152N		\$	186,021
Supportive Services 5390	Supportive Services Revenue	5390		\$	—
Financial Revenue 5400	Financial Revenue - Project Operations	5410	\$	793	
	Revenue from Investments - Residual Receipts	5430	\$	—	
	Revenue from Investments - Replacement Reserve	5440	\$	371	
	Revenue from Investments - Miscellaneous	5490	\$	—	
Total Financial Revenue	5400T		\$	1,164	
Other Revenue 5900	Laundry and Vending Revenue	5910	\$	2,731	
	Tenant Charges	5920	\$	5,529	
	Interest Reduction Payments Revenue	5945	\$	—	
	Cable TV / Internet Access Revenue	5954	\$	—	
	Miscellaneous Revenue	5990	\$	271	
Total Other Revenue	5900T		\$	8,531	
Total Revenue	5000T		\$	195,716	
Administrative Expenses 6200/6300	Conventions and Meetings	6203	\$	394	
	Management Consultants	6204	\$	—	
	Advertising and Marketing	6210	\$	—	
	Other Renting Expenses	6250	\$	1,136	
	Office Salaries	6310	\$	7,596	
	Office Expenses	6311	\$	2,912	
	Office or Model Apartment Rent	6312	\$	—	
	Leased Furniture	6313	\$	—	
	Management Fee	6320	\$	9,450	
	Manager or Superintendent Salaries	6330	\$	—	
	Administrative Rent Free Unit	6331	\$	—	
	Legal Expense - Project	6340	\$	748	
	Audit Expense	6350	\$	8,250	
	Bookkeeping Fees/Accounting Services	6351	\$	—	
	Telephone Expense	6360	\$	2,189	
	Bad Debts	6370	\$	4,932	
	Miscellaneous Administrative Expenses	6390	\$	260	
Total Administrative Expenses	6263T		\$	37,867	
Utilities Expense 6400	Fuel Oil/Coal	6420	\$	—	
	Electricity	6450	\$	12,205	
	Water	6451	\$	2,781	
	Gas	6452	\$	3,988	
	Sewer	6453	\$	2,102	
	Cable TV / Internet Access	6454	\$	—	
Total Utilities Expense	6400T		\$	21,076	
	Total Expenses (Carry Forward)			\$	58,943

Project Name: Mid-Missouri Veterans Housing Development Group, L.P.

		Balance Carried Forward		\$	58,943	
Operating Maintenance Expenses 6500	Payroll	6510	\$	19,702		
	Supplies	6515	\$	5,843		
	Contracts	6520	\$	10,603		
	Operating and Maintenance Rent Free Unit	6521	\$	—		
	Garbage and Trash Removal	6525	\$	4,635		
	Security Payroll/Contract	6530	\$	5,591		
	Security Rent Free Unit	6531	\$	—		
	Heating/Cooling Repairs and Maintenance	6546	\$	794		
	Snow Removal	6548	\$	—		
	Vehicle and Maintenance Equipment Operation and Repairs	6570	\$	20		
	Maintenance Tools and Equipment	6571	\$	319		
	Pool Supplies and Pool Maintenance/Contracts	6572	\$	—		
	Exterminating	6573	\$	880		
	Elevator Maintenance/Contracts	6574	\$	—		
	Vacant Unit Preparation	6580	\$	1,625		
Miscellaneous Operating and Maintenance Expenses	6590	\$	965			
Total Operating and Maintenance Expenses	6500T			\$	50,977	
Taxes and Insurance 6700	Real Estate Taxes	6710	\$	7,419		
	Payroll Taxes (Project's Share)	6711	\$	2,404		
	Property and Liability Insurance (Hazard)	6720	\$	8,906		
	Fidelity Bond Insurance	6721	\$	—		
	Workmen's Compensation	6722	\$	590		
	Health Insurance and Other Employee Benefits	6723	\$	9,677		
	Miscellaneous Taxes, Licenses, Permits and Insurance	6790	\$	483		
	Total Taxes and Insurance	6700T			\$	29,479
Financial Expenses 6800	Interest on Mortgage Payable	6820	\$	9,347		
	Interest on Notes Payable (Long-Term)	6830	\$	6,323		
	Interest on Notes Payable (Short-Term)	6840	\$	—		
	Mortgage Insurance Premium/Service Charge	6850	\$	—		
	Miscellaneous Financial Expenses	6890	\$	3,335		
Total Financial Expenses	6800T			\$	19,005	
Supportive Services 6990	Supportive Services Expenses	6990			\$	
	Total Cost of Operations before Depreciation and Amortization	6000T			\$	158,404
	Profit (Loss) before Depreciation and Amortization	5060T			\$	37,312
	Depreciation Expense	6600	\$	123,325		
	Amortization Expense	6610	\$	1,845		
	Total Depreciation and Amortization				\$	125,170
	Operating Profit or (Loss)	5060N			\$	(87,858)
Corporate or Mortgagor Entity Expenses 7100	Entity Revenue	7105	\$	—		
	Officer's Salaries	7110	\$	—		
	Asset Management, Partnership and Incentive Performance Fee	7115	\$	8,442		
	Legal Expenses	7120	\$	—		
	Federal, State and Other Income Taxes	7130	\$	—		
	Fidelity and Bond Expense	7135	\$	—		
	Interest Income	7140	\$	—		
	Interest on Notes Payable (subordinate/surplus cash/non-MHDC loans)	7141	\$	—		
	Interest on Mortgage Payable (subordinate/surplus cash/non-MHDC loan)	7142	\$	—		
	Other Expenses	7190	\$	—		
Net Entity Expenses	7100T			\$	8,442	
Profit or Loss (Net Income or Loss)	3250			\$	(96,300)	

Miscellaneous or other Income and Expense Sub-account Groups. If miscellaneous or other income and/or expense sub-accounts (5190, 5290, 5490, 5990, 6390, 6590, 6790, 6890 and 7190) exceed the Account Groupings by 10% or more, attach a separate schedule describing or explaining the miscellaneous income or expense.

Part II

1. Total mortgage principal payments required during the audit year (12 monthly payments). (Account 7001)	\$	10,358
2. Total of 12 monthly deposits in the audit year into the Replacement Reserve account. (Account 7002)	\$	8,386
3. Replacement Reserve or Residual Receipts releases which are included as expense items on this Profit and Loss Statement. (Account 7003)	\$	—
4. Debt Service for other loans (surplus cash / non-MHDC / partner loans) (Account 7145)	\$	—

**MID-MISSOURI VETERANS HOUSING
DEVELOPMENT GROUP, L.P.
PROJECT NO. 14-417-TE**

SUPPORTING DATA REQUIRED BY MHDC (Continued)

Statement Of Profit And Loss

	<u>Account</u>	<u>For The Years Ended December 31,</u>	
		<u>2021</u>	<u>2020</u>
6890 - Miscellaneous Financial Expense			
6890-010 Bond trustee fees	6890-020	\$ 3,445	\$ 3,335

**MID-MISSOURI VETERANS HOUSING
DEVELOPMENT GROUP, L.P.
PROJECT NO. 14-417-TE**

**SUPPORTING DATA REQUIRED BY MHDC (Continued)
December 31, 2021**

Schedule Of Escrow Deposits And Replacement Reserves

Replacement Reserve	
Balance at January 1	\$ 54,962
Monthly deposits	8,630
Interest earned, net of bank fees	231
Balance at December 31	<u>63,823</u>
Special Needs Reserve	25,000
Operating Reserve	73,467
Compliance Fund	767
Bond Fund	<u>1,664</u>
	<u><u>\$ 164,721</u></u>

**MID-MISSOURI VETERANS HOUSING
DEVELOPMENT GROUP, L.P.
PROJECT NO. 14-417-TE**

**SUPPORTING DATA REQUIRED BY MHDC (Continued)
December 31, 2021**

Schedule Of Fixed Assets

	Balance January 1, 2021	Additions	Deductions	Balance December 31, 2021
1410 Land	\$ 122,500	\$ —	\$ —	\$ 122,500
1410 Land improvements	415,953	—	—	415,953
1420 Buildings and improvements	3,579,228	—	—	3,579,228
1450 Furniture for project/tenant use	125,219	—	—	125,219
1465 Furniture and equipment	5,240	—	—	5,240
Total	4,248,140	—	—	4,248,140
1495 Accumulated depreciation	554,432	123,324	—	677,756
1400N Net Book Value	\$ 3,693,708	\$ (123,324)	\$ —	\$ 3,570,384

**MID-MISSOURI VETERANS HOUSING
DEVELOPMENT GROUP, L.P.
PROJECT NO. 14-417-TE**

**SUPPORTING DATA REQUIRED BY MHDC (Continued)
December 31, 2021**

Funds In Financial Institutions

A. Funds Held By Mortgagor, Regular Operating Account	
First Mid Bank, operating account ⁽¹⁾	<u>\$ 61,818</u>
B. Funds Held By Mortgagor In Trust, Tenant Security Deposits	
First Mid Bank, security deposit account ⁽¹⁾	<u>14,874</u>
C. Funds Held By Mortgagor	
1. Special needs reserve, MHDC ⁽¹⁾	25,000
2. Replacement reserve, First Mid Bank ⁽¹⁾	63,823
3. Operating reserve, Central Bank ⁽¹⁾	73,467
	<u>162,290</u>
Funds Held By Mortgagor, TOTAL	<u>238,982</u>
D. Funds Held By Mortgagee, (In Trust)	
1. Compliance Fund, UMB ⁽¹⁾	767
2. Bond Fund, UMB ⁽¹⁾	1,664
	<u>2,431</u>
Funds Held By Mortgagee, TOTAL	<u>2,431</u>
TOTAL FUNDS IN FINANCIAL INSTITUTIONS	<u><u>\$ 241,413</u></u>

⁽¹⁾ Balances audited as of December 31, 2021

**MID-MISSOURI VETERANS HOUSING
DEVELOPMENT GROUP, L.P.
PROJECT NO. 14-417-TE**

**SUPPORTING DATA REQUIRED BY MHDC (Continued)
December 31, 2021**

**Schedule Of Eligible And Allocated Federal And
State Tax Credits
TIN #: 47-1362131**

Credit Year	Calendar Year	Annual Federal LIHTC		Annual State LIHTC	
		Allocated	Eligible	Allocated	Eligible
1	2016	\$ 128,341	\$ 82,139	\$ 127,826	\$ 82,139
2	2017	128,341	128,341	127,826	127,826
3	2018	128,341	128,341	127,826	127,826
4	2019	128,341	128,341	127,826	127,826
5	2020	128,341	128,341	127,826	127,826
6	2021	128,341	128,341	127,826	127,826
7	2022	128,341		127,826	
8	2023	128,341		127,826	
9	2024	128,341		127,826	
10	2025	128,341		127,826	
11	2026	N/A		N/A	
12	2027	N/A		N/A	
13	2028	N/A		N/A	
14	2029	N/A		N/A	
15	2030	N/A		N/A	

**MID-MISSOURI VETERANS HOUSING
DEVELOPMENT GROUP, L.P.
PROJECT NO. 14-417-TE**

**MORTGAGOR CERTIFICATION
For The Year Ended December 31, 2021**

We hereby certify that we have examined the accompanying financial statements and supplementary data of Mid-Missouri Veterans Housing Development Group, L.P. and, to the best of our knowledge and belief, the same is complete and accurate.

Mid-Missouri Veterans Housing Development
Group, L.P.
(A Missouri Limited Partnership)

By: 
Signature of Signer

Randy Cole
Printed Name of Signer

Executive Director
Title of Signer

47-1362131
Employer Identification Number

March 16, 2022
Date

**MID-MISSOURI VETERANS HOUSING
DEVELOPMENT GROUP, L.P.
PROJECT NO. 14-417-TE**

**MANAGING AGENT CERTIFICATION
For The Year Ended December 31, 2021**

We hereby certify that we have examined the accompanying financial statements and supplementary data of Mid-Missouri Veterans Housing Development Group, L.P. and, to the best of our knowledge and belief, the same is complete and accurate.

Housing Authority of the City of Columbia,
Missouri
Managing Agent Name

By: 
Signature of Signer

Randy Cole
Printed Name of Signer

Chief Executive Officer
Title of Signer

43-6014416
Employer Identification Number


Signature of Individual Responsible for
Management of Property

Laura Lewis
Printed Name of Individual Responsible for
Management of Property

March 16, 2022
Date

S3200-005

Auditors' Transmittal Letter

S3200-010 Audit Firm RubinBrown LLP

S3200-020 Lead Auditor First Name Brandi

S3200-030 Lead Auditor Middle Name Tucker

S3200-040 Lead Auditor Last Name Lawyer

S3200-050 Auditor Street Address Line 1 One North Brentwood

S3200-060 Auditor Street Address Line 2 _____

S3200-070 Auditor City St. Louis

S3200-080 Auditor State Missouri

S3200-090 Auditor Zip Code 63105

S3200-100 Auditor Zip Code Extension _____

S3200-110 Auditor Telephone Number (314) 290-3300

S3200-120 Auditor Firm TIN 43-0765316

S3200-130 Date Of Independent Auditors' Report March 16, 2022

**STUART PARKER HOUSING
DEVELOPMENT GROUP, LP
PROJECT NO. 14-419-TE
FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

Independent Auditors' Report

Partners
Stuart Parker Housing Development Group, LP
Columbia, Missouri

Opinion

We have audited the financial statements of Stuart Parker Housing Development Group, LP, Project No. 14-419-TE, which comprise the balance sheet as of December 31, 2021 and 2020, and the related statements of operations, partners' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Stuart Parker Housing Development Group, LP as of December 31, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis For Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities For The Audit Of The Financial Statements section of our report. We are required to be independent of Stuart Parker Housing Development Group, LP and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities Of Management For The Financial Statements

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

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 Stuart Parker Housing Development Group, LP's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than 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 auditing standards generally accepted in the United States of America, 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 Stuart Parker Housing Development Group, LP'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 Stuart Parker Housing Development Group, LP'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.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information, shown on pages 22 to 30, is presented for purposes of additional analysis and is not a required part of the 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 financial statements. Such information, except for page 30, has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, except for page 30, the information is fairly stated in all material respects in relation to the financial statements as a whole.

RubinBrown LLP

March 16, 2022

**STUART PARKER HOUSING
DEVELOPMENT GROUP, LP
PROJECT NO. 14-419-TE**

BALANCE SHEET

Page 1 Of 2

Assets		December 31,	
		2021	2020
Current Assets			
1120	Cash - operations	\$ 447,099	\$ 511,599
1130	Tenant accounts receivable	15,765	25,044
1131	Allowance for doubtful accounts	(11,734)	(20,384)
1130N	Net tenant accounts receivable	4,031	4,660
1135	Accounts receivable - HUD	5,124	3,893
1145	Accounts receivable - entity (Note 3)	—	10,000
1160	Accounts receivable - interest	20,889	—
1200	Prepaid expenses	10,929	65,049
1100T	Total Current Assets	488,072	595,201
Deposits Held In Trust - Funded			
1191	Tenant deposits held in trust	114,270	112,035
Restricted Deposits And Funded Reserves (Note 2)			
1320	Replacement reserve	682,318	593,154
1330	Other reserves	891,460	862,965
1300T	Total Deposits	1,573,778	1,456,119
Fixed Assets (Notes 4 And 5)			
1410	Land and land improvements	2,255,039	2,227,069
1420	Buildings	24,313,028	24,313,028
1460	Furnishings	60,075	60,075
1400T	Total Fixed Assets	26,628,142	26,600,172
1495	Less: Accumulated depreciation	4,106,130	3,318,028
1400N	Net Fixed Assets	22,522,012	23,282,144
Other Assets			
1520	Deferred costs (Note 1)	79,603	95,489
1000T	Total Assets	\$ 24,777,735	\$ 25,540,988

**STUART PARKER HOUSING
DEVELOPMENT GROUP, LP
PROJECT NO. 14-419-TE**

**BALANCE SHEET
Page 2 Of 2**

Liabilities

		December 31,	
		2021	2020
Current Liabilities			
2110	Accounts payable - operations	\$ 37,170	\$ 32,977
2113	Accounts payable - entity (Note 3)	1,382	506
2113B	Accounts payable - asset management fee payable (Note 3)	8,696	8,442
2120	Accrued wages payable	33,397	34,568
2123	Accrued management fee payable (Note 3)	9,036	8,763
2131	Accrued interest payable - first mortgage (Note 4)	8,267	8,348
2133	Accrued interest payable - other loans		
2133	and notes (surplus cash) (Note 5)	518,615	509,432
2170	Mortgage note payable - first mortgage (short-term) (Note 4)	70,000	65,000
2210	Prepaid revenue	16,921	13,458
2122T	Total Current Liabilities	703,484	681,494
Deposit And Prepayment Liabilities			
2191	Tenant deposits held in trust (contra)	112,770	109,170
Long-Term Liabilities			
2310	Mortgage note payable - first mortgage (Note 4)	3,970,000	4,040,000
2320	Deferred developer fees payable (Note 3)	—	14,947
2322	Other mortgages payable - (long-term) (Note 5)	10,197,910	10,197,910
2340	Debt issuance costs (Note 1)	(330,711)	(342,113)
2300T	Total Long-Term Liabilities	13,837,199	13,910,744
2000T	Total Liabilities	14,653,453	14,701,408
Partners' Equity			
3130	Partners' equity	10,124,282	10,839,580
2033T	Total Liabilities And Partners' Equity	\$ 24,777,735	\$ 25,540,988

**STUART PARKER HOUSING
DEVELOPMENT GROUP, LP
PROJECT NO. 14-419-TE**

STATEMENT OF OPERATIONS

		For The Years Ended December 31,	
		2021	2020
Revenues			
5100	Gross potential rents	\$ 1,909,757	\$ 1,876,338
5200	Less: Vacancies	46,743	67,723
	Net Rental Revenues	1,863,014	1,808,615
5400	Financial revenue	28,434	14,218
5900	Other revenue	144,617	92,322
	Total Revenues	2,036,065	1,915,155
Operating Expenses			
6300	Administrative expenses	438,261	394,165
6400	Utilities expense	287,837	291,930
6500	Operating and maintenance expenses	433,894	372,194
6600	Depreciation and amortization	803,988	813,853
6700	Taxes and insurance	228,958	230,690
6800	Financial expenses	215,957	217,720
	Total Operating Expenses	2,408,895	2,320,552
	Rental Loss Before Partnership Expenses	(372,830)	(405,397)
	Partnership Expenses	260,293	260,061
	Net Loss	\$ (633,123)	\$ (665,458)

**STUART PARKER HOUSING
DEVELOPMENT GROUP, LP
PROJECT NO. 14-419-TE**

STATEMENT OF PARTNERS' EQUITY

For The Years Ended December 31, 2021 And 2020

	Allocation Percentage	General Partner	Limited Partner	State Limited Partner	Special Limited Partner	Total
	0.009%	98.990%	1.000%	0.001%	100.000%	
Balance - January 1, 2020		\$ 1,233,643	\$ 6,912,230	\$ 3,432,764	\$ (10)	\$ 11,578,627
Net Loss		(60)	(658,736)	(6,655)	(7)	(665,458)
Distributions		(73,589)	—	—	—	(73,589)
S100-010		1,159,994	6,253,494	3,426,109	(17)	10,839,580
3250		(57)	(626,729)	(6,331)	(6)	(633,123)
S1200-420		(82,175)	—	—	—	(82,175)
3130		\$ 1,077,762	\$ 5,626,765	\$ 3,419,778	\$ (23)	\$ 10,124,282

See the notes to financial statements.

**STUART PARKER HOUSING
DEVELOPMENT GROUP, LP
PROJECT NO. 14-419-TE**

**STATEMENT OF CASH FLOWS
Page 1 Of 2**

	For The Years Ended December 31,	
	2021	2020
Cash Flows From Operating Activities		
Receipts:		
Rental receipts	\$ 1,865,875	\$ 1,803,857
Interest receipts	7,545	14,218
Other operating receipts	154,617	92,322
Total Receipts	2,028,037	1,910,397
Disbursements:		
Administrative	122,307	132,106
Management fee	114,334	110,421
Utilities	287,837	291,930
Salaries and wages	344,940	301,182
Operating and maintenance	286,403	238,416
Real estate taxes	54,961	58,492
Property insurance	9,332	63,592
Miscellaneous taxes and insurance	110,545	109,614
Tenant security deposits	(3,600)	(8,475)
Interest on mortgages	200,362	202,151
Miscellaneous financial	4,274	4,240
Entity/construction disbursements:		
Interest expense - surplus cash notes	242,414	—
Asset management fees	8,442	8,196
Total Disbursements	1,782,551	1,511,865
Net Cash Provided By Operating Activities	245,486	398,532
Cash Flows Used In Investing Activities		
Net purchases of fixed assets	(27,970)	—
Cash Flows From Financing Activities		
Principal payments on loans or notes payable	(65,000)	(66,069)
Distributions	(82,175)	(73,589)
Entity/construction financing activities:		
Payments on developer fee payable	(14,947)	(206,845)
Net Cash Used In Financing Activities	(162,122)	(346,503)
Net Increase In Cash And Restricted Cash	55,394	52,029
Beginning Of Year Cash And Restricted Cash	2,079,753	2,027,724
End Of Year Cash And Restricted Cash	\$ 2,135,147	\$ 2,079,753

**STUART PARKER HOUSING
DEVELOPMENT GROUP, LP
PROJECT NO. 14-419-TE**

STATEMENT OF CASH FLOWS

Page 2 Of 2

	For The Years	
	Ended December 31,	
	2021	2020
Reconciliation Of Net Loss To Net Cash		
From Operating Activities		
Net loss	\$ (633,123)	\$ (665,458)
Adjustments to reconcile net loss to net cash from operating activities:		
Depreciation	788,102	797,967
Amortization	15,886	15,886
Amortization of debt issuance costs	11,402	11,404
Changes in assets and liabilities:		
Tenant accounts receivable	(602)	(2,170)
Accounts receivable - interest	(20,889)	—
Accounts receivable - entity	10,000	—
Prepaid expenses	54,120	(1,008)
Accounts payable - operations	4,193	(20,928)
Accounts payable - due to affiliate	876	(2,590)
Accrued liabilities	(898)	7,752
Accrued interest payable	9,102	251,544
Tenant security deposits held in trust (contra)	3,600	8,475
Prepaid revenue	3,463	(2,588)
Entity/construction liability accounts:		
Accrued asset management fees	254	246
Net Cash Provided By Operating Activities	\$ 245,486	\$ 398,532

**STUART PARKER HOUSING
DEVELOPMENT GROUP, LP
PROJECT NO. 14-419-TE**

**NOTES TO FINANCIAL STATEMENTS
December 31, 2021 And 2020**

1. Organization And Summary Of Significant Accounting Policies

Stuart Parker Housing Development Group, LP (the Partnership), was organized on July 9, 2014 as a Missouri limited partnership for the purpose of acquiring, owning, constructing and/or rehabilitating, leasing, managing, and operating a 284-unit apartment complex located in Columbia, Missouri, currently known as Stuart Parker Apartments and Paquin Tower (the Project). On December 1, 2015, the Partnership Agreement was amended and restated to permit the withdrawal of Philip Steinhaus, the Withdrawing Limited Partner, and admit RSEP Holding, LLC, a Delaware limited liability company, as the new Limited Partner, and Red Stone Equity Manager, LLC, a Delaware limited liability company, as the new Special Limited Partner, and Missouri Fund 2015 IV, LLC, a Missouri limited liability company, as the State Limited Partner. On March 15, 2016, RSEP Holding, LLC assigned their interest in the Partnership to Red Stone - 2015 National Fund, LP.

As of December 31, 2016, eight of the twenty buildings had been renovated and placed in service. As of December 31, 2017, the remaining buildings were renovated and placed in service.

The partners' interests in profits and losses are as follows:

General Partner:	Stuart Parker Housing GP, LLC	0.009%
Limited Partner:	Red Stone - 2015 National Fund, LP	98.990%
Special Limited Partner:	Red Stone Equity Manager, LLC	0.001%
State Limited Partner:	Missouri Fund 2015 IV, LLC	1.000%

The Project has qualified for and has been allocated low-income housing tax credits pursuant to Internal Revenue Code Section 42 (Section 42) which regulates the use of the Project as to occupant eligibility and unit gross rent, among other requirements. The Project must meet the provisions of these requirements during each of the 15 consecutive years in order to be qualified to receive the credits.

The Project is regulated by the Missouri Housing Development Commission (MHDC) as to rent charges and operating methods. The regulatory agreement limits annual distributions of net operating receipts to surplus cash available at the end of each year.

The Partnership will continue to operate perpetually, unless it is earlier dissolved and terminated by provisions of the Partnership Agreement.

STUART PARKER HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (Continued)

Certain defined terms contained in the Partnership Agreement are denoted with initial capital letters throughout the financial statements.

Estimates And Assumptions

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 statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash And Restricted Cash

The Partnership invests its cash in financial institutions with strong credit ratings. At times, such balances may be in excess of Federal Deposit Insurance Corporation (FDIC) insurance limits.

The following is a reconciliation between cash and restricted cash reported within the balance sheet and the total cash and restricted cash on the statement of cash flows as of December 31:

		<u>2021</u>	<u>2020</u>
1120	Cash - operations	\$ 447,099	\$ 511,599
1191	Tenant deposits held in trust	114,270	112,035
1320	Replacement reserve	682,318	593,154
1330	Other reserves	891,460	862,965
	Total Cash And Restricted Cash	\$ 2,135,147	\$ 2,079,753

Tenant Deposits Held In Trust

Tenant deposits held in trust consist of security deposit funds collected from the tenants, separated from Project funds, and deposited into a trust account. All disbursements from the security deposit account must be only for refunds to tenants and payment of expenses incurred by or on behalf of the tenants. Tenant deposits held in trust also include \$1,456 of building utility deposits at December 31, 2021 and 2020.

STUART PARKER HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements *(Continued)*

Tenant Accounts Receivable

Tenant receivables are stated at the amount management expects to collect from balances outstanding at year end. Based on management's assessment of the credit history with tenants having outstanding balances and current relationships with them, management has recorded an allowance for doubtful accounts. As of December 31, 2021 and 2020, the amount recorded in the allowance was \$11,734 and \$20,384, respectively.

Restricted Deposits And Funded Reserves

Restricted deposits and funded reserves are comprised of checking and money market funds which are stated at cost.

Replacement Reserve

The replacement reserve can only be used for improvements to buildings upon prior approval of the Special Limited Partner.

Rental Property

Rental property is carried at cost, less accumulated depreciation. Depreciation is provided using the half-year method over the estimated useful lives:

Buildings	40 years
Land improvements	15 years
Furnishings	5 years

Maintenance and repairs are charged to expense when incurred. Upon retirement or other disposition, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in operations.

The Partnership reviews its investment in rental property for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the rental property to the future net undiscounted cash flow expected to be generated by the rental property, including the residual value of the rental property. If the rental property is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the rental property exceeds the fair value of such property. There was no impairment loss recognized for the years ended December 31, 2021 or 2020.

Capitalized Interest

Interest during the period of construction, amounting to \$343,919 has been capitalized and is being amortized over the life of the building and its components.

STUART PARKER HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (*Continued*)

Development Fees

Development fees of \$1,600,000 incurred for the development of the Project have been capitalized and added to the depreciable basis of the building.

Debt Issuance Costs

Debt issuance costs totaling \$376,325, consisting of costs for obtaining mortgage loans, have been capitalized and are being amortized using the straight-line method over the term of the mortgage loans. Accumulated amortization amounted to \$45,614 and \$34,212, at December 31, 2021 and 2020, respectively.

Accounting principles generally accepted in the United States of America require that the effective yield method be used to amortize financing costs; however, the effect of using the straight-line method is not materially different from the results that would have been obtained under the effective yield method.

Tax Credit Fees

As of December 31, 2021 and 2020, tax credit fees totaling \$158,840, consist of fees associated with the low-income housing tax credits allocated to the Partnership. The fees are being amortized using the straight-line method over 10 years. As of December 31, 2021 and 2020, accumulated amortization amounted to \$79,237 and \$63,351, respectively.

Rental Revenue

The rental property is generally leased to tenants under one-year operating leases. Rental revenue is recognized as rent becomes due. Rental revenue received in advance is deferred until earned.

Income Taxes

Under provisions of the Internal Revenue Code and applicable state laws, the Partnership is not directly subject to income taxes. The results of its operations are includable in the tax returns of its partners. Therefore, no provision for income tax expense has been included in the accompanying financial statements.

Reclassification

Certain 2020 amounts have been reclassified, where appropriate, to conform to the financial statement presentation used in 2021.

STUART PARKER HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (Continued)

Subsequent Events

Management evaluates subsequent events through the date the financial statements are available for issue, which is the date of the Independent Auditors' Report.

2. Restricted Deposits And Funded Reserves

Restricted deposits and funded reserves consist of the following as of December 31:

	2021	2020
Replacement Reserve		
Balance at January 1	\$ 593,154	\$ 497,613
Deposits	93,799	91,066
Withdrawals	(7,416)	—
Interest earned, net of bank fees	2,781	4,475
Balance at December 31	682,318	593,154
Debt Service Reserve	291,625	291,590
Bond Fund	14	4,273
Taxes and Insurance Fund	66,863	—
Operating Reserve	502,958	500,734
Special Needs Reserve Fund	30,000	30,000
Construction Escrow	—	36,368
Total Other Reserves	891,460	862,965
	\$ 1,573,778	\$ 1,456,119

Replacement Reserve

A Replacement Reserve is to be funded on the date of payment of the Fourth Capital Installment in an amount of \$284,000. Additional deposits of \$85,200 are required per year, payable in equal monthly installments, commencing on the anniversary date upon which the Project is placed in service. Such monthly payments shall increase by 3% each year. No withdrawal may be made without the consent of the Special Limited Partner.

Debt Service Reserve

A Debt Service Reserve is to be funded by the Fourth Capital Contribution in the amount of \$275,000 into a segregated reserve account. The Partnership shall utilize amounts in the Debt Service Reserve to fund any operating deficits incurred by loss or termination of the rental assistance subsidy. No withdrawal may be made without the consent of the Special Limited Partner.

STUART PARKER HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (*Continued*)

Bond Fund

A reserve was established to fund bond costs.

Taxes And Insurance Fund

A reserve was established to fund annual real estate taxes and property and liability insurance. The Partnership is obligated to make a payment to the Tax and Insurance Fund each month in an amount necessary to fund the annual real estate tax and property and liability insurance.

Operating Reserve

An Operating Reserve of \$480,000 is to be funded on the date of payment of the Fourth Capital Installment into a segregated reserve account in the name of the Partnership at UMB Bank. The Partnership shall fund the Operating Reserve from Net Cash Flow in order to maintain, to the extent possible, a balance at all times of at least \$480,000. No withdrawal may be made without the consent of the Special Limited Partner.

Special Needs Reserve

A Special Needs Reserve is to be funded in the amount of \$30,000 or \$1,000 per special needs unit, no later than the making of the Fourth Capital Contribution, to fund the Special Needs Reserve established by MHDC on July 1, 2013 which provides assistance to properties with special needs residents that are experiencing temporary operational issues.

Construction Escrow

The project received a utility grant for use in the rehabilitation of the Project.

3. Related Party Transactions

Accounts Receivable - Entity

The Partnership paid for relocation costs and other reimbursable expenses through operations and is expected to be reimbursed from construction proceeds and from an affiliate of the General Partner. There was no balance owed to the Partnership at December 31, 2021. The balance owed to the Partnership at December 31, 2020 was \$10,000.

STUART PARKER HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (*Continued*)

Development Fee

The Development Agreement provides that a Development Fee of \$1,600,000 be paid to an affiliate of the General Partner and an unrelated Consultant for providing services in connection with the development of the Project. The unpaid balance is noninterest bearing and repayment is to be made in accordance with the Development Service Agreement through capital installments. As of December 31, 2021, there was no balance payable. As of December 31, 2020, \$14,947 was payable.

Asset Management Fee

The Partnership shall pay the Special Limited Partner \$5,000 as an Asset Management Fee in connection with the Special Limited Partner's review of the operations of the Partnership and Project. The Asset Management Fee shall increase annually by 3% of the prior year Asset Management Fee. The fee shall be paid out of Net Cash Flow and shall accrue if not paid. During the years ended December 31, 2021 and 2020, the Partnership incurred an Asset Management Fee of \$5,797 and \$5,628, respectively, which remains payable and is included in accounts payable - asset management fee payable.

State LP Asset Management Fee

The Partnership shall pay the State Limited Partner \$2,500 as a State LP Asset Management Fee in connection with the State Limited Partner's annual review of the operations of the Partnership and Project. The State LP Asset Management Fee shall increase annually by 3% of the prior year State LP Asset Management Fee. The fee shall be paid out of Net Cash Flow and shall accrue if not paid. During the years ended December 31, 2021 and 2020, the Partnership incurred an Asset Management Fee of \$2,899 and \$2,814, respectively, which remains payable and is included in accounts payable - asset management fee payable.

Property Management Fees

The Partnership entered into a management contract with the Housing Authority of the City of Columbia, Missouri (CHA), an affiliate of the General Partner. The management fee is equal to 6% of monthly gross collections. Management fees of \$114,607 and \$110,096 were incurred for the years ended December 31, 2021 and 2020, respectively. As of December 31, 2021 and 2020, \$9,036 and \$8,763, respectively, remained payable.

Due To Affiliate

An entity associated with the Partnership through common ownership paid for costs on behalf of a related project. The balance owed at December 31, 2021 and 2020 was \$1,382 and \$506, respectively.

STUART PARKER HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (*Continued*)

Tax Credit Compliance Guaranty

The General Partner guarantees that the Limited Partner and State Limited Partner will be allocated federal and state low-income housing tax credits, in accordance with the partnership agreement, for any shortfall.

Operating Deficit Guaranty

Pursuant to the Amended and Restated Agreement of Limited Partnership, the General Partner shall advance to the Partnership as a loan an amount equal to the amount of the Operating Deficit. This obligation shall continue until the end of the Fiscal Year in which the fifth anniversary of the Lease-up Period or Stabilization period occurs. The guarantee is limited to a maximum of \$800,000. At December 31, 2021 and 2020, no such advance had been made.

Net Cash Flow Distribution

Net Cash Flow, as defined in the Partnership Agreement, is available for distribution at year end as follows:

1. To the Limited Partner until the aggregate amount of distributions made to the Limited Partner for the current and all prior years equals the Assumed Limited Partner Tax Liability for the current and all prior years;
2. To the Limited Partner and State Limited Partner in an amount equal to any unpaid Tax Credit Shortfall, Unpaid State Tax Credit Shortfall, Limited Partner Advances, and Special Additional Capital Contributions;
3. To the General Partner to pay fees for the security services provided at the Project;
4. To pay any outstanding and unpaid Special Limited Partner Asset Management Fees to the Special Limited Partner and to pay any outstanding and unpaid State LP Asset Management Fees to the State Limited Partner;
5. To replenish the Operating Reserve to the Operating Reserve Floor;
6. To pay all amounts due under the Development Agreement;
7. To pay all amounts then due and payable under the Seller Financing Loan and the AHP Loan;
8. To pay any outstanding Operating Deficit Loans and General Partner Loans, pro rata based on the outstanding balances of each; and

STUART PARKER HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (Continued)

9. To the Partners in accordance with their Percentage Interests, provided however that the Limited Partner receives a distribution equal to at least 10% of Net Cash Flow.

4. Mortgage Note Payable

The Partnership entered into a loan agreement (the Note) with CHA on December 1, 2015, which allows for total advances up to \$13,500,000 of tax-exempt bond proceeds to fund the acquisition and rehabilitation of the Project. The Series A bonds bear interest at an effective annual rate of Prime Rate plus 4%, but never less than the weighted average interest rate on the bonds plus 2%. The Series B bonds bore interest at 1.49%. At December 1, 2017, the Partnership was required to pay the outstanding principal and interest on the Series B Bonds to reduce the advances to \$4,300,000. In January 2018, \$8,000,000 was paid down and in March 2018 \$1,199,990 was paid down at final closing. Commencing in March 2018, the Partnership is required to make monthly payments of principal and interest on the Series A Bonds. The Note matures on December 1, 2050 and is secured by a first mortgage on the property. As of December 31, 2021 and 2020, the balance of the Note was \$4,040,000 and \$4,105,000, respectively. Accrued interest at December 31, 2021 and 2020 was \$8,267 and \$8,348, respectively.

Aggregate annual maturities of the mortgage note payable over the next five years and thereafter is as follows:

<u>Year</u>	<u>Amount</u>
2022	\$ 70,000
2023	70,000
2024	75,000
2025	75,000
2026	80,000
Thereafter	3,670,000
	<u>\$ 4,040,000</u>

STUART PARKER HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (*Continued*)

5. Other Mortgages Payable

The Partnership obtained additional financing from CHA under a loan commitment of \$9,713,333, secured by a second deed of trust, for the acquisition and rehabilitation of the Project. The note bears interest at 2.61%, compounded annually, through maturity. The Partnership shall make annual payments beginning on or after April 1, 2017 equal to 100% of Net Cash Flow, after full payment of the deferred development fee. The outstanding principal and interest will become due at maturity on December 31, 2057. As of December 31, 2021 and 2020, the outstanding balance was \$9,449,482. Accrued interest as of December 31, 2021 and 2020 was \$498,747 and \$494,531, respectively.

Financing was also provided by the City of Columbia, Missouri, for the Home Fund of the City of Columbia, Missouri, under a loan commitment of \$251,750, secured by a third deed of trust, for the acquisition and rehabilitation of the Project. The loan is non-interest bearing through maturity. The Partnership shall make annual payments from Net Cash Flow. The entire principal will become due at maturity on December 31, 2060. As of December 31, 2021 and 2020, the balance was \$251,750.

The Partnership obtained additional financing from CHA under a loan commitment of \$500,000, secured by a fourth deed of trust, for the acquisition and rehabilitation of the Project. The loan bears interest at 1%, compounded annually, through maturity. The Partnership shall make annual payments equal to 5% of remaining Net Cash Flow, subordinate to payment of the deferred development fee, beginning on January 1, 2034. The entire principal will become due at maturity on December 31, 2050. At December 31, 2021 and 2020, the outstanding balance was \$496,678. Accrued interest as of December 31, 2021 and 2020 was \$19,868 and \$14,901, respectively.

STUART PARKER HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (Continued)

6. Capital Contributions

Contingent upon various requirements as outlined in the Partnership Agreement, the Partners shall make capital contributions to the Partnership as follows:

Capital Installment	General Partner	Limited Partner	State Limited Partner	Special Limited Partner	Total
First	\$ 906,460	\$ 824,440	\$ 344,329	\$ —	\$ 2,075,229
Second	—	824,440	344,329	—	1,168,769
Third	—	5,358,861	2,238,134	—	7,596,995
Fourth	476,429	1,236,660	516,493	10	2,229,592
Total	\$ 1,382,889	\$ 8,244,401	\$ 3,443,285	\$ 10	\$ 13,070,585

As of December 31, 2021 and 2020, \$1,382,789 had been contributed by the General Partner, \$7,988,772 by the Limited Partner, \$3,443,285 by the State Limited Partner. The Special Limited Partner had made no contributions as of December 31, 2021 or 2020.

7. Commitments And Contingencies

The Project's low-income housing tax credits are contingent on its ability to maintain compliance with applicable sections of Section 42. Failure to maintain compliance with occupant eligibility, and/or gross rent or to correct non-compliance within a specified time period could result in recapture of previously taken tax credits, plus interest. Additionally, such potential noncompliance may require an adjustment to the contributed capital by the Limited Partners.

The Partnership has also entered into Land Use Restriction Agreements with MHDC. These agreements require that all the residential units shall be set aside and made available for rental solely to eligible low-income individuals or families, as defined in the Internal Revenue Code.

The Partnership has also entered into Land Use Restriction Agreements with the Housing Authority of the City of Columbia and UMB Bank. These agreements require that a percentage of the units be leased to low-income tenants, and otherwise regulates the Project for the duration of ownership by the Partnership and its successors.

STUART PARKER HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (*Continued*)

The Partnership and CHA have entered into a Section 8 Project-Based Voucher Program - PBV Housing Assistance Payments (HAP) Contract New Construction or Rehabilitation agreement with HUD. Under the agreement, CHA will provide the Partnership with housing assistance payments, consisting of both rent and utility allowance, on behalf of qualified tenants. The term of the agreement is for 20 years. The length of the initial term and any extension term shall be subject to availability, as determined by HUD, or CHA in accordance with HUD requirements, or sufficient appropriated funding (budget authority), as provided in appropriations acts and in the CHA's annual contributions contract with HUD, to make full payment of housing assistance payments due to the Partnership for any contract year in accordance with the HAP contract. The availability of sufficient funding must be determined by HUD or by CHA in accordance with HUD requirements. If it is determined that there may not be sufficient funding to continue housing assistance payments for all contract units and for the full term of the HAP contract, CHA has the right to terminate the HAP contract by notice to the Partnership for all or any of the contract units.

The Partnership has also entered into a Rental Assistance Demonstration (RAD) Use Agreement with HUD. Under the agreement, the Partnership was allowed to convert the Project from public housing to long-term Section 8 rental assistance to achieve the preservation and improvement of the Project through access to private debt and equity to address immediate and long-term capital needs. The RAD Use Agreement will be recorded superior to other liens on the Project, and run for the same term as the initial term of the HAP contract with automatic renewals upon each HAP contract extension.

In March 2020, the World Health Organization designated COVID-19 as a pandemic. While the Partnership has taken various actions in response to the COVID-19 pandemic, the ultimate impact on its results of operations, cash flows, financial condition and liquidity will depend on (i) the duration and severity of the pandemic, (ii) the effectiveness of vaccines, (iii) the duration and nature of governmental responses to contain the spread of the disease and assist residents and businesses, (iv) resident and business responses to the pandemic, and (v) how quickly and to what extent normal economic conditions can resume. Because of this uncertainty, any estimate of the expected future impact of the COVID-19 pandemic on results of operations, cash flows, financial condition, or liquidity is uncertain.

**STUART PARKER HOUSING
DEVELOPMENT GROUP, LP
PROJECT NO. 14-419-TE**

**SUPPORTING DATA REQUIRED BY MHDC
For The Year Ended December 31, 2021**

Statement Of Profit And Loss

Part 1	Description of Account	Acct. No.	Amount
Rent Revenue 5100	Rent Revenue - Gross Potential	5120	\$ 827,936
	Tenant Assistance Payments	5121	\$ 1,032,328
	Rent Revenue - Stores and Commercial	5140	\$ —
	Garage and Parking Spaces	5170	\$ —
	Flexible Subsidy Revenue	5180	\$ —
	Miscellaneous Rent Revenue	5190	\$ 49,493
	Excess Rent	5191	\$ —
	Rent Revenue/Insurance	5192	\$ —
	Special Claims Revenue	5193	\$ —
	Retained Excess Income	5194	\$ —
	Total Rent Revenue	5100T	\$ 1,909,757
Vacancies 5200	Apartments	5220	\$ 16,964
	Stores and Commercial	5240	\$ —
	Rental Concessions	5250	\$ 13,234
	Loss to Lease	5260	\$ 16,545
	Garage and Parking Space	5270	\$ —
	Miscellaneous	5290	\$ —
	Total Vacancies	5200T	\$ 46,743
	Net Rental Revenue <i>Rent Revenue Less Vacancies</i>	5152N	\$ 1,863,014
Supportive Services 5390	Supportive Services Revenue	5390	\$ —
Financial Revenue 5400	Financial Revenue - Project Operations	5410	\$ 25,653
	Revenue from Investments - Residual Receipts	5430	\$ —
	Revenue from Investments - Replacement Reserve	5440	\$ 2,781
	Revenue from Investments - Miscellaneous	5490	\$ —
	Total Financial Revenue	5400T	\$ 28,434
Other Revenue 5900	Laundry and Vending Revenue	5910	\$ 31,552
	Tenant Charges	5920	\$ 25,000
	Interest Reduction Payments Revenue	5945	\$ —
	Cable TV / Internet Access Revenue	5954	\$ 5,902
	Miscellaneous Revenue	5990	\$ 82,163
		Total Other Revenue	5900T
	Total Revenue	5000T	\$ 2,036,065
Administrative Expenses 6200/6300	Conventions and Meetings	6203	\$ 1,653
	Management Consultants	6204	\$ —
	Advertising and Marketing	6210	\$ —
	Other Renting Expenses	6250	\$ 38,670
	Office Salaries	6310	\$ 196,278
	Office Expenses	6311	\$ 26,838
	Office or Model Apartment Rent	6312	\$ —
	Leased Furniture	6313	\$ —
	Management Fee/ Bookkeeping/ Accounting Services	6320	\$ 114,607
	Manager or Superintendent Salaries	6330	\$ —
	Administrative Rent Free Unit	6331	\$ —
	Legal Expense - Project	6340	\$ 14,279
	Audit Expense	6350	\$ 13,400
	Telephone Expense	6360	\$ 7,659
	Bad Debts	6370	\$ 19,904
	Miscellaneous Administrative Expenses	6390	\$ 4,973
	Total Administrative Expenses	6263T	\$ 438,261
Utilities Expense 6400	Fuel Oil/Coal	6420	\$ —
	Electricity	6450	\$ 151,570
	Water	6451	\$ 63,792
	Gas	6452	\$ 13,946
	Sewer	6453	\$ 46,243
	Cable TV / Internet Access	6454	\$ 12,286
	Total Utilities Expense	6400T	\$ 287,837
	Total Expenses (Carry Forward)		\$ 726,098

Project Name: Stuart Parker Housing Development Group, LP

		Balance Carried Forward		\$ 726,098
Operating Maintenance Expenses 6500	Payroll	6510	\$ 147,491	
	Supplies	6515	\$ 60,453	
	Contracts	6520	\$ 55,186	
	Operating and Maintenance Rent Free Unit	6521	\$ —	
	Garbage and Trash Removal	6525	\$ 39,558	
	Security Payroll/Contract	6530	\$ —	
	Security Rent Free Unit	6531	\$ —	
	Heating/Cooling Repairs and Maintenance	6546	\$ 6,068	
	Snow Removal	6548	\$ —	
	Vehicle and Maintenance Equipment Operation and Repairs	6570	\$ 1,226	
	Maintenance Tools and Equipment	6571	\$ 443	
	Pool Supplies and Pool Maintenance/Contracts	6572	\$ —	
	Exterminating	6573	\$ 20,992	
	Elevator Maintenance/Contracts	6574	\$ 16,808	
	Vacant Unit Preparation	6580	\$ —	
Miscellaneous Operating and Maintenance Expenses	6590	\$ 85,669		
Total Operating and Maintenance Expenses	6500T		\$ 433,894	
Taxes and Insurance 6700	Real Estate Taxes	6710	\$ 54,961	
	Payroll Taxes (Project's Share)	6711	\$ 26,776	
	Property and Liability Insurance (Hazard)	6720	\$ 63,452	
	Fidelity Bond Insurance	6721	\$ —	
	Workmen's Compensation	6722	\$ 6,426	
	Health Insurance and Other Employee Benefits	6723	\$ 71,696	
	Miscellaneous Taxes, Licenses, Permits and Insurance	6790	\$ 5,647	
	Total Taxes and Insurance	6700T		
Financial Expenses 6800	Interest on Mortgage Payable	6820	\$ 200,281	
	Interest attributable to Debt Issuance Costs	6822	\$ 11,402	
	Interest on Notes Payable (Long-Term)	6830	\$ —	
	Interest on Notes Payable (Short-Term)	6840	\$ —	
	Mortgage Insurance Premium/Service Charge	6850	\$ —	
	Miscellaneous Financial Expenses	6890	\$ 4,274	
Total Financial Expenses	6800T		\$ 215,957	
Supportive Services	Supportive Services Expenses	6990	\$ —	
Total Cost of Operations before Depreciation and Amortization		6000T		\$ 1,604,907
Profit (Loss) before Depreciation and Amortization		5060T		\$ 431,158
	Depreciation Expense	6600	\$ 788,102	
	Amortization Expense	6610	\$ 15,886	
Total Depreciation and Amortization				\$ 803,988
Operating Profit or (Loss)		5060N		\$ (372,830)
Corporate or Mortgagor Entity Expenses 7100	Entity Revenue	7105	\$ —	
	Officer's Salaries	7110	\$ —	
	Asset Management, Partnership and Incentive Performance Fee	7115	\$ 8,696	
	Legal Expenses	7120	\$ —	
	Federal, State and Other Income Taxes	7130	\$ —	
	Fidelity and Bond Expense	7135	\$ —	
	Interest Income	7140	\$ —	
	Interest on Notes Payable (subordinate/surplus cash/non-MHDC loans)	7141	\$ 251,597	
	Interest on Mortgage Payable (subordinate/surplus cash/non-MHDC loan)	7142	\$ —	
	Other Expenses	7190	\$ —	
Net Entity Expenses	7100T		\$ 260,293	
Profit or Loss (Net Income or Loss)		3250		\$ (633,123)

Miscellaneous or other Income and Expense Sub-account Groups. If miscellaneous or other income and/or expense sub-accounts (5190, 5290, 5490, 5990, 6390, 6590, 6790, 6890 and 7190) exceed the Account Groupings by 10% or more, attach a separate schedule describing or explaining the miscellaneous income or expense.

Part II

1. Total mortgage principal payments required during the audit year (12 monthly payments). (Account 7001)	\$ 65,000
2. Total of 12 monthly deposits in the audit year into the Replacement Reserve account. (Account 7002)	\$ 93,799
3. Replacement Reserve or Residual Receipts releases which are included as expense items on this Profit and Loss Statement. (Account 7003)	\$ 21,886
4. Debt Service for other loans (surplus cash / non-MHDC / partner loans) (Account 7145)	\$ —

**STUART PARKER HOUSING
DEVELOPMENT GROUP, LP
PROJECT NO. 14-419-TE**

**SUPPORTING DATA REQUIRED BY MHDC (Continued)
For The Year Ended December 31, 2020**

Statement Of Profit And Loss

Part 1	Description of Account	Acct. No.	Amount		
Rent Revenue 5100	Rent Revenue - Gross Potential	5120	\$	843,085	
	Tenant Assistance Payments	5121	\$	984,443	
	Rent Revenue - Stores and Commercial	5140	\$	—	
	Garage and Parking Spaces	5170	\$	—	
	Flexible Subsidy Revenue	5180	\$	—	
	Miscellaneous Rent Revenue	5190	\$	48,810	
	Excess Rent	5191	\$	—	
	Rent Revenue/Insurance	5192	\$	—	
	Special Claims Revenue	5193	\$	—	
	Retained Excess Income	5194	\$	—	
	Total Rent Revenue	5100T		\$	1,876,338
Vacancies 5200	Apartments	5220	\$	31,206	
	Stores and Commercial	5240	\$	—	
	Rental Concessions	5250	\$	10,416	
	Loss to Lease	5260	\$	26,101	
	Garage and Parking Space	5270	\$	—	
	Miscellaneous	5290	\$	—	
Total Vacancies	5200T		\$	67,723	
	Net Rental Revenue <i>Rent Revenue Less Vacancies</i>	5152N		\$	1,808,615
Supportive Services 5390	Supportive Services Revenue	5390		\$	—
Financial Revenue 5400	Financial Revenue - Project Operations	5410	\$	9,743	
	Revenue from Investments - Residual Receipts	5430	\$	—	
	Revenue from Investments - Replacement Reserve	5440	\$	4,475	
	Revenue from Investments - Miscellaneous	5490	\$	—	
Total Financial Revenue	5400T		\$	14,218	
Other Revenue 5900	Laundry and Vending Revenue	5910	\$	28,687	
	Tenant Charges	5920	\$	24,374	
	Interest Reduction Payments Revenue	5945	\$	—	
	Cable TV / Internet Access Revenue	5954	\$	34,478	
	Miscellaneous Revenue	5990	\$	4,783	
Total Other Revenue	5900T		\$	92,322	
	Total Revenue	5000T		\$	1,915,155
Administrative Expenses 6200/6300	Conventions and Meetings	6203	\$	4,216	
	Management Consultants	6204	\$	—	
	Advertising and Marketing	6210	\$	—	
	Other Renting Expenses	6250	\$	29,280	
	Office Salaries	6310	\$	175,481	
	Office Expenses	6311	\$	22,260	
	Office or Model Apartment Rent	6312	\$	—	
	Leased Furniture	6313	\$	—	
	Management Fee	6320	\$	110,096	
	Manager or Superintendent Salaries	6330	\$	—	
	Administrative Rent Free Unit	6331	\$	—	
	Legal Expense - Project	6340	\$	4,658	
	Audit Expense	6350	\$	13,400	
	Bookkeeping Fees/Accounting Services	6351	\$	—	
	Telephone Expense	6360	\$	4,385	
	Bad Debts	6370	\$	25,759	
Miscellaneous Administrative Expenses	6390	\$	4,630		
Total Administrative Expenses	6263T		\$	394,165	
Utilities Expense 6400	Fuel Oil/Coal	6420	\$	—	
	Electricity	6450	\$	142,712	
	Water	6451	\$	53,354	
	Gas	6452	\$	11,987	
	Sewer	6453	\$	38,744	
	Cable TV / Internet Access	6454	\$	45,133	
Total Utilities Expense	6400T		\$	291,930	
	Total Expenses (Carry Forward)			\$	686,095

Project Name: Stuart Parker Housing Development Group, LP

		Balance Carried Forward		\$ 686,095
Operating Maintenance Expenses 6500	Payroll	6510	\$ 133,778	
	Supplies	6515	\$ 67,589	
	Contracts	6520	\$ 52,513	
	Operating and Maintenance Rent Free Unit	6521	\$ —	
	Garbage and Trash Removal	6525	\$ 40,032	
	Security Payroll/Contract	6530	\$ —	
	Security Rent Free Unit	6531	\$ —	
	Heating/Cooling Repairs and Maintenance	6546	\$ 7,710	
	Snow Removal	6548	\$ 41	
	Vehicle and Maintenance Equipment Operation and Repairs	6570	\$ 204	
	Maintenance Tools and Equipment	6571	\$ 929	
	Pool Supplies and Pool Maintenance/Contracts	6572	\$ —	
	Exterminating	6573	\$ 33,444	
	Elevator Maintenance/Contracts	6574	\$ 15,184	
	Vacant Unit Preparation	6580	\$ 1,138	
Miscellaneous Operating and Maintenance Expenses	6590	\$ 19,632		
Total Operating and Maintenance Expenses	6500T		\$ 372,194	
Taxes and Insurance 6700	Real Estate Taxes	6710	\$ 58,492	
	Payroll Taxes (Project's Share)	6711	\$ 22,096	
	Property and Liability Insurance (Hazard)	6720	\$ 62,584	
	Fidelity Bond Insurance	6721	\$ —	
	Workmen's Compensation	6722	\$ 5,528	
	Health Insurance and Other Employee Benefits	6723	\$ 75,123	
	Miscellaneous Taxes, Licenses, Permits and Insurance	6790	\$ 6,867	
	Total Taxes and Insurance	6700T		\$ 230,690
Financial Expenses 6800	Interest on Mortgage Payable	6820	\$ 202,076	
	Interest attributable to Debt Issuance Costs	6822	\$ 11,404	
	Interest on Notes Payable (Long-Term)	6830	\$ —	
	Interest on Notes Payable (Short-Term)	6840	\$ —	
	Mortgage Insurance Premium/Service Charge	6850	\$ —	
	Miscellaneous Financial Expenses	6890	\$ 4,240	
Total Financial Expenses	6800T		\$ 217,720	
Supportive Services	Supportive Services Expenses	6990	\$ —	
	Total Cost of Operations before Depreciation and Amortization	6000T		\$ 1,506,699
	Profit (Loss) before Depreciation and Amortization	5060T		\$ 408,456
	Depreciation Expense	6600	\$ 797,967	
	Amortization Expense	6610	\$ 15,886	
	Total Depreciation and Amortization			\$ 813,853
	Operating Profit or (Loss)	5060N		\$ (405,397)
Corporate or Mortgagor Entity Expenses 7100	Entity Revenue	7105	\$ —	
	Officer's Salaries	7110	\$ —	
	Asset Management, Partnership and Incentive Performance Fee	7115	\$ 8,442	
	Legal Expenses	7120	\$ —	
	Federal, State and Other Income Taxes	7130	\$ —	
	Fidelity and Bond Expense	7135	\$ —	
	Interest Income	7140	\$ —	
	Interest on Notes Payable (subordinate/surplus cash/non-MHDC loans)	7141	\$ 251,619	
	Interest on Mortgage Payable (subordinate/surplus cash/non-MHDC loan)	7142	\$ —	
	Other Expenses	7190	\$ —	
Net Entity Expenses	7100T		\$ 260,061	
Profit or Loss (Net Income or Loss)	3250		\$ (665,458)	

Miscellaneous or other Income and Expense Sub-account Groups. If miscellaneous or other income and/or expense sub-accounts (5190, 5290, 5490, 5990, 6390, 6590, 6790, 6890 and 7190) exceed the Account Groupings by 10% or more, attach a separate schedule describing or explaining the miscellaneous income or expense.

Part II

1. Total mortgage principal payments required during the audit year (12 monthly payments). (Account 7001)	\$ 65,000
2. Total of 12 monthly deposits in the audit year into the Replacement Reserve account. (Account 7002)	\$ 91,066
3. Replacement Reserve or Residual Receipts releases which are included as expense items on this Profit and Loss Statement. (Account 7003)	\$ —
4. Debt Service for other loans (surplus cash / non-MHDC / partner loans) (Account 7145)	\$ —

**STUART PARKER HOUSING
DEVELOPMENT GROUP, LP
PROJECT NO. 14-419-TE**

SUPPORTING DATA REQUIRED BY MHDC (Continued)

Statement Of Profit And Loss

		For The Years Ended December 31,	
Account		2021	2020
5990 - Miscellaneous Revenue			
5990-010	Other income	5990-020 \$ 2,505	\$ 2,230
5990-010	City of Columbia refund - trash services	5990-020 19,107	—
5990-010	Insurance proceeds	5990-020 57,928	—
5990-010	Fee for service	5990-020 2,623	2,553
Total Miscellaneous Revenue		\$ 82,163	\$ 4,783
6590 - Miscellaneous Operating And Maintenance			
6590-010	Flooring removal and repairs	6590-020 \$ 14,470	\$ 13,325
6590-010	Fire damage repair and mitigation	6590-020 —	6,307
6590-010	Elevator and alarm replacement	6590-020 62,843	—
6590-010	Paving expense	6590-020 3,500	—
6590-010	Mold removal	6590-020 4,856	—
Total Miscellaneous Operating And Maintenance Expenses		\$ 85,669	\$ 19,632

**STUART PARKER HOUSING
DEVELOPMENT GROUP, LP
PROJECT NO. 14-419-TE**

**SUPPORTING DATA REQUIRED BY MHDC (Continued)
December 31, 2021**

Schedule Of Escrow Deposits And Replacement Reserves

Replacement Reserve	
Balance at January 1	\$ 593,154
Deposits	93,799
Withdrawals	(7,416)
Interest earned, net of bank fees	2,781
Balance at December 31	<u>682,318</u>
Debt Service Reserve	291,625
Bond Fund	14
Taxes and Insurance Fund	66,863
Operating Reserve	502,958
Special Needs Reserve Fund	<u>30,000</u>
Total Other Reserves	<u>891,460</u>
	<u>\$ 1,573,778</u>

**STUART PARKER HOUSING
DEVELOPMENT GROUP, LP
PROJECT NO. 14-419-TE**

**SUPPORTING DATA REQUIRED BY MHDC (Continued)
December 31, 2021**

Schedule Of Fixed Assets

	Balance January 1, 2021	Additions	Deductions	Balance December 31, 2021
1410 Land	\$ 1,609,333	\$ —	\$ —	\$ 1,609,333
1410 Land improvements	617,736	27,970	—	645,706
1420 Buildings	24,313,028	—	—	24,313,028
1460 Furnishings	60,075	—	—	60,075
Total	26,600,172	27,970	—	26,628,142
1495 Accumulated depreciation	3,318,028	788,102	—	4,106,130
1400N Net Book Value	\$ 23,282,144	\$ (760,132)	\$ —	\$ 22,522,012

**STUART PARKER HOUSING
DEVELOPMENT GROUP, LP
PROJECT NO. 14-419-TE**

**SUPPORTING DATA REQUIRED BY MHDC (Continued)
December 31, 2021**

Funds In Financial Institutions

A. Funds Held By Mortgagor, Regular Operating Account	
First Mid Bank, operating account ⁽¹⁾	\$ 446,194
B. Funds Held By Mortgagor In Trust, Tenant Security Deposits	
First Mid Bank, security deposit account ⁽¹⁾	<u>112,814</u>
Funds Held By Mortgagor, TOTAL	<u>559,008</u>
C. Funds Held By Mortgagee, (In Trust)	
1. Replacement reserve, First Mid Bank ⁽¹⁾	682,318
2. Debt service reserve, UMB Bank ⁽¹⁾	291,625
3. Bond fund, UMB Bank ⁽¹⁾	14
4. Tax and insurance fund, UMB Bank ⁽¹⁾	66,863
5. Operating reserve, First Mid Bank ⁽¹⁾	502,958
6. Special needs reserve, MHDC ⁽¹⁾	<u>30,000</u>
Funds Held By Mortgagee, TOTAL	<u>1,573,778</u>
TOTAL FUNDS IN FINANCIAL INSTITUTIONS	<u><u>\$ 2,132,786</u></u>

(1) Balances audited as of December 31, 2021

**STUART PARKER HOUSING
DEVELOPMENT GROUP, LP
PROJECT NO. 14-419-TE**

**SUPPORTING DATA REQUIRED BY MHDC (Continued)
December 31, 2021**

**Schedule Of Eligible And Allocated Federal And
State Tax Credits
TIN #: 47-1362215**

Credit Year	Calendar Year	Annual Federal LIHTC		Annual State LIHTC	
		Allocated	Eligible	Allocated	Eligible
1	2016	\$ 949,731	\$ 31,483	\$ 700,000	\$ 31,481
2	2017	949,731	735,153	700,000	594,145
3	2018	949,731	949,731	700,000	700,000
4	2019	949,731	949,731	700,000	700,000
5	2020	949,731	949,731	700,000	700,000
6	2021	949,731	949,731	700,000	700,000
7	2022	949,731		700,000	
8	2023	949,731		700,000	
9	2024	949,731		700,000	
10	2025	949,731		700,000	
11	2026	N/A		N/A	
12	2027	N/A		N/A	
13	2028	N/A		N/A	
14	2029	N/A		N/A	
15	2030	N/A		N/A	

**STUART PARKER HOUSING
DEVELOPMENT GROUP, LP
PROJECT NO. 14-419-TE**

**MORTGAGOR CERTIFICATION
For The Year Ended December 31, 2021**

We hereby certify that we have examined the accompanying financial statements and supplementary data of Stuart Parker Housing Development Group, LP and, to the best of our knowledge and belief, the same is complete and accurate.

Stuart Parker Housing Development
Group, LP
(A Missouri Limited Partnership)

By: 

Signature of Signer

Randy Cole

Printed Name of Signer

Executive Director

Title of Signer

47-1362215

Employer Identification Number

March 16, 2022

Date

**STUART PARKER HOUSING
DEVELOPMENT GROUP, LP
PROJECT NO. 14-419-TE**

**MANAGING AGENT CERTIFICATION
For The Year Ended December 31, 2021**

We hereby certify that we have examined the accompanying financial statements and supplementary data of Stuart Parker Housing Development Group, LP and, to the best of our knowledge and belief, the same is complete and accurate.


Housing Authority of the City of Columbia,
Missouri
Managing Agent Name

By: 
Signature of Signer

Randy Cole
Printed Name of Signer

Chief Executive Officer
Title of Signer

43-6014416
Employer Identification Number


Signature of Individual Responsible for
Management of Property

Laura Lewis
Printed Name of Individual Responsible for
Management of Property

March 16, 2022
Date

S3200-005

Auditors' Transmittal Letter

S3200-010 Audit Firm _____ RubinBrown LLP _____

S3200-020 Lead Auditor First Name _____ Brandi _____

S3200-030 Lead Auditor Middle Name _____ Tucker _____

S3200-040 Lead Auditor Last Name _____ Lawyer _____

S3200-050 Auditor Street Address Line 1 _____ One North Brentwood _____

S3200-060 Auditor Street Address Line 2 _____

S3200-070 Auditor City _____ St. Louis _____

S3200-080 Auditor State _____ Missouri _____

S3200-090 Auditor Zip Code _____ 63105 _____

S3200-100 Auditor Zip Code Extension _____

S3200-110 Auditor Telephone Number _____ (314) 290-3300 _____

S3200-120 Auditor Firm TIN _____ 43-0765316 _____

S3200-130 Date Of Independent Auditors' Report _____ March 16, 2022 _____

**BEAR CREEK HOUSING
DEVELOPMENT GROUP, LP
PROJECT NO. 15-405-TE
FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

Independent Auditors' Report

Partners
Bear Creek Housing Development Group, LP
Columbia, Missouri

Opinion

We have audited the financial statements of Bear Creek Housing Development Group, LP, Project No. 15-405-TE, which comprise the balance sheet as of December 31, 2021 and 2020, and the related statements of operations, partners' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Bear Creek Housing Development Group, LP as of December 31, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis For Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities For The Audit Of The Financial Statements section of our report. We are required to be independent of Bear Creek Housing Development Group, LP and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities Of Management For The Financial Statements

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

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 Bear Creek Housing Development Group, LP's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than 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 auditing standards generally accepted in the United States of America, 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 Bear Creek Housing Development Group, LP'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 Bear Creek Housing Development Group, LP'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.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information, shown on pages 22 to 30, is presented for purposes of additional analysis and is not a required part of the 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 financial statements. Such information, except for page 30, has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, except for page 30, the information is fairly stated in all material respects in relation to the financial statements as a whole.

RubinBrown LLP

March 16, 2022

BEAR CREEK HOUSING DEVELOPMENT GROUP, LP
PROJECT NO. 15-405-TE

BALANCE SHEET

Page 1 Of 2

Assets

		December 31,	
		2021	2020
Current Assets			
1120	Cash - operations	\$ 181,212	\$ 48,900
1130	Tenant accounts receivable	6,091	8,503
1131	Allowance for doubtful accounts	(5,576)	(5,129)
1130N	Net tenant accounts receivable	515	3,374
1135	Accounts receivable - HUD	1,538	928
1145	Accounts receivable - entity (Note 3)	—	1,806
1160	Accounts receivable - interest	6,355	—
1200	Prepaid expenses	2,445	50,080
1100T	Total Current Assets	192,065	105,088
Deposits Held In Trust - Funded			
1191	Tenant deposits held in trust	37,969	37,532
Restricted Deposits And Funded Reserves (Note 2)			
1320	Replacement reserve	198,194	160,745
1330	Other reserves	313,078	340,674
1300T	Total Deposits	511,272	501,419
Fixed Assets (Notes 4 And 5)			
1410	Land and land improvements	1,114,860	1,114,860
1420	Buildings and improvements	8,134,582	8,134,582
1400T	Total Fixed Assets	9,249,442	9,249,442
1495	Less: Accumulated depreciation	1,094,949	869,655
1400N	Net Fixed Assets	8,154,493	8,379,787
Other Assets			
1520	Deferred costs (Note 1)	21,627	25,950
1000T	Total Assets	\$ 8,917,426	\$ 9,049,776

BEAR CREEK HOUSING DEVELOPMENT GROUP, LP
PROJECT NO. 15-405-TE

BALANCE SHEET

Page 2 Of 2

Liabilities

		December 31,	
		2021	2020
Current Liabilities			
2110	Accounts payable - operations	\$ 7,805	\$ 11,230
2113	Accounts payable - entity (Note 3)	5,141	—
2113B	Accounts payable - asset management fee payable (Note 3)	16,637	8,195
2120	Accrued wages payable	8,324	13,662
2123	Accrued management fee payable (Note 3)	22,662	22,390
2131	Accrued interest payable - first mortgage (Note 4)	3,491	3,594
2132	Accrued interest payable - other mortgages (Note 5)	296,394	215,832
2170	Mortgage payable - first mortgage (short-term) (Note 4)	38,390	37,094
2210	Prepaid revenue	11,167	2,721
2122T	Total Current Liabilities	410,011	314,718
Deposit And Prepayment Liabilities			
2191	Tenant deposits held in trust (contra)	36,455	33,758
Long-Term Liabilities			
2320	Mortgage payable - first mortgage (Note 4)	1,192,937	1,231,326
2322	Other mortgages payable - long term (Note 5)	3,873,319	3,873,319
2323	Other loans and notes payable - developer fee (Note 3)	206,260	206,260
2340	Debt issuance costs (Note 1)	(69,089)	(84,731)
2300T	Total Long-Term Liabilities	5,203,427	5,226,174
2000T	Total Liabilities	5,649,893	5,574,650
Partners' Equity			
3130	Partners' equity (Note 6)	3,267,533	3,475,126
2033T	Total Liabilities And Partners' Equity	\$ 8,917,426	\$ 9,049,776

**BEAR CREEK HOUSING DEVELOPMENT GROUP, LP
PROJECT NO. 15-405-TE**

STATEMENT OF OPERATIONS

		For The Years Ended December 31,	
		2021	2020
Revenues			
5100	Gross potential rents	\$ 565,954	\$ 555,644
5200	Less: Vacancies	15,485	18,314
		550,469	537,330
5400	Financial revenue	8,376	3,820
5900	Other revenue	23,221	20,862
Total Revenues		582,066	562,012
Operating Expenses			
6300	Administrative expenses	116,914	113,621
6400	Utilities expense	45,456	47,852
6500	Operating and maintenance expenses	141,519	136,673
6600	Depreciation and amortization	229,617	228,783
6700	Taxes and insurance	104,970	109,157
6800	Financial expenses	62,179	63,432
Total Operating Expenses		700,655	699,518
Rental Loss Before Partnership Expenses		(118,589)	(137,506)
Partnership Expenses		89,004	89,072
Net Loss		\$ (207,593)	\$ (226,578)

BEAR CREEK HOUSING DEVELOPMENT GROUP, LP
PROJECT NO. 15-405-TE

STATEMENT OF PARTNERS' EQUITY
For The Years Ended December 31, 2021 And 2020

	General Partner	Limited Partner	Special Limited Partner	State Limited Partner	Total
Allocation Percentage	0.009%	98.990%	0.001%	1.000%	100.000%
Balance - January 1, 2020	\$ 669,954	\$ 1,731,319	\$ (6)	\$ 1,320,237	\$ 3,721,504
Net Loss	(20)	(224,290)	(2)	(2,266)	(226,578)
Distributions	(19,800)	—	—	—	(19,800)
S100-010 Balance - December 31, 2020	650,134	1,507,029	(8)	1,317,971	3,475,126
3250 Net Loss	(19)	(205,496)	(2)	(2,076)	(207,593)
3130 Balance - December 31, 2021	\$ 650,115	\$ 1,301,533	\$ (10)	\$ 1,315,895	\$ 3,267,533

BEAR CREEK HOUSING DEVELOPMENT GROUP, LP
PROJECT NO. 15-405-TE

STATEMENT OF CASH FLOWS
Page 1 Of 2

	For The Years Ended December 31,	
	2021	2020
Cash Flows From Operating Activities		
Receipts:		
Rental receipts	\$ 561,164	\$ 535,656
Interest receipts	2,021	3,820
Other operating receipts	23,221	20,862
Total Receipts	586,406	560,338
Disbursements:		
Administrative	44,593	33,979
Management fee	28,305	29,583
Utilities	45,456	47,852
Salaries and wages	100,033	104,788
Operating and maintenance	87,046	77,462
Real estate taxes	20,865	22,205
Property insurance	1,550	94,282
Miscellaneous taxes and insurance	34,920	40,320
Tenant security deposits	(2,697)	(1,368)
Interest on mortgages	43,141	44,523
Miscellaneous financial	3,499	3,371
Entity/construction disbursements:		
Asset management fee	—	7,958
Total Disbursements	406,711	504,955
Net Cash Provided By Operating Activities	179,695	55,383
Cash Flows Used In Investing Activities		
Net purchases of fixed assets	—	(25,000)
Cash Flows From Financing Activities		
Principal payments on loans or notes payable	(37,093)	(54,384)
Distributions	—	(19,800)
Entity/construction financing activities:		
Payments on developer fee	—	(23,456)
Net Cash Used In Financing Activities	(37,093)	(97,640)
Net Increase (Decrease) In Cash And Restricted Cash	142,602	(67,257)
Beginning Of Year Cash And Restricted Cash	587,851	655,108
End Of Year Cash And Restricted Cash	\$ 730,453	\$ 587,851

BEAR CREEK HOUSING DEVELOPMENT GROUP, LP
PROJECT NO. 15-405-TE

STATEMENT OF CASH FLOWS

Page 2 Of 2

	For The Years Ended December 31,	
	2021	2020
Reconciliation Of Net Loss To Net Cash		
From Operating Activities		
Net loss	\$ (207,593)	\$ (226,578)
Adjustments to reconcile net loss to net cash from operating activities:		
Depreciation	225,294	224,460
Amortization of deferred costs	4,323	4,323
Amortization of debt issuance costs	15,642	15,642
Changes in assets and liabilities:		
Tenant accounts receivable	2,249	(590)
Accounts receivable - interest	(6,355)	—
Prepaid expenses	47,635	(47,650)
Accounts payable	(3,425)	3,611
Accounts payable - due to affiliate	6,947	(2,224)
Accrued liabilities	(5,066)	3,095
Accrued interest payable	80,459	80,772
Tenant security deposits held in trust (contra)	2,697	1,368
Prepaid revenue	8,446	(1,084)
Entity/construction liability accounts:		
Asset management fee	5,628	158
State LP asset management fee	2,814	80
Net Cash Provided By Operating Activities	\$ 179,695	\$ 55,383

BEAR CREEK HOUSING DEVELOPMENT GROUP, LP
PROJECT NO. 15-405-TE

NOTES TO FINANCIAL STATEMENTS
December 31, 2021 And 2020

1. Organization And Summary Of Significant Accounting Policies

Bear Creek Housing Development Group, LP (the Partnership), was organized on August 19, 2014 as a Missouri limited partnership for the purpose of acquiring, owning, constructing and/or rehabilitating, leasing, managing, and operating a 76-unit apartment complex located in Columbia, Missouri, currently known as Bear Creek Apartments (the Project). On May 1, 2016, the Partnership Agreement was amended and restated to permit the withdrawal of Philip Steinhaus, the Withdrawing Limited Partner, and admit Red Stone - 2015 National Fund, LP, a Delaware limited liability company, as the new Limited Partner, and Red Stone Equity Manager, LLC, a Delaware limited liability company, as the new Special Limited Partner, and MVM Bear Creek, LLC, a Missouri limited liability company, as the State Limited Partner.

The partners' interests in profits and losses are as follows:

General Partner:	Bear Creek Housing GP, LLC	0.009%
Limited Partner:	Red Stone - 2015 National Fund, LP	98.990%
Special Limited Partner:	Red Stone Equity Manager, LLC	0.001%
State Limited Partner:	MVM Bear Creek, LLC	1.000%

The Project has qualified for and will be allocated low-income housing tax credits pursuant to Internal Revenue Code Section 42 (Section 42) which regulates the use of the Project as to occupant eligibility and unit gross rent, among other requirements. The Project must meet the provisions of these requirements during each of the 15 consecutive years in order to be qualified to receive the credits.

The Project is regulated by the Missouri Housing Development Commission (MHDC) as to rent charges and operating methods. The regulatory agreement limits annual distributions of net operating receipts to surplus cash available at the end of each year.

The Partnership will continue to operate perpetually, unless it is earlier dissolved and terminated by provisions of the Partnership Agreement.

Certain defined terms contained in the Partnership Agreement are denoted with initial capital letters throughout the financial statements.

BEAR CREEK HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (Continued)

Estimates And Assumptions

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 statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash And Restricted Cash

The Partnership places its cash account with a banking institution that is insured by the Federal Deposit Insurance Corporation (FDIC). The Partnership's cash is held in an interest bearing account that is insured up to \$250,000 by the FDIC at December 31, 2021 and 2020.

The following is a reconciliation between cash and restricted cash reported within the balance sheet and the total cash and restricted cash on the statement of cash flows as of December 31:

		<u>2021</u>	<u>2020</u>
1120	Cash - operations	\$ 181,212	\$ 48,900
1191	Tenant deposits held in trust	37,969	37,532
1320	Replacement reserve	198,194	160,745
1330	Other reserves	313,078	340,674
Total Cash And Restricted Cash		\$ 730,453	\$ 587,851

Tenant Deposits Held In Trust

Tenant deposits held in trust consist of security deposit funds collected from the tenants, separated from Project funds, and deposited into a trust account. All disbursements from the security deposit account must be only for refunds to tenants and for payment of expenses incurred by or on behalf of the tenants. Deposits held in trust also include \$1,500 of building utility deposits at December 31, 2021. At December 31, 2020, no utility deposits were required.

Tenant Accounts Receivable

Tenant accounts receivable are stated at the amount management expects to collect from balances outstanding at year end. Based on management's assessment of the credit history with tenants having outstanding balances and current relationships with them, management has recorded an allowance for doubtful accounts in the amount of \$5,576 and \$5,129 as of December 31, 2021 and 2020, respectively.

BEAR CREEK HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (Continued)

Restricted Deposits And Funded Reserves

Restricted deposits and funded reserves are comprised of checking and money market funds which are stated at cost.

Replacement Reserve

The replacement reserve can only be used for improvements to buildings upon prior approval of the Special Limited Partner.

Rental Property

Rental property is carried at cost, less accumulated depreciation. Depreciation is provided using the half-year method with the following estimated useful lives:

Buildings	40 years
Building improvements	5 – 10 years
Land improvements	15 years

Maintenance and repairs are charged to expense when incurred. Upon retirement or other disposition, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in income.

The Partnership reviews its investment in rental property for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the rental property to the future net undiscounted cash flow expected to be generated by the rental property, including the residual value of the rental property. If the rental property is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the rental property exceeds the fair value of such property. There was no impairment loss recognized for the years ended December 31, 2021 or 2020.

Capitalized Interest

Interest during construction, amounting to \$40,260, has been capitalized and is being amortized over the life of the buildings and their components.

Development Fees

Development fees of \$820,000 incurred for the development of the Project have been capitalized and added to the depreciable basis of the buildings.

BEAR CREEK HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (*Continued*)

Debt Issuance Costs

Debt issuance costs totaling \$121,229 consist of fees for obtaining the mortgage loan and are being amortized using the straight-line method over the term of the loan, beginning in 2018. As of December 31, 2021 and 2020, accumulated amortization amounted to \$52,140 and \$36,498, respectively.

Accounting principles generally accepted in the United States of America require that the effective yield method be used to amortize financing costs; however, the effect of using the straight-line method is not materially different from the results that would have been obtained under the effective yield method.

Tax Credit Fees

Tax credit fees totaling \$43,228 at December 31, 2021 and 2020, consist of fees associated with the low-income housing tax credits anticipated to be allocated to the Partnership. The fees are being amortized using the straight-line method over 10 years. As of December 31, 2021 and 2020, accumulated amortization amounted to \$21,601 and \$17,278, respectively.

Rental Revenue

The rental property is generally leased to tenants under one-year operating leases. Rental revenue is recognized as rent becomes due. Rental revenue received in advance is deferred until earned.

Income Taxes

Under provisions of the Internal Revenue Code and applicable state laws, the Partnership is not directly subject to income taxes. The results of its operations are includable in the tax returns of its partners. Therefore, no provision for income tax expense has been included in the accompanying financial statements.

Reclassification

Certain 2020 amounts have been reclassified, where appropriate, to conform to the financial statement presentation used in 2021.

Subsequent Events

Management evaluates subsequent events through the date the financial statements are available for issue, which is the date of the Independent Auditors' Report.

BEAR CREEK HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (Continued)

2. Restricted Deposits And Funded Reserves

Restricted deposits and funded reserves consist of the following as of December 31:

	2021	2020
Replacement Reserve		
Balance at January 1	\$ 160,745	\$ 123,979
Monthly deposits	36,680	35,611
Interest earned, net of bank fees	769	1,155
Balance at December 31	198,194	160,745
General Partner Fund Reserve	—	1,828
Limited Partner Fund Reserve	—	304
Compliance Reserve	5,459	5,470
Additional Replacement Reserve	80,760	105,357
Operating Reserve	220,138	220,116
Construction Escrow	—	878
Bond Fund	6,721	6,721
	313,078	340,674
	\$ 511,272	\$ 501,419

Replacement Reserves

A Replacement Reserve is to be funded in an initial amount of \$143,640. Additional deposits are required of \$33,400 per year, payable monthly, in equal monthly installments commencing on the date on which the Project is placed in service. Such monthly payments shall increase by 3% per annum. No withdrawal may be made without the consent of the Special Limited Partner.

Operating Reserve

An Operating Reserve of \$215,000 is to be funded no later than the payment of the Fourth Capital Contribution into a segregated reserve account at Central Bank of Boone County. The Partnership shall fund the Operating Reserve from Net Cash Flow in order to maintain, to the extent possible, a balance at all times of at least \$215,000. No withdrawal may be made without the consent of the Special Limited Partner.

BEAR CREEK HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (*Continued*)

Compliance Services Reserve

A Compliance Services Reserve is to be funded in the amount of \$10,000 to fund any compliance expenses incurred by the Partnership for the Project. No withdrawal may be made without the consent of the Special Limited Partner.

General Partner Fund Reserve

A reserve was established with equity proceeds to fund construction costs as needed. As of December 31, 2021, the funds in the General Partner Fund Reserve have been disbursed.

Limited Partner Fund Reserve

A reserve was established with equity proceeds to fund construction costs as needed. As of December 31, 2021, the funds in the Limited Partner Fund Reserve have been disbursed.

Construction Escrow

The project received contributions for use of the Project which are held in escrow. As of December 31, 2021, the funds in the Construction Escrow have been disbursed.

Bond Fund

A reserve was established to fund bond costs.

3. Related Party Transactions

Development Fee

The Development Agreement provides that a Development Fee be paid to an affiliate of the General Partner for providing services in connection with the development of the Project. The unpaid balance is noninterest bearing and repayment is to be made in accordance with the Development Service Agreement. As of December 31, 2021 and 2020, \$206,260 was payable.

Asset Management Fee

The Partnership shall pay the Special Limited Partner \$5,000 as an Asset Management Fee in connection with the Special Limited Partner's review of the operations of the Partnership and Project. The Asset Management Fee shall increase annually by 3% of the prior year's Asset Management Fee. The fee shall be paid out of Net Cash Flow and shall accrue if not paid. For the years ended December 31, 2021 and 2020, asset management fees of \$5,628 and \$5,464, respectively, were incurred. As of December 31, 2021 and 2020, asset management fees of \$11,091 and \$5,463, respectively, remained payable and are included in accounts payable – asset management fee payable.

BEAR CREEK HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (*Continued*)

State LP Asset Management Fee

The Partnership shall pay the State Limited Partner \$2,500 as a State LP Asset Management Fee in connection with the State Limited Partner's annual review of the operations of the Partnership and Project. The State LP Asset Management Fee shall increase annually by 3% of the prior year's State LP Asset Management Fee. The fee shall be paid out of Net Cash Flow and shall accrue if not paid. For the years ended December 31, 2021 and 2020, asset management fees of \$2,814 and \$2,732, respectively, were incurred. As of December 31, 2021 and 2020, asset management fees of \$5,546 and \$2,732, respectively, remained payable and are included in accounts payable - asset management fee payable.

Property Management Fees

The Partnership entered into a management contract with the Housing Authority of the City of Columbia, Missouri (CHA), an affiliate of the General Partner. The management fee is equal to 6% of monthly gross collections. 1% of monthly gross collections will be payable from Net Cash Flow. Property management fees of \$28,577 and \$27,367 were incurred for the years ended December 31, 2021 and 2020, respectively. As of December 31, 2021 and 2020, property management fees of \$22,662 and \$22,390, respectively, remained payable.

Due To Affiliate

An entity associated with the Partnership through common ownership pays for costs on behalf of the Partnership. As of December 31, 2021, \$5,141 was payable and \$1,806 was receivable, respectively, and are included in accounts payable – entity and accounts receivable – entity, respectively.

Tax Credit Compliance Guaranty

The General Partner guarantees that the Limited Partner and State Limited Partner will be allocated federal and state low-income housing tax credits, in accordance with the Partnership Agreement, for any shortfall.

Operating Deficit Guaranty

Pursuant to the Amended and Restated Agreement of Limited Partnership, the General Partner shall advance to the Partnership as a loan an amount equal to the amount of the Operating Deficit. This obligation shall continue until the end of the Fiscal Year in which the fifth anniversary of the Lease-up Period or Stabilization period occurs. The guarantee is limited to a maximum of \$350,000. At December 31, 2021 and 2020, no such advance had been made.

BEAR CREEK HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (*Continued*)

Net Cash Flow Distribution

Net Cash Flow, as defined in the Partnership Agreement, is available for distribution at year end as follows:

1. To the Limited Partner until the aggregate amount of distributions made to the Limited Partner for the current and all prior years equals the Assumed Limited Partner's Tax Liability for the current and all prior years;
2. To the Limited Partner in an amount equal to any unpaid Tax Credit Shortfall, Unpaid State Tax Credit Shortfall, Limited Partner Advances, and Special Additional Capital Contributions;
3. To the State Limited Partner in an amount equal to any unpaid Tax Credit Shortfall, Unpaid State Tax Credit Shortfall, Limited Partner Advances, and Special Additional Capital Contributions;
4. To the General Partner to pay fees for the security services provided at the Project;
5. To pay any outstanding and unpaid Asset Management Fees to the Special Limited Partner and
6. To pay any outstanding and unpaid State LP Asset Management Fees to the State Limited Partner;
7. To replenish the Operating Reserve to the Operating Reserve Floor;
8. To pay all amounts due under the Development Agreement;
9. To pay 1% of the 6% Property Management Fee;
10. To pay all amounts then due and payable under the Seller Financing Loan and the AHP Loan;
11. To pay any outstanding Operating Deficit Loans and General Partner Loans, pro rata based on the outstanding balances of each; and
12. To the Partners in accordance with the Percentage Interests noted below; provided, however, that the Limited Partner receives a distribution equal to at least 10% of Net Cash Flow.
 - a. General Partner - 0.009%
 - b. Limited Partner - 94.99%
 - c. Special Limited Partner - 0.001%
 - d. State Limited Partner - 5.00%

BEAR CREEK HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (Continued)

4. Mortgage Notes Payable

The Partnership entered into a loan agreement (the Note) with CHA on May 1, 2016, which allows for total advances up to \$4,750,000 of tax-exempt Series A and Series B bonds to fund the acquisition and rehabilitation of the Project. The Note bears interest at an effective annual rate of the Original Purchaser prime rate plus 4%, but never less than the weighted average interest rate on the bonds plus 2%, which was 3.40% at December 31, 2021 and 2020. On May 1, 2018, the Partnership was required to pay the outstanding principal and interest on the Series B Bonds to reduce the total bond advances to \$1,350,000 and to make annual payments of principal and interest on the Series A Bonds. The Partnership paid fees to Central Bank of Boone County to secure an extension of the aforementioned payoff deadline of the Series B Bonds to September 4, 2018, at which time principal and interest payments on the Series A bonds began. The Note matures on May 1, 2036 and is secured by a first mortgage on the property. As of December 31, 2021 and 2020, the balance of the Note was \$1,231,327 and \$1,268,420, respectively. Accrued interest payable on the Note as of December 31, 2021 and 2020 was \$3,491 and \$3,594, respectively.

Aggregate annual maturities of the mortgage notes payable over the next five years and thereafter are as follows:

<u>Year</u>	<u>Amount</u>
2022	\$ 38,390
2023	39,735
2024	40,747
2025	42,563
2026	44,053
Thereafter	1,025,839
	<u>\$ 1,231,327</u>

5. Other Mortgages Payable

The Partnership obtained additional financing from CHA under a loan commitment of \$3,391,988 (the Seller Financing Loan), secured by a second deed of trust, for the acquisition and rehabilitation of the Project. Beginning in May 2018, the note bears interest at 2.24%, compounded annually, through maturity. The Partnership shall make annual payments beginning on or after May 1, 2018 equal to 95% of Net Cash Flow, after full payment of the deferred development fee. The outstanding principal and interest will become due at maturity on December 31, 2058. Interest payable at December 31, 2021 and 2020 was \$278,073 and \$202,511, respectively. As of December 31, 2021 and 2020, the outstanding balance was \$3,373,319.

BEAR CREEK HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (Continued)

The Partnership obtained additional financing from CHA under a loan commitment of \$500,000 (the AHP Loan), secured by a third deed of trust, for the acquisition and rehabilitation of the Project. Beginning in May 2018, the loan bears interest at 1%, compounded annually, through maturity. The Partnership shall make annual payments equal to 5% of remaining Net Cash Flow, subordinate to payment terms noted in the note payable above beginning on January 1, 2035. The entire principal will become due at maturity on December 31, 2051. Interest payable at December 31, 2021 and 2020 was \$18,321 and \$13,321, respectively. At December 31, 2021 and 2020, the outstanding balance was \$500,000.

6. Capital Contributions

Contingent upon various requirements as outlined in the Partnership Agreement, the Partners shall make capital contributions to the Partnership as follows:

Capital Installment	General Partner	Limited Partner	State Limited Partner	Special Limited Partner	Total
First	\$ 360,000	\$ 237,235	\$ 132,573	\$ —	\$ 729,808
Second	—	237,235	132,573	—	369,808
Third	—	1,067,558	596,580	—	1,664,138
Fourth	—	830,323	464,005	—	1,294,328
Special	350,000	—	—	10	350,010
Total	\$ 710,000	\$ 2,372,351	\$ 1,325,731	\$ 10	\$ 4,408,092

As of December 31, 2021 and 2020, \$2,315,012 had been contributed by the Limited Partner, \$1,325,730 by the State Limited Partner and \$710,000 by the General Partner. The Special Limited Partner has made no contributions as of December 31, 2021 or 2020.

7. Commitments And Contingencies

The Project's low-income housing tax credits are contingent on its ability to maintain compliance with applicable sections of Section 42. Failure to maintain compliance with occupant eligibility, and/or gross rent or to correct non-compliance within a specified time period could result in recapture of previously taken tax credits, plus interest. Additionally, such potential noncompliance may require an adjustment to the contributed capital by the Limited Partners.

BEAR CREEK HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (*Continued*)

The Partnership is bound by a Land-Use Restriction Agreement with MHDC, which mandates the utilization of the Project pursuant to Section 42 of the Internal Revenue Code (Section 42) for a minimum of 30 years, even if disposition of the property by the Partnership occurs.

The Partnership has also entered into Land Use Restriction Agreements with the Housing Authority of the City of Columbia and UMB Bank, N.A. These agreements require that a percentage of the units be leased to low-income tenants, and otherwise regulates the Project for the duration of ownership by the Partnership and their successors.

The Partnership and CHA have entered into a Section 8 Project-Based Voucher Program - PBV Housing Assistance Payments (HAP) Contract New Construction or Rehabilitation agreement with HUD. Under the agreement, CHA will provide the Partnership with housing assistance payments, consisting of both rent and utility allowance, on behalf of qualified tenants. The term of the agreement is for 20 years. The length of the initial term and any extension term shall be subject to availability, as determined by HUD, or CHA in accordance with HUD requirements, or sufficient appropriated funding (budget authority), as provided in appropriations acts and in the CHA's annual contributions contract with HUD, to make full payment of housing assistance payments due to the Partnership for any contract year in accordance with the HAP contract. The availability of sufficient funding must be determined by HUD or by CHA in accordance with HUD requirements. If it is determined that there may not be sufficient funding to continue housing assistance payments for all contract units and for the full term of the HAP contract, CHA has the right to terminate the HAP contract by notice to the Partnership for all or any of the contract units.

The Partnership has also entered into a Rental Assistance Demonstration (RAD) Use Agreement with HUD. Under the agreement, the Partnership was allowed to convert the Project from public housing to long-term Section 8 rental assistance to achieve the preservation and improvement of the Project through access to private debt and equity to address immediate and long-term capital needs. The RAD Use Agreement will be recorded superior to other liens on the Project, and run for the same term as the initial term of the HAP contract with automatic renewals upon each HAP contract extension.

BEAR CREEK HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements *(Continued)*

In March 2020, the World Health Organization designated COVID-19 as a pandemic. While the Partnership has taken various actions in response to the COVID-19 pandemic, the ultimate impact on its results of operations, cash flows, financial condition and liquidity will depend on (i) the duration and severity of the pandemic, (ii) the effectiveness of vaccines, (iii) the duration and nature of governmental responses to contain the spread of the disease and assist residents and businesses, (iv) resident and business responses to the pandemic, and (v) how quickly and to what extent normal economic conditions can resume. Because of this uncertainty, any estimate of the expected future impact of the COVID-19 pandemic on results of operations, cash flows, financial condition, or liquidity is uncertain.

BEAR CREEK HOUSING DEVELOPMENT GROUP, LP
PROJECT NO. 15-405-TE

SUPPORTING DATA REQUIRED BY MHDC
For The Year Ended December 31, 2021

Statement Of Profit And Loss

Part 1	Description of Account	Acct. No.	Amount	
Rent Revenue 5100	Rent Revenue - Gross Potential	5120	\$ 187,560	
	Tenant Assistance Payments	5121	\$ 359,194	
	Rent Revenue - Stores and Commercial	5140	\$ —	
	Garage and Parking Spaces	5170	\$ —	
	Flexible Subsidy Revenue	5180	\$ —	
	Miscellaneous Rent Revenue	5190	\$ 19,200	
	Excess Rent	5191	\$ —	
	Rent Revenue/Insurance	5192	\$ —	
	Special Claims Revenue	5193	\$ —	
	Retained Excess Income	5194	\$ —	
	Total Rent Revenue	5100T		\$ 565,954
Vacancies 5200	Apartments	5220	\$ 8,638	
	Stores and Commercial	5240	\$ —	
	Rental Concessions	5250	\$ 2,579	
	Loss to Lease	5260	\$ 4,268	
	Garage and Parking Space	5270	\$ —	
	Miscellaneous	5290	\$ —	
Total Vacancies	5200T		\$ 15,485	
	Net Rental Revenue <i>Rent Revenue Less Vacancies</i>	5152N		\$ 550,469
Supportive Services 5390	Supportive Services Revenue	5390	\$ —	
Financial Revenue 5400	Financial Revenue - Project Operations	5410	\$ 7,607	
	Revenue from Investments - Residual Receipts	5430	\$ —	
	Revenue from Investments - Replacement Reserve	5440	\$ 769	
	Revenue from Investments - Miscellaneous	5490	\$ —	
Total Financial Revenue	5400T		\$ 8,376	
Other Revenue 5900	Laundry and Vending Revenue	5910	\$ 3,724	
	Tenant Charges	5920	\$ 13,933	
	Interest Reduction Payments Revenue	5945	\$ —	
	Cable TV / Internet Access Revenue	5954	\$ —	
	Miscellaneous Revenue	5990	\$ 5,564	
Total Other Revenue	5900T		\$ 23,221	
Total Revenue	5000T		\$ 582,066	
Administrative Expenses 6200/6300	Conventions and Meetings	6203	\$ 686	
	Management Consultants	6204	\$ —	
	Advertising and Marketing	6210	\$ —	
	Other Renting Expenses	6250	\$ 19,476	
	Office Salaries	6310	\$ 40,222	
	Office Expenses	6311	\$ 7,770	
	Office or Model Apartment Rent	6312	\$ —	
	Leased Furniture	6313	\$ —	
	Management Fee/ Bookkeeping/ Accounting Services	6320	\$ 28,577	
	Manager or Superintendent Salaries	6330	\$ —	
	Administrative Rent Free Unit	6331	\$ —	
	Legal Expense - Project	6340	\$ 840	
	Audit Expense	6350	\$ 10,300	
	Telephone Expense	6360	\$ 1,896	
	Bad Debts	6370	\$ 5,697	
Miscellaneous Administrative Expenses	6390	\$ 1,450		
Total Administrative Expenses	6263T		\$ 116,914	
Utilities Expense 6400	Fuel Oil/Coal	6420	\$ —	
	Electricity	6450	\$ 9,302	
	Water	6451	\$ 18,237	
	Gas	6452	\$ 2,249	
	Sewer	6453	\$ 15,668	
	Cable TV / Internet Access	6454	\$ —	
Total Utilities Expense	6400T		\$ 45,456	
	Total Expenses (Carry Forward to Page 2)		\$ 162,370	

Project Name: Bear Creek Housing Development Group, LP

		Balance Carried Forward		\$ 162,370
Operating Maintenance Expenses 6500	Payroll	6510	\$ 54,473	
	Supplies	6515	\$ 28,584	
	Contracts	6520	\$ 20,084	
	Operating and Maintenance Rent Free Unit	6521	\$ —	
	Garbage and Trash Removal	6525	\$ 13,249	
	Security Payroll/Contract	6530	\$ —	
	Security Rent Free Unit	6531	\$ —	
	Heating/Cooling Repairs and Maintenance	6546	\$ 6,818	
	Snow Removal	6548	\$ —	
	Vehicle and Maintenance Equipment Operation and Repairs	6570	\$ 698	
	Maintenance Tools and Equipment	6571	\$ 757	
	Pool Supplies and Pool Maintenance/Contracts	6572	\$ —	
	Exterminating	6573	\$ 9,557	
	Elevator Maintenance/Contracts	6574	\$ —	
	Vacant Unit Preparation	6580	\$ —	
Miscellaneous Operating and Maintenance Expenses	6590	\$ 7,299		
Total Operating and Maintenance Expenses	6500T		\$ 141,519	
Taxes and Insurance 6700	Real Estate Taxes	6710	\$ 20,865	
	Payroll Taxes (Project's Share)	6711	\$ 7,355	
	Property and Liability Insurance (Hazard)	6720	\$ 49,185	
	Fidelity Bond Insurance	6721	\$ —	
	Workmen's Compensation	6722	\$ 1,841	
	Health Insurance and Other Employee Benefits	6723	\$ 22,948	
	Miscellaneous Taxes, Licenses, Permits and Insurance	6790	\$ 2,776	
Total Taxes and Insurance	6700T		\$ 104,970	
Financial Expenses 6800	Interest on Mortgage Payable	6820	\$ 43,038	
	Interest Attributable to Debt Issuance Costs	6822	\$ 15,642	
	Interest on Notes Payable (Long-Term)	6830	\$ —	
	Interest on Notes Payable (Short-Term)	6840	\$ —	
	Mortgage Insurance Premium/Service Charge	6850	\$ —	
	Miscellaneous Financial Expenses	6890	\$ 3,499	
Total Financial Expenses	6800T		\$ 62,179	
Supportive Services 6990	Supportive Services Expenses	6990	\$ —	
	Total Cost of Operations before Depreciation and Amortization	6000T		\$ 471,038
	Profit (Loss) before Depreciation and Amortization	5060T		\$ 111,028
	Depreciation Expense	6600	\$ 225,294	
	Amortization Expense	6610	\$ 4,323	
	Total Depreciation and Amortization			\$ 229,617
	Operating Profit or (Loss)	5060N		\$ (118,589)
Corporate or Mortgagor Entity Expenses 7100	Entity Revenue	7105	\$ —	
	Officer's Salaries	7110	\$ —	
	Asset Management, Partnership and Incentive Performance Fee	7115	\$ 8,442	
	Legal Expenses	7120	\$ —	
	Federal, State and Other Income Taxes	7130	\$ —	
	Fidelity and Bond Expense	7135	\$ —	
	Interest Income	7140	\$ —	
	Interest on Notes Payable (subordinate/surplus cash/non-MHDC loans)	7141	\$ 80,562	
	Interest on Mortgage Payable (subordinate/surplus cash/non-MHDC loan)	7142	\$ —	
	Other Expenses	7190	\$ —	
Net Entity Expenses	7100T		\$ 89,004	
	Profit or Loss (Net Income or Loss)	3250		\$ (207,593)

Miscellaneous or other Income and Expense Sub-account Groups. If miscellaneous or other income and/or expense sub-accounts (5190, 5290, 5490, 5990, 6390, 6590, 6790, 6890 and 7190) exceed the Account Groupings by 10% or more, attach a separate schedule describing or explaining the miscellaneous income or expense.

Part II

1. Total mortgage principal payments required during the audit year (12 monthly payments). (Account 7001)	\$ 37,093
2. Total of 12 monthly deposits in the audit year into the Replacement Reserve account. (Account 7002)	\$ 36,680
3. Replacement Reserve or Residual Receipts releases which are included as expense items on this Profit and Loss Statement. (Account 7003)	\$ 6,661
4. Debt Service for other loans (surplus cash / non-MHDC / partner loans) (Account 7145)	\$ —

BEAR CREEK HOUSING DEVELOPMENT GROUP, LP
PROJECT NO. 15-405-TE

SUPPORTING DATA REQUIRED BY MHDC (Continued)
For The Year Ended December 31, 2020

Statement Of Profit And Loss

Part 1	Description of Account	Acct. No.	Amount	
Rent Revenue 5100	Rent Revenue - Gross Potential	5120	\$ 201,339	
	Tenant Assistance Payments	5121	\$ 335,105	
	Rent Revenue - Stores and Commercial	5140	\$ —	
	Garage and Parking Spaces	5170	\$ —	
	Flexible Subsidy Revenue	5180	\$ —	
	Miscellaneous Rent Revenue	5190	\$ 19,200	
	Excess Rent	5191	\$ —	
	Rent Revenue/Insurance	5192	\$ —	
	Special Claims Revenue	5193	\$ —	
	Retained Excess Income	5194	\$ —	
	Total Rent Revenue	5100T		\$ 555,644
Vacancies 5200	Apartments	5220	\$ 10,154	
	Stores and Commercial	5240	\$ —	
	Rental Concessions	5250	\$ 4,451	
	Loss to Lease	5260	\$ 3,709	
	Garage and Parking Space	5270	\$ —	
	Miscellaneous	5290	\$ —	
Total Vacancies	5200T		\$ 18,314	
	Net Rental Revenue <i>Rent Revenue Less Vacancies</i>	5152N		\$ 537,330
Supportive Services 5390	Supportive Services Revenue	5390	\$ —	
	Total Supportive Services Revenue		\$ —	
Financial Revenue 5400	Financial Revenue - Project Operations	5410	\$ 2,665	
	Revenue from Investments - Residual Receipts	5430	\$ —	
	Revenue from Investments - Replacement Reserve	5440	\$ 1,155	
	Revenue from Investments - Miscellaneous	5490	\$ —	
	Total Financial Revenue	5400T		\$ 3,820
Other Revenue 5900	Laundry and Vending Revenue	5910	\$ 4,301	
	Tenant Charges	5920	\$ 9,948	
	Interest Reduction Payments Revenue	5945	\$ —	
	Cable TV / Internet Access Revenue	5954	\$ —	
	Miscellaneous Revenue	5990	\$ 6,613	
	Total Other Revenue	5900T		\$ 20,862
	Total Revenue	5000T		\$ 562,012
Administrative Expenses 6200/6300	Conventions and Meetings	6203	\$ 1,330	
	Management Consultants	6204	\$ —	
	Advertising and Marketing	6210	\$ —	
	Other Renting Expenses	6250	\$ 6,269	
	Office Salaries	6310	\$ 48,664	
	Office Expenses	6311	\$ 7,280	
	Office or Model Apartment Rent	6312	\$ —	
	Leased Furniture	6313	\$ —	
	Management Fee	6320	\$ 27,367	
	Manager or Superintendent Salaries	6330	\$ —	
	Administrative Rent Free Unit	6331	\$ —	
	Legal Expense - Project	6340	\$ 2,076	
	Audit Expense	6350	\$ 10,300	
	Bookkeeping Fees/Accounting Services	6351	\$ —	
	Telephone Expense	6360	\$ 2,000	
	Bad Debts	6370	\$ 6,523	
	Miscellaneous Administrative Expenses	6390	\$ 1,812	
Total Administrative Expenses	6263T		\$ 113,621	
Utilities Expense 6400	Fuel Oil/Coal	6420	\$ —	
	Electricity	6450	\$ 8,920	
	Water	6451	\$ 19,494	
	Gas	6452	\$ 3,488	
	Sewer	6453	\$ 15,950	
	Cable TV / Internet Access	6454	\$ —	
	Total Utilities Expense	6400T		\$ 47,852
	Total Expenses (Carry Forward to Page 2)		\$ 161,473	

Project Name: Bear Creek Housing Development Group, LP

		Balance Carried Forward		\$ 161,473
Operating Maintenance Expenses 6500	Payroll	6510	\$ 59,211	
	Supplies	6515	\$ 24,815	
	Contracts	6520	\$ 18,879	
	Operating and Maintenance Rent Free Unit	6521	\$ —	
	Garbage and Trash Removal	6525	\$ 15,595	
	Security Payroll/Contract	6530	\$ —	
	Security Rent Free Unit	6531	\$ —	
	Heating/Cooling Repairs and Maintenance	6546	\$ 594	
	Snow Removal	6548	\$ —	
	Vehicle and Maintenance Equipment Operation and Repairs	6570	\$ 55	
	Maintenance Tools and Equipment	6571	\$ 65	
	Pool Supplies and Pool Maintenance/Contracts	6572	\$ —	
	Exterminating	6573	\$ 9,960	
	Elevator Maintenance/Contracts	6574	\$ —	
	Vacant Unit Preparation	6580	\$ —	
Miscellaneous Operating and Maintenance Expenses	6590	\$ 7,499		
Total Operating and Maintenance Expenses	6500T		\$ 136,673	
Taxes and Insurance 6700	Real Estate Taxes	6710	\$ 22,205	
	Payroll Taxes (Project's Share)	6711	\$ 7,623	
	Property and Liability Insurance (Hazard)	6720	\$ 46,632	
	Fidelity Bond Insurance	6721	\$ —	
	Workmen's Compensation	6722	\$ 1,909	
	Health Insurance and Other Employee Benefits	6723	\$ 28,368	
	Miscellaneous Taxes, Licenses, Permits and Insurance	6790	\$ 2,420	
Total Taxes and Insurance	6700T		\$ 109,157	
Financial Expenses 6800	Interest on Mortgage Payable	6820	\$ 44,419	
	Interest Attributable to Debt Issuance Costs	6822	\$ 15,642	
	Interest on Notes Payable (Long-Term)	6830	\$ —	
	Interest on Notes Payable (Short-Term)	6840	\$ —	
	Mortgage Insurance Premium/Service Charge	6850	\$ —	
	Miscellaneous Financial Expenses	6890	\$ 3,371	
Total Financial Expenses	6800T		\$ 63,432	
Supportive Services 6990	Supportive Services Expenses	6990	\$ —	
Total Cost of Operations before Depreciation and Amortization	6000T		\$ 470,735	
Profit (Loss) before Depreciation and Amortization	5060T		\$ 91,277	
Depreciation Expense	6600	\$ 224,460		
Amortization Expense	6610	\$ 4,323		
Total Depreciation and Amortization			\$ 228,783	
Operating Profit or (Loss)	5060N		\$ (137,506)	
Corporate or Mortgagor Entity Expenses 7100	Entity Revenue	7105	\$ —	
	Officer's Salaries	7110	\$ —	
	Asset Management, Partnership and Incentive Performance Fee	7115	\$ 8,196	
	Legal Expenses	7120	\$ —	
	Federal, State and Other Income Taxes	7130	\$ —	
	Fidelity and Bond Expense	7135	\$ —	
	Interest Income	7140	\$ —	
	Interest on Notes Payable (subordinate/surplus cash/non-MHDC loans)	7141	\$ 80,876	
	Interest on Mortgage Payable (subordinate/surplus cash/non-MHDC loan)	7142	\$ —	
	Other Expenses	7190	\$ —	
Net Entity Expenses	7100T		\$ 89,072	
Profit or Loss (Net Income or Loss)	3250		\$ (226,578)	

Miscellaneous or other Income and Expense Sub-account Groups. If miscellaneous or other income and/or expense sub-accounts (5190, 5290, 5490, 5990, 6390, 6590, 6790, 6890 and 7190) exceed the Account Groupings by 10% or more, attach a separate schedule describing or explaining the miscellaneous income or expense.

Part II

1. Total mortgage principal payments required during the audit year (12 monthly payments). (Account 7001)	\$ 54,384
2. Total of 12 monthly deposits in the audit year into the Replacement Reserve account. (Account 7002)	\$ 35,611
3. Replacement Reserve or Residual Receipts releases which are included as expense items on this Profit and Loss Statement. (Account 7003)	\$ —
4. Debt Service for other loans (surplus cash / non-MHDC / partner loans) (Account 7145)	\$ —

**BEAR CREEK HOUSING DEVELOPMENT GROUP, LP
PROJECT NO. 15-405-TE**

SUPPORTING DATA REQUIRED BY MHDC (Continued)

Statement Of Profit And Loss

		For The Years Ended December 31,	
Account		2021	2020
5990 - Miscellaneous Revenue			
5990-010	Fee for service	5990-020 \$ 5,564	\$ 3,780
5990-010	Other income	5990-020 —	702
5990-010	Escrow income	5990-020 —	878
5990-010	Voided tenant refunds	5990-020 —	1,253
Total Miscellaneous Revenue		\$ 5,564	\$ 6,613

BEAR CREEK HOUSING DEVELOPMENT GROUP, LP
PROJECT NO. 15-405-TE

SUPPORTING DATA REQUIRED BY MHDC (Continued)
December 31, 2021

Schedule Of Escrow Deposits And Replacement Reserves

Replacement Reserve	
Balance at January 1	\$ 160,745
Monthly deposits	36,680
Interest earned, net of bank fees	769
Balance at December 31	<u>198,194</u>
Compliance Reserve	5,459
Additional Replacement Reserve	80,760
Operating Reserve	220,138
Bond Fund	6,721
	<u>313,078</u>
	<u>\$ 511,272</u>

BEAR CREEK HOUSING DEVELOPMENT GROUP, LP
PROJECT NO. 15-405-TE

SUPPORTING DATA REQUIRED BY MHDC (Continued)
December 31, 2021

Schedule Of Fixed Assets

		Balance January 1, 2021	Additions	Deductions	Balance December 31, 2021
1410	Land and land improvements	\$ 1,114,860	\$ —	\$ —	\$ 1,114,860
1420	Buildings and improvements	8,134,582	—	—	8,134,582
	Total	9,249,442	—	—	9,249,442
1495	Accumulated depreciation	869,655	225,294	—	1,094,949
1400N	Net Book Value	\$ 8,379,787	\$ (225,294)	\$ —	\$ 8,154,493

**BEAR CREEK HOUSING DEVELOPMENT GROUP, LP
PROJECT NO. 15-405-TE**

**SUPPORTING DATA REQUIRED BY MHDC (Continued)
December 31, 2021**

Funds In Financial Institutions

A. Funds Held By Mortgagor, Regular Operating Account	
First Mid Bank Trust, operating account ⁽¹⁾	\$ 180,367
B. Funds Held By Mortgagor In Trust, Tenant Security Deposits	
First Mid Bank Trust, security deposit account ⁽¹⁾	<u>36,469</u>
Funds Held By Mortgagor, TOTAL	<u>216,836</u>
C. Funds Held By Mortgagee, (In Trust)	
1. Replacement reserve, First Mid Bank Trust ⁽¹⁾	198,194
2. Bond Fund Reserve, UMB ⁽¹⁾	6,721
3. Compliance Reserve/Additional Replacement Reserve, First Mid Bank Trust ⁽¹⁾	86,219
4. Operating reserve, Central Bank ⁽¹⁾	<u>220,138</u>
Funds Held By Mortgagee, TOTAL	<u>511,272</u>
TOTAL FUNDS IN FINANCIAL INSTITUTIONS	<u><u>\$ 728,108</u></u>

⁽¹⁾ Balances audited as of December 31, 2021

BEAR CREEK HOUSING DEVELOPMENT GROUP, LP
PROJECT NO. 15-405-TE

SUPPORTING DATA REQUIRED BY MHDC (Continued)
December 31, 2021

**Schedule Of Eligible And Allocated Federal And
State Tax Credits**

TIN #: 47-1591548

Credit Year	Calendar Year	Annual Federal LIHTC		Annual State LIHTC	
		Allocated	Eligible	Allocated	Eligible
1	2017	\$ 144,368	\$ 144,368	\$ 144,153	\$ 144,153
2	2018	263,253	263,253	260,353	260,353
3	2019	263,253	263,253	260,353	260,353
4	2020	263,253	263,253	260,353	260,353
5	2021	263,253	263,253	260,353	260,353
6	2022	263,253		260,353	
7	2023	263,253		260,353	
8	2024	263,253		260,353	
9	2025	263,253		260,353	
10	2026	263,253		260,353	
11	2027	118,885		116,200	
12	2028	N/A		N/A	
13	2029	N/A		N/A	
14	2030	N/A		N/A	
15	2031	N/A		N/A	

**BEAR CREEK HOUSING DEVELOPMENT GROUP, LP
PROJECT NO. 15-405-TE**

**MORTGAGOR CERTIFICATION
For The Year Ended December 31, 2021**

We hereby certify that we have examined the accompanying financial statements and supplementary data of Bear Creek Housing Development Group, LP and, to the best of our knowledge and belief, the same is complete and accurate.

Bear Creek Housing Development Group, LP
(A Missouri Limited Partnership)



Signature of Signer

Randy Cole

Printed Name of Signer

Executive Director

Title of Signer

47-1591548

Employer Identification Number

March 16, 2022

Date

**BEAR CREEK HOUSING DEVELOPMENT GROUP, LP
PROJECT NO. 15-405-TE**

**MANAGING AGENT CERTIFICATION
For The Year Ended December 31, 2021**

We hereby certify that we have examined the accompanying financial statements and supplementary data of Bear Creek Housing Development Group, LP and, to the best of our knowledge and belief, the same is complete and accurate.

Housing Authority of the City of Columbia, Missouri
Managing Agent Name

By: 
Signature of Signer

Randy Cole
Printed Name of Signer

Chief Executive Officer
Title of Signer

43-6014416
Employer Identification Number


Signature of Individual Responsible for
Management of Property

Laura Lewis
Printed Name of Individual Responsible for
Management of Property

March 16, 2022
Date

S3200-005

Auditors' Transmittal Letter

S3200-010 Audit Firm _____ RubinBrown LLP _____

S3200-020 Lead Auditor First Name _____ Brandi _____

S3200-030 Lead Auditor Middle Name _____ Tucker _____

S3200-040 Lead Auditor Last Name _____ Lawyer _____

S3200-050 Auditor Street Address Line 1 _____ One North Brentwood _____

S3200-060 Auditor Street Address Line 2 _____

S3200-070 Auditor City _____ St. Louis _____

S3200-080 Auditor State _____ Missouri _____

S3200-090 Auditor Zip Code _____ 63105 _____

S3200-100 Auditor Zip Code Extension _____

S3200-110 Auditor Telephone Number _____ (314) 290-3300 _____

S3200-120 Auditor Firm TIN _____ 43-0765316 _____

S3200-130 Date Of Independent Auditors' Report _____ March 16, 2022 _____

**OAK TOWERS HOUSING
DEVELOPMENT GROUP, LP
PROJECT NO. 16-401-TE
FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

Independent Auditors' Report

Partners
Oak Towers Housing Development Group, LP
Columbia, Missouri

Opinion

We have audited the financial statements of Oak Towers Housing Development Group, LP, Project No. 16-401-TE, which comprise the balance sheet as of December 31, 2021 and 2020, and the related statements of operations, partners' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Oak Towers Housing Development Group, LP as of December 31, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis For Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities For The Audit Of The Financial Statements section of our report. We are required to be independent of Oak Towers Housing Development Group, LP and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities Of Management For The Financial Statements

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

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 Oak Towers Housing Development Group, LP's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than 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 auditing standards generally accepted in the United States of America, 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 Oak Towers Housing Development Group, LP'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 Oak Towers Housing Development Group, LP'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.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information, shown on pages 21 to 29, is presented for purposes of additional analysis and is not a required part of the 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 financial statements. Such information, except for page 29, has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, except for page 29, the information is fairly stated in all material respects in relation to the financial statements as a whole.

RubinBrown LLP

March 16, 2022

OAK TOWERS HOUSING DEVELOPMENT GROUP, LP
PROJECT NO. 16-401-TE

BALANCE SHEET

Page 1 Of 2

Assets		December 31,	
		2021	2020
Current Assets			
1120	Cash - operations	\$ 143,880	\$ 329,839
1130	Tenant accounts receivable	4,070	5,267
1131	Allowance for doubtful accounts	(1,232)	(2,142)
1130N	Net tenant accounts receivable	2,838	3,125
1135	Accounts receivable - HUD	2,819	2,080
1160	Accounts receivable - interest	8,415	—
1200	Prepaid expenses	6,482	32,099
1100T	Total Current Assets	164,434	367,143
Deposits Held In Trust - Funded			
1191	Tenant deposits held in trust	85,848	84,629
Restricted Deposits And Funded Reserves (Note 2)			
1320	Replacement reserve	325,139	278,573
1330	Other reserves	451,771	451,731
1300T	Total Deposits	776,910	730,304
Fixed Assets (Notes 4 And 5)			
1410	Land and improvements	578,880	480,538
1420	Buildings and improvements	14,531,673	14,521,160
1465	Furniture and equipment	600,899	600,899
1400T	Total Fixed Assets	15,711,452	15,602,597
1495	Less: Accumulated depreciation	1,924,695	1,434,653
1400N	Net Fixed Assets	13,786,757	14,167,944
Other Assets			
1520	Deferred costs, net (Note 1)	51,868	60,513
1000T	Total Assets	\$ 14,865,817	\$ 15,410,533

OAK TOWERS HOUSING DEVELOPMENT GROUP, LP
PROJECT NO. 16-401-TE

BALANCE SHEET
Page 2 Of 2

Liabilities

		December 31,	
		2021	2020
Current Liabilities			
2110	Accounts payable - operations	\$ 19,937	\$ 15,092
2113	Accounts payable - entity (Note 3)	700	17,996
2113B	Accounts payable - asset management fee payable (Note 3)	8,442	8,196
2120	Accrued wages payable	14,119	15,561
2123	Accrued management fee payable (Note 3)	5,188	5,184
2131	Accrued interest payable - first mortgage (Note 4)	5,702	5,860
2132	Accrued interest payable - other loans (Note 5)	120,783	117,755
2160	Mortgage payable - first mortgage (short-term) (Note 4)	59,014	57,017
2210	Prepaid revenue	9,284	8,990
2122T Total Current Liabilities		243,169	251,651
Deposit And Prepayment Liabilities			
2191	Tenant deposits held in trust (contra)	59,825	58,405
Long-Term Liabilities			
2310	Mortgage payable - first mortgage (Note 4)	1,952,341	2,011,355
2300	Note payable - Seller Financing Loan (Note 5)	4,671,798	4,709,727
2320	Note payable - AHP Loan (Note 5)	500,000	500,000
2340	Note payable - City of Colombia HOME Funds (Note 5)	80,000	80,000
2390	Debt issuance costs (Note 1)	(127,143)	(137,314)
2300T Total Long-Term Liabilities		7,076,996	7,163,768
2000T Total Liabilities		7,379,990	7,473,824
Partners' Equity			
3130	Partners' equity (Note 6)	7,485,827	7,936,709
2033T Total Liabilities And Partners' Equity		\$ 14,865,817	\$ 15,410,533

OAK TOWERS HOUSING DEVELOPMENT GROUP, LP
PROJECT NO. 16-401-TE

STATEMENT OF OPERATIONS

		For The Years	
		Ended December 31,	
		2021	2020
Revenues			
5100	Gross potential rents	\$ 1,041,096	\$ 1,022,616
5200	Less: Vacancies	15,577	22,765
		1,025,519	999,851
5400	Financial revenue	11,195	7,618
5900	Other revenue	32,419	56,823
	Total Revenues	1,069,133	1,064,292
Operating Expenses			
6300	Administrative expenses	247,370	216,142
6400	Utilities expense	148,781	171,897
6500	Operating and maintenance expenses	240,221	185,195
6600	Depreciation and amortization	498,687	494,882
6700	Taxes and insurance	131,376	120,081
6800	Financial expenses	84,096	86,229
	Total Operating Expenses	1,350,531	1,274,426
	Rental Loss Before Partnership Expenses	(281,398)	(210,134)
	Partnership Expenses	119,225	120,951
	Net Loss	\$ (400,623)	\$ (331,085)

OAK TOWERS HOUSING DEVELOPMENT GROUP, LP
PROJECT NO. 16-401-TE

STATEMENT OF PARTNERS' EQUITY
For The Years Ended December 31, 2021 And 2020

	General Partner	Limited Partner	Special Limited Partner	State Limited Partner	Total
Allocation Percentage	0.009%	98.990%	0.001%	1.000%	100.000%
Balance - January 1, 2020	\$ 129,950	\$ 5,148,021	\$ (6)	\$ 3,105,718	\$ 8,383,683
Distributions	(115,889)	—	—	—	(115,889)
Net Loss	(30)	(327,741)	(3)	(3,311)	(331,085)
S1100-010 Balance - December 31, 2020	14,031	4,820,280	(9)	3,102,407	7,936,709
S1200-420 Distributions	(42,593)	(7,283)	—	(383)	(50,259)
3250 Net Loss	(36)	(396,577)	(4)	(4,006)	(400,623)
3130 Balance - December 31, 2021	\$ (28,598)	\$ 4,416,420	\$ (13)	\$ 3,098,018	\$ 7,485,827

OAK TOWERS HOUSING DEVELOPMENT GROUP, LP
PROJECT NO. 16-401-TE

STATEMENT OF CASH FLOWS

Page 1 Of 2

	For The Years Ended December 31,	
	2021	2020
Cash Flows From Operating Activities		
Receipts:		
Rental receipts	\$ 1,025,361	\$ 996,792
Interest receipts	2,780	7,618
Other operating receipts	32,419	56,823
Total Receipts	1,060,560	1,061,233
Disbursements:		
Administrative	65,365	78,491
Management fee	62,980	60,953
Utilities	148,781	138,104
Salaries and wages	225,910	176,329
Operating and maintenance	147,225	97,291
Real estate taxes	27,480	29,246
Property insurance	5,688	31,961
Miscellaneous taxes and insurance	72,591	63,891
Tenant security deposits	(1,420)	(9,458)
Interest on mortgages and loans	70,403	33,819
Miscellaneous financial	3,680	3,680
Entity/construction disbursements:		
Asset management fees	8,196	23,182
Interest expense - surplus cash notes	107,755	112,755
Total Disbursements	944,634	840,244
Net Cash Provided By Operating Activities	115,926	220,989
Cash Flows Used In Investing Activities		
Net purchases of fixed assets	(108,855)	—
Cash Flows From Financing Activities		
Mortgage principal payments	(57,017)	(54,886)
Principal payments on other mortgages payable	(37,929)	(153,193)
Distributions	(50,259)	(115,889)
Net Cash Used In Financing Activities	(145,205)	(323,968)
Net Decrease In Cash And Restricted Cash	(138,134)	(102,979)
Beginning Of Period Cash And Restricted Cash	1,144,772	1,247,751
End Of Period Cash And Restricted Cash	\$ 1,006,638	\$ 1,144,772

See the notes to financial statements.

**OAK TOWERS HOUSING DEVELOPMENT GROUP, LP
PROJECT NO. 16-401-TE**

STATEMENT OF CASH FLOWS

Page 2 Of 2

	For The Years Ended December 31,	
	2021	2020
Reconciliation Of Net Loss To Net Cash		
From Operating Activities		
Net loss	\$ (400,623)	\$ (331,085)
Adjustments to reconcile net loss to net cash from operating activities:		
Depreciation	490,042	486,237
Amortization	8,645	8,645
Amortization of debt issuance costs	10,171	10,171
Changes in assets and liabilities:		
Tenant accounts receivable	(452)	(3,998)
Accounts receivable - interest	(8,415)	—
Prepaid expenses	25,617	(5,017)
Accounts payable	4,845	(1,414)
Accounts payable - due to affiliate	(17,296)	17,239
Accrued liabilities	(1,438)	6,241
Accrued interest payable	2,870	38,559
Tenant security deposits held in trust	1,420	9,458
Prepaid revenue	294	939
Entity/construction liability accounts:		
Accounts payable - asset management fees	246	(14,986)
Net Cash Provided By Operating Activities	\$ 115,926	\$ 220,989

OAK TOWERS HOUSING DEVELOPMENT GROUP, LP
PROJECT NO. 16-401-TE

NOTES TO FINANCIAL STATEMENTS
December 31, 2021 And 2020

1. Organization And Summary Of Significant Accounting Policies

Oak Towers Housing Development Group, LP (the Partnership), was organized on August 10, 2015 as a Missouri limited partnership for the purpose of developing, rehabilitating, owning, maintaining and operating a 147-unit apartment complex for seniors 55+ located in Columbia, Missouri, known as Oak Towers Apartments (the Project). On December 1, 2016, the Partnership Agreement was amended and restated to permit the withdrawal of Philip Steinhaus, the Withdrawing Limited Partner, and admit RSEP Holding, LLC, a Delaware limited liability company, as the new Limited Partner, and Red Stone Equity Manager, LLC, a Delaware limited liability company, as the Special Limited Partner, and Missouri Fund 2016 VII, LLC, a Missouri limited liability company, as the State Limited Partner. The Limited Partner interest was subsequently assigned to Red Stone - 2015 National Fund, LP.

As of December 31, 2017, 42 of the 147 units have been renovated and placed in service. Rehabilitation on the remaining units was completed and placed in service during 2018.

The partners' interests in profits and losses are as follows:

General Partner:	Oak Towers Housing GP, LLC	0.009%
Limited Partner:	Red Stone - 2015 National Fund, LP	98.990%
Special Limited Partner:	Red Stone Equity Manager, LLC	0.001%
State Limited Partner:	Missouri Fund 2016 VII, LLC	1.000%

The Project has qualified for and will be allocated low-income housing tax credits pursuant to Internal Revenue Code Section 42 (Section 42) which regulates the use of the Project as to occupant eligibility and unit gross rent, among other requirements. The Project must meet the provisions of these requirements during each of the 15 consecutive years in order to be qualified to receive the credits.

The Project is regulated by the Missouri Housing Development Commission (MHDC) as to rent charges and operating methods. The regulatory agreement limits annual distributions of net operating receipts to surplus cash available at the end of each year.

The Partnership will continue to operate perpetually, unless it is earlier dissolved and terminated by provisions of the Partnership Agreement.

OAK TOWERS HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (Continued)

Certain defined terms contained in the Partnership Agreement are denoted with initial capital letters throughout the financial statements.

Estimates And Assumptions

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 statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash And Restricted Cash

The Partnership places its cash account with a banking institution that is insured by the Federal Deposit Insurance Corporation (FDIC). The Partnership's cash is held in an interest-bearing account that is insured up to \$250,000 by the FDIC at December 31, 2021 and 2020.

The following is a reconciliation between cash and restricted cash reported within the balance sheet and the total cash and restricted cash on the statement of cash flows as of December 31:

		2021	2020
1120	Cash - operations	\$ 143,880	\$ 329,839
1191	Tenant deposits held in trust	85,848	84,629
1320	Replacement reserve	325,139	278,573
1330	Other reserves	451,771	451,731
	Total cash and restricted cash	\$ 1,006,638	\$ 1,144,772

Tenant Deposits Held In Trust

Tenant deposits held in trust consist of security deposit funds collected from the tenants, separated from Project funds, and deposited into a trust account. All disbursements from the security deposit account must be only for refunds to tenants and for payment of expenses incurred by or on behalf of the tenants. Deposits held in trust also include \$26,000 of building utility deposits at December 31, 2021 and 2020.

Tenant Accounts Receivable

Tenant accounts receivables are stated at the amount management expects to collect from balances outstanding at year end. Based on management's assessment of the credit history with tenants having outstanding balances and current relationships with them, management has recorded an allowance for doubtful accounts in the amount of \$1,232 and \$2,142 as of December 31, 2021 and 2020, respectively.

OAK TOWERS HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (Continued)

Restricted Deposits And Funded Reserves

Restricted deposits and funded reserves are comprised of checking and money market funds which are stated at cost.

Replacement Reserve

The replacement reserve can only be used for improvements to buildings upon prior approval of the Special Limited Partner.

Rental Property

Rental property is carried at cost, less accumulated depreciation. Depreciation is provided using the half-year method with the following estimated useful lives:

Buildings and improvements	40 years
Land improvements	15 years
Furniture and equipment	5 years

Maintenance and repairs are charged to expense when incurred. Upon retirement or other disposition, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in income.

The Partnership reviews its investment in rental property for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the rental property to the future net undiscounted cash flow expected to be generated by the rental property, including the residual value of the rental property. If the rental property is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the rental property exceeds the fair value of such property. There was no impairment loss recognized for the year ended December 31, 2021 or 2020.

Capitalized Interest

Interest during construction, amounting to \$101,745, has been capitalized and is being amortized over the life of the buildings and its components.

Development Fees

Development fees of \$655,000 incurred for the development of the Project have been capitalized and added to the depreciable basis of the buildings.

OAK TOWERS HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (*Continued*)

Debt Issuance Costs

Debt issuance costs totaling \$152,571 consist of fees for obtaining the mortgage loans and will be amortized using the straight-line method over the term of the mortgage loans. As of December 31, 2021 and 2020, accumulated amortization amounted to \$25,428 and \$15,257, respectively.

Accounting principles generally accepted in the United States of America require that the effective yield method be used to amortize financing costs; however, the effect of using the straight-line method is not materially different from the results that would have been obtained under the effective yield method.

Tax Credit Fees

Tax credit fees totaling \$86,448 consist of fees associated with the low-income housing tax credits anticipated to be allocated to the Project. The fees are amortized using the straight-line method over 10 years. As of December 31, 2021 and 2020, accumulated amortization amounted to \$34,580 and \$25,935, respectively.

Rental Revenue

The rental property is generally leased to tenants under one-year operating leases. Rental revenue is recognized as rent becomes due. Rental revenue received in advance is deferred until earned.

Income Taxes

Under provisions of the Internal Revenue Code and applicable state laws, the Partnership is not directly subject to income taxes. The results of its operations are includable in the tax returns of its partners. Therefore, no provision for income tax expense has been included in the accompanying financial statements.

Reclassification

Certain 2020 amounts have been reclassified, where appropriate, to conform to the financial statement presentation used in 2021.

Subsequent Events

Management evaluates subsequent events through the date the financial statements are available for issue, which is the date of the Independent Auditors' Report.

OAK TOWERS HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (Continued)

2. Restricted Deposits And Funded Reserves

Restricted deposits and funded reserves consist of the following as of December 31:

	2021	2020
Replacement Reserve		
Balance at January 1	\$ 278,573	\$ 212,917
Monthly deposits	65,529	63,620
Approved withdrawals	(20,313)	—
Interest earned, net of bank fees	1,350	2,036
Balance at December 31	325,139	278,573
Bond Fund A	10,647	10,647
Operating Reserve	411,124	411,084
Special Needs Reserve	30,000	30,000
	\$ 776,910	\$ 730,304

Replacement Reserve

A Replacement Reserve is to be funded in an initial amount of \$117,600. Additional deposits are required of \$61,005 per year, payable monthly, in equal installments commencing on the date on which the Project is placed in service. Such monthly payments shall increase by 3% per annum. No withdrawal may be made without the consent of the Special Limited Partner.

Operating Reserve

An Operating Reserve of \$410,000 is to be funded no later than the payment of the Fourth Capital Contribution into a segregated reserve account at Central Bank of Boone County. The Partnership shall fund the Operating Reserve from Net Cash Flow in order to maintain, to the extent possible, a balance at all times of at least \$410,000. No withdrawal may be made without the consent of the Special Limited Partner.

Compliance Services Reserve

A Compliance Services Reserve is to be funded in the amount of \$35,000 to fund any compliance expenses incurred by the Partnership for the Project. No withdrawal may be made without the consent of the Special Limited Partner. As of December 31, 2021 and 2020, the Compliance Services Reserve had not been funded.

OAK TOWERS HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements *(Continued)*

Special Needs Reserve

A Special Needs Reserve is to be funded in the amount of \$30,000 or \$1,000 per special needs unit, no later than the making of the Third Capital Contribution, to fund the Special Needs Reserve Fund, which was established by MHDC on July 1, 2013. The reserve provides assistance to properties with special needs residents that are experiencing temporary operational issues.

Bond Fund A

A reserve was established with bond proceeds upon issuance.

3. Related Party Transactions

Asset Management Fee

The Partnership shall pay the Special Limited Partner \$5,000 as an Asset Management Fee beginning in 2017 in connection with the Special Limited Partner's review of the operations of the Partnership and Project. The Asset Management Fee shall increase annually by 3% of the prior year's Asset Management Fee. The fee shall be paid out of Net Cash Flow and shall accrue if not paid. At December 31, 2021 and 2020, asset management fees incurred were \$5,628 and \$5,464, respectively. Asset management fees of \$5,628 and \$5,464 remained payable as of December 31, 2021 and 2020, respectively, and were included in accounts payable - asset management fee payable.

State LP Asset Management Fee

The Partnership shall pay the State Limited Partner \$2,500 as a State LP Asset Management Fee beginning in 2017 in connection with the State Limited Partner's annual review of the operations of the Partnership and Project. The State LP Asset Management Fee shall increase annually by 3% of the prior year's State LP Asset Management Fee. The fee shall be paid out of Net Cash Flow and shall accrue if not paid. At December 31, 2021 and 2020, asset management fees incurred were \$2,814 and \$2,732, respectively. Asset management fees of \$2,814 and \$2,732 remained payable as of December 31, 2021 and 2020, respectively, and were included in accounts payable - asset management fee payable.

OAK TOWERS HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (*Continued*)

Property Management Fees

The Partnership entered into a management contract with the Housing Authority of the City of Columbia, Missouri (CHA), an affiliate of the General Partner. The management fee is equal to 6% of monthly gross collections. Management fees of \$62,984 and \$60,916 were incurred for the years ended December 31, 2021 and 2020, respectively. As of December 31, 2021 and 2020, \$5,188 and \$5,184, respectively, were payable.

Due To Affiliate

An entity associated with the Partnership through common ownership paid for costs on behalf of the Partnership. The balance owed at December 31, 2021 and 2020 was \$700 and \$17,996, respectively, and is included in accounts payable - entity.

Tax Credit Compliance Guaranty

The General Partner guarantees that the Limited Partner and State Limited Partner will be allocated federal and state low-income housing tax credits, in accordance with the Partnership Agreement, for any shortfall.

Operating Deficit Guaranty

Pursuant to the Amended and Restated Agreement of Limited Partnership, the General Partner shall advance to the Partnership as a loan an amount equal to the amount of the Operating Deficit. This obligation shall continue until the end of the Fiscal Year in which the fifth anniversary of the Lease-up Period or Stabilization period occurs. The guarantee is limited to a maximum of \$410,000. At December 31, 2021 and 2020, no such advance had been made.

Net Cash Flow Distribution

Net Cash Flow, as defined in the Partnership Agreement, is available for distribution at year end as follows:

1. To the Limited Partner until the aggregate amount of distributions made to the Limited Partner for the current and all prior years equals the Assumed Limited Partner Tax Liability for the current and all prior years;
2. To the Limited Partner and/or State Limited Partner in an amount equal to any Unpaid Tax Credit Shortfall, Unpaid State Tax Credit Shortfall, Limited Partner Advances, and Special Additional Capital Contributions;
3. To the General Partner to pay fees for the security services provided at the Project;

OAK TOWERS HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (*Continued*)

4. To pay any outstanding and unpaid Asset Management Fees to the Special Limited Partner and unpaid State LP Asset Management Fees to the State Limited Partner;
5. To replenish the Operating Reserve to the Operating Reserve Floor;
6. To pay all amounts due under the Development Agreement;
7. To pay all amounts then due and payable under the Seller Financing Loan and the AHP Loan;
8. To pay any outstanding Operating Deficit Loans and General Partner Loans, pro rata based on the outstanding balances of each;
9. To the partners in accordance with the Percentage Interests noted below, provided however that the Limited Partner receives a distribution equal to at least 10% of Net Cash Flow.
 - a. General Partner - 0.009%
 - b. Limited Partner - 94.990%
 - c. Special Limited Partner - 0.001%
 - d. State Limited Partner - 5.000%

4. Mortgage Notes Payable

The Partnership entered into a loan agreement (the Note) with CHA on December 1, 2016, which allows for total advances up to \$8,000,000 of tax-exempt bonds to fund the acquisition and rehabilitation of the Project. The Series A Bonds bear interest at an effective annual rate of 1.99% until the Rate Adjustment Date and 3.4% thereafter. The Series B Bonds bear interest at an effective annual rate of 1.99%. On December 1, 2018, the Partnership was required to pay the outstanding principal and interest on the Series B Bonds to reduce the total bond advances to \$2,150,000. However, the Series B Bonds maturity date was extended up to 6 months from December 1, 2018. As of December 31, 2019, the Series B Bonds were paid in full.

Commencing on July 1, 2019, the Partnership is required to make annual payments of principal and interest on the Series A Bonds. The note associated with the Series A Bonds matures on December 1, 2036 and is secured by a first mortgage on the Project. As of December 31, 2021 and 2020, the balance of the Series A Bonds was \$2,011,355 and \$2,068,372, respectively. Accrued interest payable on the bonds as of December 31, 2021 and 2020 was \$5,702 and \$5,860, respectively.

OAK TOWERS HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (Continued)

Aggregate annual maturities of the mortgage notes payable over the next five years and thereafter are as follows:

<u>Year</u>	<u>Amount</u>
2022	\$ 59,014
2023	61,081
2024	63,037
2025	65,427
2026	67,719
Thereafter	1,695,077
	<u>\$ 2,011,355</u>

5. Other Notes Payable

The Partnership received additional financing from CHA under a loan commitment of \$4,944,753 (the Seller Financing Loan), secured by a second deed of trust, for the acquisition and rehabilitation of the Project. The note bears interest at 2.26%, compounded annually, through maturity. The Partnership shall make annual payments beginning on or after May 1, 2019 equal to 95% of Net Cash Flow, after full payment of the Deferred Development Fee. The outstanding principal and interest will become due at maturity on December 31, 2059. Accrued interest at December 31, 2021 and 2020 was \$105,783 and \$107,755, respectively. At December 31, 2021 and 2020, the outstanding balance was \$4,671,798 and \$4,709,727, respectively.

The Partnership received financing from CHA under a loan commitment of \$500,000 (the AHP Loan), secured by a third deed of trust, for the acquisition and rehabilitation of the Project. The loan bears interest at 1%, compounded annually, through maturity. The Partnership shall make annual payments equal to 5% of remaining Net Cash Flow, subordinate to payment terms noted in the note payable above beginning on January 1, 2036. The entire principal will become due at maturity on December 31, 2052. Accrued interest at December 31, 2021 and 2020 was \$15,000 and \$10,000, respectively. At December 31, 2021 and 2020, the outstanding balance was \$500,000.

The Partnership received financing from the City of Colombia HOME Funds under a loan commitment of \$80,000, secured by subordinated deed of trust, to provide improvements to the Project. The loan is non-interest bearing through maturity. As of December 31, 2021 and 2020, the outstanding balance was \$80,000.

OAK TOWERS HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (Continued)

6. Capital Contributions

Contingent upon various requirements as outlined in the Partnership Agreement, the Partners shall make capital contributions to the Partnership as follows:

Capital Installment	General Partner	Limited Partner	State Limited Partner	Special Limited Partner	Total
First	\$ 130,000	\$ 559,171	\$ 311,143	\$ —	\$ 1,000,314
Second	—	559,171	311,143	—	870,314
Third	—	3,634,609	2,022,429	—	5,657,038
Fourth	—	838,756	466,714	—	1,305,470
Special	—	—	—	10	10
Total	\$ 130,000	\$ 5,591,707	\$ 3,111,429	\$ 10	\$ 8,833,146

As of December 31, 2021 and 2020, \$5,753,240 had been contributed by the Limited Partner, \$3,111,428 by the State Limited Partner, and \$130,000 by The General Partner. The Special Limited Partner has made no contributions as of December 31, 2021 and 2020.

7. Commitments And Contingencies

The Project's low-income housing tax credits are contingent on its ability to maintain compliance with applicable sections of Section 42. Failure to maintain compliance with occupant eligibility, and/or gross rent or to correct non-compliance within a specified time period could result in recapture of previously taken tax credits, plus interest. Additionally, such potential noncompliance may require an adjustment to the contributed capital by the Limited Partners.

The Partnership is bound by a Land-Use Restriction Agreement with MHDC, which mandates the utilization of the Project pursuant to Section 42 of the Internal Revenue Code (Section 42) for a minimum of 30 years, even if disposition of the property by the Partnership occurs.

The Partnership has also entered into Land Use Restriction Agreements with the Housing Authority of the City of Columbia and UMB Bank. These agreements require that a percentage of the units be leased to low-income tenants, and otherwise regulates the Project for the duration of ownership by the Partnership and its successors.

OAK TOWERS HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (*Continued*)

The Partnership and CHA have entered into a Section 8 Project-Based Voucher Program - PBV Housing Assistance Payments (HAP) Contract New Construction or Rehabilitation agreement with the Department of Housing and Urban Development (HUD). Under the agreement, CHA will provide the Partnership with housing assistance payments, consisting of both rent and utility allowance, on behalf of qualified tenants. The term of the agreement is for 20 years. The length of the initial term and any extension term shall be subject to availability, as determined by HUD, or CHA in accordance with HUD requirements, or sufficient appropriated funding (budget authority), as provided in appropriations acts and in the CHA's annual contributions contract with HUD, to make full payment of housing assistance payments due to the Partnership for any contract year in accordance with the HAP contract. The availability of sufficient funding must be determined by HUD or by CHA in accordance with HUD requirements. If it is determined that there may not be sufficient funding to continue housing assistance payments for all contract units and for the full term of the HAP contract, CHA has the right to terminate the HAP contract by notice to the Partnership for all or any of the contract units.

The Partnership has also entered into a Rental Assistance Demonstration (RAD) Use Agreement with HUD. Under the agreement, the Partnership was allowed to convert the Project from public housing to long-term Section 8 rental assistance to achieve the preservation and improvement of the Project through access to private debt and equity to address immediate and long-term capital needs. The RAD Use Agreement will be recorded superior to other liens on the Project, and run for the same term as the initial term of the HAP contract with automatic renewals upon each HAP contract extension.

In March 2020, the World Health Organization designated COVID-19 as a pandemic. While the Partnership has taken various actions in response to the COVID-19 pandemic, the ultimate impact on its results of operations, cash flows, financial condition and liquidity will depend on (i) the duration and severity of the pandemic, (ii) the effectiveness of vaccines, (iii) the duration and nature of governmental responses to contain the spread of the disease and assist residents and businesses, (iv) resident and business responses to the pandemic, and (v) how quickly and to what extent normal economic conditions can resume. Because of this uncertainty, any estimate of the expected future impact of the COVID-19 pandemic on results of operations, cash flows, financial condition, or liquidity is uncertain.

OAK TOWERS HOUSING DEVELOPMENT GROUP, LP
PROJECT NO. 16-401-TE

SUPPORTING DATA REQUIRED BY MHDC
For The Year Ended December 31, 2021

Statement Of Profit And Loss

Part 1	Description of Account	Acct. No.	Amount	
Rent Revenue 5100	Rent Revenue - Gross Potential	5120	\$ 458,402	
	Tenant Assistance Payments	5121	\$ 582,694	
	Rent Revenue - Stores and Commercial	5140	\$ —	
	Garage and Parking Spaces	5170	\$ —	
	Flexible Subsidy Revenue	5180	\$ —	
	Miscellaneous Rent Revenue	5190	\$ —	
	Excess Rent	5191	\$ —	
	Rent Revenue/Insurance	5192	\$ —	
	Special Claims Revenue	5193	\$ —	
	Retained Excess Income	5194	\$ —	
	Total Rent Revenue	5100T		\$ 1,041,096
Vacancies 5200	Apartments	5220	\$ 1,748	
	Stores and Commercial	5240	\$ —	
	Rental Concessions	5250	\$ 4,485	
	Loss to Lease	5260	\$ 9,344	
	Garage and Parking Space	5270	\$ —	
	Miscellaneous	5290	\$ —	
	Total Vacancies	5200T		\$ 15,577
	Net Rental Revenue <i>Rent Revenue Less Vacancies</i>	5152N		\$ 1,025,519
Supportive Services	Supportive Services Revenue	5390		\$
Financial Revenue 5400	Financial Revenue - Project Operations	5410	\$ 9,845	
	Revenue from Investments - Residual Receipts	5430	\$ —	
	Revenue from Investments - Replacement Reserve	5440	\$ 1,350	
	Revenue from Investments - Miscellaneous	5490	\$ —	
	Total Financial Revenue	5400T		\$ 11,195
Other Revenue 5900	Laundry and Vending Revenue	5910	\$ 20,382	
	Tenant Charges	5920	\$ 4,319	
	Interest Reduction Payments Revenue	5945	\$ —	
	Cable TV / Internet Access Revenue	5954	\$ 4,474	
	Miscellaneous Revenue	5990	\$ 3,244	
	Total Other Revenue	5900T		\$ 32,419
	Total Revenue	5000T		\$ 1,069,133
Administrative Expenses 6200/6300	Conventions and Meetings	6203	\$ 696	
	Management Consultants	6204	\$ —	
	Advertising and Marketing	6210	\$ —	
	Other Renting Expenses	6250	\$ 15,852	
	Office Salaries	6310	\$ 131,472	
	Office Expenses	6311	\$ 14,659	
	Office or Model Apartment Rent	6312	\$ —	
	Leased Furniture	6313	\$ —	
	Management Fee/ Bookkeeping/ Accounting Services	6320	\$ 62,984	
	Manager or Superintendent Salaries	6330	\$ —	
	Administrative Rent Free Unit	6331	\$ —	
	Legal Expense - Project	6340	\$ 1,075	
	Audit Expense	6350	\$ 14,400	
	Telephone Expense	6360	\$ 3,352	
	Bad Debts	6370	\$ —	
Miscellaneous Administrative Expenses	6390	\$ 2,880		
Total Administrative Expenses	6263T		\$ 247,370	
Utilities Expense 6400	Fuel Oil/Coal	6420	\$ —	
	Electricity	6450	\$ 103,444	
	Water	6451	\$ 17,667	
	Gas	6452	\$ 7,183	
	Sewer	6453	\$ 11,288	
	Cable TV / Internet Access	6454	\$ 9,199	
	Total Utilities Expense	6400T		\$ 148,781
	Total Expenses (Carry Forward)			\$ 396,151

Project Name: Oak Towers Housing Development Group, LP

		Balance Carried Forward		\$ 396,151
Operating Maintenance Expenses 6500	Payroll	6510	\$ 92,996	
	Supplies	6515	\$ 30,956	
	Contracts	6520	\$ 18,772	
	Operating and Maintenance Rent Free Unit	6521	\$ —	
	Garbage and Trash Removal	6525	\$ 26,206	
	Security Payroll/Contract	6530	\$ —	
	Security Rent Free Unit	6531	\$ —	
	Heating/Cooling Repairs and Maintenance	6546	\$ 2,490	
	Snow Removal	6548	\$ —	
	Vehicle and Maintenance Equipment Operation and Repairs	6570	\$ 726	
	Maintenance Tools and Equipment	6571	\$ 1,463	
	Pool Supplies and Pool Maintenance/Contracts	6572	\$ —	
	Exterminating	6573	\$ 27,764	
	Elevator Maintenance/Contracts	6574	\$ 11,431	
	Vacant Unit Preparation	6580	\$ —	
Miscellaneous Operating and Maintenance Expenses	6590	\$ 27,417		
Total Operating and Maintenance Expenses	6500T		\$ 240,221	
Taxes and Insurance 6700	Real Estate Taxes	6710	\$ 27,480	
	Payroll Taxes (Project's Share)	6711	\$ 18,754	
	Property and Liability Insurance (Hazard)	6720	\$ 31,305	
	Fidelity Bond Insurance	6721	\$ —	
	Workmen's Compensation	6722	\$ 4,276	
	Health Insurance and Other Employee Benefits	6723	\$ 46,605	
	Miscellaneous Taxes, Licenses, Permits and Insurance	6790	\$ 2,956	
	Total Taxes and Insurance	6700T		
Financial Expenses 6800	Interest on Mortgage Payable	6820	\$ 70,245	
	Interest Attributable to Debt Issuance Costs	6822	\$ 10,171	
	Interest on Notes Payable (Long-Term)	6830	\$ —	
	Interest on Notes Payable (Short-Term)	6840	\$ —	
	Mortgage Insurance Premium/Service Charge	6850	\$ —	
	Miscellaneous Financial Expenses	6890	\$ 3,680	
Total Financial Expenses	6800T		\$ 84,096	
Supportive Services 6990	Supportive Services Expenses	6990	\$	
	Total Cost of Operations before Depreciation and Amortization	6000T		\$ 851,844
	Profit (Loss) before Depreciation and Amortization	5060T		\$ 217,289
	Depreciation Expense	6600	\$ 490,042	
	Amortization Expense	6610	\$ 8,645	
	Total Depreciation and Amortization			\$ 498,687
	Operating Profit or (Loss)	5060N		\$ (281,398)
Corporate or Mortgagor Entity Expenses 7100	Entity Revenue	7105	\$ —	
	Officer's Salaries	7110	\$ —	
	Asset Management, Partnership and Incentive Performance Fee	7115	\$ 8,442	
	Legal Expenses	7120	\$ —	
	Federal, State and Other Income Taxes	7130	\$ —	
	Fidelity and Bond Expense	7135	\$ —	
	Interest Income	7140	\$ —	
	Interest on Notes Payable (subordinate/surplus cash/non-MHDC loans)	7141	\$ 110,783	
	Interest on Mortgage Payable (subordinate/surplus cash/non-MHDC loan)	7142	\$ —	
	Other Expenses	7190	\$ —	
Net Entity Expenses	7100T		\$ 119,225	
	Profit or Loss (Net Income or Loss)	3250		\$ (400,623)

Miscellaneous or other Income and Expense Sub-account Groups. If miscellaneous or other income and/or expense sub-accounts (5190, 5290, 5490, 5990, 6390, 6590, 6790, 6890 and 7190) exceed the Account Groupings by 10% or more, attach a separate schedule describing or explaining the miscellaneous income or expense.

Part II

1. Total mortgage principal payments required during the audit year (12 monthly payments). (Account 7001)	\$ 57,017
2. Total of 12 monthly deposits in the audit year into the Replacement Reserve account. (Account 7002)	\$ 65,529
3. Replacement Reserve or Residual Receipts releases which are included as expense items on this Profit and Loss Statement. (Account 7003)	\$ 25,234
4. Debt Service for other loans (surplus cash / non-MHDC / partner loans) (Account 7145)	\$ —

**OAK TOWERS HOUSING DEVELOPMENT GROUP, LP
PROJECT NO. 16-401-TE**

**SUPPORTING DATA REQUIRED BY MHDC (Continued)
For The Year Ended December 31, 2020**

Statement Of Profit And Loss

Part 1	Description of Account	Acct. No.	Amount	
Rent Revenue 5100	Rent Revenue - Gross Potential	5120	\$	471,400
	Tenant Assistance Payments	5121	\$	551,216
	Rent Revenue - Stores and Commercial	5140	\$	—
	Garage and Parking Spaces	5170	\$	—
	Flexible Subsidy Revenue	5180	\$	—
	Miscellaneous Rent Revenue	5190	\$	—
	Excess Rent	5191	\$	—
	Rent Revenue/Insurance	5192	\$	—
	Special Claims Revenue	5193	\$	—
	Retained Excess Income	5194	\$	—
	Total Rent Revenue	5100T	\$	1,022,616
Vacancies 5200	Apartments	5220	\$	2,406
	Stores and Commercial	5240	\$	—
	Rental Concessions	5250	\$	3,594
	Loss to Lease	5260	\$	16,765
	Garage and Parking Space	5270	\$	—
	Miscellaneous	5290	\$	—
	Total Vacancies	5200T	\$	22,765
	Net Rental Revenue <i>Rent Revenue Less Vacancies</i>	5152N	\$	999,851
5300	Nursing Homes/Assisted Living/Board and Care/Other Elderly Care/Coop/ and Other Revenues	5300	\$	—
Financial Revenue 5400	Financial Revenue - Project Operations	5410	\$	5,582
	Revenue from Investments - Residual Receipts	5430	\$	—
	Revenue from Investments - Replacement Reserve	5440	\$	2,036
	Revenue from Investments - Miscellaneous (Schedule)	5490	\$	—
	Total Financial Revenue	5400T	\$	7,618
Other Revenue 5900	Laundry and Vending Revenue	5910	\$	19,139
	Tenant Charges	5920	\$	3,912
	Interest Reduction Payments Revenue	5945	\$	—
	Cable TV / Internet Access Revenue	5954	\$	27,911
	Miscellaneous Revenue	5990	\$	5,861
	Total Other Revenue	5900T	\$	56,823
	Total Revenue	5000T	\$	1,064,292
Administrative Expenses 6200/6300	Conventions and Meetings	6203	\$	2,077
	Management Consultants	6204	\$	—
	Advertising and Marketing	6210	\$	—
	Other Renting Expenses	6250	\$	13,328
	Office Salaries	6310	\$	94,703
	Office Expenses	6311	\$	14,058
	Office or Model Apartment Rent	6312	\$	—
	Leased Furniture	6313	\$	—
	Management Fee	6320	\$	60,916
	Manager or Superintendent Salaries	6330	\$	—
	Administrative Rent Free Unit	6331	\$	—
	Legal Expense - Project	6340	\$	2,014
	Audit Expense	6350	\$	14,400
	Telephone Expense	6360	\$	2,428
	Bad Debts	6370	\$	6,945
Miscellaneous Administrative Expenses	6390	\$	5,273	
	Total Administrative Expenses	6263T	\$	216,142
Utilities Expense 6400	Fuel Oil/Coal	6420	\$	—
	Electricity	6450	\$	101,233
	Water	6451	\$	18,426
	Gas	6452	\$	6,390
	Sewer	6453	\$	12,055
	Cable TV / Internet Access	6454	\$	33,793
	Total Utilities Expense	6400T	\$	171,897
	Total Expenses (Carry Forward to Page 2)		\$	388,039

Project Name: Oak Towers Housing Development Group, LP

		Balance Carried Forward	\$	388,039	
Operating Maintenance Expenses 6500	Payroll	6510	\$	87,904	
	Supplies	6515	\$	25,082	
	Contracts	6520	\$	15,486	
	Operating and Maintenance Rent Free Unit	6521	\$	—	
	Garbage and Trash Removal	6525	\$	26,206	
	Security Payroll/Contract	6530	\$	—	
	Security Rent Free Unit	6531	\$	—	
	Heating/Cooling Repairs and Maintenance	6546	\$	1,759	
	Snow Removal	6548	\$	—	
	Vehicle and Maintenance Equipment Operation and Repairs	6570	\$	832	
	Maintenance Tools and Equipment	6571	\$	2,142	
	Pool Supplies and Pool Maintenance/Contracts	6572	\$	—	
	Exterminating	6573	\$	11,691	
	Elevator Maintenance/Contracts	6574	\$	13,011	
	Vacant Unit Preparation	6580	\$	—	
	Miscellaneous Operating and Maintenance Expenses	6590	\$	1,082	
Total Operating and Maintenance Expenses	6500T		\$	185,195	
Taxes and Insurance 6700	Real Estate Taxes	6710	\$	29,246	
	Payroll Taxes (Project's Share)	6711	\$	13,180	
	Property and Liability Insurance (Hazard)	6720	\$	26,944	
	Fidelity Bond Insurance	6721	\$	—	
	Workmen's Compensation	6722	\$	3,268	
	Health Insurance and Other Employee Benefits	6723	\$	44,726	
	Miscellaneous Taxes, Licenses, Permits and Insurance	6790	\$	2,717	
	Total Taxes and Insurance	6700T		\$	120,081
Financial Expenses 6800	Interest on Mortgage Payable	6820	\$	72,378	
	Interest Attributable to Debt Issuance Costs	6822	\$	10,171	
	Interest on Notes Payable (Long-Term)	6830	\$	—	
	Interest on Notes Payable (Short-Term)	6840	\$	—	
	Mortgage Insurance Premium/Service Charge	6850	\$	—	
	Miscellaneous Financial Expenses (Schedule)	6890	\$	3,680	
Total Financial Expenses	6800T		\$	86,229	
6900	Nursing Homes/ Assisted Living/ Board and Care/ Other				
	Elderly Care Expenses	6900		\$	
	Total Cost of Operations before Depreciation and Amortization	6000T		\$	779,544
	Profit (Loss) before Depreciation and Amortization	5060T		\$	284,748
	Depreciation Expense	6600	\$	486,237	
	Amortization Expense	6610	\$	8,645	
	Total Depreciation and Amortization			\$	494,882
	Operating Profit or (Loss)	5060N		\$	(210,134)
Corporate or Mortgagor Entity Expenses 7100	Entity Revenue	7105	\$	—	
	Officer's Salaries	7110	\$	—	
	Asset Management, Partnership and Incentive Performance Fee	7115	\$	8,196	
	Legal Expenses	7120	\$	—	
	Federal, State and Other Income Taxes	7130	\$	—	
	Fidelity and Bond Expense	7135	\$	—	
	Interest Income	7140	\$	—	
	Interest on Notes Payable (subordinate/surplus cash/non-MHDC loans)	7141	\$	112,755	
	Interest on Mortgage Payable (subordinate/surplus cash/non-MHDC loan)	7142	\$	—	
	Other Expenses	7190	\$	—	
Net Entity Expenses	7100T		\$	120,951	
	Profit or Loss (Net Income or Loss)	3250		\$	(331,085)

Miscellaneous or other Income and Expense Sub-account Groups. If miscellaneous or other income and/or expense sub-accounts (5190, 5290, 5490, 5990, 6390, 6590, 6790, 6890 and 7190) exceed the Account Groupings by 10% or more, attach a separate schedule describing or explaining the miscellaneous income or expense.

Part II

1. Total mortgage principal payments required during the audit year (12 monthly payments). (Account 7001)	\$	54,886
2. Total of 12 monthly deposits in the audit year into the Replacement Reserve account. (Account 7002)	\$	63,620
3. Replacement Reserve or Residual Receipts releases which are included as expense items on this Profit and Loss Statement. (Account 7003)	\$	—
4. Debt Service for other loans (surplus cash / non-MHDC / partner loans) (Account 7145)	\$	—

**OAK TOWERS HOUSING DEVELOPMENT GROUP, LP
PROJECT NO. 16-401-TE**

**SUPPORTING DATA REQUIRED BY MHDC (Continued)
December 31, 2021**

Statement Of Profit And Loss

	Account	For The Years Ended December 31,	
		2021	2020
5990 - Miscellaneous Revenue			
5990-010 Fee for service	5990-020	\$ 1,354	\$ 4,059
5990-010 Other income	5990-020	—	1,802
5990-010 Recovery of bad debts	5990-020	356	—
5990-010 Vending machine commission income	5990-020	486	—
5990-010 Voided tenant refunds	5990-020	1,048	—
Total Miscellaneous Revenue		\$ 3,244	\$ 5,861
6590 - Miscellaneous Operating And Maintenance Expenses			
6590-010 Trash chute	6590-020	\$ 24,850	\$ —
6590-010 Carpet	6590-020	2,567	—
6590-010 Sewer line repairs	6590-020	—	810
6590-010 Fire damage mitigation	6590-020	—	272
Miscellaneous Operating And Maintenance Expenses		\$ 27,417	\$ 1,082

OAK TOWERS HOUSING DEVELOPMENT GROUP, LP
PROJECT NO. 16-401-TE

SUPPORTING DATA REQUIRED BY MHDC (Continued)
December 31, 2021

Schedule Of Escrow Deposits And Replacement Reserves

Replacement Reserve

Balance at January 1	\$ 278,573
Monthly deposits	65,529
Withdrawal	(20,313)
Interest earned, net of bank fees	1,350
Balance at December 31	<u>325,139</u>

Bond Fund A

10,647

Operating Reserve

411,124

Special Needs Reserve

30,000

451,771

\$ 776,910

OAK TOWERS HOUSING DEVELOPMENT GROUP, LP
PROJECT NO. 16-401-TE

SUPPORTING DATA REQUIRED BY MHDC (Continued)

December 31, 2021

Schedule Of Fixed Assets

		Balance				Balance
		January 1,	Additions	Deductions		December 31,
		2021				2021
1410	Land and improvements	\$ 480,538	\$ 98,342	\$ —	\$	578,880
1420	Buildings and improvements	14,521,160	10,513	—		14,531,673
1465	Furniture and equipment	600,899	—	—		600,899
	Total	15,602,597	108,855	—		15,711,452
1495	Accumulated depreciation	1,434,653	490,042	—		1,924,695
1400N	Net Book Value	\$ 14,167,944	\$ (381,187)	\$ —	\$	13,786,757

**OAK TOWERS HOUSING DEVELOPMENT GROUP, LP
PROJECT NO. 16-401-TE**

**SUPPORTING DATA REQUIRED BY MHDC (Continued)
December 31, 2021**

Funds In Financial Institutions

A. Funds Held By Mortgagor, Regular Operating Account	
First Mid Bank, operating account ⁽¹⁾	\$ 143,880
B. Funds Held By Mortgagor In Trust, Tenant Security Deposits	
First Mid Bank, security deposit account ⁽¹⁾	59,848
C. Funds Held By Mortgagor, Replacement Reserve Account	
First Mid Bank ⁽¹⁾	<u>325,139</u>
Funds Held By Mortgagor, TOTAL	<u>528,867</u>
D. Funds Held By Mortgagee, (In Trust)	
1. Bond Fund A, UMB ⁽¹⁾	10,647
2. Operating Reserve, Central Bank ⁽¹⁾	411,124
3. Special Needs Reserve, MHDC ⁽¹⁾	<u>30,000</u>
Funds Held By Mortgagee, TOTAL	<u>451,771</u>
TOTAL FUNDS IN FINANCIAL INSTITUTIONS	<u><u>\$ 980,638</u></u>

⁽¹⁾ Balances audited as of December 31, 2021

**OAK TOWERS HOUSING DEVELOPMENT GROUP, LP
PROJECT NO. 16-401-TE**

**SUPPORTING DATA REQUIRED BY MHDC (Continued)
December 31, 2021**

**Schedule Of Eligible And Allocated Federal And
State Tax Credits**

TIN #: 47-4784720

Credit Year	Calendar Year	Annual Federal LIHTC		Annual State LIHTC	
		Allocated	Eligible	Allocated	Eligible
1	2018	\$ 577,912	\$ 492,727	\$ 576,404	\$ 492,727
2	2019	577,912	577,912	576,404	576,404
3	2020	577,912	577,912	576,404	576,404
4	2021	577,912	577,912	576,404	576,404
5	2022	577,912		576,404	
6	2023	577,912		576,404	
7	2024	577,912		576,404	
8	2025	577,912		576,404	
9	2026	577,912		576,404	
10	2027	577,912		576,404	
11	2028	85,185		83,677	
12	2029	N/A		N/A	
13	2030	N/A		N/A	
14	2031	N/A		N/A	
15	2032	N/A		N/A	

**OAK TOWERS HOUSING DEVELOPMENT GROUP, LP
PROJECT NO. 16-401-TE**

**MORTGAGOR CERTIFICATION
For The Year Ended December 31, 2021**

We hereby certify that we have examined the accompanying financial statements and supplementary data of Oak Towers Housing Development Group, LP and, to the best of our knowledge and belief, the same is complete and accurate.

Oak Towers Housing Development Group, LP
(A Missouri Limited Partnership)

By: 
Signature of Signer

Randy Cole
Printed Name of Signer

Executive Director
Title of Signer

47-4784720
Employer Identification Number


March 16, 2022
Date

**OAK TOWERS HOUSING DEVELOPMENT GROUP, LP
PROJECT NO. 16-401-TE**

**MANAGING AGENT CERTIFICATION
For The Year Ended December 31, 2021**

We hereby certify that we have examined the accompanying financial statements and supplementary data of Oak Towers Housing Development Group, LP and, to the best of our knowledge and belief, the same is complete and accurate.

Housing Authority of the City of Columbia,
Missouri
Managing Agent Name

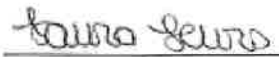
By: 
Signature of Signer

Randy Cole
Printed Name of Signer

Chief Executive Officer
Title of Signer

43-6014416
Employer Identification Number

0


Signature of Individual Responsible for
Management of Property

Laura Lewis
Printed Name of Individual Responsible for
Management of Property

March 16, 2022
Date

S3200-005

Auditors' Transmittal Letter

S3200-010 Audit Firm RubinBrown LLP

S3200-020 Lead Auditor First Name Brandi

S3200-030 Lead Auditor Middle Name Tucker

S3200-040 Lead Auditor Last Name Lawyer

S3200-050 Auditor Street Address Line 1 One North Brentwood

S3200-060 Auditor Street Address Line 2 _____

S3200-070 Auditor City St. Louis

S3200-080 Auditor State Missouri

S3200-090 Auditor Zip Code 63105

S3200-100 Auditor Zip Code Extension _____

S3200-110 Auditor Telephone Number (314) 290-3300

S3200-120 Auditor Firm TIN 43-0765316

S3200-130 Date Of Independent Auditors' Report March 16, 2022

**BRYANT WALKWAY HOUSING
DEVELOPMENT GROUP, LP
PROJECT NO.: 17-069-MHT
FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

Independent Auditors' Report

Partners
Bryant Walkway Housing Development Group, LP
Columbia, Missouri

Report On The Audit Of The Financial Statements

Opinion

We have audited the financial statements of Bryant Walkway Housing Development Group, LP, which comprise the balance sheet as of December 31, 2021 and 2020, and the related statements of operations, partners' equity and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Bryant Walkway Housing Development Group, LP as of December 31, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis For Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America 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 Auditors' Responsibilities For The Audit Of The Financial Statements section of our report. We are required to be independent of Bryant Walkway Housing Development Group, LP and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities Of Management For The Financial Statements

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

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 Bryant Walkway Housing Development Group, LP's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America 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 auditing standards generally accepted in the United States of America 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 Bryant Walkway Housing Development Group, LP'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 Bryant Walkway Housing Development Group, LP'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 audits.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information, shown on pages 22 to 32, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and, except for page 32, was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information, except for page 32, has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, except for page 32, on which we express no opinion nor any assurance, the information is fairly stated in all material respects in relation to the 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 March 16, 2022 on our consideration of Bryant Walkway Housing Development Group, LP'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 solely 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 the effectiveness of Bryant Walkway Housing Development Group, LP's 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 Bryant Walkway Housing Development Group, LP's internal control over financial reporting and compliance.

RubinBrown LLP

March 16, 2022

BRYANT WALKWAY HOUSING DEVELOPMENT GROUP, LP
PROJECT NO.: 17-069-MHT

BALANCE SHEET

Page 1 Of 2

Assets		December 31,	
		2021	2020
Current Assets			
1120	Cash - operations	\$ 33,450	\$ 653
1130	Tenant accounts receivable	11,218	2,698
1131	Allowance for doubtful accounts	(8,789)	(606)
1130N	Net tenant accounts receivable	2,429	2,092
1135	Accounts receivable - subsidy	—	1,921
1160	Accounts receivable - interest	1,012	—
1200	Prepaid expenses	1,950	28,773
1100T	Total Current Assets	38,841	33,439
Deposits Held In Trust - Funded			
1191	Tenant deposits held in trust	25,814	25,152
Restricted Deposits And Funded Reserves (Note 2)			
1310	Escrow deposits	35,032	10,716
1320	Replacement reserve	106,442	82,653
1330	Other reserves	140,965	148,693
1300T	Total Deposits	282,439	242,062
Fixed Assets (Note 4)			
1410	Land and land improvements	686,356	686,356
1420	Buildings	8,613,179	8,613,179
1460	Furnishings	183,377	183,377
1400T	Total Fixed Assets	9,482,912	9,482,912
1495	Less: Accumulated depreciation	790,499	492,756
1400N	Net Fixed Assets	8,692,413	8,990,156
Other Assets			
1520	Deferred costs, net (Note 1)	37,669	43,360
1000T	Total Assets	\$ 9,077,176	\$ 9,334,169

BRYANT WALKWAY HOUSING DEVELOPMENT GROUP, LP
PROJECT NO.: 17-069-MHT

BALANCE SHEET

Page 2 Of 2

Liabilities And Partners' Equity		December 31,	
		2021	2020
Current Liabilities			
2110	Accounts payable - operations	\$ 4,977	\$ 3,193
2113	Accounts payable - entity (Note 3)	667	20,299
2115	Accounts payable - asset management fee payable (Note 3)	16,151	7,956
2120	Accrued wages payable	3,071	5,060
2123	Accrued management fee payable (Note 3)	1,960	1,582
2131	Accrued interest payable - notes payable (Note 4)	653	667
2170	Mortgage payable - first mortgage (short-term) (Note 4)	5,298	5,129
2210	Prepaid revenue	4,393	5,283
2122T	Total Current Liabilities	37,170	49,169
Deposit And Prepayment Liabilities			
2191	Tenant deposits held in trust (contra)	24,305	22,969
Long-Term Liabilities			
2310	Mortgage payable - first mortgage (long-term) (Note 4)	235,835	241,133
2311	Notes payable - surplus cash (Note 4)	1,050,000	1,050,000
2323	Other loans and notes payable - development fee (Note 3)	327,377	312,162
2340	Debt issuance costs (Note 1)	(8,294)	(8,920)
2300T	Total Long-Term Liabilities	1,604,918	1,594,375
2000T	Total Liabilities	1,666,393	1,666,513
3130	Partners' Equity	7,410,783	7,667,656
2033T	Total Liabilities And Partners' Equity	\$ 9,077,176	\$ 9,334,169

BRYANT WALKWAY HOUSING DEVELOPMENT GROUP, LP
PROJECT NO.: 17-069-MHT

STATEMENT OF OPERATIONS

		For The Years	
		Ended December 31,	
		2021	2020
Revenues			
5100	Gross potential rents	\$ 355,708	\$ 349,230
5200	Less: Vacancies	17,889	10,907
		337,819	338,323
5400	Financial revenue	2,183	1,747
5900	Other revenue	6,491	23,044
Total Revenues		346,493	363,114
Operating Expenses			
6300	Administrative expenses	94,528	86,414
6400	Utilities expense	27,520	31,531
6500	Operating and maintenance expenses	75,208	71,263
6600	Depreciation and amortization	303,434	311,464
6700	Taxes and insurance	70,726	77,221
6800	Financial expenses	8,540	40,352
Total Operating Expenses		579,956	618,245
Rental Loss Before Partnership Expenses		(233,463)	(255,131)
Partnership Expenses		23,410	15,817
Net Loss		\$ (256,873)	\$ (270,948)

BRYANT WALKWAY HOUSING DEVELOPMENT GROUP, LP
PROJECT NO.: 17-069-MHT

STATEMENT OF PARTNERS' EQUITY

For The Years Ended December 31, 2021 And 2020

	General Partner	Limited Partner	State Limited Partner	Special Limited Partner	Total
Allocation Percentage	0.009%	98.990%	1.000%	0.001%	100.000%
Balance - January 1, 2020	\$ 99,973	\$ 662,914	\$ 629,901	\$ (3)	\$ 1,392,785
Distributions	(28,805)	—	—	—	(28,805)
Contributions	—	4,042,547	2,532,077	—	6,574,624
Net Income	(25)	(268,211)	(2,709)	(3)	(270,948)
S1100-010 Balance - December 31, 2020	71,143	4,437,250	3,159,269	(6)	7,667,656
3250 Net Loss	(22)	(254,279)	(2,569)	(3)	(256,873)
3130 Balance - December 31, 2021	\$ 71,121	\$ 4,182,971	\$ 3,156,700	\$ (9)	\$ 7,410,783

See the notes to financial statements.

BRYANT WALKWAY HOUSING DEVELOPMENT GROUP, LP
PROJECT NO.: 17-069-MHT

STATEMENT OF CASH FLOWS

Page 1 Of 2

	For The Years Ended December 31,	
	2021	2020
Cash Flows From Operating Activities		
Receipts:		
Rental receipts	\$ 338,513	\$ 338,485
Interest receipts	1,171	1,747
Other operating receipts	6,491	53,433
Total Receipts	346,175	393,665
Disbursements:		
Administrative	60,655	12,385
Management fee	20,281	21,246
Utilities	27,520	31,531
Salaries and wages	65,526	62,689
Operating and maintenance	42,733	42,729
Real estate taxes	18,341	19,520
Property insurance	3,228	39,571
Miscellaneous taxes and insurance	22,334	26,192
Tenant security deposits	(1,336)	(4,853)
Interest on mortgages	7,928	89,882
Entity/construction disbursements:		
Asset management fees	—	15,225
Total Disbursements	267,210	356,117
Net Cash Provided By Operating Activities	78,965	37,548
Cash Flows Used In Investing Activities		
Construction accounts payable	—	(419,732)
Cash Flows From Financing Activities		
Principal payments on mortgages payable	(5,129)	(5,692,023)
Payments on deferred development fee	—	(443,846)
Contributions	—	6,574,624
Distributions	—	(28,805)
Net Cash Provided By (Used In) Financing Activities	(5,129)	409,950
Net Increase In Cash And Restricted Cash	73,836	27,766
Beginning Of Year Cash And Restricted Cash	267,867	240,101
End Of Year Cash And Restricted Cash	\$ 341,703	\$ 267,867

BRYANT WALKWAY HOUSING DEVELOPMENT GROUP, LP
PROJECT NO.: 17-069-MHT

STATEMENT OF CASH FLOWS

Page 2 Of 2

	For The Years Ended December 31,	
	2021	2020
Reconciliation Of Net Loss To Net Cash		
From Operating Activities		
Net loss	\$ (256,873)	\$ (270,948)
Adjustments to reconcile net loss to net cash from operating activities:		
Depreciation	297,743	305,773
Amortization	5,691	5,691
Amortization of debt issuance costs	626	470
Changes in assets and liabilities:		
Tenant and subsidy accounts receivable	1,584	(3,962)
Accounts receivable - operations	—	30,389
Accounts receivable - interest	(1,012)	—
Prepaid expenses	26,823	(8,062)
Accounts payable	1,784	(401)
Accounts payable - due to affiliate	(19,632)	17,989
Accrued liabilities	(1,611)	1,040
Accrued interest payable	15,201	(42,139)
Tenant security deposits held in trust	1,336	4,853
Prepaid revenue	(890)	4,124
Entity/construction liability accounts:		
Accounts payable - asset management fees	8,195	(7,269)
Net Cash Provided By Operating Activities	\$ 78,965	\$ 37,548

BRYANT WALKWAY HOUSING DEVELOPMENT GROUP, LP
PROJECT NO.: 17-069-MHT

NOTES TO FINANCIAL STATEMENTS
December 31, 2021 And 2020

1. Organization And Summary Of Significant Accounting Policies

Bryant Walkway Housing Development Group, LP (the Partnership), was organized on August 19, 2014 as a Missouri limited partnership for the purpose of acquiring, owning, constructing and/or rehabilitating, leasing, managing, and operating a 54-unit apartment complex located in Columbia, Missouri, known as Bryant Walkway Apartments (the Project). On November 1, 2017, the Partnership Agreement was amended and restated to permit the withdrawal of Philip Steinhaus, the Withdrawing Limited Partner, and admit Red Stone Equity - 2017 National Fund, LP, a Delaware limited liability company, as the new Limited Partner, and Red Stone Equity Manager, LLC, a Delaware limited liability company, as the new Special Limited Partner, and Missouri Fund 2017 IX, LLC, a Missouri limited liability company, as the State Limited Partner.

As of December 31, 2018, 5 of 16 buildings had been renovated and placed in service. As of December 31, 2019, the remaining buildings have been renovated and placed in service.

The partners' interests in profits and losses are as follows:

General Partner:	Bryant Walkway Housing GP, LLC	0.009%
Limited Partner:	Red Stone Equity - 2017 National Fund, LP	98.99%
Special Limited Partner:	Red Stone Equity Manager, LLC	0.001%
State Limited Partner:	Missouri Fund 2017 IX, LLC	1.000%

The Project has qualified for and has been allocated low-income housing tax credits pursuant to Internal Revenue Code Section 42 (Section 42) which regulates the use of the Project as to occupant eligibility and unit gross rent, among other requirements. The Project must meet the provisions of these requirements during each of the 15 consecutive years in order to be qualified to receive the credits.

The Project is regulated by the Missouri Housing Development Commission (MHDC) as to rent charges and operating methods. The regulatory agreement limits annual distributions of net operating receipts to surplus cash available at the end of each year.

Certain defined terms contained in the Partnership Agreement are denoted with initial capital letters throughout the financial statements.

BRYANT WALKWAY HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (Continued)

Estimates And Assumptions

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 statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash And Restricted Cash

The Partnership invests its cash with a banking institution that is insured by the Federal Deposit Insurance Corporation (FDIC). The Partnership's cash is held in an interest bearing account that is insured up to \$250,000 by the FDIC.

The following is a reconciliation between cash and restricted cash reported within the balance sheet and the total cash and restricted cash on the statement of cash flows as of December 31:

		<u>2021</u>	<u>2020</u>
1120	Cash - operations	\$ 33,450	\$ 653
1191	Tenant deposits held in trust	25,814	25,152
1310	Escrow deposits	35,032	10,716
1320	Replacement reserve	106,442	82,653
1330	Other reserves	140,965	148,693
	Total Cash And Restricted Cash	\$ 341,703	\$ 267,867

Tenant Deposits Held In Trust

Tenant deposits held in trust consist of security deposit funds collected from the tenants, separated from Project funds, and deposited into a trust account. All disbursements from the security deposit account must be only for refunds to tenants and for payment of expenses incurred by or on behalf of the tenants. Tenant deposits held in trust also include \$1,500 of building utility deposits at December 31, 2021 and 2020.

Restricted Deposits And Funded Reserves

Restricted deposits and funded reserves are comprised of checking and money market funds which are stated at cost.

BRYANT WALKWAY HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (*Continued*)

Tenant Accounts Receivable

Tenant receivables are stated at the amount management expects to collect from balances outstanding at year end. Based on management's assessment of the credit history with tenants having outstanding balances and current relationships with them, management has recorded an allowance for doubtful accounts in the amount of \$8,789 and \$606 as of December 31, 2021 and 2020, respectively.

Replacement Reserve

The replacement reserve can only be used for improvements to buildings upon prior approval of MHDC and the Special Limited Partner.

Rental Property

Rental property is carried at cost, less accumulated depreciation. Depreciation is provided using the straight-line method over the estimated useful lives:

Buildings	40 years
Land improvements	15 years
Furnishings	5 years

Maintenance and repairs are charged to expense when incurred. Upon retirement or other disposition, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in operations.

The Partnership reviews its investment in rental property for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the rental property to the future net undiscounted cash flow expected to be generated by the rental property, including the residual value of the rental property. If the rental property is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the rental property exceeds the fair value of such property. No impairment loss has been recognized for the years ended December 31, 2021 or 2020.

Capitalized Interest

Interest during construction of \$24,295 has been capitalized and is being amortized over the life of the building and its components.

Development Fees

Development fees incurred for the development of the Project have been capitalized and added to the depreciable basis of the buildings.

BRYANT WALKWAY HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (*Continued*)

Debt Issuance Costs

Debt issuance costs totaling \$9,390 consist of fees for obtaining the mortgage loan and are being amortized using the straight-line method over the term of the loan. As of December 31, 2021 and 2020, accumulated amortization amounted to \$1,096 and \$470, respectively.

Accounting principles generally accepted in the United States of America require that the effective yield method be used to amortize financing costs; however, the effect of using the straight-line method is not materially different from the results that would have been obtained under the effective yield method.

Tax Credit Fees

Tax credit fees of \$56,913 consist of fees associated with the low-income housing tax credits allocated to the Partnership. The fees have been capitalized and are being amortized using the straight-line method over the ten-year tax credit period. Accumulated amortization amounted to \$19,244 and \$13,553 at December 31, 2021 and 2020, respectively.

Rental Revenue

The rental property is generally leased to tenants under one-year operating leases. Rental revenue is recognized as rent becomes due. Rental revenue received in advance is deferred until earned.

Income Taxes

Under provisions of the Internal Revenue Code and applicable state laws, the Partnership is not directly subject to income taxes. The results of its operations are includable in the tax returns of its partners. Therefore, no provision for income tax expense has been included in the accompanying financial statements.

Reclassification

Certain 2020 amounts have been reclassified, where appropriate, to conform to the financial statement presentation used in 2021.

Subsequent Events

Management evaluates subsequent events through the date the financial statements are available for issue, which is the date of the Independent Auditors' Report.

BRYANT WALKWAY HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (Continued)

2. Restricted Deposits And Funded Reserves

Restricted deposits and funded reserves consist of the following as of December 31:

	2021	2020
Replacement Reserve		
Balance at January 1	\$ 82,653	\$ 64,800
Monthly deposits	23,490	17,618
Interest earned, net of bank fees	299	235
Balance at December 31	106,442	82,653
Operating Reserve	140,965	140,480
Construction Escrow	—	8,213
Insurance Escrow	30,417	5,790
Tax Escrow	4,615	4,926
Total Other Reserves And Escrows	175,997	159,409
	\$ 282,439	\$ 242,062

Replacement Reserve

A Replacement Reserve is to be funded on the date of payment of the Third Capital Installment in an amount of \$64,800. Additional deposits of \$23,490 are required per year, payable in equal monthly installments, commencing on the anniversary date upon which the Project is placed in service. No withdrawal may be made without the consent of MHDC and the Special Limited Partner.

Operating Reserve

An Operating Reserve of \$140,000 is to be funded on the date of payment of the Third Capital Installment into a segregated reserve account in the name of the Partnership. The Partnership shall fund the Operating Reserve from Net Cash Flow in order to maintain, to the extent possible, a balance at all times of at least \$140,000. No withdrawal may be made without the consent of the Special Limited Partner.

Property Insurance Escrow

The Property Insurance Escrow can only be used for the payment of the annual property insurance premiums. The Project is required to make monthly deposits as determined by MHDC.

BRYANT WALKWAY HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (*Continued*)

Real Estate Tax Escrow

The Real Estate Tax Escrow can only be used for the payment of the annual real estate taxes. The Project is required to make monthly deposits as determined by MHDC.

Construction Escrow

The project received contributions for use of the Project which are held in escrow. As of December 31, 2021, the funds in the Construction Escrow have been disbursed.

3. Related Party Transactions

Development Fee

The Development Agreement provides that a Development Fee of \$973,147 be paid to an affiliate of the General Partner and an unrelated Consultant (the Consultant) for providing services in connection with the development of the Project, according to the Development Agreement.

The unpaid balance will be deferred and is interest bearing and repayment is to be made in accordance with the Development Agreement through capital installments. Interest commences on the unpaid balances at 5%, compounded annually, after the Limited Partner makes its Fourth Capital Installment to the Partnership. All payments made for the Deferred Development Fee shall be applied first to interest due and then to the outstanding balance of the Deferred Development Fee until the fee is paid in full. As of December 31, 2021 and 2020, \$327,377 and \$312,162, respectively, of Deferred Development Fee, including accrued interest, was payable to an affiliate of the General Partner.

Asset Management Fee

The Partnership shall pay the Special Limited Partner \$5,000 as an Asset Management Fee in connection with the Special Limited Partner's review of the operations of the Partnership and Project. The Asset Management Fee shall increase annually by 3% of the prior year's Asset Management Fee. The fee shall be paid out of Net Cash Flow and shall accrue if not paid. For the years ended December 31, 2021 and 2020, the Partnership incurred Asset Management Fees of \$5,463 and \$5,304, respectively. As of December 31, 2021 and 2020, fees of \$10,767 and \$5,304, respectively, remain payable and are included in accounts payable - asset management fee payable.

BRYANT WALKWAY HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (*Continued*)

State LP Asset Management Fee

The Partnership shall pay the State Limited Partner \$2,500 as a State LP Asset Management Fee in connection with the State Limited Partner's annual review of the operations of the Partnership and Project. The State LP Asset Management Fee shall increase annually by 3% of the prior year's State LP Asset Management Fee. The fee shall be paid out of Net Cash Flow and shall accrue if not paid. For the years ended December 31, 2021 and 2020, the Partnership incurred Asset Management Fees of \$2,732 and \$2,652, respectively. As of December 31, 2021 and 2020, fees of \$5,384 and \$2,652, respectively, remain payable and are included in accounts payable - asset management fee payable.

Property Management Fees

The Partnership entered into a management contract with the Housing Authority of the City of Columbia, Missouri (CHA), an affiliate of the General Partner. The management fee is equal to 6% of monthly gross collections. Management fees of \$20,659 and \$21,179 were incurred for the years ended December 31, 2021 and 2020, respectively. As of December 31, 2021 and 2020, \$1,960 and \$1,582, respectively, remained payable.

Due To Affiliate

An entity associated with the Partnership through common ownership paid for costs on behalf of the Partnership. The balance owed at December 31, 2021 and 2020 was \$667 and \$20,299, respectively.

Tax Credit Compliance Guaranty

The General Partner guarantees that the Limited Partner and State Limited Partner will be allocated federal and state low-income housing tax credits, in accordance with the Partnership Agreement, for any shortfall.

Operating Deficit Guaranty

Pursuant to the Amended and Restated Agreement of Limited Partnership, the General Partner shall advance to the Partnership as a loan an amount equal to the amount of the Operating Deficit. This obligation shall continue until the end of the Fiscal Year in which the fifth anniversary of the Lease-up Period or Stabilization period occurs. The guarantee is limited to a maximum of \$140,000. At December 31, 2021 and 2020, no such advance had been made.

BRYANT WALKWAY HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (*Continued*)

Net Cash Flow Distribution

Net Cash Flow, as defined in the Partnership Agreement, is available for distribution at year end as follows:

1. To the Limited Partner until the aggregate amount of distributions made to the Limited Partner for the current and all prior years equals the Assumed Limited Partner Tax Liability for the current and all prior years;
2. To the Limited Partner and State Limited Partner in an amount equal to any unpaid Tax Credit Shortfall, Unpaid State Tax Credit Shortfall, Limited Partner Advances, and Special Additional Capital Contributions;
3. To the General Partner to pay fees for the security services provided at the Project;
4. To pay any outstanding and unpaid Special Limited Partner Asset Management Fees to the Special Limited Partner and to pay any outstanding and unpaid State LP Asset Management Fees to the State Limited Partner;
5. To replenish the Operating Reserve to the Operating Reserve Floor;
6. To pay all amounts due under the Development Agreement;
7. To pay all amounts then due and payable under the HOME Loan and the AHP Loan;
8. To pay any outstanding Operating Deficit Loans and General Partner Loans, pro rata based on the outstanding balances of each; and
9. Percentage equal to 94.99% to the Limited Partner, .009% to the General Partner, 5.00% to the State Limited Partner and .001% to the Special Limited Partner, provided, however, that the Limited Partner receives a distribution equal to at least 10% of Net Cash Flow.

4. Mortgage Notes Payable

The Partnership entered into a loan agreement (the Note) with MHDC on November 29, 2017, which allows for total advances up to \$5,989,000 to fund the acquisition and rehabilitation of the Project. The construction phase interest was 3.25%. At the end of the construction period, the Partnership shall pay MHDC a principal payment of \$5,739,000 or such amount necessary to reduce the outstanding balance of the permanent loan to \$250,000. Failure to make the conversion pay-down by December 1, 2019 (Conversion Date) would result in a one-time fee of \$57,490. Additionally, an interest rate of the locked construction interest rate plus 3% will be charged on the outstanding balance until the Conversion pay-down has been made. The Note is secured by a first mortgage on the Project.

BRYANT WALKWAY HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (*Continued*)

During 2019, the Note was amended to extend the construction phase and delay repayment to begin on March 1, 2020 with the principal payment of \$5,739,000 or such amount necessary to reduce the outstanding balance of the Note to \$250,000. The amendment also delayed the failure-to-pay fee of \$57,490 and the additional interest of 3% charged on the outstanding balance. On April 1, 2020, the note converted to permanent financing and monthly installments of principal and interest in the amount of \$1,088 became due through March 1, 2040, the maturity date of the Note. The Note bears interest at a rate of 3.25% per annum. As of December 31, 2021 and 2020, the balance of the Note was \$241,133 and \$246,262, respectively. Accrued interest payable on the Note as of December 31, 2021 and 2020 was \$653 and \$667, respectively.

The Partnership entered into a deed to trust note from MHDC under the HOME loan program of \$500,000, on November 29, 2017 (the HOME Loan). The construction phase interest is 1% and the permanent phase interest is 0%. Interest-only payments are due on the HOME Loan from December 1, 2017 through December 1, 2019. During 2019, the HOME Loan was amended to increase the principal amount to \$550,000 and to extend the construction phase through March 1, 2020. On April 1, 2020, annual installments of principal in the amount of \$16,667 are due on the HOME Loan through March 1, 2040, the maturity date of the HOME Loan. Payments are deferred until the earlier of the Deferred Development Fee being paid in full or December 1, 2034. The payments are made from 50% of Surplus Cash as defined in the Regulatory Agreement. The HOME Loan is secured by a deed of trust on the Project. As of December 31, 2021 and 2020, the balance of the HOME Loan was \$550,000.

The Partnership obtained additional financing from CHA under a loan commitment of \$500,000, secured by a deed of trust, for the acquisition and rehabilitation of the Project, on November 29, 2017. The Loan bears no interest. The Partnership shall make annual payments beginning on or after January 1, 2038 equal to 45% of Net Cash Flow, after full payment of the Deferred Development Fee. The outstanding principal and interest will become due at maturity on December 31, 2049. As of December 31, 2021 and 2020, the outstanding balance was \$500,000.

BRYANT WALKWAY HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (Continued)

Aggregate annual maturities of the mortgage notes payable over the next five years and thereafter are as follows:

<u>Year</u>	<u>Amount</u>
2022	\$ 5,298
2023	5,473
2024	5,653
2025	5,840
2026	6,032
Thereafter	1,262,837
	<u>\$ 1,291,133</u>

5. Capital Contributions

Contingent upon various requirements as outlined in the Partnership Agreement, the Partners shall make capital contributions to the Partnership as follows:

<u>Capital Installment</u>	<u>General Partner</u>	<u>Limited Partner</u>	<u>State Limited Partner</u>	<u>Special Limited Partner</u>	<u>Total</u>
First	\$ —	\$ 505,804	\$ 316,510	\$ —	\$ 822,314
Second	—	505,804	316,510	—	822,314
Third	—	252,902	158,255	—	411,157
Fourth	—	3,793,533	2,373,822	—	6,167,355
Other	100,000	—	—	10	100,010
<u>Total</u>	<u>\$ 100,000</u>	<u>\$ 5,058,043</u>	<u>\$ 3,165,097</u>	<u>\$ 10</u>	<u>\$ 8,323,150</u>

As of December 31, 2021 and 2020, \$5,054,155 had been contributed by the Limited Partner and \$3,165,097 had been contributed by the State Limited Partner. The General Partner contributed \$100,000 during 2019. The Special Limited Partner has not made any contributions as of December 31, 2021 or 2020.

6. Commitments And Contingencies

The Project's low-income housing tax credits are contingent on its ability to maintain compliance with applicable sections of Section 42. Failure to maintain compliance with occupant eligibility, and/or gross rent or to correct non-compliance within a specified time period could result in recapture of previously taken tax credits, plus interest. Additionally, such potential noncompliance may require an adjustment to the contributed capital by the Limited Partners.

The Partnership has also entered into Land Use Restriction Agreements with MHDC. These agreements require that all the residential units shall be set aside and made available for rental solely to eligible low-income individuals or families, as defined in the Internal Revenue Code.

The Partnership and CHA have entered into a Section 8 Project-Based Voucher Program - PBV Housing Assistance Payments (HAP) Contract New Construction or Rehabilitation agreement with the Department of Housing and Urban Development (HUD). Under the agreement, CHA will provide the Partnership with housing assistance payments, consisting of both rent and utility allowance, on behalf of qualified tenants. The term of the agreement is for 20 years. The length of the initial term and any extension term shall be subject to availability, as determined by HUD, or CHA in accordance with HUD requirements, or sufficient appropriated funding (budget authority), as provided in appropriations acts and in the CHA's annual contributions contract with HUD, to make full payment of housing assistance payments due to the Partnership for any contract year in accordance with the HAP contract. The availability of sufficient funding must be determined by HUD or by CHA in accordance with HUD requirements. If it is determined that there may not be sufficient funding to continue housing assistance payments for all contract units and for the full term of the HAP contract, CHA has the right to terminate the HAP contract by notice to the Partnership for all or any of the contract units.

The Partnership has also entered into a Rental Assistance Demonstration (RAD) Use Agreement with HUD. Under the agreement, the Partnership was allowed to convert the Project from public housing to long-term Section 8 rental assistance to achieve the preservation and improvement of the Project through access to private debt and equity to address immediate and long-term capital needs. The RAD Use Agreement will be recorded superior to other liens on the Project, and run for the same term as the initial term of the HAP contract with automatic renewals upon each HAP contract extension.

BRYANT WALKWAY HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements *(Continued)*

In March 2020, the World Health Organization designated COVID-19 as a pandemic. While the Partnership has taken various actions in response to the COVID-19 pandemic, the ultimate impact on its results of operations, cash flows, financial condition and liquidity will depend on (i) the duration and severity of the pandemic, (ii) the effectiveness of vaccines, (iii) the duration and nature of governmental responses to contain the spread of the disease and assist residents and businesses, (iv) resident and business responses to the pandemic, and (v) how quickly and to what extent normal economic conditions can resume. Because of this uncertainty, any estimate of the expected future impact of the COVID-19 pandemic on results of operations, cash flows, financial condition, or liquidity is uncertain.

BRYANT WALKWAY HOUSING DEVELOPMENT GROUP, LP
PROJECT NO.: 17-069-MHT

SUPPORTING DATA REQUIRED BY MHDC
For The Year Ended December 31, 2021

Statement Of Profit And Loss

Part 1	Description of Account	Acct. No.	Amount
Rent Revenue 5100	Rent Revenue - Gross Potential	5120	\$ 121,987
	Tenant Assistance Payments	5121	\$ 233,721
	Rent Revenue - Stores and Commercial	5140	\$ —
	Garage and Parking Spaces	5170	\$ —
	Flexible Subsidy Revenue	5180	\$ —
	Miscellaneous Rent Revenue	5190	\$ —
	Excess Rent	5191	\$ —
	Rent Revenue/Insurance	5192	\$ —
	Special Claims Revenue	5193	\$ —
	Retained Excess Income	5194	\$ —
	Total Rent Revenue	5100T	\$ 355,708
Vacancies 5200	Apartments	5220	\$ 10,715
	Stores and Commercial	5240	\$ —
	Rental Concessions	5250	\$ 3,656
	Loss to Lease	5260	\$ 3,518
	Garage and Parking Space	5270	\$ —
	Miscellaneous	5290	\$ —
Total Vacancies	5200T	\$ 17,889	
	Net Rental Revenue Rent Revenue Less Vacancies	5152N	\$ 337,819
Supportive Services 5390	Supportive Services Revenue	5390	\$ —
Financial Revenue 5400	Financial Revenue - Project Operations	5410	\$ 1,884
	Revenue from Investments - Residual Receipts	5430	\$ —
	Revenue from Investments - Replacement Reserve	5440	\$ 299
	Revenue from Investments - Miscellaneous	5490	\$ —
Total Financial Revenue	5400T	\$ 2,183	
Other Revenue 5900	Laundry and Vending Revenue	5910	\$ —
	Tenant Charges	5920	\$ 2,709
	Interest Reduction Payments Revenue	5945	\$ —
	Cable TV / Internet Access Revenue	5954	\$ —
	Miscellaneous Revenue	5990	\$ 3,782
Total Other Revenue	5900T	\$ 6,491	
	Total Revenue	5000T	\$ 346,493
Administrative Expenses 6200/6300	Conventions and Meetings	6203	\$ 548
	Management Consultants	6204	\$ —
	Advertising and Marketing	6210	\$ —
	Other Renting Expenses	6250	\$ 10,737
	Office Salaries	6310	\$ 31,062
	Office Expenses	6311	\$ 5,121
	Office or Model Apartment Rent	6312	\$ —
	Leased Furniture	6313	\$ —
	Management Fee/ Bookkeeping/ Accounting Services	6320	\$ 20,659
	Manager or Superintendent Salaries	6330	\$ —
	Administrative Rent Free Unit	6331	\$ —
	Legal Expense - Project	6340	\$ 620
	Audit Expense	6350	\$ 14,400
	Telephone Expense	6360	\$ 2,338
	Bad Debts	6370	\$ 8,183
Miscellaneous Administrative Expenses	6390	\$ 860	
Total Administrative Expenses	6263T	\$ 94,528	
Utilities Expense 6400	Fuel Oil/Coal	6420	\$ —
	Electricity	6450	\$ 5,159
	Water	6451	\$ 10,126
	Gas	6452	\$ 2,361
	Sewer	6453	\$ 9,874
	Cable TV / Internet Access	6454	\$ —
Total Utilities Expense	6400T	\$ 27,520	
	Total Expenses (Carry Forward)		\$ 122,048

Project Name: Bryant Walkway Housing Development Group, LP

		Balance Carried Forward		\$ 122,048
Operating Maintenance Expenses 6500	Payroll	6510	\$ 32,475	
	Supplies	6515	\$ 9,615	
	Contracts	6520	\$ 14,668	
	Operating and Maintenance Rent Free Unit	6521	\$ —	
	Garbage and Trash Removal	6525	\$ 11,028	
	Security Payroll/Contract	6530	\$ —	
	Security Rent Free Unit	6531	\$ —	
	Heating/Cooling Repairs and Maintenance	6546	\$ 228	
	Snow Removal	6548	\$ —	
	Vehicle and Maintenance Equipment Operation and Repairs	6570	\$ 219	
	Maintenance Tools and Equipment	6571	\$ 11	
	Pool Supplies and Pool Maintenance/Contracts	6572	\$ —	
	Exterminating	6573	\$ 6,964	
	Elevator Maintenance/Contracts	6574	\$ —	
	Vacant Unit Preparation	6580	\$ —	
Miscellaneous Operating and Maintenance Expenses	6590	\$ —		
Total Operating and Maintenance Expenses	6500T		\$ 75,208	
Taxes and Insurance 6700	Real Estate Taxes	6710	\$ 18,341	
	Payroll Taxes (Project's Share)	6711	\$ 4,479	
	Property and Liability Insurance (Hazard)	6720	\$ 30,051	
	Fidelity Bond Insurance	6721	\$ —	
	Workmen's Compensation	6722	\$ 1,212	
	Health Insurance and Other Employee Benefits	6723	\$ 16,049	
	Miscellaneous Taxes, Licenses, Permits and Insurance	6790	\$ 594	
	Total Taxes and Insurance	6700T		\$ 70,726
Financial Expenses 6800	Interest on Mortgage Payable	6820	\$ 7,914	
	Interest Attributable to Debt Issuance Costs	6822	\$ 626	
	Interest on Notes Payable (Long-Term)	6830	\$ —	
	Interest on Notes Payable (Short-Term)	6840	\$ —	
	Mortgage Insurance Premium/Service Charge	6850	\$ —	
	Miscellaneous Financial Expenses	6890	\$ —	
Total Financial Expenses	6800T		\$ 8,540	
Supportive Services 6990	Supportive Services Expenses	6990	\$ —	
	Total Cost of Operations before Depreciation and Amortization	6000T		\$ 276,522
	Profit (Loss) before Depreciation and Amortization	5060T		\$ 69,971
	Depreciation Expense	6600	\$ 297,743	
	Amortization Expense	6610	\$ 5,691	
	Total Depreciation and Amortization			\$ 303,434
	Operating Profit or (Loss)	5060N		\$ (233,463)
Corporate or Mortgagor Entity Expenses 7100	Entity Revenue	7105	\$ —	
	Officer's Salaries	7110	\$ —	
	Asset Management, Partnership and Incentive Performance Fee	7115	\$ 8,195	
	Legal Expenses	7120	\$ —	
	Federal, State and Other Income Taxes	7130	\$ —	
	Fidelity and Bond Expense	7135	\$ —	
	Interest Income	7140	\$ —	
	Interest on Notes Payable (subordinate/surplus cash/non-MHDC loans)	7141	\$ 15,215	
	Interest on Mortgage Payable (subordinate/surplus cash/non-MHDC loan)	7142	\$ —	
	Other Expenses	7190	\$ —	
Net Entity Expenses	7100T		\$ 23,410	
Profit or Loss (Net Income or Loss)	3250		\$ (256,873)	

Miscellaneous or other Income and Expense Sub-account Groups. If miscellaneous or other income and/or expense sub-accounts (5190, 5290, 5490, 5990, 6390, 6590, 6790, 6890 and 7190) exceed the Account Groupings by 10% or more, attach a separate schedule describing or explaining the miscellaneous income or expense.

Part II

1. Total mortgage principal payments required during the audit year (12 monthly payments). (Account 7001)	\$ 5,129
2. Total of 12 monthly deposits in the audit year into the Replacement Reserve account. (Account 7002)	\$ 23,490
3. Replacement Reserve or Residual Receipts releases which are included as expense items on this Profit and Loss Statement. (Account 7003)	\$ —
4. Debt Service for other loans (surplus cash / non-MHDC / partner loans) (Account 7145)	\$ —

BRYANT WALKWAY HOUSING DEVELOPMENT GROUP, LP
PROJECT NO.: 17-069-MHT

SUPPORTING DATA REQUIRED BY MHDC (Continued)
For The Year Ended December 31, 2020

Statement Of Profit And Loss

Part 1	Description of Account	Acct. No.	Amount
Rent Revenue 5100	Rent Revenue - Gross Potential	5120	126,829
	Tenant Assistance Payments	5121	222,401
	Rent Revenue - Stores and Commercial	5140	—
	Garage and Parking Spaces	5170	—
	Flexible Subsidy Revenue	5180	—
	Miscellaneous Rent Revenue	5190	—
	Excess Rent	5191	—
	Rent Revenue/Insurance	5192	—
	Special Claims Revenue	5193	—
	Retained Excess Income	5194	—
	Total Rent Revenue	5100T	
Vacancies 5200	Apartments	5220	3,976
	Stores and Commercial	5240	—
	Rental Concessions	5250	2,276
	Loss to Lease	5260	4,655
	Garage and Parking Space	5270	—
	Miscellaneous	5290	—
Total Vacancies	5200T		\$ 10,907
	Net Rental Revenue <i>Rent Revenue Less Vacancies</i>	5152N	\$ 338,323
Supportive Services 5390	Supportive Services Revenue	5390	\$ —
Financial Revenue 5400	Financial Revenue - Project Operations	5410	1,512
	Revenue from Investments - Residual Receipts	5430	—
	Revenue from Investments - Replacement Reserve	5440	235
	Revenue from Investments - Miscellaneous	5490	—
Total Financial Revenue	5400T		\$ 1,747
Other Revenue 5900	Laundry and Vending Revenue	5910	—
	Tenant Charges	5920	1,784
	Interest Reduction Payments Revenue	5945	—
	Cable TV / Internet Access Revenue	5954	—
	Miscellaneous Revenue	5990	21,260
Total Other Revenue	5900T		\$ 23,044
Total Revenue	5000T		\$ 363,114
Administrative Expenses 6200/6300	Conventions and Meetings	6203	1,097
	Management Consultants	6204	—
	Advertising and Marketing	6210	83
	Other Renting Expenses	6250	3,467
	Office Salaries	6310	35,262
	Office Expenses	6311	4,429
	Office or Model Apartment Rent	6312	—
	Leased Furniture	6313	—
	Management Fee	6320	21,179
	Manager or Superintendent Salaries	6330	—
	Administrative Rent Free Unit	6331	—
	Legal Expense - Project	6340	2,495
	Audit Expense	6350	14,400
	Telephone Expense	6360	1,949
	Bad Debts	6370	1,037
Miscellaneous Administrative Expenses	6390	1,016	
Total Administrative Expenses	6263T		\$ 86,414
Utilities Expense 6400	Fuel Oil/Coal	6420	—
	Electricity	6450	5,384
	Water	6451	12,714
	Gas	6452	1,648
	Sewer	6453	11,785
	Cable TV / Internet Access	6454	—
Total Utilities Expense	6400T		\$ 31,531
	Total Expenses (Carry Forward)		\$ 117,945

Project Name: Bryant Walkway Housing Development Group, LP

		Balance Carried Forward		\$	117,945
Operating Maintenance Expenses 6500	Payroll	6510	\$	28,534	
	Supplies	6515	\$	5,970	
	Contracts	6520	\$	13,237	
	Operating and Maintenance Rent Free Unit	6521	\$	—	
	Garbage and Trash Removal	6525	\$	10,539	
	Security Payroll/Contract	6530	\$	—	
	Security Rent Free Unit	6531	\$	—	
	Heating/Cooling Repairs and Maintenance	6546	\$	—	
	Snow Removal	6548	\$	—	
	Vehicle and Maintenance Equipment Operation and Repairs	6570	\$	48	
	Maintenance Tools and Equipment	6571	\$	180	
	Pool Supplies and Pool Maintenance/Contracts	6572	\$	—	
	Exterminating	6573	\$	8,224	
	Elevator Maintenance/Contracts	6574	\$	—	
	Vacant Unit Preparation	6580	\$	—	
Miscellaneous Operating and Maintenance Expenses	6590	\$	4,531		
Total Operating and Maintenance Expenses	6500T			\$	71,263
Taxes and Insurance 6700	Real Estate Taxes	6710	\$	19,520	
	Payroll Taxes (Project's Share)	6711	\$	4,423	
	Property and Liability Insurance (Hazard)	6720	\$	31,012	
	Fidelity Bond Insurance	6721	\$	—	
	Workmen's Compensation	6722	\$	1,145	
	Health Insurance and Other Employee Benefits	6723	\$	20,542	
	Miscellaneous Taxes, Licenses, Permits and Insurance	6790	\$	579	
Total Taxes and Insurance	6700T			\$	77,221
Financial Expenses 6800	Interest on Mortgage Payable	6820	\$	39,882	
	Interest Attributable to Debt Issuance Costs	6822	\$	470	
	Interest on Notes Payable (Long-Term)	6830	\$	—	
	Interest on Notes Payable (Short-Term)	6840	\$	—	
	Mortgage Insurance Premium/Service Charge	6850	\$	—	
	Miscellaneous Financial Expenses	6890	\$	—	
Total Financial Expenses	6800T			\$	40,352
Supportive Services 6990	Supportive Services Expenses	6990		\$	—
	Total Cost of Operations before Depreciation and Amortization	6000T		\$	306,781
	Profit (Loss) before Depreciation and Amortization	5060T		\$	56,333
	Depreciation Expense	6600	\$	305,773	
	Amortization Expense	6610	\$	5,691	
	Total Depreciation and Amortization				\$
Operating Profit or (Loss)	5060N			\$	(255,131)
Corporate or Mortgagor Entity Expenses 7100	Entity Revenue	7105	\$	—	
	Officer's Salaries	7110	\$	—	
	Asset Management, Partnership and Incentive Performance Fee	7115	\$	7,956	
	Legal Expenses	7120	\$	—	
	Federal, State and Other Income Taxes	7130	\$	—	
	Fidelity and Bond Expense	7135	\$	—	
	Interest Income	7140	\$	—	
	Interest on Notes Payable (subordinate/surplus cash/non-MHDC loans)	7141	\$	7,861	
	Interest on Mortgage Payable (subordinate/surplus cash/non-MHDC loan)	7142	\$	—	
	Other Expenses	7190	\$	—	
Net Entity Expenses	7100T			\$	15,817
Profit or Loss (Net Income or Loss)	3250			\$	(270,948)

Miscellaneous or other Income and Expense Sub-account Groups. If miscellaneous or other income and/or expense sub-accounts (5190, 5290, 5490, 5990, 6390, 6590, 6790, 6890 and 7190) exceed the Account Groupings by 10% or more, attach a separate schedule describing or explaining the miscellaneous income or expense.

Part II

1. Total mortgage principal payments required during the audit year (12 monthly payments). (Account 7001)	\$	3,739
2. Total of 12 monthly deposits in the audit year into the Replacement Reserve account. (Account 7002)	\$	17,618
3. Replacement Reserve or Residual Receipts releases which are included as expense items on this Profit and Loss Statement. (Account 7003)	\$	—
4. Debt Service for other loans (surplus cash / non-MHDC / partner loans) (Account 7145)	\$	—

BRYANT WALKWAY HOUSING DEVELOPMENT GROUP, LP
PROJECT NO.: 17-069-MHT

SUPPORTING DATA REQUIRED BY MHDC (Continued)

Statement Of Profit And Loss

		For The Years	
		Ended December 31,	
Account		2021	2020
5990 - Miscellaneous Revenue			
5990-010	Utility rebates	\$ —	\$ 12,974
5990-010	Voided tenant refunds	—	286
5990-010	Fees for service	3,782	2,748
5990-010	Other revenue	—	5,252
Total Miscellaneous Revenue		\$ 3,782	\$ 21,260

BRYANT WALKWAY HOUSING DEVELOPMENT GROUP, LP
PROJECT NO.: 17-069-MHT

SUPPORTING DATA REQUIRED BY MHDC (Continued)
December 31, 2021

Schedule Of Escrow Deposits And Replacement Reserves

Replacement Reserve	
Balance at January 1	\$ 82,653
Monthly deposits	23,490
Interest earned, net of bank fees	299
Balance at December 31	<u>106,442</u>
Operating Reserve	140,965
Insurance Escrow	30,417
Tax Escrow	<u>4,615</u>
	<u><u>\$ 282,439</u></u>

Computation of Surplus Cash, Distributions and Residual Receipts

PROJECT NAME Bryant Walkway Housing Development Group, LP	FISCAL PERIOD ENDED: December 31, 2021	PROJECT NUMBER 17-069-MHT
--	---	------------------------------

Part A - Compute Surplus Cash

Cash		
1. Cash (Accounts 1120, 1170, 1191 minus Account 2105) (S1300-010)	\$ 59,264	
2. Accounts receivable - HUD (1135)	\$ —	
3. Other (Describe) (S1300-030)	\$ —	
(a) Total Cash (Add Lines 1, 2, and 3) (S1300-040)	\$ 59,264	

Current Obligations		
4. Accrued mortgage interest payable (S1300-050)	\$ 653	
5. Delinquent mortgage principal payments (S1300-060)	\$ —	
6. Delinquent deposits to reserve for replacements (S1300-070)	\$ —	
7. Accounts payable - 30 days (S1300-075)	\$ 4,977	
8. Loans and notes payable (due within 30 days) (S1300-080)	\$ —	
9. Deficient tax insurance or MIP escrow deposits (S1300-090)	\$ —	
10. Accrued expenses (not escrowed) (S1300-100)	\$ 5,031	
11. Prepaid revenue (2210)	\$ 4,393	
12. Tenant deposits held in trust (2191)	\$ 24,305	
13. Other current obligations (Describe) (S1300-110)	\$ —	
(b) Total Current Obligations (Add Lines 4 through 13) (S1300-140)	\$ 39,359	
(c) Surplus Cash (Deficiency) [Line (a) minus Line (b)] (S1300-150)	\$ 19,905	

Part B - Compute Distributions to Owners and Required Deposit to Residual Receipts

1. Surplus Cash	\$ 19,905
-----------------	-----------

Limited Dividend Projects		
2a. Annual distribution earned during fiscal period covered by the statement (S1300-160)	\$ —	
2b. Distribution accrued and unpaid as of the end of the prior fiscal period (S1300-170)	\$ —	
2c. Distributions and entity expenses paid during fiscal period covered by statement (S1300-180)	\$ —	
3. Distribution earned but unpaid (Line 2a plus 2b minus 2c) (S1300-190)	\$ —	
4. Amount available for distribution during next fiscal period (S1300-200)	\$ —	
5. Deposit due residual receipts (S1300-210)	\$ —	

BRYANT WALKWAY HOUSING DEVELOPMENT GROUP, LP
PROJECT NO.: 17-069-MHT

**COMPUTATION OF DISTRIBUTIONS TO OWNERS AND
REQUIRED DEPOSIT TO RESIDUAL RECEIPTS**

Development

Name: Bryant Walkway Development Group, LP

From: January 1, 2021

To: December 31, 2021

A. Annual distribution earned during fiscal period covered by the statement:

		Line Item
Current Equity	*\$ 8,749,446	(1)
Multiply percent per regulatory agreement	x 8%	(2)
Annual distribution earned for: <u>2021</u>	=\$ 699,956	(3)

B. Distribution accrued and unpaid as of the end of the prior fiscal period:

Distributions earned per Regulatory Agreement at 12/31, or
end of accounting year, if different, for years:

2020	\$ 699,545	
2019	\$ —	
2018	\$ —	
2017	\$ —	
2016	\$ —	
2015 and prior years	\$ —	
Total prior year distributions earned	\$ 699,545	(4)
Less: Distributions made to partners in prior years:	-\$ 28,805	(5)
Less: Other (explain in detail):	—	
Other - asset management fees	-\$ 15,225	

**Distributions accrued and unpaid as of period covered
by statement:**

=\$ 655,515 (7)

C. Distributions paid during period covered by statement:

To partners	\$ —	(8)
Other - asset management fees	\$ —	(9)
Total distributions paid during period covered by statement	=\$ —	(10)

D. Amount to be carried as distributions earned but unpaid:

Line (3) + Line (7) - Line (10) = **\$ 1,355,471 (11)

E. Amount available for distribution during next fiscal period:

Surplus Cash (from page 28, Line 1. Of Part B) \$ 19,905 (12)

F. Deposits due residual receipts:

If Line (11) is greater than Line (12), enter zero (\$0), else enter
Line (12) - Line (11), and deposit amount within 60 days of fiscal
year end into joint account with mortgagee (MHDC).

\$ None (13)

* Current equity represents initial equity investment plus mortgage principal reduction through end of fiscal period.

** Distributions may only be made to the extent that there is surplus cash available as shown in Part E.

BRYANT WALKWAY HOUSING DEVELOPMENT GROUP, LP
PROJECT NO.: 17-069-MHT

SUPPORTING DATA REQUIRED BY MHDC (Continued)
December 31, 2021

Schedule Of Fixed Assets

		Balance January 1, 2021	Additions	Deductions	Balance December 31, 2021
1410	Land improvements	\$ 686,356	\$ —	\$ —	\$ 686,356
1420	Buildings	8,613,179	—	—	8,613,179
1460	Furnishings	183,377	—	—	183,377
	Total	9,482,912	—	—	9,482,912
1495	Accumulated depreciation	492,756	297,743	—	790,499
1400N	Net Book Value	\$ 8,990,156	\$ (297,743)	\$ —	\$ 8,692,413

BRYANT WALKWAY HOUSING DEVELOPMENT GROUP, LP
PROJECT NO.: 17-069-MHT

SUPPORTING DATA REQUIRED BY MHDC (Continued)

December 31, 2021

Funds In Financial Institutions

A. Funds Held By Mortgagor, Regular Operating Account

First Mid Bank, operating account⁽¹⁾ \$ 33,450

B. Funds Held By Mortgagor In Trust

1. First Mid Bank, security deposit account⁽¹⁾ 24,314

2. First Mid Bank, replacement reserve⁽¹⁾ 7,491

Funds Held By Mortgagor, TOTAL 65,255

C. Funds Held By Mortgagee, (In Trust)

1. Replacement reserve, Missouri Housing Development Commission⁽¹⁾ 98,951

2. Operating reserve, Missouri Housing Development Commission⁽¹⁾ 140,965

3. Property & liability insurance reserve, Missouri Housing Development Commission⁽¹⁾ 30,417

4. Property tax reserve, Missouri Housing Development Commission⁽¹⁾ 4,615

Funds Held By Mortgagee, TOTAL 274,948

TOTAL FUNDS IN FINANCIAL INSTITUTIONS

\$ 340,203

(1) Balances audited as of December 31, 2021

**BRYANT WALKWAY HOUSING DEVELOPMENT GROUP, LP
PROJECT NO.: 17-069-MHT**

**SUPPORTING DATA REQUIRED BY MHDC (Continued)
December 31, 2021**

**Schedule Of Eligible And Allocated Federal And
State Tax Credits
TIN #: 32-0447420**

Credit Year	Calendar Year	Annual Federal LIHTC		Annual State LIHTC	
		Allocated	Eligible	Allocated	Eligible
1	2019	\$ 491,257	\$ 491,257	\$ 460,127	\$ 460,127
2	2020	570,900	570,900	519,000	519,000
3	2021	570,900	570,900	519,000	519,000
4	2022	570,900		519,000	
5	2023	570,900		519,000	
6	2024	570,900		519,000	
7	2025	570,900		519,000	
8	2026	570,900		519,000	
9	2027	570,900		519,000	
10	2028	570,900		519,000	
11	2029	79,643		58,873	
12	2030	N/A		N/A	
13	2031	N/A		N/A	
14	2032	N/A		N/A	
15	2033	N/A		N/A	

**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***

Independent Auditors' Report

Partners
Bryant Walkway Housing Development Group, LP
Columbia, Missouri

We have audited, in accordance with the 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 Bryant Walkway Housing Development Group, LP, which comprise the balance sheet as of December 31, 2021, and the related statements of operations, partners' equity and cash flows for the year then ended and the related notes to the financial statements, and have issued our report thereon dated March 16, 2022.

Report On Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Bryant Walkway Housing Development Group, LP'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Bryant Walkway Housing Development Group, LP's internal control. Accordingly, we do not express an opinion on the effectiveness of Bryant Walkway Housing Development Group, LP'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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control 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 Bryant Walkway Housing Development Group, LP'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 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 Bryant Walkway Housing Development Group, LP'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.

RubinBrown LLP

March 16, 2022

BRYANT WALKWAY HOUSING DEVELOPMENT GROUP, LP
PROJECT NO.: 17-069-MHT

MORTGAGOR CERTIFICATION
For The Year Ended December 31, 2021

We hereby certify that we have examined the accompanying financial statements and supplementary data of Bryant Walkway Housing Development Group, LP and, to the best of our knowledge and belief, the same is complete and accurate.

Bryant Walkway Housing Development Group,
LP
(A Missouri Limited Partnership)

By: 

Signature of Signer

Randy Cole

Printed Name of Signer

Executive Director

Title of Signer

32-0447420

Employer Identification Number

March 16, 2022

Date

BRYANT WALKWAY HOUSING DEVELOPMENT GROUP, LP
PROJECT NO.: 17-069-MHT

MANAGING AGENT CERTIFICATION
For The Year Ended December 31, 2021

We hereby certify that we have examined the accompanying financial statements and supplementary data of Bryant Walkway Housing Development Group, LP and, to the best of our knowledge and belief, the same is complete and accurate.


Housing Authority of the City of Columbia,
Missouri
Managing Agent Name

By: 
Signature of Signer

Randy Cole
Printed Name of Signer

Chief Executive Officer
Title of Signer

43-6014416
Employer Identification Number


Signature of Individual Responsible for
Management of Property

Laura Lewis
Printed Name of Individual Responsible for
Management of Property

March 16, 2022
Date

S3200-005

Auditors' Transmittal Letter

S3200-010 Audit Firm _____ RubinBrown LLP _____

S3200-020 Lead Auditor First Name _____ Brandi _____

S3200-030 Lead Auditor Middle Name _____ Tucker _____

S3200-040 Lead Auditor Last Name _____ Lawyer _____

S3200-050 Auditor Street Address Line 1 _____ One North Brentwood _____

S3200-060 Auditor Street Address Line 2 _____

S3200-070 Auditor City _____ St. Louis _____

S3200-080 Auditor State _____ Missouri _____

S3200-090 Auditor Zip Code _____ 63105 _____

S3200-100 Auditor Zip Code Extension _____

S3200-110 Auditor Telephone Number _____ (314) 290-3300 _____

S3200-120 Auditor Firm TIN _____ 43-0765316 _____

S3200-130 Date Of Independent Auditors' Report _____ March 16, 2022 _____

**BRYANT WALKWAY II HOUSING
DEVELOPMENT GROUP, LP
PROJECT NO.: 17-405-HTE
FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

Independent Auditors' Report

Partners
Bryant Walkway II Housing Development Group, LP
Columbia, Missouri

Report On The Audit Of The Financial Statements

Opinion

We have audited the financial statements of Bryant Walkway II Housing Development Group, LP, which comprise the balance sheet as of December 31, 2021 and 2020, and the related statements of operations, partners' equity and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Bryant Walkway II Housing Development Group, LP as of December 31, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis For Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America 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 Auditors' Responsibilities For The Audit Of The Financial Statements section of our report. We are required to be independent of Bryant Walkway II Housing Development Group, LP and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities Of Management For The Financial Statements

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

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 Bryant Walkway II Housing Development Group, LP's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America 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 auditing standards generally accepted in the United States of America 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 Bryant Walkway II Housing Development Group, LP'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 Bryant Walkway II Housing Development Group, LP'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 audits.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information, shown on pages 21 to 31, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and, except for page 31, was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information, except for page 31, has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, except for page 31, on which we express no opinion nor any assurance, the information is fairly stated in all material respects in relation to the 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 March 16, 2022 on our consideration of Bryant Walkway II Housing Development Group, LP'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 solely 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 the effectiveness of Bryant Walkway II Housing Development Group, LP's 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 Bryant Walkway II Housing Development Group, LP's internal control over financial reporting and compliance.

RubinBrown LLP

March 16, 2022

BRYANT WALKWAY II HOUSING DEVELOPMENT GROUP, LP
PROJECT NO.: 17-405-HTE

BALANCE SHEET

Page 1 Of 2

Assets

		December 31,	
		2021	2020
Current Assets			
1120	Cash - operations	\$ 58,609	\$ 59,751
1130	Tenant accounts receivable	1,567	284
1131	Allowance for doubtful accounts	(1,327)	—
1130N	Net tenant accounts receivable	240	284
1135	Accounts receivable - subsidy	1,915	153
1160	Accounts receivable - interest	2,022	—
1200	Prepaid expenses	1,084	18,106
1100T	Total Current Assets	63,870	78,294
Deposits Held In Trust - Funded			
1191	Tenant deposits held in trust	14,588	16,061
Restricted Deposits And Funded Reserves (Note 2)			
1310	Escrow deposits	21,726	9,140
1320	Replacement reserve	74,547	58,582
1330	Other reserves	80,411	80,494
1300T	Total Deposits	176,684	148,216
Fixed Assets			
1410	Land and land improvements	436,537	436,537
1420	Buildings	4,985,739	4,985,739
1460	Furnishings	118,792	118,792
1400T	Total Fixed Assets	5,541,068	5,541,068
1495	Less: Accumulated depreciation	552,324	390,819
1400N	Net Fixed Assets	4,988,744	5,150,249
Other Assets			
1520	Deferred costs (Note 1)	16,345	19,069
1000T	Total Assets	\$ 5,260,231	\$ 5,411,889

BRYANT WALKWAY II HOUSING DEVELOPMENT GROUP, LP
PROJECT NO.: 17-405-HTE

BALANCE SHEET

Page 2 Of 2

Liabilities And Partners' Equity

		December 31,	
		2021	2020
Current Liabilities			
2110	Accounts payable - operations	\$ 2,647	\$ 2,083
2113	Accounts payable - entity (Note 3)	1,504	352
2113B	Accounts payable - asset management fee payable (Note 3)	8,193	7,956
2120	Accrued wages payable	1,474	1,865
2123	Accrued management fee payable (Note 3)	985	1,174
2133	Accrued interest payable - other loans and notes (surplus cash) (Note 4)	51,766	33,299
2210	Prepaid revenue	1,716	1,510
2122T	Total Current Liabilities	68,285	48,239
Deposit And Prepayment Liabilities			
2191	Tenant deposits held in trust (contra)	13,083	14,391
Long-Term Liabilities			
2311	Notes payable - surplus cash (Note 4)	2,383,747	2,401,935
2340	Debt issuance costs (Note 1)	(9,625)	(10,150)
2300T	Total Long-Term Liabilities	2,374,122	2,391,785
2000T	Total Liabilities	2,455,490	2,454,415
3130	Partners' Equity	2,804,741	2,957,474
2033T	Total Liabilities And Partners' Equity	\$ 5,260,231	\$ 5,411,889

BRYANT WALKWAY II HOUSING DEVELOPMENT GROUP, LP
PROJECT NO.: 17-405-HTE

STATEMENT OF OPERATIONS

		For The Years	
		Ended December 31,	
		2021	2020
Revenues			
5100	Gross potential rents	\$ 217,728	\$ 213,848
5200	Less: Vacancies	3,725	7,514
	Net Rental Revenues	214,003	206,334
5400	Financial revenue	2,983	2,806
5900	Other revenue	2,587	2,221
	Total Revenues	219,573	211,361
Operating Expenses			
6300	Administrative expenses	54,858	50,201
6400	Utilities expense	17,096	17,787
6500	Operating and maintenance expenses	39,257	32,258
6600	Depreciation and amortization	164,229	164,909
6700	Taxes and insurance	41,236	44,065
6800	Financial expenses	525	32,728
	Total Operating Expenses	317,201	341,948
	Rental Loss Before Partnership Expenses	(97,628)	(130,587)
	Partnership Expenses	40,303	40,516
	Net Loss	\$ (137,931)	\$ (171,103)

BRYANT WALKWAY II HOUSING DEVELOPMENT GROUP, LP
PROJECT NO.: 17-405-HTE

STATEMENT OF PARTNERS' EQUITY

For The Years Ended December 31, 2021 And 2020

	Allocation Percentage	General Partner	Limited Partner	State Limited Partner	Special Limited Partner	Total
	0.009%	98.990%	1.000%	0.001%	0.001%	100.000%
Balance - January 1, 2020	\$	289,982	\$ 134,047	\$ 239,998	\$ (2)	\$ 664,025
Distributions		(18,273)	(17,100)	(900)	—	(36,273)
Contributions		—	1,532,684	968,141	—	2,500,825
Net Loss		(15)	(169,375)	(1,711)	(2)	(171,103)
S100-010		271,694	1,480,256	1,205,528	(4)	2,957,474
S1200-420		(10,256)	(4,319)	(227)	—	(14,802)
3250		(13)	(136,538)	(1,379)	(1)	(137,931)
3130	\$	261,425	\$ 1,339,399	\$ 1,203,922	\$ (5)	\$ 2,804,741

See the notes to financial statements.

BRYANT WALKWAY II HOUSING DEVELOPMENT GROUP, LP
PROJECT NO.: 17-405-HTE

STATEMENT OF CASH FLOWS

Page 1 Of 2

	For The Years Ended December 31,	
	2021	2020
Cash Flows From Operating Activities		
Receipts:		
Rental receipts	\$ 212,491	\$ 207,157
Interest receipts	961	2,806
Other operating receipts	2,587	2,221
Total Receipts	216,039	212,184
Disbursements:		
Administrative	25,199	12,322
Management fee	13,070	12,346
Utilities	17,096	17,787
Salaries and wages	26,450	25,267
Operating and maintenance	28,260	23,294
Real estate taxes	12,587	13,396
Property insurance	2,682	25,064
Miscellaneous taxes and insurance	8,945	9,700
Tenant security deposits	1,308	(1,648)
Interest on mortgages	13,641	44,486
Miscellaneous financial	—	852
Entity/construction disbursements:		
Asset management fees	7,958	15,225
Total Disbursements	157,196	198,091
Net Cash Provided By Operating Activities	58,843	14,093
Cash Flows Used In Investing Activities		
Entity/construction financing activities:		
Construction accounts payable	—	(6,724)
Cash Flows From Financing Activities		
Proceeds from mortgages payable	—	479,191
Principal payments on loans or notes payable	(18,188)	(2,878,065)
Distributions	(14,802)	(36,273)
Contributions	—	2,500,825
Entity/construction financing activities:		
Payments on deferred developer fee	—	(376,000)
Net Cash Used In Financing Activities	(32,990)	(310,322)
Net Increase (Decrease) In Cash And Restricted Cash	25,853	(302,953)
Beginning Of Year Cash And Restricted Cash	224,028	526,981
End Of Year Cash And Restricted Cash	\$ 249,881	\$ 224,028

BRYANT WALKWAY II HOUSING DEVELOPMENT GROUP, LP
PROJECT NO.: 17-405-HTE

STATEMENT OF CASH FLOWS

Page 2 Of 2

	For The Years	
	Ended December 31,	
	2021	2020
Reconciliation Of Net Loss To Net Cash		
From Operating Activities		
Net loss	\$ (137,931)	\$ (171,103)
Adjustments to reconcile net loss to net cash from operating activities:		
Depreciation	161,505	162,185
Amortization	2,724	2,724
Amortization of debt issuance costs	525	350
Changes in assets and liabilities:		
Tenant and subsidy accounts receivable	(1,718)	303
Accounts receivable - interest	(2,022)	—
Prepaid expenses	17,022	(4,095)
Change in entity/construction asset accounts:		
Accounts payable - operations	564	(1,172)
Accrued liabilities	(580)	672
Accrued interest payable	18,467	19,600
Accounts payable - entity	1,152	9,730
Tenant security deposits held in trust (contra)	(1,308)	1,648
Prepaid revenue	206	520
Entity/construction liability accounts:		
Accounts payable - asset management fees	237	(7,269)
Net Cash Provided By Operating Activities	\$ 58,843	\$ 14,093

BRYANT WALKWAY II HOUSING DEVELOPMENT GROUP, LP
PROJECT NO.: 17-405-HTE

NOTES TO FINANCIAL STATEMENTS
December 31, 2021 And 2020

1. Organization And Summary Of Significant Accounting Policies

Bryant Walkway II Housing Development Group, LP (the Partnership), was organized on August 16, 2016 as a Missouri limited partnership for the purpose of acquiring, owning, constructing and/or rehabilitating, leasing, managing, and operating a 36-unit apartment complex located in Columbia, Missouri, currently known as Bryant Walkway II Apartments (the Project). On November 1, 2017, the Partnership Agreement was amended and restated to permit the withdrawal of Philip Steinhaus, the Withdrawing Limited Partner, and admit Red Stone Equity-2017 National Fund, L.P., a Delaware limited liability company, as the new Limited Partner, and Red Stone Equity Manager, LLC, a Delaware limited liability company, as the new Special Limited Partner, and Missouri Fund 2017 VIII, LLC, a Missouri limited liability company, as the State Limited Partner.

As of December 31, 2018, the buildings had been renovated and placed in service.

The partners' interests in profits and losses are as follows:

General Partner:	Bryant Walkway II Housing GP, LLC	0.009%
Limited Partner:	Red Stone Equity - 2017 National Fund, L.P	98.99%
Special Limited Partner:	Red Stone Equity Manager, LLC	0.001%
State Limited Partner:	Missouri Fund 2017 VIII, LLC	1.000%

The Project has qualified for and has been allocated low-income housing tax credits pursuant to Internal Revenue Code Section 42 (Section 42) which regulates the use of the Project as to occupant eligibility and unit gross rent, among other requirements. The Project must meet the provisions of these requirements during each of the 15 consecutive years in order to be qualified to receive the credits.

The Project is regulated by the Missouri Housing Development Commission (MHDC) as to rent charges and operating methods. The regulatory agreement limits annual distributions of net operating receipts to surplus cash available at the end of each year.

Certain defined terms contained in the Partnership Agreement are denoted with initial capital letters throughout the financial statements.

BRYANT WALKWAY II HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements *(Continued)*

Estimates And Assumptions

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 statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash And Restricted Cash

The Partnership places its cash account with a banking institution that is insured by the Federal Deposit Insurance Corporation (FDIC). The Partnership's cash is held in an interest-bearing account that is insured up to \$250,000 by the FDIC.

The following is a reconciliation between cash and restricted cash reported within the balance sheet and the total cash and restricted cash on the statement of cash flows as of December 31:

		<u>2021</u>	<u>2020</u>
1120	Cash - operations	\$ 58,609	\$ 59,751
1191	Tenant deposits held in trust	14,588	16,061
1310	Escrow deposits	21,726	9,140
1320	Replacement reserve	74,547	58,582
1330	Other reserves	80,411	80,494
	Total Cash And Restricted Cash	\$ 249,881	\$ 224,028

Tenant Deposits Held In Trust

Tenant deposits held in trust consist of security deposit funds collected from the tenants, separated from Project funds, and deposited into a trust account. All disbursements from the security deposit account must be only for refunds to tenants and for payment of expenses incurred by or on behalf of the tenants. Tenant deposits held in trust also include \$1,500 of building utility deposits at December 31, 2021 and 2020.

Restricted Deposits And Funded Reserves

Restricted deposits and funded reserves are comprised of checking and money market funds which are stated at cost.

BRYANT WALKWAY II HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (*Continued*)

Tenant Accounts Receivable

Tenant receivables are stated at the amount management expects to collect from balances outstanding at year end. Based on management's assessment of the credit history with tenants having outstanding balances and current relationships with them, management has recorded an allowance for doubtful accounts in the amount of \$1,327 as of December 31, 2021. No such allowance was deemed necessary as of December 31, 2020.

Replacement Reserve

The replacement reserve can only be used for improvements to buildings upon prior approval of MHDC and the Special Limited Partner.

Rental Property

Rental property is carried at cost, less accumulated depreciation. Depreciation is provided using the straight-line method over the estimated useful lives:

Buildings	40 years
Land improvements	15 years
Furnishings	5 years

Maintenance and repairs are charged to expense when incurred. Upon retirement or other disposition, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in income.

The Partnership reviews its rental property for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the rental property to the future net undiscounted cash flow expected to be generated by the rental property, including the residual value of the rental property. If the rental property is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the rental property exceeds the fair value of such property. No impairment loss was recognized for the years ended December 31, 2021 or 2020.

Capitalized Interest

Interest during the period of construction, amounting to \$29,431 has been capitalized and is being amortized over the life of the buildings and their components.

BRYANT WALKWAY II HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (*Continued*)

Development Fees

Development fees incurred for the development of the Project have been capitalized and added to the depreciable basis of the buildings.

Debt Issuance Costs

Deferred debt issuance costs totaling \$10,500 consist of fees for obtaining the mortgage loan and are being amortized using the straight-line method over the life of the loans. Accumulated amortization at December 31, 2021 and 2020 amounted to \$875 and \$350, respectively.

Accounting principles generally accepted in the United States of America require that the effective yield method be used to amortize financing costs; however, the effect of using the straight-line method is not materially different from the results that would have been obtained under the effective yield method.

Tax Credit Fees

Tax credit fees totaling \$27,241 consist of fees associated with the low-income housing tax credits anticipated to be allocated to the Project. The fees are being amortized using the straight-line method over 10 years. As of December 31, 2021 and 2020, accumulated amortization amounted to \$10,896 and \$8,172, respectively.

Rental Revenue

The rental property is generally leased to tenants under one-year operating leases. Rental revenue is recognized as rent becomes due. Rental revenue received in advance is deferred until earned.

Income Taxes

Under provisions of the Internal Revenue Code and applicable state laws, the Partnership is not directly subject to income taxes. The results of its operations are includable in the tax returns of its partners. Therefore, no provision for income tax expense has been included in the accompanying financial statements.

Reclassification

Certain 2020 amounts have been reclassified, where appropriate, to conform to the financial statement presentation used in 2021.

Subsequent Events

Management evaluates subsequent events through the date the financial statements are available for issue, which is the date of the Independent Auditors' Report.

BRYANT WALKWAY II HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (Continued)

2. Restricted Deposits And Funded Reserves

Restricted deposits and funded reserves consist of the following as of December 31:

	2021	2020
Replacement Reserve		
Balance at January 1	\$ 58,582	\$ 43,200
Monthly deposits	15,759	15,301
Interest earned, net of bank fees	206	81
Balance at December 31	<u>74,547</u>	<u>58,582</u>
Operating Reserve	80,411	80,134
Insurance Escrow	18,559	5,766
Tax Escrow	3,167	3,374
Other Reserve	—	360
Total Other Reserves And Escrows	<u>102,137</u>	<u>89,634</u>
	<u>\$ 176,684</u>	<u>\$ 148,216</u>

Replacement Reserve

A Replacement Reserve is to be funded on the date of payment of the First Capital Installment in an amount of \$43,200. Additional deposits of \$15,300 are required per year, payable in equal monthly installments, commencing on the anniversary date upon which the Project is placed in service. No withdrawal may be made without the consent of MHDC and the Special Limited Partner.

Operating Reserve

An Operating Reserve of \$80,000 is to be funded on the date of payment of the Third Capital Installment into a segregated reserve account in the name of the Partnership. The Partnership shall fund the Operating Reserve from Net Cash Flow in order to maintain, to the extent possible, a balance at all times of at least \$80,000. No withdrawal may be made without the consent of the Special Limited Partner.

Property Insurance Escrow

The Property Insurance Escrow can only be used for the payment of the annual property insurance premiums. The Project is required to make monthly deposits as determined by MHDC.

Real Estate Tax Escrow

The Real Estate Tax Escrow can only be used for the payment of the annual real estate taxes. The Project is required to make monthly deposits as determined by MHDC.

BRYANT WALKWAY II HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (*Continued*)

3. Related Party Transactions

Accounts Payable - Entity

An entity associated with the Partnership through common ownership paid for costs on behalf of the Partnership. The balance owed at December 31, 2021 and 2020 was \$1,504 and \$352, respectively.

Asset Management Fee

The Partnership shall pay the Special Limited Partner \$5,000 as an Asset Management Fee in connection with the Special Limited Partner's review of the operations of the Partnership and Project. The Asset Management Fee shall increase annually by 3% of the prior year's Asset Management Fee. The fee shall be paid out of Net Cash Flow and shall accrue if not paid. For the years ended December 31, 2021 and 2020, the Partnership incurred an Asset Management Fee of \$5,463 and \$5,304, respectively. As of December 31, 2021 and 2020, fees of \$5,461 and \$5,304, respectively, remained payable and are included in accounts payable - asset management fee payable.

State LP Asset Management Fee

The Partnership shall pay the State Limited Partner \$2,500 as a State LP Asset Management Fee in connection with the State Limited Partner's annual review of the operations of the Partnership and Project. The State LP Asset Management Fee shall increase annually by 3% of the prior year's State LP Asset Management Fee. The fee shall be paid out of Net Cash Flow and shall accrue if not paid. For the year ended December 31, 2021 and 2020, the Partnership incurred an Asset Management Fee of \$2,732 and \$2,652, respectively. As of December 31, 2021 and 2020, fees of \$2,732 and \$2,652, respectively, remained payable and are included in accounts payable - asset management fee payable.

Property Management Fees

The Partnership entered into a management contract with the Housing Authority of the City of Columbia, Missouri (CHA), an affiliate of the General Partner. The management fee is equal to 6% of monthly gross collections. Management fees of \$12,881 and \$12,551 were incurred for the years ended December 31, 2021 and 2020, respectively. As of December 31, 2021 and 2020, \$985 and \$1,174, respectively, remained payable.

BRYANT WALKWAY II HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements *(Continued)*

Tax Credit Compliance Guaranty

The General Partner guarantees that the Limited Partner and State Limited Partner will be allocated federal and state low-income housing tax credits, in accordance with the Partnership Agreement, for any shortfall.

Construction Completion Guaranty

The General Partner is obligated to pay all Excess Development Costs. Any amounts paid by the General Partner shall not be repaid by the Partnership nor considered capital contributions by the General Partner. No amounts were paid by the General Partner as of December 31, 2021 or 2020.

Operating Deficit Guaranty

Pursuant to the Amended and Restated Agreement of Limited Partnership, the General Partner shall advance to the Partnership as a loan an amount equal to the amount of the Operating Deficit. This obligation shall continue until the end of the Fiscal Year in which the fifth anniversary of the Lease-up Period or Stabilization period occurs. The guarantee is limited to a maximum of \$80,000. At December 31, 2021 and 2020, no such advance had been made.

Net Cash Flow Distribution

Net Cash Flow, as defined in the Partnership Agreement, is available for distribution at year end as follows:

1. To the Limited Partner until the aggregate amount of distributions made to the Limited Partner for the current and all prior years equals the Assumed Limited Partner Tax Liability for the current and all prior years;
2. To the Limited Partner and State Limited Partner in an amount equal to any unpaid Tax Credit Shortfall, Unpaid State Tax Credit Shortfall, Limited Partner Advances, and Special Additional Capital Contributions;
3. To the General Partner to pay fees for the security services provided at the Project;
4. To pay any outstanding and unpaid Special Limited Partner Asset Management Fees to the Special Limited Partner and to pay any outstanding and unpaid State LP Asset Management Fees to the State Limited Partner;
5. To replenish the Operating Reserve to the Operating Reserve Floor;
6. To pay all amounts due under the Development Agreement;
7. To pay all amounts then due and payable under the City HOME Loan, the Agency HOME Loan, the Seller Financing Loan and the AHP Loan;
8. To pay any outstanding Operating Deficit Loans and General Partner Loans, pro rata based on the outstanding balances of each;

BRYANT WALKWAY II HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (*Continued*)

9. A percentage equal to 94.99% to the Limited Partner, .009% to the General Partner, 5% to the State Limited Partner and .001% to the Special Limited Partner, provided, however, that the Limited Partner receives a distribution equal to at least 10% of Net Cash Flow.

4. Mortgage Notes Payable

The Partnership obtained financing from MHDC under HOME loan commitment of \$690,000, on November 29, 2017 (the Agency HOME Loan). Interest-only payments are due on the Agency HOME Loan from December 1, 2017 through December 1, 2019. During 2019, the Agency HOME Loan was amended to extend the construction phase through March 1, 2020. On April 1, 2020, annual installments of principal in the amount of \$23,000 are due on the Agency HOME Loan through March 1, 2040, the maturity date of the Agency HOME Loan. The Note is non-interest bearing. All principal payments due shall be payable solely from 50% of Surplus Cash. The Agency HOME Loan is secured by a second deed of trust on the property. As of December 31, 2021 and 2020, the balance of the Agency HOME Loan was \$648,812 and \$667,000, respectively.

The Partnership obtained seller financing on November 30, 2017 of \$1,290,000 from CHA (the Seller Financing Loan). The Seller Financing Loan bears interest at 2.6% per annum, compounded annually. The Seller Financing Loan matures on December 31, 2059. No payments are due prior to the later of January 1, 2020 or the deferred development fee is paid in full. Commencing January 1, 2020, annual payments equal to 75% of Net Available Cash Flow are payable. The payments are applied to interest first and then principal. The Seller Financing Loan is secured by a mortgage on the property. As of December 31, 2021 and 2020, the balance of the Seller Financing Loan was \$1,234,935. At December 31, 2021 and 2020, accrued interest amounted to \$51,766 and \$33,299, respectively.

The Partnership obtained financing on November 30, 2017 of \$300,000 from CHA. The Loan is non-interest bearing unless default occurs at which time interest shall be 6.0% per annum, compounded annually. The Loan is secured by a mortgage on the property. No payments are due until January 1, 2038. Commencing from January 1, 2038 through December 31, 2049, annual payments equal to 45% of Net Available Cash Flow are payable. As of December 31, 2021 and 2020, the balance of the Loan was \$300,000.

BRYANT WALKWAY II HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (*Continued*)

The Partnership obtained financing on November 30, 2017 of \$100,000 from CHA (the City HOME Loan). On October 24, 2018, the City HOME Loan agreement was amended to increase the amount of the City HOME Loan to \$200,000. The City HOME Loan is non-interest bearing. No payments are due until January 1, 2038. Commencing from January 1, 2038 through December 31, 2049, annual payments equal to 45% of Net Available Cash Flow are payable. As of December 31, 2021 and 2020, the balance of the City HOME Loan was \$200,000.

5. Capital Contributions

Contingent upon various requirements as outlined in the Partnership Agreement, the Partners shall make capital contributions to the Partnership as follows:

Capital Installment	General Partner	Limited Partner	State Limited Partner	Special Limited Partner	Total
First	\$ —	\$ 187,875	\$ 121,018	\$ —	\$ 308,893
Second	—	187,875	121,018	—	308,893
Third	—	1,409,058	907,632	—	2,316,690
Fourth	—	93,937	60,509	—	154,446
Other	290,000	—	—	10	290,010
Total	\$ 290,000	\$ 1,878,745	\$ 1,210,177	\$ 10	\$ 3,378,932

As of December 31, 2021 and 2020, \$290,000 had been contributed by the General Partner, \$1,908,434 had been contributed by the Limited Partner and \$1,210,177 had been contributed by the State Limited Partner. The Special Limited Partner has not made any contributions as of December 31, 2021 or 2020.

6. Commitments And Contingencies

The Project's low-income housing tax credits are contingent on its ability to maintain compliance with applicable sections of Section 42. Failure to maintain compliance with occupant eligibility, and/or gross rent or to correct non-compliance within a specified time period could result in recapture of previously taken tax credits, plus interest. Additionally, such potential noncompliance may require an adjustment to the contributed capital by the Limited Partners.

BRYANT WALKWAY II HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements (*Continued*)

The Partnership has also entered into Land Use Restriction Agreements with MHDC. These agreements require that all the residential units shall be set aside and made available for rental solely to eligible low-income individuals or families, as defined in the Internal Revenue Code.

The Partnership has also entered into Land Use Restriction Agreements with CHA and UMB Bank, N.A. These agreements require that a percentage of the units be leased to low-income tenants, and otherwise regulates the Project for the duration of ownership by the Partnership and their successors.

The Partnership and CHA have entered into a Section 8 Project-Based Voucher Program - PBV Housing Assistance Payments (HAP) Contract New Construction or Rehabilitation agreement with the Department of Housing and Urban Development (HUD). Under the agreement, CHA will provide the Partnership with housing assistance payments, consisting of both rent and utility allowance, on behalf of qualified tenants. The term of the agreement is for 20 years. The length of the initial term and any extension term shall be subject to availability, as determined by HUD, or CHA in accordance with HUD requirements, or sufficient appropriated funding (budget authority), as provided in appropriations acts and in the CHA's annual contributions contract with HUD, to make full payment of housing assistance payments due to the Partnership for any contract year in accordance with the HAP contract. The availability of sufficient funding must be determined by HUD or by CHA in accordance with HUD requirements. If it is determined that there may not be sufficient funding to continue housing assistance payments for all contract units and for the full term of the HAP contract, CHA has the right to terminate the HAP contract by notice to the Partnership for all or any of the contract units.

The Partnership has also entered into a Rental Assistance Demonstration (RAD) Use Agreement with HUD. Under the agreement, the Partnership was allowed to convert the Project from public housing to long-term Section 8 rental assistance to achieve the preservation and improvement of the Project through access to private debt and equity to address immediate and long-term capital needs. The RAD Use Agreement will be recorded superior to other liens on the Project, and run for the same term as the initial term of the HAP contract with automatic renewals upon each HAP contract extension.

BRYANT WALKWAY II HOUSING DEVELOPMENT GROUP, LP

Notes To Financial Statements *(Continued)*

In March 2020, the World Health Organization designated COVID-19 as a pandemic. While the Partnership has taken various actions in response to the COVID-19 pandemic, the ultimate impact on its results of operations, cash flows, financial condition and liquidity will depend on (i) the duration and severity of the pandemic, (ii) the effectiveness of vaccines, (iii) the duration and nature of governmental responses to contain the spread of the disease and assist residents and businesses, (iv) resident and business responses to the pandemic, and (v) how quickly and to what extent normal economic conditions can resume. Because of this uncertainty, any estimate of the expected future impact of the COVID-19 pandemic on results of operations, cash flows, financial condition, or liquidity is uncertain.

BRYANT WALKWAY II HOUSING DEVELOPMENT GROUP, LP
PROJECT NO.: 17-405-HTE

SUPPORTING DATA REQUIRED BY MHDC
For The Year Ended December 31, 2021

Statement Of Profit And Loss

Part 1	Description of Account	Acct. No.	Amount	
Rent Revenue 5100	Rent Revenue - Gross Potential	5120	\$	65,119
	Tenant Assistance Payments	5121	\$	152,609
	Rent Revenue - Stores and Commercial	5140	\$	—
	Garage and Parking Spaces	5170	\$	—
	Flexible Subsidy Revenue	5180	\$	—
	Miscellaneous Rent Revenue	5190	\$	—
	Excess Rent	5191	\$	—
	Rent Revenue/Insurance	5192	\$	—
	Special Claims Revenue	5193	\$	—
	Retained Excess Income	5194	\$	—
	Total Rent Revenue	5100T		\$
Vacancies 5200	Apartments	5220	\$	1,123
	Stores and Commercial	5240	\$	—
	Rental Concessions	5250	\$	413
	Loss to Lease	5260	\$	2,189
	Garage and Parking Space	5270	\$	—
	Miscellaneous	5290	\$	—
Total Vacancies	5200T		\$	3,725
	Net Rental Revenue <i>Rent Revenue Less Vacancies</i>	5152N		\$ 214,003
Supportive Services 5390	Supportive Services Revenue	5390	\$	—
Financial Revenue 5400	Financial Revenue - Project Operations	5410	\$	2,777
	Revenue from Investments - Residual Receipts	5430	\$	—
	Revenue from Investments - Replacement Reserve	5440	\$	206
	Revenue from Investments - Miscellaneous	5490	\$	—
	Total Financial Revenue	5400T		\$
Other Revenue 5900	Laundry and Vending Revenue	5910	\$	—
	Tenant Charges	5920	\$	1,337
	Interest Reduction Payments Revenue	5945	\$	—
	Cable TV / Internet Access Revenue	5954	\$	—
	Miscellaneous Revenue	5990	\$	1,250
Total Other Revenue	5900T		\$	2,587
	Total Revenue	5000T		\$ 219,573
Administrative Expenses 6200/6300	Conventions and Meetings	6203	\$	327
	Management Consultants	6204	\$	—
	Advertising and Marketing	6210	\$	—
	Other Renting Expenses	6250	\$	6,566
	Office Salaries	6310	\$	15,062
	Office Expenses	6311	\$	2,458
	Office or Model Apartment Rent	6312	\$	—
	Leased Furniture	6313	\$	—
	Management Fee/ Bookkeeping/ Accounting Services	6320	\$	12,881
	Manager or Superintendent Salaries	6330	\$	—
	Administrative Rent Free Unit	6331	\$	—
	Legal Expense - Project	6340	\$	299
	Audit Expense	6350	\$	14,400
	Telephone Expense	6360	\$	997
	Bad Debts	6370	\$	1,327
	Miscellaneous Administrative Expenses	6390	\$	541
Total Administrative Expenses	6263T		\$	54,858
Utilities Expense 6400	Fuel Oil/Coal	6420	\$	—
	Electricity	6450	\$	2,266
	Water	6451	\$	7,191
	Gas	6452	\$	602
	Sewer	6453	\$	7,037
	Cable TV / Internet Access	6454	\$	—
	Total Utilities Expense	6400T		\$
	Total Expenses (Carry Forward)			\$ 71,954

Project Name: Bryant Walkway II Housing Development Group, LP

		Balance Carried Forward		\$ 71,954
Operating Maintenance Expenses 6500	Payroll	6510	\$ 10,997	
	Supplies	6515	\$ 3,696	
	Contracts	6520	\$ 13,366	
	Operating and Maintenance Rent Free Unit	6521	\$ —	
	Garbage and Trash Removal	6525	\$ 7,803	
	Security Payroll/Contract	6530	\$ —	
	Security Rent Free Unit	6531	\$ —	
	Heating/Cooling Repairs and Maintenance	6546	\$ —	
	Snow Removal	6548	\$ —	
	Vehicle and Maintenance Equipment Operation and Repairs	6570	\$ 73	
	Maintenance Tools and Equipment	6571	\$ 94	
	Pool Supplies and Pool Maintenance/Contracts	6572	\$ —	
	Exterminating	6573	\$ 3,228	
	Elevator Maintenance/Contracts	6574	\$ —	
	Vacant Unit Preparation	6580	\$ —	
	Miscellaneous Operating and Maintenance Expenses	6590	\$ —	
Total Operating and Maintenance Expenses	6500T		\$ 39,257	
Taxes and Insurance 6700	Real Estate Taxes	6710	\$ 12,587	
	Payroll Taxes (Project's Share)	6711	\$ 2,028	
	Property and Liability Insurance (Hazard)	6720	\$ 19,704	
	Fidelity Bond Insurance	6721	\$ —	
	Workmen's Compensation	6722	\$ 495	
	Health Insurance and Other Employee Benefits	6723	\$ 6,198	
	Miscellaneous Taxes, Licenses, Permits and Insurance	6790	\$ 224	
	Total Taxes and Insurance	6700T		
Financial Expenses 6800	Interest on Mortgage Payable	6820	\$ —	
	Interest Attributable to Debt Issuance Costs	6822	\$ 525	
	Interest on Notes Payable (Long-Term)	6830	\$ —	
	Interest on Notes Payable (Short-Term)	6840	\$ —	
	Mortgage Insurance Premium/Service Charge	6850	\$ —	
	Miscellaneous Financial Expenses	6890	\$ —	
Total Financial Expenses	6800T		\$ 525	
Supportive Services 6990	Supportive Services Expenses	6990	\$ —	
	Total Cost of Operations before Depreciation and Amortization	6000T		\$ 152,972
	Profit (Loss) before Depreciation and Amortization	5060T		\$ 66,601
	Depreciation Expense	6600	\$ 161,505	
	Amortization Expense	6610	\$ 2,724	
	Total Depreciation and Amortization			\$ 164,229
	Operating Profit or (Loss)	5060N		\$ (97,628)
Corporate or Mortgagor Entity Expenses 7100	Entity Revenue	7105	\$ —	
	Officer's Salaries	7110	\$ —	
	Asset Management, Partnership and Incentive Performance Fee	7115	\$ 8,195	
	Legal Expenses	7120	\$ —	
	Federal, State and Other Income Taxes	7130	\$ —	
	Fidelity and Bond Expense	7135	\$ —	
	Interest Income	7140	\$ —	
	Interest on Notes Payable (subordinate/surplus cash/non-MHDC loans)	7141	\$ 32,108	
	Interest on Mortgage Payable (subordinate/surplus cash/non-MHDC loan)	7142	\$ —	
	Other Expenses	7190	\$ —	
Net Entity Expenses	7100T		\$ 40,303	
	Profit or Loss (Net Income or Loss)	3250		\$ (137,931)

Miscellaneous or other Income and Expense Sub-account Groups. If miscellaneous or other income and/or expense sub-accounts (5190, 5290, 5490, 5990, 6390, 6590, 6790, 6890 and 7190) exceed the Account Groupings by 10% or more, attach a separate schedule describing or explaining the miscellaneous income or expense.

Part II

1. Total mortgage principal payments required during the audit year (12 monthly payments). (Account 7001)	\$ —
2. Total of 12 monthly deposits in the audit year into the Replacement Reserve account. (Account 7002)	\$ 15,759
3. Replacement Reserve or Residual Receipts releases which are included as expense items on this Profit and Loss Statement. (Account 7003)	\$ —
4. Debt Service for other loans (surplus cash / non-MHDC / partner loans) (Account 7145)	\$ —

BRYANT WALKWAY II HOUSING DEVELOPMENT GROUP, LP
PROJECT NO.: 17-405-HTE

SUPPORTING DATA REQUIRED BY MHDC (Continued)
For The Year Ended December 31, 2020

Statement Of Profit And Loss

Part 1	Description of Account	Acct. No.	Amount
Rent Revenue 5100	Rent Revenue - Gross Potential	5120	\$ 62,538
	Tenant Assistance Payments	5121	\$ 151,310
	Rent Revenue - Stores and Commercial	5140	\$ —
	Garage and Parking Spaces	5170	\$ —
	Flexible Subsidy Revenue	5180	\$ —
	Miscellaneous Rent Revenue	5190	\$ —
	Excess Rent	5191	\$ —
	Rent Revenue/Insurance	5192	\$ —
	Special Claims Revenue	5193	\$ —
	Retained Excess Income	5194	\$ —
	Total Rent Revenue	5100T	
Vacancies 5200	Apartments	5220	\$ 3,670
	Stores and Commercial	5240	\$ —
	Rental Concessions	5250	\$ 1,464
	Loss to Lease	5260	\$ 2,380
	Garage and Parking Space	5270	\$ —
	Miscellaneous	5290	\$ —
Total Vacancies	5200T		\$ 7,514
	Net Rental Revenue <i>Rent Revenue Less Vacancies</i>	5152N	\$ 206,334
Supportive Services 5390	Supportive Services Revenue	5390	\$ —
Financial Revenue 5400	Financial Revenue - Project Operations	5410	\$ 2,725
	Revenue from Investments - Residual Receipts	5430	\$ —
	Revenue from Investments - Replacement Reserve	5440	\$ 81
	Revenue from Investments - Miscellaneous	5490	\$ —
Total Financial Revenue	5400T		\$ 2,806
Other Revenue 5900	Laundry and Vending Revenue	5910	\$ —
	Tenant Charges	5920	\$ 1,110
	Interest Reduction Payments Revenue	5945	\$ —
	Cable TV / Internet Access Revenue	5954	\$ —
	Miscellaneous Revenue	5990	\$ 1,111
Total Other Revenue	5900T		\$ 2,221
Total Revenue	5000T		\$ 211,361
Administrative Expenses 6200/6300	Conventions and Meetings	6203	\$ 405
	Management Consultants	6204	\$ —
	Advertising and Marketing	6210	\$ —
	Other Renting Expenses	6250	\$ 2,090
	Office Salaries	6310	\$ 15,880
	Office Expenses	6311	\$ 2,016
	Office or Model Apartment Rent	6312	\$ —
	Leased Furniture	6313	\$ —
	Management Fee	6320	\$ 12,551
	Manager or Superintendent Salaries	6330	\$ —
	Administrative Rent Free Unit	6331	\$ —
	Legal Expense - Project	6340	\$ 764
	Audit Expense	6350	\$ 14,400
	Telephone	6360	\$ 852
	Bad Debts	6370	\$ —
Miscellaneous Administrative Expenses	6390	\$ 1,243	
Total Administrative Expenses	6263T		\$ 50,201
Utilities Expense 6400	Fuel Oil/Coal	6420	\$ —
	Electricity	6450	\$ 2,450
	Water	6451	\$ 7,242
	Gas	6452	\$ 754
	Sewer	6453	\$ 7,341
	Cable TV / Internet Access	6454	\$ —
Total Utilities Expense	6400T		\$ 17,787
	Total Expenses (Carry Forward)		\$ 67,988

Project Name: Bryant Walkway II Housing Development Group, LP

		Balance Carried Forward		\$ 67,988
Operating Maintenance Expenses 6500	Payroll	6510	\$ 9,854	
	Supplies	6515	\$ 4,100	
	Contracts	6520	\$ 5,441	
	Operating and Maintenance Rent Free Unit	6521	\$ —	
	Garbage and Trash Removal	6525	\$ 7,530	
	Security Payroll/Contract	6530	\$ —	
	Security Rent Free Unit	6531	\$ —	
	Heating/Cooling Repairs and Maintenance	6546	\$ 49	
	Snow Removal	6548	\$ —	
	Vehicle and Maintenance Equipment Operation and Repairs	6570	\$ 16	
	Maintenance Tools and Equipment	6571	\$ 57	
	Pool Supplies and Pool Maintenance/Contracts	6572	\$ —	
	Exterminating	6573	\$ 3,872	
	Elevator Maintenance/Contracts	6574	\$ —	
	Vacant Unit Preparation	6580	\$ —	
Miscellaneous Operating and Maintenance Expenses	6590	\$ 1,339		
Total Operating and Maintenance Expenses	6500T		\$ 32,258	
Taxes and Insurance 6700	Real Estate Taxes	6710	\$ 13,396	
	Payroll Taxes (Project's Share)	6711	\$ 1,788	
	Property and Liability Insurance (Hazard)	6720	\$ 20,328	
	Fidelity Bond Insurance	6721	\$ —	
	Workmen's Compensation	6722	\$ 463	
	Health Insurance and Other Employee Benefits	6723	\$ 7,877	
	Miscellaneous Taxes, Licenses, Permits and Insurance	6790	\$ 213	
	Total Taxes and Insurance	6700T		
Financial Expenses 6800	Interest on Mortgage Payable	6820	\$ 31,526	
	Interest Attributable to Debt Issuance Costs	6822	\$ 350	
	Interest on Notes Payable (Long-Term)	6830	\$ —	
	Interest on Notes Payable (Short-Term)	6840	\$ —	
	Mortgage Insurance Premium/Service Charge	6850	\$ —	
Miscellaneous Financial Expenses	6890	\$ 852		
Total Financial Expenses	6800T		\$ 32,728	
Supportive Services 6990	Supportive Services Expenses	6990	\$ —	
	Total Cost of Operations before Depreciation and Amortization	6000T		\$ 177,039
	Profit (Loss) before Depreciation and Amortization	5060T		\$ 34,322
	Depreciation Expense	6600	\$ 162,185	
	Amortization Expense	6610	\$ 2,724	
	Total Depreciation and Amortization			\$ 164,909
	Operating Profit or (Loss)	5060N		\$ (130,587)
Corporate or Mortgagor Entity Expenses 7100	Entity Revenue	7105	\$ —	
	Officer's Salaries	7110	\$ —	
	Asset Management, Partnership and Incentive Performance Fee	7115	\$ 7,956	
	Legal Expenses	7120	\$ —	
	Federal, State and Other Income Taxes	7130	\$ —	
	Fidelity and Bond Expense	7135	\$ —	
	Interest Income	7140	\$ —	
	Interest on Notes Payable (subordinate/surplus cash/non-MHDC loans)	7141	\$ 32,560	
	Interest on Mortgage Payable (subordinate/surplus cash/non-MHDC loan)	7142	\$ —	
	Other Expenses	7190	\$ —	
Net Entity Expenses	7100T		\$ 40,516	
Profit or Loss (Net Income or Loss)	3250		\$ (171,103)	

Miscellaneous or other Income and Expense Sub-account Groups. If miscellaneous or other income and/or expense sub-accounts (5190, 5290, 5490, 5990, 6390, 6590, 6790, 6890 and 7190) exceed the Account Groupings by 10% or more, attach a separate schedule describing or explaining the miscellaneous income or expense.

Part II

1. Total mortgage principal payments required during the audit year (12 monthly payments). (Account 7001)	\$ —
2. Total of 12 monthly deposits in the audit year into the Replacement Reserve account. (Account 7002)	\$ 15,301
3. Replacement Reserve or Residual Receipts releases which are included as expense items on this Profit and Loss Statement. (Account 7003)	\$ —
4. Debt Service for other loans (surplus cash / non-MHDC / partner loans) (Account 7145)	\$ —

**BRYANT WALKWAY II HOUSING DEVELOPMENT GROUP, LP
PROJECT NO.: 17-405-HTE**

SUPPORTING DATA REQUIRED BY MHDC (Continued)

Statement Of Profit And Loss

	Account	For The Years		
		Ended December 31,		
		2021	2020	
5990 - Miscellaneous Revenue				
5990-010	Voided tenant refund	5990-020	\$ 770	\$ —
5990-010	Other income - work orders	5990-020	480	—
5990-010	Fee for service	5990-020	—	387
5990-010	Miscellaneous income	5990-020	—	724
Total Miscellaneous Revenue			\$ 1,250	\$ 1,111

BRYANT WALKWAY II HOUSING DEVELOPMENT GROUP, LP
PROJECT NO.: 17-405-HTE

SUPPORTING DATA REQUIRED BY MHDC (Continued)
December 31, 2021

Schedule Of Escrow Deposits And Replacement Reserves

Replacement Reserve	
Balance at January 1	\$ 58,582
Deposits	15,759
Interest earned, net of bank fees	<u>206</u>
Balance at December 31	74,547
Operating Reserve	80,411
Insurance Escrow	18,559
Tax Escrow	<u>3,167</u>
	<u><u>\$ 176,684</u></u>

Computation of Surplus Cash, Distributions and Residual Receipts

PROJECT NAME Bryant Walkway II Housing Development Group, LP	FISCAL PERIOD ENDED: December 31, 2021	PROJECT NUMBER 17-405-HTE
Part A - Compute Surplus Cash		
Cash		
1. Cash (Accounts 1120, 1170, 1191 minus Account 2105) (S1300-010)	\$ 73,197	
2. Accounts receivable - HUD (1135)	\$ 1,915	
3. Other (Describe) (S1300-030)	\$ —	
(a) Total Cash (Add Lines 1, 2, and 3) (S1300-040)		\$ 75,112
Current Obligations		
4. Accrued mortgage interest payable (S1300-050)	\$ —	
5. Delinquent mortgage principal payments (S1300-060)	\$ —	
6. Delinquent deposits to reserve for replacements (S1300-070)	\$ —	
7. Accounts payable - 30 days (S1300-075)	\$ 2,647	
8. Loans and notes payable (due within 30 days) (S1300-080)	\$ —	
9. Deficient tax insurance or MIP escrow deposits (S1300-090)	\$ —	
10. Accrued expenses (not escrowed) (S1300-100)	\$ 2,459	
11. Prepaid revenue (2210)	\$ 1,716	
12. Tenant deposits held in trust (2191)	\$ 13,083	
13. Other current obligations (Describe) (S1300-110)	\$ —	
(b) Total Current Obligations (Add Lines 4 through 13) (S1300-140)		\$ 19,905
(c) Surplus Cash (Deficiency) [Line (a) minus Line (b)] (S1300-150)		\$ 55,207
Part B - Compute Distributions to Owners and Required Deposit to Residual Receipts		
1. Surplus Cash		\$ 55,207
Limited Dividend Projects		
2a. Annual distribution earned during fiscal period covered by the statement (S1300-160)	\$ —	
2b. Distribution accrued and unpaid as of the end of the prior fiscal period (S1300-170)	\$ —	
2c. Distributions and entity expenses paid during fiscal period covered by statement (S1300-180)	\$ —	
3. Distribution earned but unpaid (Line 2a plus 2b minus 2c) (S1300-190)	\$ —	
4. Amount available for distribution during next fiscal period (S1300-200)		\$ —
5. Deposit due residual receipts (S1300-210)		\$ —

BRYANT WALKWAY II HOUSING DEVELOPMENT GROUP, LP
PROJECT NO.: 17-405-HTE

**COMPUTATION OF DISTRIBUTIONS TO OWNERS AND
REQUIRED DEPOSIT TO RESIDUAL RECEIPTS**

Development	From: <u>January 1, 2021</u>
Name: Bryant Walkway II Development Group, LP	To: <u>December 31, 2021</u>
 A. Annual distribution earned during fiscal period covered by the statement:	
Current Equity	*\$ 3,479,407 (1)
Multiply percent per regulatory agreement	x 8% (2)
Annual distribution earned for: <u>2021</u>	<u>=\$ 278,353 (3)</u>
 B. Distribution accrued and unpaid as of the end of the prior fiscal period:	
Distributions earned per Regulatory Agreement at 12/31, or end of accounting year, if different, for years:	
2020	\$ 276,898
2019	\$ —
2018	\$ —
2017	\$ —
2016	\$ —
2015 and prior years	\$ —
Total prior year distributions earned	<u>\$ 276,898 (4)</u>
Less: Distributions made to partners in prior years:	<u>-\$ 36,273 (5)</u>
Less: Other (explain in detail):	<u>—</u>
Other - asset management fee	<u>-\$ 15,225</u>
 Distributions accrued and unpaid as of period covered by statement:	 <u>=\$ 225,400 (7)</u>
 C. Distributions paid during period covered by statement:	
To partners	\$ 14,802 (8)
Other - asset management fees	\$ 7,957 (9)
Total distributions paid during period covered by statement	<u>=\$ 22,759 (10)</u>
 D. Amount to be carried as distributions earned but unpaid:	
Line (3) + Line (7) - Line (10) =	<u>**\$ 480,994 (11)</u>
 E. Amount available for distribution during next fiscal period:	
Surplus Cash (from page 27, Line 1. Of Part B)	<u>\$ 55,207 (12)</u>
 F. Deposits due residual receipts:	
If Line (11) is greater than Line (12), enter zero (\$0), else enter Line (12) - Line (11), and deposit amount within 60 days of fiscal year end into joint account with mortgagee (MHDC).	
	<u>\$ None (13)</u>

* Current equity represents initial equity investment plus mortgage principal reduction through end of fiscal period.

** Distributions may only be made to the extent that there is surplus cash available as shown in Part E.

BRYANT WALKWAY II HOUSING DEVELOPMENT GROUP, LP
PROJECT NO.: 17-405-HTE

SUPPORTING DATA REQUIRED BY MHDC (Continued)
December 31, 2021

Schedule Of Fixed Assets

		Balance				Balance
		January 1,	Additions	Deductions		December 31,
		2021				2021
1410	Land and land improvements	\$ 436,537	\$ —	\$ —		\$ 436,537
1420	Buildings	4,985,739	—	—		4,985,739
1460	Furnishings	118,792	—	—		118,792
	Total	5,541,068	—	—		5,541,068
1495	Accumulated depreciation	390,819	161,505	—		552,324
1400N	Net Book Value	\$ 5,150,249	\$ (161,505)	\$ —		\$ 4,988,744

BRYANT WALKWAY II HOUSING DEVELOPMENT GROUP, LP
PROJECT NO.: 17-405-HTE

SUPPORTING DATA REQUIRED BY MHDC (Continued)
December 31, 2021

Funds In Financial Institutions

A. Funds Held By Mortgagor, Regular Operating Account

First Mid Bank, operating account⁽¹⁾ \$ 58,609

B. Funds Held By Mortgagor In Trust, Tenant Security Deposits

1. First Mid Bank, security deposit account⁽¹⁾ 13,088
2. First Mid Bank, replacement reserve⁽¹⁾ 11,866

Funds Held By Mortgagor, TOTAL 83,563

C. Funds Held By Mortgagee, (In Trust)

1. Replacement reserve, Missouri Housing Development Commission⁽¹⁾ 62,681
2. Operating reserve, Missouri Housing Development Commission⁽¹⁾ 80,411
3. Property & liability insurance reserve, Missouri Housing Development Commission⁽¹⁾ 18,559
4. Property tax reserve, Missouri Housing Development Commission⁽¹⁾ 3,167

Funds Held By Mortgagee, TOTAL 164,818

TOTAL FUNDS IN FINANCIAL INSTITUTIONS \$ 248,381

(1) Balances audited as of December 31, 2021

**BRYANT WALKWAY II HOUSING DEVELOPMENT GROUP, LP
PROJECT NO.: 17-405-HTE**

**SUPPORTING DATA REQUIRED BY MHDC (Continued)
December 31, 2021**

**Schedule Of Eligible And Allocated Federal And
State Tax Credits
TIN #: 81-3740743**

Credit Year	Calendar Year	Annual Federal LIHTC		Annual State LIHTC	
		Allocated	Eligible	Allocated	Eligible
1	2018	\$ 46,576	\$ 46,576	\$ 46,576	\$ 46,576
2	2019	186,774	186,774	186,236	186,236
3	2020	206,294	206,294	205,378	205,378
4	2021	206,294	206,294	205,378	205,378
5	2022	206,294		205,378	
6	2023	206,294		205,378	
7	2024	206,294		205,378	
8	2025	206,294		205,378	
9	2026	206,294		205,378	
10	2027	206,294		205,378	
11	2028	159,718		158,802	
12	2029	19,520		19,142	
13	2030	N/A		N/A	
14	2031	N/A		N/A	
15	2032	N/A		N/A	

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*

Independent Auditors' Report

Partners

Bryant Walkway II Housing Development Group, LP
Columbia, Missouri

We have audited, in accordance with the 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 Bryant Walkway II Housing Development Group, LP, which comprise the balance sheet as of December 31, 2021, and the related statements of operations, partners' equity and cash flows for the year then ended and the related notes to the financial statements, and have issued our report thereon dated March 16, 2022.

Report On Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Bryant Walkway II Housing Development Group, LP'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Bryant Walkway II Housing Development Group, LP's internal control. Accordingly, we do not express an opinion on the effectiveness of Bryant Walkway II Housing Development Group, LP'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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control 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 Bryant Walkway II Housing Development Group, LP'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 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 Bryant Walkway II Housing Development Group, LP'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.

RubinBrown LLP


March 16, 2022

BRYANT WALKWAY II HOUSING DEVELOPMENT GROUP, LP
PROJECT NO.: 17-405-HTE

MORTGAGOR CERTIFICATION
For The Year Ended December 31, 2021

We hereby certify that we have examined the accompanying financial statements and supplementary data of Bryant Walkway II Housing Development Group, LP and, to the best of our knowledge and belief, the same is complete and accurate.

Bryant Walkway II Housing Development
Group, LP
(A Missouri Limited Partnership)

By: 
Signature of Signer

Randy Cole
Printed Name of Signer

Executive Director
Title of Signer

81-3740743
Employer Identification Number

March 16, 2022
Date

BRYANT WALKWAY II HOUSING DEVELOPMENT GROUP, LP
PROJECT NO.: 17-405-HTE

MANAGING AGENT CERTIFICATION
For The Year Ended December 31, 2021

We hereby certify that we have examined the accompanying financial statements and supplementary data of Bryant Walkway II Housing Development Group, LP and, to the best of our knowledge and belief, the same is complete and accurate.

Housing Authority of the City of Columbia,
Missouri
Managing Agent Name

By: 
Signature of Signer

Randy Cole
Printed Name of Signer

Chief Executive Officer
Title of Signer

43-6014416
Employer Identification Number


Signature of Individual Responsible for
Management of Property

Laura Lewis
Printed Name of Individual Responsible for
Management of Property

March 16, 2022
Date

S3200-005

Auditors' Transmittal Letter

S3200-010 Audit Firm RubinBrown LLP

S3200-020 Lead Auditor First Name Brandi

S3200-030 Lead Auditor Middle Name Tucker

S3200-040 Lead Auditor Last Name Lawyer

S3200-050 Auditor Street Address Line 1 One North Brentwood

S3200-060 Auditor Street Address Line 2 _____

S3200-070 Auditor City St. Louis

S3200-080 Auditor State Missouri

S3200-090 Auditor Zip Code 63105

S3200-100 Auditor Zip Code Extension _____

S3200-110 Auditor Telephone Number (314) 290-3300

S3200-120 Auditor Firm TIN 43-0765316

S3200-130 Date Of Independent Auditors' Report March 16, 2022



Housing Authority of the City of Columbia, Missouri

201 Switzler Street, Columbia, Missouri 65203

Office: 573.443.2556 ♦ TTY Relay 800.735.2966 ♦ Fax: 573.443.0051 ♦ www.ColumbiaHA.com

Department Source: CEO

To: CHA Board of Commissioners

From: CEO & Staff

CHA Board of Commissioners Meeting Date: August 10, 2022

Re: Resolution 2901, to Accept the Audited Financial Statements of the Housing Authority of the City of Columbia, Missouri for Fiscal Year Ending December 31, 2021

Executive Summary

The Columbia Housing Authority is required to have an audit of its financial statements and a single audit completed annually as part of its Annual Contributions Contract with HUD. The annual audit includes all CHA programs. Compliance testing was performed for the Section 8 Program as part of the single audit. With the expansion of CHA's management to other affordable housing programs, these entities have been reported with CHA's two 501(c)3 nonprofit corporations as a blended component unit.

Discussion

RubinBrown LLP conducted the audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and the provisions of U.S. Office of Management and Budget Circular A-133, Audits States, Local Governments, and Non-Profit Organizations. Those standards require RubinBrown LLP to plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. RubinBrown LLP believes that their audits provide a reasonable basis for their opinion.

Ms. Renita Duncan, CPA, and Partner with RubinBrown LLP will present the audit at the CHA Board meeting and answer any questions from the Board of Commissioners. The audit report and summary presentation is included with the board packet.

Suggested Commission Action

Accept the Audited Financial Statements for the Housing Authority of the City of Columbia, Missouri.



Housing Authority of the City of Columbia, Missouri

Board Resolution

RESOLUTION #2901

A Resolution to Accept the Audited Financial Statements of the Housing Authority of the City of Columbia, Missouri for Fiscal Year Ending December 31, 2021

WHEREAS, the Annual Contributions Contract with the U.S. Department of Housing and Urban Development (HUD) and the Missouri Housing Authorities Law requires that an annual audit of financial statements and single audit be performed by an independent public accounting firm; and

WHEREAS, the Single Audit Act of 1984 requires comprehensive single audits for state and local governments that receive Federal assistance; and

WHEREAS, the Housing Authority of the City of Columbia, Missouri, receives Federal assistance in the form of Public Housing operating subsidies, Section 8 Housing Choice Voucher rental assistance, and various other Federal grants; and

WHEREAS, the accounting firm of RubinBrown LLP has performed an audit of the financial statements of the Housing Authority of the City of Columbia, Missouri, for the fiscal year ended December 31, 2021 that is in accordance with generally accepted auditing standards of the Comptroller General of the United States, and the provisions of the Office of Management and Budget Circular A-133; and

WHEREAS, the single audit of the Section 8 Housing Choice Voucher Program will be presented at a later date by RubinBrown LLP.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of the City of Columbia, Missouri, adopts Resolution 2901 accepting the independent audited financial statements of the Housing Authority of the City of Columbia, Missouri for fiscal year ending December 31, 2021, performed by RubinBrown LLP.

Bob Hutton, Chair

Randy Cole, Secretary

Adopted August 10, 2022

***HOUSING AUTHORITY OF THE
CITY OF COLUMBIA, MISSOURI***
FINANCIAL STATEMENTS
DECEMBER 31, 2021

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Independent Auditors' Report

Board of Commissioners
Housing Authority of the City of Columbia, Missouri
Columbia, Missouri

Report On The Audit Of The Financial Statements

Opinion

We have audited the financial statements of the Housing Authority of the City of Columbia, Missouri (the Authority), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of December 31, 2021, and the change 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 (GAAS) 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 Auditors' Responsibilities For The Audit of the Financial Statements section of our report. We are required to be independent of the Authority 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 Authority'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.

Auditors' 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 Authority'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 Authority'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 the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The Financial Data Schedules, as required by the Department of Housing and Urban Development (HUD) 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. The 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 Financial Data Schedules, as required by HUD, 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 June 28, 2022 on our consideration of the Authority'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 solely 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 the effectiveness of the Authority's 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 Authority's internal control over financial reporting and compliance.

RubinBrown LLP

June 28, 2022

HOUSING AUTHORITY OF THE CITY OF COLUMBIA, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

As management of the Housing Authority of the City of Columbia, Missouri (the Housing Authority), we offer readers of the financial statements this narrative overview and analysis of the financial activities of the Housing Authority for the fiscal years ended December 31, 2021 and 2020. This discussion and analysis is meant to provide an objective and easily readable analysis of the Housing Authority's financial activities based on current facts and conditions. The information contained in this section should be considered in conjunction with the basic financial statements, which follow.

Financial Highlights

Due to CARES Act, \$287,060 in grant revenue was received in 2021 which was used for Housing Choice Voucher operating expenses.

The Housing Authority has converted 599 public housing units to low-income tax credit housing units. With these conversions five limited partnerships were formed. In 2020, tax credit investors contributed \$ 9,075,449 for renovations of these units.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Housing Authority's basic financial statements. The Housing Authority's basic financial statements have two components: financial statements and notes to the financial statements.

Under the accounting principles of the Governmental Accounting Standards Board, the Housing Authority is considered to be a special-purpose government entity engaged only in business-type activities. Accordingly, the financial statements are designed to provide readers with a broad overview of the Housing Authority's finances in a manner similar to a private sector business.

The statement of net position presents information on all of the Housing Authority's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as an indicator of whether the financial position of the Housing Authority is improving or deteriorating.

The statement of revenues, expenses and changes in net position presents information detailing how the Housing Authority's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., depreciation and earned but unused vacation leave).

The Housing Authority's primary function of providing affordable and safe housing to low-income and special needs populations is primarily funded with a public operating subsidy received from the U. S. Department of Housing and Urban Development (HUD) and governed through the Annual Contributions Contract (ACC).

Housing Assistance Payments are paid directly to landlords as rental assistance for the tenants from grant funding. As a result, a significant portion of the Housing Authority's expenses (\$7,635,164 or 45% in 2021) represents pass-through funds not directly related to operating revenues or expenses for the Housing Authority.

HOUSING AUTHORITY OF THE CITY OF COLUMBIA, MISSOURI

Management's Discussion And Analysis (*Continued*)

Overview of the Housing Authority

The Housing Authority is a municipal corporation established under Chapter 99 of Revised Statutes of Missouri and created by City Ordinance in April 1956, to provide affordable housing for low-income persons residing in Columbia, Missouri. A five-member Board of Commissioners, including one resident Commissioner, is appointed by the Mayor of the City of Columbia ("the City") as the governing body of the Housing Authority.

In addition to providing affordable housing, the Housing Authority is working to develop a continuum of services and support that will enable families to work toward self-sufficiency and homeownership.

Tenant Services is focused on three main goals: 1) helping youth succeed in school and life, 2) supporting families working toward self-sufficiency, and 3) enabling seniors and persons with disabilities to live independently.

The Housing Authority received continued HUD ROSS grant funding in 2020 and 2021 for Family Self-Sufficiency (FSS) Programming for the Public Housing and Housing Choice Voucher Programs. This funding supported two full-time FSS Coordinators and financial incentives for FSS participants increasing their income through work.

In 2020 and 2021, the Housing Authority continued to receive HUD ROSS grant funding to support a full-time Resident Services Coordinator to assist residents of public housing.

In 2003, The Housing Authority organized CHA Low-Income Services, Inc. (CHALIS), a 501(c)3 not-for-profit corporation, to expand services to residents and other low-income persons in Columbia and Boone County, Missouri. Activity for this legally separate entity is included as a blended "Component Unit" of the Housing Authority. The financial reporting entity is discussed further in Note 2 to the financial statements.

In 2021, grant funding made a variety of youth, family, and other special interest programs accessible through contact with the CHALIS.

- Independent Living Program - Helping adults with disabilities and the elderly remain in their homes by increasing access to services, training, and social connections. Supported with grant funding through the Heart of Missouri United Way, and the City of Columbia Social Services Fund.
- Healthy Home Connections Program - Strengthening families to help children succeed by increasing connections to services, parent education, and social connections. Funded through Boone County Children Services Fund.
- Moving Ahead Afterschool & Summer Program - Providing academic support, career exploration, meals and out-of-school care for students; as well as information and referral, parent/family education and family development. Made possible through grant awards from Boone County Children Services Fund, City of Columbia Social Services Fund, Missouri Department of Elementary and Secondary Education 21st Century Community Learning Center Program, Veterans United Foundation, USDA Child and Adult Care Food Program and USDA Summer Food Service Program, as well as annual donations from local supporters and civic groups.

HOUSING AUTHORITY OF THE CITY OF COLUMBIA, MISSOURI

Management's Discussion And Analysis (*Continued*)

CHALIS employees, with the support of the Housing Authority, continue to reach out to local for-profit and non-profit organizations for in-kind as well as cash awards to support the ongoing needs of the existing programs. Strong working relationships now exist with Boys & Girls Club, Big Brothers/Big Sisters, Girls on the Run, Veterans United, Columbia Downtown Rotary, Vessels International, Downtown Optimist Club, Quaker Oats, Missouri Cares, and many others.

Housing Authority Fiscal Year Activities and Highlights

An average of 1,864 families were served per month by the Housing Authority's rental assistance and affordable housing programs in 2021.

Financial Analysis

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 Housing Authority, like many other state and local government entities, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The following table reflects the condensed, combined funds statements of net position as of December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Assets:		
Current and Restricted Assets	\$ 8,448,335	\$ 8,670,179
Capital Assets	48,282,741	49,597,588
Other Assets	832,063	915,865
Total Assets	57,563,139	59,183,632
Liabilities:		
Current Liabilities	1,416,675	1,521,431
Non-Current Liabilities	12,470,430	12,708,324
Total Liabilities	13,887,105	14,229,755
Net Position:		
Net Investment in Capital Assets	35,942,928	37,025,185
Restricted Net Position	5,118,280	3,699,318
Unrestricted Net Position	2,614,826	4,229,374
Total Net Position	43,676,034	44,953,877

Due to depreciation of public housing and LIHTC affordable housing units, from 2020 to 2021, total assets decreased \$1,620,493.

The payment of loans for the renovations of LIHTC affordable housing units and the forgiveness of CHALIS's PPP loan decreased total liabilities \$342,650 from 2020 to 2021.

Net Investment in Capital Assets decreased \$1,082,257 from 2020 to 2021.

Restricted Net Position increased \$1,418,962 from 2020 to 2021.

Unrestricted Net Position decreased \$1,614,548 from 2020 to 2021.

Total Net Position decreased \$1,277,843 from 2020 to 2021.

HOUSING AUTHORITY OF THE CITY OF COLUMBIA, MISSOURI

Management's Discussion And Analysis (*Continued*)

The Authority's debt balances as of December 31, 2021 and 2020 consisted of the following:

	<u>2021</u>	<u>2020</u>
Current portion of non-capital debt:		
Paycheck Protection Program Loan	\$ —	\$ 79,737
Current portion of capital debt:		
EPC Loan	20,193	22,024
MMVHDG, LP Bonds	11,009	10,693
Stuart Parker HDG, LP Bonds	70,000	65,000
Bear Creek HDG, LP Bonds	38,393	37,094
Oak Towers HDG, LP Bonds	59,014	57,017
Bryant Walkway HDG, LP MHDC Fund Balance Loan	5,298	5,129
Total current portion of capital debt	203,907	196,957
Total current portion of long-term debt	203,907	276,694
Long-term portion of non-capital debt:		
Paycheck Protection Program Loan	\$ —	\$ 46,563
Long-term portion of capital debt:		
CHALIS MHDC Loan	669,000	669,000
EPC Loan	95,283	132,922
MMVHDG, LP Bonds	293,273	304,282
MMVHDG, LP FHLB AHP Loan	500,000	500,000
Stuart Parker HDG, LP HOME Loan	251,750	251,750
Stuart Parker HDG, LP FHLB AHP Loan	496,678	496,678
Stuart Parker HDG, LP Bonds	3,970,000	4,040,000
Bear Creek HDG, LP FHLB AHP Loan	500,000	500,000
Bear Creek HDG, LP Bonds	1,192,934	1,231,326
Oak Towers HDG, LP FHLB AHP Loan	500,000	500,000
Oak Towers HDG, LP Bonds	1,952,341	2,011,355
Oak Towers HDG, LP City of Columbia HOME Loan	80,000	80,000
Bryant Walkway HDG, LP MHDC HOME Loan	550,000	550,000
Bryant Walkway HDG, LP MHDC Fund Balance Loan	235,835	241,133
Bryant Walkway II HDG, LP City of Columbia HOME Loan	200,000	200,000
Bryant Walkway II HDG, LP MHDC HOME Loan	648,812	667,000
Total long-term portion of capital debt	12,135,906	12,375,446
Total long-term portion of long-term debt	12,135,906	12,422,009
Total Debt	\$ 12,339,813	\$ 12,698,703

In 2007, CHALIS entered into a \$669,000 construction loan agreement with Missouri Housing Development Commission for construction of the McBaine Townhomes project, a development of five single-family homes. Construction was completed in the fiscal year ended September 30, 2009. The loan is secured with the constructed property and no payments are due during the 20-year compliance period. The loan is fully dischargeable upon maturity if the terms in the loan agreement are met.

The Housing Authority holds an Energy Performance contract with Ameresco for various energy performance upgrades in its Public Housing properties. In 2011, a \$1,973,344 loan agreement was entered into to pay for Ameresco's recommended improvements. The loan is held by Central Bank of Boone County. The balance at December 31, 2021 of \$115,478 reflects the portion of the loan related to the remaining 120 Public Housing units.

HOUSING AUTHORITY OF THE CITY OF COLUMBIA, MISSOURI

Management's Discussion And Analysis (*Continued*)

To assist in financing the renovation of 597 public housing units and construction of the 25-unit Veterans housing complex, several funding sources were utilized. Capital debt obligations incurred include a mix of bond issues by the Housing Authority, loans through the Federal Home Loan Bank, Missouri Housing Development Commission, and the City of Columbia and seller-financing loans from the Housing Authority. Each bond issue or loan is secured by a deed of trust. Repayment terms have been established by the net cash flow distribution requirements set forth in the Limited Partnership agreement for each component unit. All intercompany debts are eliminated for the presentation of the agency-wide financial statements.

The Authority's investment in capital assets, at cost net of accumulated depreciation, for fiscal years ended as of December 31, 2021 and 2020 was as follows:

	<u>2021</u>	<u>2020</u>
Land	\$ 1,539,832	\$ 1,539,832
Building and building improvements	80,774,007	79,812,502
Furniture and fixtures	2,233,035	2,170,463
Construction in progress	—	91,558
Accumulated depreciation	(36,264,133)	(34,016,767)
Net Capital Assets	\$ 48,282,741	\$ 49,597,588

The following chart compares key revenue and expense categories for the 12-month fiscal years ended as of December 31:

	<u>2021</u>	<u>2020</u>
Revenue:		
Tenant rental and other revenue	\$ 2,035,963	\$ 2,001,519
Operating grants	12,468,445	11,402,459
Investment income	131,318	53,051
Capital contributions from limited partners	—	9,075,449
Other revenue	1,405,903	1,209,670
Total Revenue	16,041,629	23,742,148
Expenses:		
Administrative expenses	2,336,172	2,414,418
Tenant services	1,324,570	1,446,834
Utilities	629,260	599,508
Maintenance and operations	1,548,857	1,262,255
Protective services	194,599	195,573
General expense	918,060	878,978
Housing assistance payments	7,635,164	7,201,446
Interest expense	365,785	415,858
Gain on disposition of capital assets	(17,350)	(13,066)
Depreciation and amortization	2,384,355	2,362,009
Total Expenses	17,319,472	16,763,813
Excess Of Revenues Over (Under) Expenses	\$ (1,277,843)	\$ 6,978,335

HOUSING AUTHORITY OF THE CITY OF COLUMBIA, MISSOURI

Management's Discussion And Analysis (*Continued*)

Operating Revenues

Tenant rental and other revenue: Tenant rents are based on 30% of the tenant's eligible income. In 2020, due to the COVID-19 pandemic there was a decrease in tenants' income which in turn caused a decrease of \$70,540, or 3%, in tenant rents from 2019 to 2020. Tenant Rental and Other Revenue has increased \$34,444, or 2%, from 2020 to 2021.

Operating grants: Operating grants increased \$1,065,986 (9%) from 2020 to 2021.

Capital contributions: Due to the completion of construction of two of the LIHTC affordable housing projects in 2019, LIHTC Contributions from tax credit investors in the LIHTC affordable housing projects increased \$6,445,636 from 2019 to 2020 as the investors made their final contributions for the project. No capital contributions were made in 2021.

Other revenue: Other Revenue increased \$196,233 from 2020 to 2021. This includes forgiveness of the Paycheck Protection Program loan obtained in 2020.

Operating Expenses

Administrative: Administrative expenses decreased \$78,246 (3%) from 2020 to 2021.

Tenant Services: CARES Act grant expenditures are reported under Tenant Services. Tenant services decreased \$122,264 (8%) from 2020 to 2021.

Utilities: Utilities increased \$29,752 (5%) from 2020 to 2021.

Maintenance and operations: Maintenance and operating expenses increased \$286,602, or 23%, from 2020 to 2021. This includes contracted services related to our building renovations completed in 2021.

Protective Services: The cost of protective services decreased \$974 from 2020 to 2021.

General: Other general expenses increased \$39,082 (4%) from 2020 to 2021.

Housing Assistance Payments: The average number of families served per month increased by 35 from 2020 to 2021. Also due to the COVID-19 pandemic, many of the program participants have had a decrease in their income. Since their rental assistance is based on 30% of their eligible income, the rental assistance increased \$433,718 (6%) from 2020 to 2021.

Economic Factors and Next Year's Budgets and Rates

Due to the COVID-19 pandemic, it is expected that the loss of income experienced in 2020 will take time for program participants to recover. Evidence of the continued impact in 2021 is depicted through the increased rental assistance provided during the year.

Due to increases in gasoline prices and some types of materials, costs for maintenance materials and contracts increased 23% from 2020 to 2021. This is expected to continue in 2022.

HOUSING AUTHORITY OF THE CITY OF COLUMBIA, MISSOURI

Management's Discussion And Analysis (*Continued*)

Due to a cold winter, natural gas expenses increased by 15% from 2020 to 2021.

Future Events that will Financially Impact the Housing Authority

The Housing Authority amended its waitlist policies and procedures in 2021 to remove the working preference which will reduce barriers to homeless and housing insecure populations seeking assistance. CHA also no longer opens its waitlist every 18 to 24 months and keeps the waitlist open on a rolling basis. CHA HCV and CHA property management staff are now able to work through waitlists more efficiently with applications that are less dated, thereby increasing lease up and occupancy rates. CHA currently maintains over 1,200 households on all of its combined waitlists for Section 8 and CHA owned properties.

The Housing Authority completed the addition to the existing administration office in 2021 and consolidated several staff and offices to a central location. The consolidation of staff has resulted in freeing up housing units that were formerly occupied by staff offices, which are now to be utilized for housing.

The Housing Authority has 120 units of Public Housing remaining in its portfolio that still need replacement. These Public Housing units are 60 years old and were built under the 1960 building codes. The goal in replacing these units is to bring them up to current building code and modern building standards. This will require the approval of local funding and LIHTC funding to complete the necessary replacement of these units. The plan is to replace these units with new construction through the HUD Rental Assistance Demonstration program using local support and LIHTC funding. These properties will serve low-income and very low-income households by providing rental subsidies through Project-Based Vouchers.

Affordable Housing Initiative

The Housing Authority applied for \$2 million in local HOME ARP funds in December of 2021 from the City of Columbia. CHA was awarded the full \$2 million request in February of 2022 and utilized this funding award to leverage a \$1.3 million donation from the Veterans United Foundation. Both sources of funds will be utilized to complete construction of the Kinney Point Apartments located on the northeast corner of Garth and Sexton. CHA will be submitting a 4% rolling federal credit application to the Missouri Housing Development Commission in 2022 to fill the remaining \$3 million funding gap for Kinney Point and expects to begin construction in early 2023.

There were no pending lawsuits or fair housing complaints at the end of FY2021.

FINANCIAL CONTACT

The individual to be contacted regarding this report is Debbi Simmons at 573-554-7011. Specific requests may be submitted to the Housing Authority of Columbia, Missouri at 201 Switzler St, Columbia, MO 65203.

HOUSING AUTHORITY OF THE CITY OF COLUMBIA, MISSOURI

STATEMENT OF NET POSITION

December 31, 2021

Assets

Current Assets

Cash and cash equivalents	\$ 2,338,597
Accounts receivable - grants	373,023
Accounts receivable - other	83,018
Tenant accounts receivable	51,420
Allowance for doubtful accounts	(40,513)
Accrued interest receivable	89,175
Prepaid expenses	109,403
Inventory	32,937
Assets held for sale	2,700
Total Current Assets	3,039,760

Restricted Assets

Cash and cash equivalents	4,325,545
Investments	1,083,030
Total Restricted Cash And Investments	5,408,575

Capital Assets

Land	1,539,832
Buildings and building improvements	80,774,007
Furniture and fixtures	2,233,035
	84,546,874
Less: Accumulated depreciation	36,264,133
Net Capital Assets	48,282,741

Other Assets

Tax credit fees, net	832,063
Total Assets	\$ 57,563,139

Liabilities And Net Position

Current Liabilities

Accounts payable	\$ 337,909
Accrued wages and payroll taxes	120,296
Accrued compensated absences	89,317
Accrued interest payable	72,367
Tenant security deposits	309,053
Unearned revenue	246,956
Current portion of capital debt	203,907
PILOT liability	36,870
Total Current Liabilities	1,416,675

Noncurrent Liabilities

Long-term capital debt	12,135,906
FSS escrow liability	274,980
Accrued compensated absences	59,544
Total Noncurrent Liabilities	12,470,430
Total Liabilities	13,887,105

Net Position

Net investment in capital assets	35,942,928
Restricted for other purposes	5,118,280
Unrestricted	2,614,826
Total Net Position	43,676,034
Total Liabilities And Net Position	\$ 57,563,139

HOUSING AUTHORITY OF THE CITY OF COLUMBIA, MISSOURI

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION For The Year Ended December 31, 2021

Operating Revenues	
Rent and other tenant revenue	\$ 2,035,963
Operating grants	12,468,445
Other revenue	1,405,903
Total Operating Revenues	<u>15,910,311</u>
Operating Expenses	
Administrative	2,336,172
Tenant services	1,324,570
Utilities	629,260
Maintenance and operations	1,548,857
Protective services	194,599
General expense	918,060
Housing assistance payments	7,635,164
Depreciation and amortization	2,384,355
Total Operating Expenses	<u>16,971,037</u>
Operating Loss	<u>(1,060,726)</u>
Non-Operating Revenues (Expenses)	
Investment income	131,318
Gain on disposition of capital assets	17,350
Interest expense	(365,785)
Total Non-Operating Expenses	<u>(217,117)</u>
Change In Net Position	(1,277,843)
Net Position - Beginning Of Year	<u>44,953,877</u>
Net Position - End Of Year	<u>\$ 43,676,034</u>

HOUSING AUTHORITY OF THE CITY OF COLUMBIA, MISSOURI

STATEMENT OF CASH FLOWS For The Year Ended December 31, 2021

Cash Flows From Operating Activities	
Received from tenants	\$ 1,838,786
Received from grants	12,252,397
Received from other sources	1,181,144
Paid for salaries and benefits	(3,748,665)
Payments to tenants for housing assistance	(7,635,164)
Paid to vendors and landlords	(2,812,147)
Net Cash Provided By Operating Activities	<u>1,076,351</u>
Cash Flows From Capital And Related Financing Activities	
Purchase of capital assets	(985,706)
Proceeds from the sale of capital assets	17,350
Principal and interest paid on capital debt	(584,759)
Net Cash Used In Capital And Related Financing Activities	<u>(1,553,115)</u>
Cash Flows From Investing Activities	
Purchase of investments	(59,829)
Interest earned on cash and investments	131,318
Net Cash Provided By Investing Activities	<u>71,489</u>
Net Decrease In Cash And Cash Equivalents	(405,275)
Cash And Cash Equivalents - Beginning Of Period	<u>7,069,417</u>
Cash And Cash Equivalents - End Of Period	<u>\$ 6,664,142</u>
Reconciliation Of Operating Income To Net Cash From Operating Activities	
Operating loss	\$ (1,060,726)
Adjustments to reconcile operating loss to net cash from operating activities:	
Depreciation and amortization	2,384,355
Forgiveness of PPP loan	(126,300)
Changes in assets and liabilities:	
Tenant accounts receivable	53
Accounts receivable/payable - grants	(216,049)
Other accounts receivable	(52,273)
Accrued interest receivable	(89,175)
Prepaid costs, other assets, and inventory	233,842
Accounts payable	43,067
Accrued expenses	(40,443)
Net Cash Provided By Operating Activities	<u>\$ 1,076,351</u>

HOUSING AUTHORITY OF THE CITY OF COLUMBIA, MISSOURI

NOTES TO FINANCIAL STATEMENTS

December 31, 2021

1. Summary Of Significant Accounting Policies

Basis Of Presentation

The financial statements of the Housing Authority of the City of Columbia, Missouri (Authority) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Authority is a Special Purpose Government engaged only in business-type activities and therefore, presents only the financial statements required for the enterprise fund, in accordance with GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*.

The Authority has multiple programs, which are accounted for in one enterprise fund, which is presented as such in the basic financial statements.

Measurement Focus And Basis Of Accounting

The basic financial statements of the Authority have been prepared using the economic resource measurement focus and the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Revenues, expenses, gains, losses, assets, liabilities and deferred inflows and outflows from exchange and exchange-like transactions are recognized when the exchange transaction takes place, while those from government-mandated nonexchange transactions (principally federal grants) are recognized when all applicable eligibility requirements are met. Internal activity and balances are eliminated in preparation of the financial statements unless they relate to services provided and used internally. The Authority first applies restricted net position when an expense or outlay is incurred for purposes for which both restricted and unrestricted net position are available.

Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an Enterprise fund's principal ongoing operations.

These financial statements do not contain material inter-program balances, revenues or expenses for internal activity. The Authority's policy is to eliminate any material interprogram balances, revenues and expenses for these financial statements.

Cash And Cash Equivalentents

Cash and cash equivalentents include all highly liquid investments with an initial maturity of three months or less.

HOUSING AUTHORITY OF THE CITY OF COLUMBIA, MISSOURI

Notes To Financial Statements (*Continued*)

Investments

The Authority accounts for its investments at fair value and categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. At December 31, 2021, the Authority's investments were held in money market mutual funds, which are classified as Level 1 investments, and repurchase agreements, which are classified as Level 2 investments.

Accounts Receivable

Grants receivable consist of grant revenue proceeds due from HUD and other various grantor agencies. Tenant accounts receivable are rental revenues and other miscellaneous proceeds due from tenants. Other accounts receivable consist primarily of construction advances due from affiliates and other miscellaneous receivables. All receivables are carried and reported at the amounts considered by management to be collectible.

An allowance for doubtful accounts based on management's assessment of credit history with tenants having outstanding balances and current relationships with them has been established.

Prepaid Items And Inventory

Prepaid Items and Inventory consist of payments made to vendors for services and materials that will benefit future periods.

Paycheck Protection Program Loan

The Authority had a loan that was part of the Paycheck Protection Program (PPP) established under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and administered by the U.S. Small Business Administration (SBA). In accordance with the requirements of the CARES Act, the Authority used the proceeds from the loan exclusively for qualified expenses under the PPP, including payroll costs, mortgage interest, rent and utility costs, as further detailed in the CARES Act and applicable guidance issued by the SBA. The Authority considered the PPP loan to be debt as of December 31, 2020, subject to the provisions of GASB Statement No 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*.

During 2021, the Authority received forgiveness of all principal and interest on the loan. The Authority reduced the full liability and recorded the debt forgiveness as other revenue during 2021.

Unearned Revenue

The Authority recognizes revenues as earned. Funds received before the Authority is eligible to apply them are recorded as a liability under Unearned Revenue.

HOUSING AUTHORITY OF THE CITY OF COLUMBIA, MISSOURI

Notes To Financial Statements (*Continued*)

FSS Escrow Liability

The Family Self Sufficiency (FSS) program is a voluntary 5-year program whereby the program participant meets with an FSS coordinator who assists them working towards self-sufficiency. The participant's current earned income at enrollment is used to determine any increases in the participant's earned income. If the participant's earned income increases, the participant's portion of the rent increases, and the difference in the rent paid by the participant is deposited into an escrow account. Partial distributions can be made during this time to remove obstacles to success in completing goals. If the participant successfully completes the program, they receive a full distribution of their escrow account balance.

The escrowed funds are deposited in an interest-bearing bank account and interest income is allocated monthly to each escrow balance based on its percentage of the total. At December 31, 2021, the liability account for participants was \$274,980.

Capital Assets

Property and equipment are recorded at cost. Donated property and equipment are recorded at acquisition value. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. The costs of maintenance and repairs are expensed, while significant renewals and betterments are capitalized. Small dollar value minor equipment items are expensed. Depreciation on assets has been expensed in the statement of income and expenses. Estimated useful lives are as follows:

Buildings and improvements	15 - 40 years
Furniture and fixtures	3 - 10 years

Indirect Costs

Direct costs are charged to the Authority's applicable programs. The Authority charges indirect costs to its Central Office Cost Center, and charges the programs management fees based on fee rates provided by the Department of Housing and Urban Development.

Budgetary Control

The Authority maintains budgetary controls over its enterprise fund, as required by the Budget and Fiscal Control Act and the terms of the Authority's Annual Contributions Contract with HUD. An annual budget is adopted for its enterprise fund, except for the Authority's Capital Fund Grant Program. A multi-year budget is adopted for each Capital Grant within the Capital Fund Grant Program. The annual budget was prepared on the accrual basis of accounting.

Capital Contributions

Capital contributions to the Authority from HUD represent government grants and other aid used to fund capital projects. Capital contributions from HUD are recognized as revenue when the expenditure is made and the amount becomes subject to claim for reimbursement. Capital contributions from limited partners represent contributions from investors to fund capital projects of the blended component units (Note 2).

HOUSING AUTHORITY OF THE CITY OF COLUMBIA, MISSOURI

Notes To Financial Statements (*Continued*)

Significant Estimates

These financial statements are prepared in accordance with generally accepted accounting principles. The financial statements include some amounts that are based on management's best estimates and judgments. The most significant estimates relate to depreciation and useful lives, and inventory and accounts receivable valuations. These estimates may be adjusted as more current information becomes available, and any adjustment could be significant.

Subsequent Events

Management has evaluated subsequent events through the date the financial statements were available for issue, which is the date of the Independent Auditors' report.

2. Financial Reporting Entity

The Authority was established by the City Council of the City of Columbia pursuant to the laws of the State of Missouri to transact business and to have powers as defined therein. The Authority was created for the purpose of providing safe and sanitary housing for the low-income citizens of the City of Columbia. The Authority's Board of Commissioners are appointed by the City's Mayor. However, the Authority has complete legislative and administrative authority and it recruits and employs its own personnel. The Authority adopts a budget that is approved by the Board of Commissioners. Subsidies for operations are received primarily from HUD. The Authority has substantial legal authority to control its affairs without local government approval; therefore, all operations of the Authority are a separate reporting entity as reflected in this report. The Authority is responsible for its debts and is entitled to surpluses.

In determining how to define the reporting entity, management has considered all potential component units. The decision to include a component unit in the reporting entity was made by applying the criteria set forth in Statement No. 14 (amended), of the Governmental Accounting Standards Board: *The Financial Reporting Entity, Statement No. 39: Determining Whether Certain Organizations are Component Units, and Statement No. 61: The Financial Reporting Entity: Omnibus*. These criteria include manifestation of oversight responsibility including financial accountability, appointment of a voting majority, imposition of will, financial benefit to or burden on a primary organization, financial accountability as a result of fiscal dependency, potential for dual inclusion, and organizations included in the reporting entity although the primary organization is not financially accountable. Based upon the application of these criteria, the reporting entity includes the following blended component units:

HOUSING AUTHORITY OF THE CITY OF COLUMBIA, MISSOURI

Notes To Financial Statements (*Continued*)

CHA Low-Income Services, Incorporated (CHALIS) is a not-for-profit corporation, incorporated under the laws of the State of Missouri in April 2003. CHALIS was established to expand services to residents of the Authority and other low-income persons in Columbia and Boone County, Missouri. The Directors of CHALIS are the same individuals who serve on the Board of Commissioners for the Authority. Because it provides services that exclusively, or almost exclusively benefit the Authority, its financial balances and transactions are combined (blended) with those of the Authority for financial reporting purposes. This component unit's financial position and current year activity is reported in the accompanying schedules in the Child and Adult Care Food Program, Summer Food Service, Community Learning Center, and Blended Component Units (Non-Federal) columns. The organization's year end is December 31. CHALIS does not issue separate financial statements.

Columbia Community Housing Trust (CCHT) was incorporated under the laws of the State of Missouri in September 2013 as a not-for-profit corporation to manage property donated by the City of Columbia to be used as low-income rental property. The Directors of CCHT are the same individuals who serve as the Board of Commissioners for the Authority. Because it provides services that exclusively, or almost exclusively benefit the Authority, its financial balances and transactions are combined (blended) with those of the Authority for financial reporting purposes. This component unit's financial position and current year activity is reported in the accompanying schedules in the Blended Component Units (Non-Federal) column. The organization's year end is December 31. CCHT does not issue separate financial statements.

CHA Affordable Housing Development LLC (CHADEV) was incorporated under the laws of the State of Missouri as a not-for-profit corporation as an instrumentality of the Authority to develop low-income dwelling property in the City of Columbia. The Directors of CHADEV are the same individuals who serve as the Board of Commissioners for the Authority. Because it provides services that exclusively, or almost exclusively benefit the Authority, its financial balances and transactions are combined (blended) with those of the Authority for financial reporting purposes. This component unit's financial position and current year activity is reported in the accompanying schedules in the Blended Component Units (Non-Federal) column. The organization's year end is December 31. CHADEV does not issue separate financial statements.

Mid-Missouri Veterans Housing Development Group, LP (MMVHDG) is a mixed finance partnership formed for the purpose of rehabilitating, owning and administering a low-income apartment complex for veterans in the City of Columbia. MMVHDG has a December 31 year end and issues a separate financial statement. Governance is substantially the same because the Authority has a 100% interest in the general partner which is responsible for all operational, managerial and governance decisions. The Authority also has a financial burden according to clauses in the partnership agreement as well as fiscal responsibility for MMVHDG. MMVHDG also provides services that exclusively or almost exclusively benefit the Authority by providing housing to Authority participants through the Project-Based Voucher program. Therefore, its financial balances and transactions are combined (blended) with those of the Authority for financial reporting purposes and are included in the accompanying financial data schedules in the Blended Component Units (Non-Federal) column.

HOUSING AUTHORITY OF THE CITY OF COLUMBIA, MISSOURI

Notes To Financial Statements (*Continued*)

Bear Creek Housing Development Group, LP (BCHDG) is a mixed finance partnership formed for the purpose of rehabilitating, owning and administering a low-income apartment complex for citizens in the City of Columbia. The apartment complex was constructed through the U.S. Department of Housing and Urban (HUD) Rental Assistance Demonstration (RAD) program, which shifted units from the public housing program to the Section 8 program. BCHDG has a December 31 year end and issues a separate financial statement. Governance is substantially the same because the Authority has a 100% interest in the general partner which is responsible for all operational, managerial and governance decisions. The Authority also has a financial burden according to clauses in the partnership agreement as well as fiscal responsibility for BCHDG. BCHDG also provides services that exclusively or almost exclusively benefit the Authority by providing housing to Authority participants through the RAD program. Therefore, its financial balances and transactions are combined (blended) with those of the Authority for financial reporting purposes and are included in the accompanying financial data schedules in the Blended Component Units (Non-Federal) column.

Stuart Parker Housing Development Group, LP (SPHDG) is a mixed finance partnership formed for the purpose of rehabilitating, owning and administering a low-income apartment complex for citizens in the City of Columbia. The apartment complex was constructed through the U.S. Department of Housing and Urban (HUD) Rental Assistance Demonstration (RAD) program, which shifted units from the public housing program to the Section 8 program. SPHDG has a December 31 year end and issues a separate financial statement. Governance is substantially the same because the Authority has a 100% interest in the general partner which is responsible for all operational, managerial and governance decisions. The Authority also has a financial burden according to clauses in the partnership agreement as well as fiscal responsibility for SPHDG. SPHDG also provides services that exclusively or almost exclusively benefit the Authority by providing housing to Authority participants through the RAD program. Therefore, its financial balances and transactions are combined (blended) with those of the Authority for financial reporting purposes and are included in the accompanying financial data schedules in the Blended Component Units (Non-Federal) column.

Oak Towers Housing Development Group, LP (OTHDG) is a mixed finance partnership formed for the purpose of rehabilitating, owning and administering a low-income apartment complex for citizens in the City of Columbia. The apartment complex was constructed through the U.S. Department of Housing and Urban (HUD) Rental Assistance Demonstration (RAD) program, which shifted units from the public housing program to the Section 8 program. OTHDG has a December 31 year end and issues a separate financial statement. Governance is substantially the same because the Authority has a 100% interest in the general partner which is responsible for all operational, managerial and governance decisions. The Authority also has a financial burden according to clauses in the partnership agreement as well as fiscal responsibility for OTHDG. OTHDG also provides services that exclusively, or almost exclusively benefit the Authority by providing housing to Authority participants through the RAD program. Therefore, its financial balances and transactions are combined (blended) with those of the Authority for financial reporting purposes and are included in the accompanying financial data schedules in the Blended Component Units (Non-Federal) column.

HOUSING AUTHORITY OF THE CITY OF COLUMBIA, MISSOURI

Notes To Financial Statements (*Continued*)

Bryant Walkway Housing Development Group, LP (BWHDG) is a mixed finance partnership formed for the purpose of rehabilitating, owning and administering a low-income apartment complex for citizens in the City of Columbia. The apartment complex was constructed through the U.S. Department of Housing and Urban (HUD) Rental Assistance Demonstration (RAD) program, which shifted units from the public housing program to the Section 8 program. BWHDG has a December 31 year end and issues a separate financial statement. Governance is substantially the same because the Authority has a 100% interest in the general partner which is responsible for all operational, managerial and governance decisions. The Authority also has a financial burden according to clauses in the partnership agreement as well as fiscal responsibility for BWHDG. BWHDG also provides services that exclusively, or almost exclusively benefit the Authority by providing housing to Authority participants through the RAD program. Therefore, its financial balances and transactions are combined (blended) with those of the Authority for financial reporting purposes and are included in the accompanying financial data schedules in the Blended Component Units (Non-Federal) column.

Bryant Walkway II Housing Development Group, LP (BWHDG II) is a mixed finance partnership formed for the purpose of rehabilitating, owning and administering a low-income apartment complex for citizens in the City of Columbia. The apartment complex was constructed through the U.S. Department of Housing and Urban (HUD) Rental Assistance Demonstration (RAD) program, which shifted units from the public housing program to the Section 8 program. BWHDG II has a December 31 year end and issues a separate financial statement. Governance is substantially the same because the Authority has a 100% interest in the general partner which is responsible for all operational, managerial and governance decisions. The Authority also has a financial burden according to clauses in the partnership agreement as well as fiscal responsibility for BWHDG II. BWHDG II also provides services that exclusively, or almost exclusively benefit the Authority by providing housing to Authority participants through the RAD program. Therefore, its financial balances and transactions are combined (blended) with those of the Authority for financial reporting purposes and are included in the accompanying financial data schedules in the Blended Component Units (Non-Federal) column.

Other component units consist of various related organizations with net position amounting to \$1,771,200 and are also reported in the accompanying schedules in the Blended Component Units (Non-Federal) column.

3. Cash, Cash Equivalents And Investments

Cash And Cash Equivalents

The Authority's cash and cash equivalents consist of cash held in interest bearing checking and money market accounts with varying interest rates up to 5.8%. For deposits, custodial credit risk is the risk that in the event of bank failure, the Authority's deposits may not be returned to it. Protection of the Authority's deposits is provided by the Federal Deposit Insurance Corporation (FDIC) and by eligible securities pledged by financial institutions. As of December 31, 2021, the Authority's bank balances were entirely insured by the FDIC or collateralized with securities held by the bank in the name of the Authority.

HOUSING AUTHORITY OF THE CITY OF COLUMBIA, MISSOURI

Notes To Financial Statements (Continued)

Investments

The Authority does not have a formal investment policy and instead adheres to guidance provided by HUD for approved investment instruments and how to monitor and manage invested funds. HUD requires housing authorities to invest excess funds in obligations of the United States government, certificates of deposit or any other federally-insured investments.

A summary of investments, maturities and credit risk as of December 31, 2021 is as follows:

<u>Investment</u>	<u>Carrying Value</u>	<u>Fair Value</u>	<u>Less Than One Year</u>	<u>Credit Risk</u>
Money market mutual funds	\$ 378,301	\$ 378,301	\$ 378,301	AAA-mf/Aaa
Repurchase agreements	704,729	704,729	704,729	Not rated
	<u>\$ 1,083,030</u>	<u>\$ 1,083,030</u>	<u>\$ 1,083,030</u>	

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. HUD's Investment Policy does not specifically address this risk.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. HUD investment policy states that funds in excess of insured amounts should be invested in securities that mature in one year or less. Operating reserves may be invested in securities up to 3 years to reduce the impact of interest rate volatility. Investments in securities must be capable of being liquidated on one day's notice.

Concentration Of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the Authority's investment in a single issuer. HUD's Investment Policy does not specifically address this risk.

Custodial Credit Risk

For investments, custodial credit risk is the risk that in the event of the failure of the counterparty to a transaction, the Authority will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. HUD's Investment Policy states for invested securities with depository or reporting dealers selling securities, the Authority must receive written representation that the investing entity has not received any adverse financial report from a credit reporting agency or state and federal regulatory agency. The Authority is to also limit credit risk by adherence to the list of HUD permitted investments, which are backed by the full faith and credit of or a guarantee of principal and interest by the U.S. Government.

The Authority had no realized gains or losses on the sale of investments. The calculation of realized gains or losses is independent of a calculation of the net change in the fair value of investments.

4. Commitments And Contingencies

The Authority had no significant outstanding contractual commitments as of December 31, 2021.

Grant amounts received or receivable are subject to audit and adjustment by grantor agencies. If expenses are disallowed as a result of these audits, the claims for reimbursement to the grantor agency would become a liability of the Authority. In the opinion of management, any such adjustments would not be significant.

5. Risk Management

The Authority is exposed to various risks of losses related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority carries commercial insurance for all risks of loss, including workman's compensation and employee health and accident insurance. The Housing Authority has not had any significant reductions in insurance coverage or any claims not reimbursed.

6. Concentration Of Risk

The Authority receives most of its funding from HUD. These funds and grants are subject to modification by HUD depending on the availability of funding.

7. Retirement And Deferred Compensation Plans

CHA provides a defined contribution retirement plan (DC Plan) with the options of a salary deferral contribution and/or roth contribution for regular employees. The DC Plan is administered by OneAmerica. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Enrollment in the DC Plan is automatic at the next enrollment period upon completion of six months of employment for all full time employees age 21 and over, unless the employee selects the option to not enroll. Enrollment in the DC Plan is automatic for part-time employees age 21 and over at the next enrollment period after 1,000 hours of service within the first year of employment or at the next enrollment period after 1,000 hours of service within a calendar year starting with the first year after employment, unless the employee selects the option to not enroll.

HOUSING AUTHORITY OF THE CITY OF COLUMBIA, MISSOURI

Notes To Financial Statements *(Continued)*

An employee may contribute up to the maximum allowed under IRS regulations of his or her gross wages as a salary deferral contribution and/or roth contribution. The Authority contributes to the DC Plan, on behalf of each participant and for each payroll period, an amount equal to one hundred fifty percent (150%) of the amount contributed by such participant as a salary deferral contribution and/or roth contribution under the Columbia Housing Authority Deferred Compensation Plan (the Plan). In applying this matching contribution formula, however, any salary deferral and/or roth contributions in excess of four percent (4%) of a participant's compensation shall be disregarded. Any such "Matching Contribution" shall be allocated to the participant's Matching Contribution Account. Employees shall be 100% vested at the time of their enrollment in the Plan. Enrollment in the Plan occurs during the months of January and July of each calendar year. Participant loans are permitted in accordance with the IRS definition of a financial hardship and Plan policies and the approval of the Trustees.

In 2021, the Authority made the required contributions to the plans in the amount of \$115,198 and employees contributed \$106,887. There were no significant liabilities due to the plans outstanding at December 31, 2021.

8. Restricted Cash And Investments

The Authority's restricted cash consists of the following as of the end of the year:

Replacement and repair reserve	\$ 1,504,635
Other escrow holdings	<u>3,903,940</u>
	<u>\$ 5,408,575</u>

9. Inter-Program Balances

The Authority manages several programs. Many charges, i.e., payroll, benefits, insurance, etc. are paid by the Authority and subsequently reimbursed by various funds. Additionally, the Authority's Business Activities Program has advanced funds to the Limited Partnerships to partially finance construction and renovation activity under executed promissory notes. Balances due for such advances are reflected in the Schedule of Assets, Liabilities and Net Position by Program, but are eliminated in the Authority's Statement of Net Position.

HOUSING AUTHORITY OF THE CITY OF COLUMBIA, MISSOURI

Notes To Financial Statements (Continued)

Inter-program balances at December 31, 2021 consisted of the following:

Current Receivables (Payables)	
Central Office Cost Center	\$ 317,435
Continuum of Care Program	(91)
CHA Business Activities	31,120
CHA Development	(6,484)
Twenty-First Century Community Learning Centers	(29,314)
Resident Opportunity and Supportive Services	(95)
Section 8 Housing Choice Voucher Program	(7,104)
Emergency Housing Vouchers	(44)
CACFP	(6,950)
CHALIS Non-Federal	(158,625)
CCHT	(78)
General Partner	(89,774)
Mid-Missouri Veterans Housing Development Group, LP	(770)
Bear Creek Housing Development Group, LP	(27,803)
Stuart Parker Housing Development Group, LP	(10,418)
Oak Towers Housing Development Group LP	(5,888)
Bryant Walkway Housing Development Group LP	(2,628)
Bryant Walkway II Housing Development Group LP	(2,489)
	<hr/>
	\$ —
	<hr/>
Current Notes Receivable (Payable)	
Business Activities	\$ 183,713
Mid-Missouri Veterans Housing Development Group, LP	(11,009)
Bear Creek Housing Development Group, LP	(38,393)
Stuart Parker Housing Development Group, LP	(70,000)
Oak Towers Housing Development Group LP	(59,014)
Bryant Walkway Housing Development Group LP	(5,297)
	<hr/>
	\$ —
	<hr/>
Non-Current Notes Receivable (Payable)	
Business Activities	\$ 30,269,406
Mid-Missouri Veterans Housing Development Group, LP	(793,273)
Bear Creek Housing Development Group, LP	(5,066,253)
Stuart Parker Housing Development Group, LP	(13,916,159)
Oak Towers Housing Development Group LP	(7,124,139)
Bryant Walkway Housing Development Group LP	(1,285,835)
Bryant Walkway II Housing Development Group LP	(2,083,747)
	<hr/>
	\$ —
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HOUSING AUTHORITY OF THE CITY OF COLUMBIA, MISSOURI

Notes To Financial Statements (Continued)

10. Capital Assets

Summaries of capital asset balances and activity at December 31, 2021 are as follows:

	Central Office	Resident Opportunity	Public Housing	Business Activities
Land	\$ 253,694	\$ —	\$ 507,229	\$ —
Building and improvements	—	7,699	7,317,592	470,526
Furniture and equipment	119,162	6,218	489,470	67,475
Construction in process	—	—	—	—
Less: Accumulated depreciation	(119,162)	(13,660)	(6,627,310)	(34,898)
Total Capital Assets	\$ 253,694	\$ 257	\$ 1,686,981	\$ 503,103

	Housing Choice Vouchers	Blended Component Units	Elimination Of Gain On Transfer	Total
Land	\$ —	\$ 3,589,696	\$ (2,810,787)	\$ 1,539,832
Building and improvements	354,155	64,054,178	8,569,857	80,774,007
Furniture and equipment	81,848	1,093,602	375,260	2,233,035
Construction in process	—	—	—	—
Less: Accumulated depreciation	(35,589)	(9,390,859)	(20,042,655)	(36,264,133)
Total Capital Assets	\$ 400,414	\$ 59,346,617	\$ (13,908,325)	\$ 48,282,741

	December 31, 2020 Balance	Additions	Transfers And Deletions	December 31, 2021 Balance
Land	\$ 1,539,832	\$ —	\$ —	\$ 1,539,832
Construction in process	91,558	430,047	(521,605)	—
Total Assets Not Being Depreciated	1,631,390	430,047	(521,605)	1,539,832
Buildings and improvements	79,812,502	961,505	—	80,774,007
Furniture and equipment	2,170,463	115,757	(53,185)	2,233,035
Total Capital Assets	83,614,355	1,507,309	(574,790)	84,546,874
Less: Accumulated Depreciation	(34,016,767)	(2,300,553)	53,187	(36,264,133)
Net Book Value	\$ 49,597,588	\$ (793,244)	\$ (521,603)	\$ 48,282,741

HOUSING AUTHORITY OF THE CITY OF COLUMBIA, MISSOURI

Notes To Financial Statements (Continued)

11. Long-Term Liabilities

On November 19, 2007, CHALIS received a construction loan from the Missouri Housing Development Commission for construction of the McBaine Townhomes project. The loan allowed maximum borrowings of \$669,000. Construction was completed during the year ended September 30, 2009, and \$696,504 has been capitalized for the project. The loan is secured with the constructed property. Upon construction completion, the loan converted to a long term loan that has a 0% interest rate and no payments required during its 20 year term. The loan is fully dischargeable upon maturity if the terms and covenants set forth in the loan agreement are met. As of December 31, 2021, the outstanding balance of the loan agreement was \$669,000.

In May of 2011, the Authority entered into a \$1,973,344 equipment lease purchase loan agreement with Central Bank of Boone County to finance energy performance improvements in various Public Housing properties. Varying principal and interest payments are due monthly and commenced in July of 2012. The loan bears interest at 3.96% and monthly payments during 2021 were \$2,322. The loan is secured with a leasehold interest in the improvements and will mature in December of 2026. Interest incurred and expensed during 2021 was \$5,113. As of December 31, 2021, the outstanding balance of the loan agreement was \$115,478. Future debt service requirements are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 20,194	\$ 4,210
2023	21,505	3,386
2024	22,880	2,510
2025	24,319	1,578
2026	26,580	588
<u>Total</u>	<u>\$ 115,478</u>	<u>\$ 12,272</u>

In May of 2015, the Authority issued bonds through UMB Bank (the Trustee), in the amounts of \$350,000 (Series A) and \$2,050,000 (Series B) for the purpose of loaning the funds to Mid-Missouri Veterans Housing Development Group, LP (MMVHDG - a blended component unit of the Authority) to partially finance the renovation of an apartment complex for veterans in Columbia. The bonds bear interest at 2.30%. Interest payments are payable monthly and the bonds mature in May of 2033 (Series A) and May of 2017 (Series B). MMVHDG paid off the Series B bonds during 2017. The bonds are ultimately secured with a Deed of Trust on the applicable property issued by MMVHDG for the benefit of the Trustee. Interest incurred and expensed during 2021 was \$9,014. The Series A bonds were converted to long-term debt during the period beginning October 1, 2016 and ended December 31, 2017 prior to their maturity. The balance outstanding on the Series A bonds was \$304,282 at December 31, 2021.

HOUSING AUTHORITY OF THE CITY OF COLUMBIA, MISSOURI

Notes To Financial Statements *(Continued)*

Future debt service requirements are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 11,009	\$ 8,723
2023	11,334	8,398
2024	11,646	8,086
2025	12,013	7,719
2026	12,368	7,364
Thereafter	245,912	38,203
<u>Total</u>	<u>\$ 304,282</u>	<u>\$ 78,493</u>

In May of 2015, the Authority entered into an Affordable Housing Program loan agreement with Federal Home Loan Bank in the amount of \$500,000 to fund a loan the Authority made to Mid-Missouri Veterans Housing Development Group, LP, to partially finance the rehabilitation of an apartment complex for veterans. The agreement is mortgaged with an assigned security interest in the applicable property, matures in May of 2047 and will not bear interest as long as the Affordable Housing Program loan criteria are satisfied. The Authority's principal obligations under the agreement are limited to principal payments received by the Authority under the applicable loan made to MMVHDG. The outstanding principal balance on the loan as of December 31, 2021 was \$500,000.

In December of 2015, Stuart Parker Housing Development Group, LP issued a non-interest bearing HOME Financing Program promissory note to the City of Columbia in the amount of \$251,750 to partially finance the rehabilitation of an apartment complex for low-income citizens of Columbia. The note is mortgaged with an assigned security interest in the applicable property and matures in December of 2060. The outstanding principal balance on the loan as of December 31, 2021 was \$251,750.

In December of 2015, the Authority entered into an Affordable Housing Program loan agreement with Federal Home Loan Bank in the amount of \$500,000 to fund a loan the Authority made to Stuart Parker Housing Development Group, LP, to partially finance the rehabilitation of an apartment complex for low-income citizens of Columbia. The agreement is mortgaged with an assigned security interest in the applicable property, matures in December of 2050 and accrues interest at 1% compounded annually. The Authority's principal obligations under the agreement are limited to principal payments received by the Authority under the applicable loan made to SPHDG. The outstanding principal balance on the loan as of December 31, 2021 was \$496,678. Accrued interest at December 31, 2021 was \$19,868.

HOUSING AUTHORITY OF THE CITY OF COLUMBIA, MISSOURI

Notes To Financial Statements (Continued)

In December of 2015, the Authority issued bonds through UMB Bank (the Trustee), in the amounts of \$4,300,000 (Series A) and \$9,200,000 (Series B) for the purpose of loaning the funds to Stuart Parker Housing Development Group, LP (SPHDG - a blended component unit of the Authority) to partially finance the renovation of an apartment complex for low-income citizens in Columbia. The bonds bear interest at 2.25% (Series A) and 1.49% (Series B). Interest payments are payable semi-annually starting in June 2018 and the bonds mature in December of 2050 (Series A). Authority management intends to refinance the Series B bonds with long-term debt prior to maturity. The bonds are ultimately secured with a Deed of Trust on the applicable property issued by SPHDG for the benefit of the Trustee. The Series B bonds were paid off in March 2018. Interest incurred during the fiscal year was \$200,281. The outstanding principal balance of the bonds was \$4,040,000 as of December 31, 2021. Future debt service requirements are as follows:

Year	Principal	Interest
2022	\$ 70,000	\$ 198,413
2023	70,000	196,138
2024	75,000	193,688
2025	75,000	190,875
2026	80,000	187,875
Thereafter	3,670,000	2,760,668
Total	\$ 4,040,000	\$ 3,727,657

In May of 2016, the Authority entered into an Affordable Housing Program loan agreement with Federal Home Loan Bank in the amount of \$500,000 to fund a loan the Authority made to Bear Creek Housing Development Group, LP (BCHDG - a blended component unit of the Authority), to partially finance the rehabilitation of an apartment complex for low-income citizens of Columbia. The agreement is mortgaged with an assigned security interest in the applicable property, matures in December of 2051 and accrues interest at 1% compounded annually. The Authority's principal obligations under the agreement are limited to principal payments received by the Authority under the applicable loan made to BCHDG. Accrued interest at December 31, 2021 was \$18,321. The outstanding principal balance on the loan as of December 31, 2021 was \$500,000.

In May of 2016, the Authority issued bonds through UMB Bank (the Trustee), in the amounts of \$1,350,000 (Series A) and \$3,400,000 (Series B) for the purpose of loaning the funds to Bear Creek Housing Development Group, LP (BCHDG - a blended component unit of the Authority) to partially finance the renovation of an apartment complex for low-income citizens in Columbia. The bonds bear interest at 2.09%. Interest payments are payable monthly starting in September 2018 and the bonds mature in May of 2036 (Series A). Authority management intends to refinance the Series B bonds with long-term debt prior to maturity. The bonds are ultimately secured with a Deed of Trust on the applicable property issued by BCHDG for the benefit of the Trustee. Interest incurred during 2021 was \$43,038. The Series B bonds were paid off in August 2018. The outstanding principal balance of the Series A bonds was \$1,231,327 as of December 31, 2021.

HOUSING AUTHORITY OF THE CITY OF COLUMBIA, MISSOURI

Notes To Financial Statements (Continued)

Future debt service requirements are as follows:

Year	Principal	Interest
2022	\$ 38,390	\$ 41,845
2023	39,735	40,500
2024	40,747	39,488
2025	42,563	37,672
2026	44,053	36,181
Thereafter	1,025,839	261,511
Total	\$ 1,231,327	\$ 457,197

In December of 2016, the Authority entered into an Affordable Housing Program loan agreement with Federal Home Loan Bank in the amount of \$500,000 to fund a loan the Authority made to Oak Towers Housing Development Group, LP (OTHDG - a blended component unit of the Authority), to partially finance the rehabilitation of an apartment complex for low-income citizens of Columbia. The agreement is mortgaged with an assigned security interest in the applicable property, matures in December of 2052 and accrues interest at 1% compounded annually and is due upon maturity. Interest incurred for 2021 was \$5,000. The Authority's principal obligations under the agreement are limited to principal payments received by the Authority under the applicable loan made to OTHDG and is also due upon maturity. The outstanding principal balance on the loan as of December 31, 2021 was \$500,000.

In December of 2016, the Authority issued bonds through UMB Bank, N.A (the Trustee), in the amount of \$2,150,000 (Series A) and \$5,850,000 (Series B) for the purpose of loaning the funds to Oak Towers Housing Development Group, LP (OTHDG - a blended component unit of the Authority) to partially finance the renovation of an apartment complex for low-income citizens in Columbia. The Series A bonds bear interest at 1.99% until the Rate Adjustment Date (maturity date of the Series B bonds, including extensions) and 3.40% on or after the Rate Adjustment Date. The Series B bonds bear interest at 1.99%. Interest payments are payable quarterly. The Series A bonds mature in December of 2036 and the Series B bonds were paid in full during 2019. The bonds are secured with a Deed of Trust on the applicable property issued by OTHDG for the benefit of the Trustee. Interest expense during 2021 was \$70,245, with monthly payments of principal and interest. The outstanding principal balance of the Series A bonds was \$2,011,355 as of December 31, 2021. Future debt service requirements are as follows:

Year	Principal	Interest
2022	\$ 59,014	\$ 68,406
2023	61,081	66,339
2024	63,037	64,383
2025	65,427	61,993
2026	67,719	59,701
Thereafter	1,695,077	452,432
Total	\$ 2,011,355	\$ 773,254

HOUSING AUTHORITY OF THE CITY OF COLUMBIA, MISSOURI

Notes To Financial Statements *(Continued)*

Bryant Walkway II Housing Development Group LP, obtained financing on November 30, 2017 in the amount of \$100,000 from the City of Columbia. On October 24, 2018, the loan agreement was amended to increase the amount of the loan to \$200,000. The loan is non-interest bearing. No payments are due until January 1, 2038. Commencing from January 1, 2038 through December 1, 2049, annual payments equal to 45% of Net Available Cash Flow are payable. As of December 31, 2021, the balance of the Note was \$200,000.

In November of 2017, Bryant Walkway Housing Development Group, LP issued a HOME Financing Program promissory note to the Missouri Housing Development Corporation in the amount of \$500,000 to partially finance the rehabilitation of an apartment complex for low-income citizens of Columbia. Interest is 1% per annum during the term of construction, and 0% per annum beginning on the conversion date of December 1, 2019. During 2019, the HOME Loan was amended to increase the available amount to \$550,000 and to extend the construction phase through March 1, 2020. On April 1, 2020, annual installments of principal in the amount of \$16,667 are due on the HOME Loan through March 1, 2040, the maturity date of the HOME Loan. Payments are deferred until the earlier of the Deferred Development Fee being paid in full or December 1, 2034. The payments are made from 50% of Surplus Cash as defined in the Regulatory Agreement. The HOME Loan is secured by a deed of trust on the Project. The outstanding principal balance on the loan as of December 31, 2021 was \$550,000. No accrued interest payable balance remained on the HOME Loan as of December 31, 2021.

In November of 2017, Bryant Walkway II Housing Development Group, LP issued a HOME Financing Program promissory note to the Missouri Housing Development Corporation in the amount of \$690,000 to partially finance the rehabilitation of an apartment complex for low-income citizens of Columbia. Interest is 1% per annum during the term of construction, and 0% per annum beginning on the conversion date of December 1, 2019. Monthly interest only payments are due through December 1, 2019. Beginning January 1, 2020, annual installments of \$23,000 are payable. Payments are deferred until the deferred developer fee is paid in full or December 1, 2034, whichever is earliest. All principal payments are payable solely from 50% of surplus cash. The note is mortgaged with an assigned security interest in the applicable property and matures in December 2039. The outstanding principal balance on the loan as of December 31, 2021 was \$648,812. There was no accrued interest at December 31, 2021.

Bryant Walkway Housing Development Group, LP entered into a loan agreement (the Note) with Missouri Housing Development Corporation ("MHDC") on November 29, 2017, which allows for total advances up to \$5,989,000 to fund the acquisition and rehabilitation of the project. The Construction phase interest is currently at 3.25%. During 2019, the Note was amended to extend the construction phase and delay repayment to begin on March 1, 2020 with the principal payment of \$5,739,000 or such amount necessary to reduce the outstanding balance of the Note to \$250,000. On April 1, 2020, monthly installments of principal and interest in the amount of \$1,088 are due on the Note through February 1, 2040, the maturity date of the Note. The amendment also delayed the failure-to-pay fee of \$57,490 and the additional interest of 3% charged on the outstanding balance. The Note is secured by a first mortgage on the property. As of December 31, 2021, the balance of the Note was \$241,133. Accrued interest payable on the Note as of December 31, 2021, was \$653.

HOUSING AUTHORITY OF THE CITY OF COLUMBIA, MISSOURI

Notes To Financial Statements *(Continued)*

Year	Principal	Interest
2022	\$ 5,298	\$ 7,758
2023	5,473	7,584
2024	5,653	7,403
2025	5,840	7,217
2026	6,032	7,024
Thereafter	212,837	71,497
Total	\$ 241,133	\$ 108,483

During fiscal year 2018, Oak Towers Housing Development Group received financing from the City of Columbia HOME Funds under a loan commitment of \$80,000 maturing in December 31, 2059, secured by subordinate deed of trust, to provide improvement to the Project. The loan is non-interest bearing through maturity. As of December 31, 2021, the outstanding balance was \$80,000.

A summary of long-term liability activity for the period ended December 31, 2021, is as follows:

	Balance 12/31/20	Increase	Decrease	Balance 12/31/21	Due Within One Year
Capital Debt					
MHDC Loan	\$ 669,000	\$ —	\$ —	\$ 669,000	\$ —
EPC Loan	154,946	—	39,470	115,476	20,193
MMVHDG, LP Bonds	314,975	—	10,693	304,282	11,009
MMVHDG, LP FHLB AHP Loan	500,000	—	—	500,000	—
Stuart Parker HDG, LP HOME Loan	251,750	—	—	251,750	—
Stuart Parker HDG, LP FHLB AHP Loan	496,678	—	—	496,678	—
Stuart Parker HDG, LP Bonds	4,105,000	—	65,000	4,040,000	70,000
Bear Creek HDG, LP FHLB AHP Loan	500,000	—	—	500,000	—
Bear Creek HDG, LP Bonds	1,268,420	—	37,093	1,231,327	38,393
Oak Towers HDG, LP FHLB AHP Loan	500,000	—	—	500,000	—
Oak Towers HDG, LP Bonds Series A	2,068,372	—	57,017	2,011,355	59,014
Bryant Walkway II, City of Columbia Loan	200,000	—	—	200,000	—
Bryant Walkway HDG, LP HOME Loan	550,000	—	—	550,000	—
Bryant Walkway II HDG, LP HOME Loan	667,000	—	18,188	648,812	—
Bryant WW MHDC Note Payable Fund Balance	246,262	—	5,129	241,133	5,298
Oak Towers HDG, LP City of Columbia HOME Funds	80,000	—	—	80,000	—
Non-Capital Debt					
Accrued Compensated Absences	170,618	—	21,757	148,861	89,317
Paycheck Protection Program Loan	126,300	—	126,300	—	—
FSS Escrow Liabilities	225,066	49,914	—	274,980	—
PILOT Liability	17,158	19,712	—	36,870	36,870
Total Liabilities	13,111,545	69,626	380,647	12,800,524	330,094
Less: Current Portion	(403,221)	—	—	(330,094)	—
Total Long-Term Liabilities	\$ 12,708,324			\$ 12,470,430	

It is the Authority's policy to grant full time permanent employees vacation benefits in varying amounts to specified maximums depending on tenure with the Authority. Sick leave is also earned and accumulates to specified maximums. The employees are entitled to vacation leave balances at termination. Vacation leave accrued but not yet paid as of December 31, 2021, is shown as a liability allocated between current and non-current and totaled \$148,861.

HOUSING AUTHORITY OF THE CITY OF COLUMBIA, MISSOURI

Notes To Financial Statements *(Continued)*

12. Blended Component Unit Financial Statements

Condensed Blended Component Units (Non-Federal) - Statement of Net Position - December 31, 2021:

	CHALIS	CCHT	CHA Development Corporation	MMVHDG, LP	Bear Creek HDG, LP	Stuart Parker HDG, LP	Oak Towers HDG, LP	Bryant Walkway HDG, LP	Bryant Walkway II HDG, LP	Other Component Units	Inter- Component Unit Eliminations	Total Blended Component Units
Assets												
Current and restricted assets	\$ 230,291	\$ 199,304	\$ 606,393	\$ 245,177	\$ 741,306	\$ 2,176,120	\$ 1,027,192	\$ 347,095	\$ 255,141	\$ —	\$ (183,486)	\$ 5,644,533
Capital assets	620,566	211,567	—	3,570,384	8,154,493	22,522,012	13,786,757	8,692,414	4,988,744	—	(3,200,318)	59,346,619
Other non-current assets	—	—	—	80,088	90,716	410,314	179,011	45,963	25,971	2,031,748	(2,031,748)	832,063
Other non-current due from the Authority	—	—	300,000	—	—	—	—	—	—	—	—	300,000
Other non-current due from LPs	—	2,568,558	510,561	—	—	—	—	—	—	—	(3,079,119)	—
Total Assets	\$ 850,857	\$ 2,979,429	\$ 1,416,954	\$ 3,895,649	\$ 8,986,515	\$ 25,108,446	\$ 14,992,960	\$ 9,085,472	\$ 5,269,856	\$ 2,031,748	\$ (8,494,671)	\$ 66,123,215
Liabilities												
Current liabilities	\$ 117,523	\$ 2,948	\$ 17,969	\$ 31,664	\$ 378,290	\$ 728,385	\$ 236,209	\$ 76,273	\$ 78,692	\$ 169,121	\$ (183,486)	\$ 1,653,588
Current liabilities due to the Authority	158,626	77	6,484	11,779	66,196	80,418	64,902	7,926	2,489	89,774	—	488,671
Non-current liabilities	673,845	—	5,463	774	1,985	259,197	81,883	350	193	1,653	—	1,025,343
Non-current liabilities due to the Authority	—	—	—	793,273	5,066,253	13,916,160	7,124,139	785,835	2,083,747	—	—	29,769,407
Non-current liabilities due to CCHT	—	—	—	1,768,558	—	—	—	500,000	300,000	—	(2,568,558)	—
Non-current liabilities due to CHA Dev. Corp	—	—	—	—	206,260	—	—	304,302	—	—	(510,562)	—
Total Liabilities	\$ 949,994	\$ 3,025	\$ 29,916	\$ 2,606,048	\$ 5,718,984	\$ 14,984,160	\$ 7,507,133	\$ 1,674,686	\$ 2,465,121	\$ 260,548	\$ (3,262,606)	\$ 32,937,009
Net Position												
Net investment in capital assets	\$ (48,435)	\$ 211,567	\$ —	\$ 997,544	\$ 3,049,848	\$ 8,284,103	\$ 6,523,604	\$ 7,401,282	\$ 2,604,997	\$ —	\$ (631,760)	\$ 28,392,750
Restricted net position	22,328	115,565	—	164,721	511,272	1,573,778	776,911	282,439	176,684	—	—	3,623,698
Unrestricted net position	(73,030)	2,649,272	1,387,038	127,336	(293,589)	266,405	185,312	(272,935)	23,054	1,771,200	(4,600,306)	1,169,757
Total Net Position	\$ (99,137)	\$ 2,976,404	\$ 1,387,038	\$ 1,289,601	\$ 3,267,531	\$ 10,124,286	\$ 7,485,827	\$ 7,410,786	\$ 2,804,735	\$ 1,771,200	\$ (5,232,066)	\$ 33,186,205

HOUSING AUTHORITY OF THE CITY OF COLUMBIA, MISSOURI

Notes To Financial Statements (Continued)

Condensed Blended Component Units (Non-Federal) - Statement of Revenues, Expenses and Changes in Net Position - For The Year Ended December 31, 2021:

	CHALIS	CCHT	CHA Development Corporation	MMVHDG, LP	Bear Creek HDG, LP	Stuart Parker HDG, LP	Oak Towers HDG, LP	Bryant Walkway HDG, LP	Bryant Walkway II HDG, LP	Other Component Units	Inter- Component Unit Eliminations	Total Blended Component Units
Operating Revenues												
Operating revenues	\$ 630,694	\$ 12,736	\$ 155	\$ 192,832	\$ 573,690	\$ 2,007,631	\$ 1,057,938	\$ 344,310	\$ 216,590	\$ 195,707	\$ (245,630)	\$ 4,986,653
Total Operating Revenues	630,694	12,736	155	192,832	573,690	2,007,631	1,057,938	344,310	216,590	195,707	(245,630)	4,986,653
Operating Expenses												
Operating expenses	608,623	7,990	265,613	149,816	528,491	1,680,808	896,981	284,961	187,671	201,781	(53,884)	4,758,851
Operating expenses (to the Authority)	1,500	944	—	9,634	28,577	114,607	62,984	20,659	12,881	—	—	251,786
Depreciation expense	17,413	3,400	—	123,324	225,294	788,102	490,042	297,743	161,504	—	—	2,106,822
Total Operating Expenses	627,536	12,334	265,613	282,774	782,362	2,583,517	1,450,007	603,363	362,056	201,781	(53,884)	7,117,459
Operating Income/(Loss)	3,158	402	(265,458)	(89,942)	(208,672)	(575,886)	(392,069)	(259,053)	(145,466)	(6,074)	(191,746)	(2,130,806)
Non-Operating Revenues/(Expenses)												
Non-operating revenues	1,101	3,130	32,027	2,334	8,375	28,434	11,195	2,183	2,983	—	(3,823)	87,939
Non-operating expenses	—	—	—	—	(7,299)	(85,669)	(27,417)	—	—	—	—	(120,385)
Total Non-Operating Revenues Over Expenses	1,101	3,130	32,027	2,334	1,076	(57,235)	(16,222)	2,183	2,983	—	(3,823)	(32,446)
Increase/(Decrease) In Net Position	4,259	3,532	(233,431)	(87,608)	(207,596)	(633,121)	(408,291)	(256,870)	(142,483)	(6,074)	(195,569)	(2,163,252)
Beginning Net Position	(103,396)	2,972,872	1,620,469	1,377,209	3,475,127	10,839,582	7,936,711	7,667,656	2,957,474	2,222,679	(5,616,926)	35,349,457
Withdrawals	—	—	—	—	—	(82,175)	(42,593)	—	(10,256)	—	—	135,024
Other Adjustments to Equity	—	—	—	—	—	—	—	—	—	(445,405)	445,405	—
Ending Net Position	\$ (99,137)	\$ 2,976,404	\$ 1,387,038	\$ 1,289,601	\$ 3,267,531	\$ 10,124,286	\$ 7,485,827	\$ 7,410,786	\$ 2,804,735	\$ 1,771,200	\$ (5,232,066)	\$ 33,186,205

HOUSING AUTHORITY OF THE CITY OF COLUMBIA, MISSOURI

FINANCIAL DATA SCHEDULES

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December 31, 2021

Housing Authority of the City of Columbia, MO (MO007)

COLUMBIA, MO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2021	Project Total	10.558 Child and Adult Care Food Program	10.559 Summer Food Service Program for Children	6.2 Component Unit - Blended	14.896 PH Family Self-Sufficiency Program	1 Business Activities	64.287 Twenty-First Century Community Learning Centers	14.267 Continuum of Care Program	8 Other Federal Program 1	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.HCC HCY CARES Act Funding	14.EHV Emergency Housing Voucher	14.MSC Mainstream CARES Act Funding	14.PHC Public Housing CARES Act Funding	COCC	Subtotal	ELIM	Total	
111 Cash - Unrestricted	327,148	7,572		1,387,799		30,159						38,042			238,824				2,029,544		2,029,544	
112 Cash - Restricted - Modernization and Development																			-		-	
113 Cash - Other Restricted	861,208			3,623,698		550,594						373,075							5,408,575		5,408,575	
114 Cash - Tenant Security Deposits	44,230			264,823															309,053		309,053	
115 Cash - Restricted for Payment of Current Liabilities																			-		-	
100 Total Cash	1,232,586	7,572		5,276,320		580,753						411,117			238,824				7,747,172		7,747,172	
121 Accounts Receivable - PHA Projects																						
122 Accounts Receivable - HUD Other Projects					3,702			346		49,375		55,113	2,597						111,133		111,133	
124 Accounts Receivable - Other Government	7,270			171,800			34,283				49,446								261,889		261,889	
125 Accounts Receivable - Miscellaneous												78,458							78,458		78,458	
126 Accounts Receivable - Tenants	11,115			40,305															51,420		51,420	
126.1 Allowance for Doubtful Accounts - Tenants	(9,361)			(28,872)															(38,233)		(38,233)	
126.2 Allowance for Doubtful Accounts - Other																			-		-	
127 Notes, Loans, & Mortgages Receivable - Current				100,000		183,713													283,713	(283,713)	-	
128 Fraud Recovery												4,560							4,560		4,560	
128.1 Allowance for Doubtful Accounts - Fraud												(2,280)							(2,280)		(2,280)	
129 Accrued Interest Receivable	13,496			53,066		1,013,774						11,970						3,269	1,095,575	(1,006,401)	89,174	
120 Total Receivables, Net of Allowances for Doubtful Accounts	15,250	7,270		336,389	3,702	1,197,487	34,283	346		49,375	48,446	147,821	2,597					3,269	1,846,235	(1,290,114)	556,121	
131 Investments - Unrestricted																						
132 Investments - Restricted																						
135 Investments - Restricted for Payment of Current Liability																						
142 Prepaid Expenses and Other Assets	7,800			31,827		11,700						27,073							30,900	109,403	109,403	
143 Inventories	25,138																		10,499	35,607	35,607	
143.1 Allowance for Obsolete Inventories	(2,189)																		(479)	(2,668)	(2,668)	
144 Inter Program Due From						37,997													317,435	355,432	(355,432)	
145 Assets Held for Sale						2,700													2,700	2,700	2,700	
150 Total Current Assets	1,278,675	14,842		5,644,536	3,702	1,830,641	34,283	346		49,375	48,446	586,011	2,597		238,824			361,603	10,093,881	(1,645,546)	8,448,335	
161 Land	507,229			3,589,696															253,694	4,350,619	(2,810,788)	1,539,831
162 Buildings	7,317,592			61,789,614		414,096						354,155	7,690						69,883,158	8,569,857	78,453,015	
163 Furniture, Equipment & Machinery - Dwellings	29,284			112,687															141,971	141,971	141,971	
164 Furniture, Equipment & Machinery - Administration	460,186			980,916		67,475						81,847	6,216						119,162	1,715,804	375,260	2,091,066
165 Leasehold Improvements																						
166 Accumulated Depreciation	(6,627,310)			(9,390,890)		(34,896)						(35,588)	(13,660)						(119,162)	(16,221,477)	(20,042,655)	(36,264,132)
167 Construction in Progress																						
168 Infrastructure				2,264,564		56,428														2,320,992		2,320,992
160 Total Capital Assets, Net of Accumulated Depreciation	1,686,981			59,346,618		903,103						400,414	297						253,694	62,191,067	(13,908,326)	48,282,741

HOUSING AUTHORITY OF THE CITY OF COLUMBIA, MISSOURI

FINANCIAL DATA SCHEDULES

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December 31, 2021

Housing Authority of the City of Columbia, MO (MO007)
COLUMBIA, MO
Entity Wide Balance Sheet Summary
Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2021	Project Total	10.558 Child and Adult Care Food Program	10.559 Summer Food Service Program for Children	6.2 Component Unit - Blended	14.896 PH Family Self-Sufficiency Program	1 Business Activities	84.287 Twenty-First Century Community Learning Centers	14.267 Continuum of Care Program	8 Other Federal Program 1	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.HCC HCV CARES Act Funding	14.EHV Emergency Housing Voucher	14.MSC Mainstream CARES Act Funding	14.PHC Public Housing CARES Act Funding	COCO	Subtotal	ELIM	Total	
171 Notes, Loans and Mortgages Receivable - Non-Current				300,000		30,259,400													30,559,406	(30,559,406)	-	
172 Notes, Loans & Mortgages Receivable - Non-Current - Past Due																						
173 Grants Receivable - Non-Current																						
174 Other Assets				832,063															832,063		832,063	
176 Investments in Joint Ventures																						
180 Total Non-Current Assets	1,686,981	-	-	60,478,681	-	30,772,509	-	-	-	-	-	400,414	257	-	-	-	-	253,694	93,592,536	(44,477,732)	49,114,804	
200 Deferred Outflow of Resources																						
200 Total Assets and Deferred Outflow of Resources	2,965,656	14,842	-	66,123,217	3,702	32,603,150	34,283	346	-	49,375	48,446	986,425	2,854	-	238,824	-	-	615,297	103,686,417	(46,123,278)	57,563,139	
311 Bank Overdraft																			6,956		6,956	
312 Accounts Payable <= 90 Days	10,565	115		151,201		2,456	2,903	219		502		38,612	314		1,112			8,863	216,861		216,861	
313 Accounts Payable >90 Days Past Due																						
321 Accrued Wages/Payroll Taxes Payable	9,751	201		60,115	3,536	10,749	2,018					12,356	2,076					19,496	120,296		120,296	
322 Accrued Compensated Absences - Current Portion	5,916			36,891		13,826						9,133						23,550	89,317		89,317	
324 Accrued Contingency Liability																						
325 Accrued Interest Payable	336			1,006,401		72,032														1,078,768	(1,006,401)	72,367
331 Accounts Payable - HUD PHA Programs																						
332 Account Payable - PHA Projects																						
333 Accounts Payable - Other Government																						
341 Tenant Security Deposits	44,230			264,824																309,054		309,054
342 Unearned Revenue	5,543	7,572		124,068		1,855					6,911				101,007					246,956		246,956
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue				20,194		183,713														203,907		203,907
344 Current Portion of Long-term Debt - Operating Borrowings																						
345 Other Current Liabilities	30,124			6,746																36,870		36,870
346 Accrued Liabilities - Other	1,733	4		3,343	167	55	48	37		34,286	41,535	2,231	112						30,043	114,090		114,090
347 Inter Program - Due To		6,950		304,958			29,314	91				7,104	95		44				6,876	355,432	(355,432)	-
348 Loan Liability - Current																				283,713		283,713
310 Total Current Liabilities	128,390	14,842	-	2,142,280	3,702	385,183	34,283	346	-	34,788	48,446	69,436	2,597	-	102,163	-	-	95,794	3,062,220	(1,645,540)	1,416,674	
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue				30,770,156																30,865,440	(18,729,534)	12,135,906
352 Long-term Debt, Net of Current - Operating Borrowings																						
353 Non-current Liabilities - Other												274,980								274,980		274,980
354 Accrued Compensated Absences - Non-Current	3,943			24,594		9,219						6,089			15,700					59,545		59,545
355 Loan Liability - Non-Current						11,839,872														11,839,872	(11,839,872)	-
356 FASB 5 Liabilities																						
357 Accrued Pension and OPEB Liabilities																						
350 Total Non-Current Liabilities	99,227	-	-	30,794,750		11,849,091	-	-	-	-	-	281,069	-	-	-	-	-	-	15,700	43,039,837	(30,569,406)	12,470,431
300 Total Liabilities	227,617	14,842	-	32,937,010	3,702	12,234,274	34,283	346	-	34,788	48,446	350,505	2,597	-	102,163	-	-	111,484	46,102,057	(32,214,952)	13,887,105	
400 Deferred Inflow of Resources																						
508.4 Net Investment in Capital Assets	1,571,503			28,392,749		503,103						400,413	257						253,694	31,121,719	4,821,208	35,942,927
511.4 Restricted Net Position	861,208			3,623,698								82,780								5,118,280		5,118,280
512.4 Unrestricted Net Position	305,326			1,689,780		19,315,153						14,587			136,661				250,119	21,344,361	(18,729,534)	2,614,827
513 Total Equity - Net Assets / Position	2,738,036	-	-	33,186,207		20,368,876						635,920	257		136,661				503,813	57,584,360	(13,908,326)	43,676,034
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	2,965,656	14,842	-	66,123,217	3,702	32,603,150	34,283	346	-	49,375	48,446	986,425	2,854	-	238,824	-	-	615,297	103,686,417	(46,123,278)	57,563,139	

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For The Year Ended December 31, 2021

Housing Authority of the City of Columbia, MO (MO007)

COLUMBIA, MO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2021	Project Total	10.558 Child and Adult Care Food Program	10.559 Summer Food Service Program for Children	6.2 Component Unit - Blended	14.896 PH Family Self-Sufficiency Program	1 Business Activities	84.287 Twenty-First Century Community Learning Centers	14.267 Continuum of Care Program	8 Other Federal Program 1	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.HCC HCV CARES Act Funding	14.EHV Emergency Housing Voucher	14.MSC Mainstream CARES Act Funding	14.PHC Public Housing CARES Act Funding	COC	Subtotal	ELIM	Total	
70300 Net Tenant Rental Revenue	292,005			4,150,032															4,442,037	(2,462,416)	1,979,621	
70400 Tenant Revenue - Other	7,804			48,538															56,342		56,342	
70500 Total Tenant Revenue	299,809			4,198,570															4,498,379	(2,462,416)	2,035,963	
70600 HUD PHA Operating Grants	727,601				92,629			350,239		100,576		10,684,456	79,723	287,060	145,920	241			12,468,445		12,468,445	
70610 Capital Grants																						
70710 Management Fee																			323,572	323,572	(323,572)	
70720 Asset Management Fee																			14,400	14,400	(14,400)	
70730 Book Keeping Fee																			156,188	156,188	(156,188)	
70740 Front Line Service Fee																						
70750 Other Fees																						
70700 Total Fee Revenue																			494,160	494,160	(494,160)	
70800 Other Government Grants		29,860	21,296	489,807			229,803		127,195		102,793								1,000,754		1,000,754	
71100 Investment Income - Unrestricted	18,256			87,939		10,042						10,693							4,388	131,318	131,318	
71200 Mortgage Interest Income						805,544														805,544	(805,544)	
71300 Proceeds from Disposition of Assets Held for Sale																						
71310 Cost of Sale of Assets																						
71400 Fraud Recovery	1,594											5,293								6,687	6,687	
71500 Other Revenue	78,160			298,280		361,387				534		20,378							31,188	789,927	(391,464)	
71600 Gain or Loss on Sale of Capital Assets	17,350																			17,350	17,350	
72000 Investment Income - Restricted																						
70000 Total Revenue	1,142,570	29,860	21,296	5,074,596	92,629	1,176,975	229,803	350,239	127,195	101,110	102,793	10,720,820	79,723	287,060	145,920	241			529,736	20,212,564	(4,153,584)	16,058,980
91100 Administrative Salaries	34,210		2,094	538,297		207,593		1,093		519	114	90,721			344				360,696	1,235,681	1,235,681	
91200 Auditing Fees	3,803			95,763		4,673						39,131							13,479	156,849	156,849	
91300 Management Fee	88,684			317,349								234,888								640,921	(675,357)	
91310 Book-keeping Fee	9,383											146,805								156,188	(156,188)	
91400 Advertising and Marketing				1,229		260						1,676							3,195	6,360	6,360	
91500 Employee Benefit Contributions - Administrative	10,607		141	140,401		62,636		342		50	16	23,617			47				82,900	320,757	320,757	
91600 Office Expenses	12,807			102,864		52,090	1,579	2,304		325	417	70,621	2,399		5,457				51,160	302,023	302,023	
91700 Legal Expense				2,725		1,575														5,670	9,970	
91800 Travel	1,189			14,661		1,176	3,551	37		13	10	8,174	2,061		21				9,251	40,126	40,126	
91810 Allocated Overhead																						
91900 Other	8,517	454	71	25,221		5,940	11,487	1,759		28		119,698	12,303		63				13,315	198,856	198,856	
91000 Total Operating - Administrative	169,180	454	2,306	1,238,510		335,945	16,617	5,535		935	557	735,331	16,763		5,932				539,666	3,067,731	(731,545)	2,336,186
92000 Asset Management Fee	14,400																			14,400	(14,400)	
92100 Tenant Services - Salaries	4,494	14,024	6,039	390,058	86,143		116,673					44,859		188,191						830,481	830,481	
92200 Relocation Costs																						
92300 Employee Benefit Contributions - Tenant Services	344	1,191	525	110,644	17,224		17,031					769	12,134	66,133						225,226	225,226	
92400 Tenant Services - Other	174	13,926	12,253	126,920	466		77,277					769		32,736	1,875				2,227	268,864	268,864	
92500 Total Tenant Services	5,012	29,141	18,817	627,622	83,367	466	210,981					769	56,993	287,060	1,875	241			2,227	1,324,571	1,324,571	

HOUSING AUTHORITY OF THE CITY OF COLUMBIA, MISSOURI

FINANCIAL DATA SCHEDULES

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For The Year Ended December 31, 2021

Fiscal Year End: 12/31/2021	Project Total	10.558 Child and Adult Care Food Program	10.559 Summer Food Service Program for Children	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	84.287 Twenty-First Century Community Learning Centers	14.267 Continuum of Care Program	8 Other Federal Program 1	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.HCC HCV CARES Act Funding	14.EHV Emergency Housing Voucher	14.MSC Mainstream CARES Act Funding	14.PHC Public Housing CARES Act Funding	COCC	Subtotal	ELIM	Total	
93100 Water	32,732			119,471		268						422						201	153,094		153,094	
93200 Electricity	16,045			284,020		2,435						4,018						1,871	308,389		308,389	
93300 Gas	11,425			31,001		824						1,064						572	44,886		44,886	
93400 Fuel																						
93500 Labor																						
93600 Sewer	30,400			91,973		155						248						117	122,891		122,891	
93700 Employee Benefit Contributions - Utilities																						
93800 Other Utilities Expense																						
93000 Total Utilities	90,602	-	-	526,465	-	3,682	-	-	-	-	-	5,750	-	-	-	-	-	2,761	629,260		629,260	
94100 Ordinary Maintenance and Operations - Labor	148,696			318,254		2,103						2,752							466,950		466,950	
94200 Ordinary Maintenance and Operations - Materials and Other	77,122			145,266		2,103						2,752						2,643	229,886		229,886	
94300 Ordinary Maintenance and Operations Contracts	92,489			368,654		58,259						20,643						10,685	550,730	(50,834)	499,896	
94500 Employee Benefit Contributions - Ordinary Maintenance	52,042			111,570															163,612		163,612	
94000 Total Maintenance	370,349	-	-	943,744	-	60,362	-	-	-	-	-	23,395	-	-	-	-	-	13,328	1,411,178	(50,834)	1,360,344	
95100 Protective Services - Labor	24,408			127,071															151,479		151,479	
95200 Protective Services - Other Contract Costs																						
95300 Protective Services - Other	613			3,179															3,792		3,792	
95500 Employee Benefit Contributions - Protective Services	6,333			32,994															39,327		39,327	
95000 Total Protective Services	31,354	-	-	163,244	-	-	-	-	-	-	-	-	-	-	-	-	-	-	194,598		194,598	
96110 Property Insurance	37,314			206,063		804													804	244,985		244,985
96120 Liability Insurance	5,225			3,986								6,506							248	15,990		15,990
96130 Workmen's Compensation	4,612	265	173	28,819	1,389	4,754	2,205	21		10	2	2,312	936					7,398	52,902		52,902	
96140 All Other Insurance	2,940			8,234		15,711													26,885		26,885	
96100 Total Insurance Premiums	50,116	265	173	247,102	1,389	21,269	2,205	21	-	10	2	8,818	936	-	-	-	-	8,450	340,762		340,762	
96200 Other General Expenses	38,284			23,238		77,194						6,185							8,714	153,615	(88,845)	64,770
96210 Compensated Absences	29,697			155,708	7,873	34,396						33,153	5,031						41,555	307,413		307,413
96300 Payments in Lieu of Taxes	20,140			144,990															165,130		165,130	
96400 Bad debt - Tenant Rents	4,596			35,389															39,985		39,985	
96500 Bad debt - Mortgages																						
96600 Bad debt - Other																						
96800 Severance Expense																						
96000 Total Other General Expenses	92,717	-	-	359,325	7,873	111,590	-	-	-	-	-	39,338	5,031	-	-	-	-	-	50,269	666,143	(88,845)	577,298
96710 Interest of Mortgage (or Bonds) Payable				330,492		322,578													653,070	(653,070)	-	
96720 Interest on Notes Payable (Short and Long Term)	5,112			490,266		22,881													518,259	(152,474)	365,785	
96730 Amortization of Bond Issue Costs				83,803															83,803		83,803	
96700 Total Interest Expense and Amortization Cost	5,112	-	-	904,561	-	345,459	-	-	-	-	-	-	-	-	-	-	-	-	1,255,132	(805,544)	449,588	
96900 Total Operating Expenses	828,842	29,860	21,296	5,010,573	92,629	878,773	229,803	5,556	-	945	559	813,401	79,723	287,060	7,813	241		616,701	8,903,775	(1,691,168)	7,212,607	
97000 Excess of Operating Revenue over Operating Expenses	313,728	-	-	64,023	-	298,200	-	344,683	127,195	100,165	102,234	9,907,419	-	-	138,107	-	-	(86,955)	11,308,789	(2,452,416)	8,846,373	

HOUSING AUTHORITY OF THE CITY OF COLUMBIA, MISSOURI

FINANCIAL DATA SCHEDULES

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For The Year Ended December 31, 2021

Fiscal Year End: 12/31/2021	Project Total	10.558 Child and Adult Care Food Program	10.559 Summer Food Service Program for Children	6.2 Component Unit - Blended	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	84.287 Twenty-First Century Community Learning Centers	14.267 Continuum of Care Program	8 Other Federal Program 1	14.879 Mainstream Vouchers	14.239 HOME Investment Partnerships Program	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.HCC HCV CARES Act Funding	14.EHV Emergency Housing Voucher	14.MSC Mainstream CARES Act Funding	14.PHC Public Housing CARES Act Funding	COCC	Subtotal	ELIM	Total
97100 Extraordinary Maintenance	12,295			57,542															69,837		69,837
97200 Casualty Losses - Non-capitalized	47,170			62,909		395						384						7,817	118,075		118,075
97300 Housing Assistance Payments								344,683		90,623	102,234	9,556,843			1,446			1,750	10,097,579	(2,462,416)	7,635,163
97350 HAP Portability-In																					
97400 Depreciation Expense	162,274			2,106,822		20,082						10,861	513						2,300,552		2,300,552
97500 Fraud Losses																					
97600 Capital Outlays - Governmental Funds																					
97700 Debt Principal Payment - Governmental Funds																					
97800 Dwelling Units Rent Expense																					
90000 Total Expenses	1,050,581	29,860	21,296	7,237,846	92,629	899,250	229,803	350,239	-	91,568	102,793	10,381,489	80,236	287,060	9,259	241		626,268	21,490,418	(4,153,584)	17,336,834
10010 Operating Transfer In	252,553																		252,553	(252,553)	-
10020 Operating transfer Out	(252,553)																		(252,553)	252,553	-
10030 Operating Transfers from/to Primary Government																					
10040 Operating Transfers from/to Component Unit																					
10050 Proceeds from Notes, Loans and Bonds																					
10060 Proceeds from Property Sales																					
10070 Extraordinary Items, Net Gain/Loss																					
10080 Special Items (Net Gain/Loss)																					
10091 Inter Project Excess Cash Transfer In																					
10092 Inter Project Excess Cash Transfer Out																					
10093 Transfers between Program and Project - In																					
10094 Transfers between Project and Program - Out																					
10100 Total Other financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	91,989	-	-	(2,163,250)	-	277,723	-	127,195	9,542	-	339,331	(513)	-	136,661	-	-	-	(96,532)	(1,277,854)	-	(1,277,854)
11020 Required Annual Debt Principal Payments	20,194			183,713		183,713														387,620	387,620
11030 Beginning Equity	2,846,050			35,349,457		20,091,153			(127,195)	5,045		296,589	770					600,345	58,862,214	(13,908,326)	44,953,888
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors																					
11050 Changes in Compensated Absence Balance																					
11060 Changes in Contingent Liability Balance																					
11070 Changes in Unrecognized Pension Transition Liability																					
11080 Changes in Special Term/Severance Benefits Liability																					
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents																					
11100 Changes in Allowance for Doubtful Accounts - Other																					
11170 Administrative Fee Equity												553,140							553,140		553,140
11180 Housing Assistance Payments Equity												82,780							82,780		82,780
11190 Unit Months Available	1440			7548		569		569		228	19744				306			29835	-7464	22371	
11210 Number of Unit Months Leased	1251			7253		555		555		190	19574				0			28823	-7174	21649	
11270 Excess Cash	191,507																		191,507		191,507
11610 Land Purchases																					
11620 Building Purchases																					
11630 Furniture & Equipment - Dwelling Purchases																					
11640 Furniture & Equipment - Administrative Purchases																					
11650 Leasehold Improvements Purchases																					
11660 Infrastructure Purchases																					
13510 CFFP Debt Service Payments																					
13901 Replacement Housing Factor Funds																					

Board of Commissioners
c/o Ms. Debbi Simmons
Housing Authority of The City of Columbia, Missouri
201 Switzler Street
Columbia, Missouri 65203

Dear Debbi:

Enclosed are your copies of the financial statements for the Housing Authority of the City of Columbia, Missouri (Authority) as of December 31, 2021.

One reporting package needs to be submitted electronically to the Single Audit Clearinghouse along with a pdf copy of the Single Audit Report and the Authority's financial statement. We will send you instructions to assist you in the electronic submission of the documents to the Clearinghouse.

We appreciate the opportunity to be of continued service to the Authority. If we may furnish you with any additional information, please feel free to contact us.

Very truly yours,

RubinBrown LLP

Renita D. Duncan, CPA,
Partner
Partner-In-Charge – Public Sector Services Group
Direct Dial Number: 314.678.3546
E-mail: renita.duncan@rubinbrown.com

RDD:eam

Enclosures

***HOUSING AUTHORITY OF THE
CITY OF COLUMBIA, MISSOURI***
*AUDITOR COMMUNICATIONS
DECEMBER 31, 2021*

Board of Commissioners
Housing Authority of the City of Columbia, Missouri
Columbia, Missouri

We have audited the financial statements of the Housing Authority of the City of Columbia, Missouri (the Authority) as of and for the year ended December 31, 2021, and have issued our report thereon dated June 28, 2022.

Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated March 3, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended December 31, 2021. We noted no transactions entered into during the year for which there was a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred. There are no instances where we consider a significant accounting practice that is acceptable under the applicable financial reporting framework not to be most appropriate to the particular circumstances of the Authority.

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. There were no significant unusual transactions identified as a result of our audit procedures that were brought to the attention of management.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Management's estimate of the depreciable lives of capital assets is based on the useful lives of those assets. We evaluated the key factors and assumptions used to develop depreciation in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management's estimate of the allowance for uncollectible tenant revenue and other revenue is based on previous collection history. We evaluated the key factors and assumptions used to develop the allowances in determining that they are reasonable in relation to the financial statements taken as a whole.

The disclosures to the financial statements are neutral, consistent and clear. Certain financial statement disclosures are particularly sensitive because of their significance to the users of the financial statements. The most sensitive disclosures affecting the financial statements are:

- The disclosure of the financial reporting entity in Note 2 to the financial statements
- The disclosure of long-term liabilities in Note 11 to the financial statements
- The disclosure of blended component units in Note 12 to the financial statements

Circumstances that Affect the Form and Content of the Auditors' Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditors' report. There were no circumstances that caused us to modify our auditors' report.

Matters Resulting in Consultation Outside the Engagement Team

There were no significant matters which resulted in consultation outside of our engagement team.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. There were no uncorrected misstatements to the financial statements.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. There were no corrected misstatements to the financial statements.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the attached management representation letter.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to an entity's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Authority's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the information and use of the Board of Commissioners of the Authority and management and is not intended to be and should not be used by anyone other than these specified parties.

RubinBrown LLP

June 28, 2022



Housing Authority of the City of Columbia, Missouri

201 Switzler Street, Columbia, MO 65203

Office: 573.443.2556 ♦ TTY Relay 800.735.2966 ♦ Fax: 573.443.0051 ♦ www.ColumbiaHA.com

June 28, 2022

RubinBrown LLP
7676 Forsyth Boulevard
Saint Louis, Missouri 63105

This representation letter is provided in connection with your audit of the The Housing Authority of the City of Columbia, Missouri (Authority) as of December 31, 2021 and 2020, and the related notes to the financial statements, for the purpose of expressing opinions on whether the basic financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows, where applicable, of the various opinion units of The Housing Authority of the City of Columbia, Missouri (Authority) in accordance with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

We understand we are responsible for management decisions and functions, for designating a qualified employee to oversee any nonattest services you provide, for evaluating the adequacy and results of the services performed and accepting responsibility for such services.

Certain representations in this letter are described as being limited to matters that are material. Misstatements, including omissions, 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.

We confirm that, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during your audit:

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
- 2) The financial statements referred to above have been fairly presented in accordance with U.S. GAAP and include all properly classified funds, required supplementary information, and notes to the basic financial statements.
- 3) We acknowledge our responsibility 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.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions used by us in making accounting estimates are reasonable.
- 6) All related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- 7) All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.

- 8) The effects of uncorrected misstatements summarized in the attached schedule and aggregated by you during the current engagement are immaterial, both individually and in the aggregate, to the applicable opinion units and to the financial statements as a whole.
- 9) The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
- 10) With regard to items reported at fair value:
 - a. The underlying assumptions are reasonable, and they appropriately reflect management's intent and ability to carry out its stated courses of action.
 - b. The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
 - c. The disclosures related to fair values are complete, adequate, and in conformity with U.S. GAAP.
 - d. There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
- 11) All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
- 12) All funds and activities are properly classified.
- 13) All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, and GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
- 14) All net position components and fund balance classifications have been properly reported.
- 15) All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 16) All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
- 17) All interfund and intra-entity transactions and balances have been properly classified and reported.
- 18) Special items and extraordinary items have been properly classified and reported.
- 19) Deposit and investment risks have been properly and fully disclosed.
- 20) Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
- 21) All required supplementary information is measured and presented within the prescribed guidelines.
- 22) Nonexchange and exchange financial guarantees, either written or oral, under which it is more likely than not that a liability exists have been properly recorded, or if we are obligated in any manner, are disclosed.

Information Provided

- 23) We have provided you with:
 - a. Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
 - b. Additional information that you have requested from us for the purpose of the audit; and

- c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- 24) All transactions have been recorded in the accounting records and are reflected in the financial statements.
- 25) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 26) We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - a. Management;
 - b. Employees who have significant roles in internal control; or
 - c. Others where the fraud could have a material effect on the financial statements.
- 27) We have no knowledge of any instances, that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance, whether communicated by employees, former employees, vendors (contractors), regulators, or others.
- 28) We have no knowledge of any instances that have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that has a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- 29) We have no knowledge of any instances that have occurred or are likely to have occurred of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
- 30) We have taken timely and appropriate steps to remedy fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that you have reported to us.
- 31) We have a process to track the status of audit findings and recommendations.
- 32) We have identified for you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 33) We have provided views on your reported audit findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
- 34) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 35) We have disclosed to you the identity of all the entity's related parties and the nature of all the related party relationships and transactions of which we are aware.
- 36) There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- 37) The entity has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
- 38) We have disclosed to you all guarantees, whether written or oral, under which the entity is contingently liable.
- 39) We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
- 40) There are no violations or possible violations or laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.

- 41) There are no other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB 62.
- 42) We have disclosed to you all known actual or possible litigation, claims and assessment whose effects should be considered when preparing the financial statements.
- 43) The entity has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
- 44) We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 45) We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB-62. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.

Single Audit

- 46) With respect to federal awards, we represent the following to you:
 - a. We are responsible for understanding and complying with, and have complied with, the 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).
 - b. We are responsible for the preparation and presentation of the schedule of expenditures of federal awards (SEFA) in accordance with the Uniform Guidance.
 - c. We believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance.
 - d. We acknowledge our responsibility for presenting the SEFA in accordance with the requirements of the Uniform Guidance, and we believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance. The methods of measurement or presentation of the SEFA have not changed from those used in the prior period, and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the SEFA.
 - e. We are responsible for including the auditors' report on the SEFA in any document that contains the schedule and that indicates that the auditor has reported on such information.
 - f. We have identified and disclosed all of our government programs and related activities subject to the Uniform Guidance compliance audit.
 - g. When the SEFA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the SEFA no later than the date of issuance by the entity of the SEFA and the auditors' report thereon.
 - h. We have, in accordance with the Uniform Guidance, identified in the SEFA, expenditures made during the audit period for all awards provided by federal agencies in the form of grants, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, food commodities, direct appropriations, and other assistance.

- i. We have provided to you our interpretations of any compliance requirements that are subject to varying interpretations.
- j. We have made available to you all federal awards (including amendments, if any) and any other correspondence relevant to federal programs and related activities that have taken place with federal agencies or pass-through entities.
- k. We have received no requests from a federal agency to audit one or more specific programs as a major program.
- l. We have identified and disclosed to you all amounts questioned and any known noncompliance with the direct and material compliance requirements of federal awards, including the results of other audits or program reviews, or stated that there was no such noncompliance. We also know of no instances of noncompliance with direct and material compliance requirements occurring subsequent to period covered by the auditors' report.
- m. We have disclosed to you any communications from federal awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditors' report.
- n. We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- o. Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the basic financial statements have been prepared.
- p. The copies of federal program financial reports provided to you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.
- q. We have properly classified amounts claimed or used for matching in accordance with related guidelines in the Uniform Guidance, as applicable.
- r. We have charged costs to federal awards in accordance with applicable cost principles.
- s. We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance, and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.
- t. We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.
- u. The reporting package does not contain personally identifiable information.
- v. We have disclosed all contracts or other agreements with service organizations and disclosed to you all communications from these service organizations relating to noncompliance at the organizations.
- w. We have reviewed, approved, and taken responsibility for the financial statements and related notes and an acknowledgment of the auditor's role in the preparation of this information.
- x. We have disclosed to you the nature of any subsequent events that provide additional evidence with respect to conditions that existed at the end of the reporting period that affect noncompliance during the reporting period.

In addition:

- y. We are responsible for understanding and complying with the requirements of federal statutes, regulations, and the terms and conditions of federal awards related to each of our federal programs and have identified and disclosed to you the federal statutes, regulations, and the terms and conditions of federal awards that are considered to have a direct and material effect on each major federal program; and we have complied with these direct and material compliance requirements
- z. We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance for federal programs that provide reasonable assurance that we are managing our federal awards in compliance with federal statutes, regulations, and the terms and conditions of the federal award that could have a material effect on our federal programs. Also, no changes have been made in the internal control over compliance or other factors that might significantly affect internal control, including any corrective action taken by management with regard to significant deficiencies and material weaknesses in internal control over compliance, have occurred subsequent to the period covered by the auditors' report.
- aa. We are responsible for and have accurately completed the appropriate sections of the Data Collection Form and we are responsible for taking corrective action on audit findings of the compliance audit and have developed a corrective action plan that meets the requirements of the Uniform Guidance.



Randy Cole, CEO



Debbi Simmons, CFO



Housing Authority of the City of Columbia, Missouri

201 Switzler Street, Columbia, Missouri 65203

Office: 573.443.2556 ♦ TTY Relay 800.735.2966 ♦ Fax: 573.443.0051 ♦ www.ColumbiaHA.com

Department Source: CEO

To: CHA Board of Commissioners

From: CEO & Staff

CHA Board of Commissioners Meeting Date: August 10, 2022

Re: Resolution 2902, Accepting the FY 2021 Single Audit Report of the Housing Authority of the City of Columbia

Executive Summary

The Columbia Housing Authority (CHA) is required to procure a single audit each year based upon HUD regulations. This annual audit includes CHA's programs and includes specific compliance testing for the Section 8 Program.

Discussion

RubinBrown LLP conducted the audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and the provisions of U.S. Office of Management and Budget Circular A-133, Audits States, Local Governments, and Non-Profit Organizations. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. RubinBrown LLP believes that their audits provide a reasonable basis for their opinion.

Ms. Renita Duncan, CPA and Partner with RubinBrown LLP will provide the CEO with a summary of the audit and information to provide a brief overview of the audit and answer any questions from the Board of Commissioners.

Suggested Commission Action

Accept the Single Audit Report of the Housing Authority of the City of Columbia, Missouri for Fiscal Year Ending December 31, 2021 performed by RubinBrown LLP.



Housing Authority of the City of Columbia, Missouri

Board Resolution

RESOLUTION #2902

A Resolution to Accept the Single Audit Report of the Housing Authority of the City of Columbia, Missouri for Fiscal Year Ending December 31, 2021

WHEREAS, the Annual Contributions Contract with the U.S. Department of Housing and Urban Development (HUD) and the Missouri Housing Authorities Law requires that a single audit report be performed by an independent public accounting firm; and

WHEREAS, the Single Audit Act of 1984 requires comprehensive single audits for state and local governments that receive Federal assistance; and

WHEREAS, the Housing Authority of the City of Columbia, Missouri, receives Federal assistance in the form of Public Housing operating subsidies, Section 8 Housing Choice Voucher rental assistance, and various other Federal grants; and

WHEREAS, the accounting firm of RubinBrown LLP has performed a Single Audit Report of the Housing Authority of the City of Columbia, Missouri, for the fiscal year ended December 31, 2021 that is in accordance with generally accepted auditing standards of the Comptroller General of the United States, and the provisions of the Office of Management and Budget Circular A-133; and

WHEREAS, the single audit of the Section 8 Housing Choice Voucher Program will be presented by RubinBrown LLP.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of the City of Columbia, Missouri, adopts Resolution 2902 accepting the Single Audit Report of the Housing Authority of the City of Columbia, Missouri for fiscal year ending December 31, 2021, performed by RubinBrown LLP.

Bob Hutton, Chair

Randall Cole, Secretary

Adopted August 10, 2022

***HOUSING AUTHORITY OF
THE CITY OF COLUMBIA, MISSOURI***
SINGLE AUDIT REPORT
DECEMBER 31, 2021

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**Independent Auditors' 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 City of Columbia, Missouri
Columbia, Missouri

We have audited, in accordance with the 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 Housing Authority of the City of Columbia, Missouri (the Authority) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated June 28, 2022.

Report On Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority'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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control 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 Authority'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 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 Authority'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 Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

RubinBrown LLP

June 28, 2022

**Independent Auditors' Report
On Compliance For Each Major Federal
Program; Report On Internal Control Over
Compliance; And Report On The Schedule
Of Expenditures Of Federal Awards
Required By The Uniform Guidance**

Board of Commissioners
Housing Authority of the City of Columbia, Missouri
Columbia, Missouri

Report On Compliance For Each Major Federal Program

Opinion On Each Major Federal Program

We have audited Housing Authority of the City of Columbia, Missouri's (the Authority) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended December 31, 2021. The Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority 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 2021.

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 (GAAS); 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 responsibility 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 Authority and to meet our 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 Authority'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 Authority'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 Authority'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 GAAS, *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 Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *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 Authority'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 Authority'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 Authority'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 a 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 Auditor's Responsibilities For The Audit Of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. 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.

Report On Schedule Of Expenditures Of Federal Awards Required By The Uniform Guidance

We have audited the financial statements of the Authority as of and for the year ended December 31, 2021 and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements. We issued our report thereon dated June 28, 2022, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is 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 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

RubinBrown LLP

July 13, 2022

HOUSING AUTHORITY OF CITY OF COLUMBIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2021

Federal Grantor/Pass-Through Grantor/Program Or Cluster Title	Assistance Listing Number	Grantor Identification Number	Federal Expenditures	Expenditures To Subrecipients
Department of Housing and Urban Development				
Direct Awards:				
Continuum of Care Program	14.267	MO0101L7E061912 MO0101L7E062013	\$ 350,239	\$ —
Public and Indian Housing	14.850	MO007-00000120D MO007-00000121D	446,987	—
Resident Opportunity and Supportive Services - Service Coordinators	14.870	ROSS191290-01-00	79,723	—
Family Self-Sufficiency Program	14.896	FSS21MO4065-01-00	92,629	—
Housing Voucher Cluster - Section 8 Housing Choice Vouchers	14.871		10,684,457	—
COVID-19 - Section 8 Housing Choice Vouchers - CARES ACT	14.871		287,060	—
COVID-19 - Emergency Housing Vouchers - CARES ACT	14.871		145,920	—
Mainstream Vouchers	14.879	MO007DV0001	100,576	—
COVID-19 - Mainstream Vouchers - CARES ACT	14.879		241	—
Total Housing Voucher Cluster			11,218,254	—
Public Housing Capital Fund	14.872	MO36P007501-21	280,614	—
Passed through the City of Columbia:				
Home Investment Partnerships Program	14.239		102,793	—
Total Department of Housing and Urban Development			12,571,239	—
U.S. Department of Education				
Passed through Missouri Department of Elementary and Secondary Education:				
Twenty-First Century Community Learning Centers	84.287	S287C160025	229,803	—
Total U.S. Department of Education			229,803	—
U.S. Department of Agriculture/Food Nutrition Service				
Passed through Missouri Department of Health and Senior Services:				
Child and Adult Care Food Program	10.558	ERS46132829	29,860	—
Child Nutrition Cluster - Summer Food Service Program for Children (SFSPC)	10.559	ERS46132884 ERS0462884S	21,296	—
Total U.S. Department of Agriculture/Food Nutrition Service			51,156	—
Total Federal Assistance			\$ 12,852,198	\$ —

HOUSING AUTHORITY OF CITY OF COLUMBIA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

December 31, 2021

1. General

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) presents the activity of all federal award programs of the Housing Authority of the City of Columbia, Missouri (the Authority). The information in this Schedule is presented in accordance with the 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). Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in the preparation of, the financial statements

2. Basis Of Accounting

The accompanying Schedule is presented using the accrual basis of accounting, which is described in Note 1 to the financial statements of the Authority.

3. Indirect Costs

The Authority has not elected to use the 10% de minimis indirect cost rate as allowed in the Uniform Guidance, Section 414.

HOUSING AUTHORITY OF CITY OF COLUMBIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For The Year Ended December 31, 2021

Section I - Summary Of Auditors' Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with generally accepted accounting principles:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?
- Significant deficiency(ies) identified?

___ yes x no
___ yes x none reported
___ yes x no

Noncompliance material to financial statements noted?

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified?
- Significant deficiency(ies) identified?

___ yes x no
___ yes x none reported

Type of auditors' 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:

CFDA Number	Name Of Federal Program Or Cluster
14.871, 14.879 14.267	Housing Voucher Cluster: Section 8 Housing Choice Vouchers Continuum of Care

Dollar threshold used to distinguish between type A and type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

x yes no

Section II - Financial Statement Findings

None

HOUSING AUTHORITY OF CITY OF COLUMBIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS *(Continued)*
For The Year Ended December 31, 2021

Section III - Federal Award Findings And Questioned Costs

None

HOUSING AUTHORITY OF CITY OF COLUMBIA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For The Year Ended December 31, 2021

Finding 2020-001 Material Weakness: Special Tests And Provisions - Control Finding
CFDA 14.276 – Continuum Of Care

Federal Agency: U.S. Department of Housing and Urban Development

Condition/Cause: A second review to verify accuracy of participant file documentation, including rent reasonableness, did not take place.

Status: Corrective action has taken place.

Finding 2020-002 Significant Deficiency: Eligibility And Special Tests And Provisions - Control Finding

CFDA 14.871 - Section 8 Housing Choice Vouchers Program

Federal Agency: U.S. Department of Housing and Urban Development

Condition/Cause: Income was not correctly calculated based on the support provided in the participant file. The Authority has internal controls in place related to participant file review whereby files are second reviewed on a sample basis due to the number of participants in the program.

Status: Corrective action has taken place.

Finding 2020-003 Significant Deficiency: Special Tests And Provisions - Control Finding

CFDA 14.871 - Section 8 Housing Choice Vouchers Program

Condition/Cause: In October 2020, the Authority implemented a new internal control process over monthly waitlists to ensure the lists were accurate and individuals were appropriately removed from the waitlist when housed or found to be ineligible. For four of seven monthly waitlists selected for testing, a second review was not documented during calendar year 2020. All exceptions occurred in months prior to October 2020.

Status: Corrective action has taken place.



Housing Authority of the City of Columbia, Missouri

201 Switzler Street, Columbia, Missouri 65203

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Department Source: CEO

To: CHA Board of Commissioners

From: CEO & Staff

CHA Board of Commissioners Meeting Date: August 10, 2022

Re: A Resolution for the Family Self-Sufficiency Action Plan Revision

Executive Summary

The proposed resolution approves the Family Self-Sufficiency (FSS) Action Plan which has been revised according to updated regulations included in HUD's FY22 Final Rule, effective as of June 16, 2022.

Discussion

On September 21, 2020, HUD published a "Proposed Rule" with proposed alterations to the HUD FSS Program. On May 17, 2022, HUD published the "Final Rule" for the HUD FSS Program. The effective date of the rule is June 16, 2022, with a compliance date of November 14, 2022, when all FSS operations shall abide by changes adopted by this final rule.

All FSS Programs are required to update their "FSS Action Plans" to reflect the new regulations, submit the revised plan to HUD, and obtain HUD's approval of the revised plan prior to enrolling new participants under these new regulations.

In order to have the new regulations apply to existing FSS participants, the participants must sign an updated "Contract of Participation" to indicate that the new rules have discussed with the participant and the participant agrees to have the new rules apply to them.

SUMMARY:

This final rule amends HUD's regulations to implement changes to the Family Self-Sufficiency (FSS) program made by the Economic Growth, Regulatory Relief, and Consumer Protection Act ("the Economic Growth Act" or "the Act"). Section 306 of the Act made multiple amendments to the FSS program, including:

- changes to the methodology for determining the size of the FSS program,
- expanding the definition of eligible families to include tenants of certain privately owned multifamily properties subsidized with Project-Based Rental Assistance (PBRA),
- updating the FSS Contract of Participation (CoP),
- reducing burdens on Public Housing Agencies (PHAs) and multifamily assisted housing owners,
- clarifying escrow account requirements, and



Housing Authority of the City of Columbia, Missouri

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- updating the FSS Action Plan requirements.

After consideration of public comments, this final rule incorporates these changes, responds to public comments, and further revises HUD's FSS regulations to:

- further streamline the program for PHAs, multifamily property owners, and eligible families, including providing that families participating in the Housing Choice Voucher Homeownership Program and all Section 8 programs can participate in the FSS program,
- revising certain definitions that apply to the program to align with commenters' suggestions,
- making changes to the CoP provisions,
- revising the lists of activities for which forfeited escrow funds may be used, and
- making changes to portability provisions.

Suggested Commission Action

Adopt Resolution 2903 approving the revised Family Self-Sufficiency (FSS) Action Plan.



Housing Authority of the City of Columbia, Missouri

Board Resolution

RESOLUTION #2903

A Resolution to Approve the Family Self-Sufficiency (FSS) Action Plan as Revised According to the Regulations Included in HUD's FY22 Final Rule, Effective Date June 16, 2022

WHEREAS, on September 21, 2020, HUD published a "Proposed Rule" with proposed alterations to the HUD FSS Program; and

WHEREAS, on May 17, 2022, HUD published the "Final Rule" for the HUD FSS Program; and

WHEREAS this final rule amends HUD's regulations to implement changes to the Family Self-Sufficiency (FSS) program made by the Economic Growth, Regulatory Relief, and Consumer Protection Act ("the Economic Growth Act" or "the Act"). Section 306 of the Act made multiple amendments to the FSS program; and

WHEREAS, the effective date of the rule is June 16, 2022, with a compliance date of November 14, 2022, when all FSS operations shall abide by changes adopted by this final rule; and

WHEREAS all FSS Programs are required to update their "FSS Action Plans" to reflect the new regulations, submit the revised plan to HUD, and obtain HUD's approval of the revised plan prior to enrolling new participants under these new regulations; and

WHEREAS, in order to have the new regulations apply to existing FSS participants, the participants must sign an updated "Contract of Participation" to indicate that the new rules have discussed with the participant and the participant agrees to have the new rules apply to them.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of the City of Columbia, Missouri, adopt Resolution 2903 approving the Family Self-Sufficiency (FSS) Action Plan as revised according to the regulations included in HUD's FY22 Final Rule effective date June 16, 2022.

Bob Hutton, Chair

Randall Cole, Secretary

Adopted August 10, 2022



FY 2022-2023

FAMILY

SELF-SUFFICIENCY

ACTION PLAN





**ACTION PLAN FOR THE
FAMILY SELF-SUFFICIENCY PROGRAM**

Revision Date	Section(s)
06/29/2022	ALL

Approved by the Board of Commissioners on:

Submitted to HUD:

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**FSS Action Plan
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THE FAMILY SELF-SUFFICIENCY PROGRAM AND THE FSS ACTION PLAN**

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FAMILY SELF-SUFFICIENCY ACTION PLAN

CHAPTER 1

OVERVIEW OF THE PROGRAM AND PLAN

Chapter 1

THE FAMILY SELF-SUFFICIENCY PROGRAM AND THE FSS ACTION PLAN

INTRODUCTION

This chapter provides an overview of the family self-sufficiency (FSS) program and FSS action plan, including the purpose, organization, and required contents of the FSS action plan.

Part I: The Family Self-Sufficiency (FSS) Program and FSS Action Plan: This part provides an overview of the family self-sufficiency program and the purpose of the FSS action plan.

Part II: Requirements of the FSS Action Plan: This part covers action plan requirements, including development, revision, and contents of the action plan. It also contains information on family demographics, which is part of the required contents of the action plan.

PART I: THE FAMILY SELF-SUFFICIENCY (FSS) PROGRAM AND FSS ACTION PLAN

1-I.A. OVERVIEW OF THE FAMILY SELF-SUFFICIENCY PROGRAM

The origins of the FSS program are in two pilot projects implemented in 1986 and 1990, Project Self-Sufficiency and Operation Bootstrap, respectively. These projects were set up to test self-sufficiency programs for families with housing subsidies, and both demonstrated that families needed essential services in order to move toward economic self-sufficiency. These services include childcare, transportation, medical care, and long-term education and training.

In the wake of the successful demonstration of these projects, family self-sufficiency became one of the initiatives under the Homeownership and Housing Opportunities for People Everywhere (HOPE) program enacted in 1990, and the FSS program was subsequently created under the National Affordable Housing Act the same year.

FSS built upon and refined both Project Self-Sufficiency and the bootstrap program. It remained a voluntary program in 1991 and 1992 but became mandatory in 1993 for any new increments of funding issued to PHAs. The 1993 regulations were further modified by the Quality Housing and Work Responsibility Act of 1998 (QHWRA). The most recent regulation modification occurred in 2022 with the publication of the Final Rule.

The purpose of the FSS program is to coordinate housing assistance with public and private resources to enable assisted families to achieve economic self-sufficiency. The purpose and basic requirements of the FSS program are further elaborated upon in Chapter 2.

This family self-sufficiency program is administered by the Columbia Housing Authority for the jurisdiction of City of Columbia/County of Boone.

1-I.B. APPLICABLE REGULATIONS

Applicable regulations for public housing and HCV FSS programs include:

- 24 CFR Part 5: General Program Requirements
- 24 CFR Part 8: Nondiscrimination
- 24 CFR Part 902: Public Housing Assessment System
- 24 CFR Part 903: Public Housing Agency Plans
- 24 CFR Part 945: Designated Housing
- 24 CFR Part 960: Public Housing Admission and Occupancy Policies
- 24 CFR Part 965: PHA-Owned or Leased Projects—General Provisions
- 24 CFR Part 966: Public Housing Lease and Grievance Procedures
- 24 CFR Part 982: Section 8 Tenant-Based Assistance: Housing Choice Voucher Program
- 24 CFR Part 984: Section 8 and Public Housing Family Self-Sufficiency Program

1-I.C. THE FAMILY SELF-SUFFICIENCY ACTION PLAN

The family self-sufficiency (FSS) action plan is required by HUD. The purpose of the FSS action plan is to establish policies for carrying out the family self-sufficiency program in a manner consistent with HUD requirements and local goals and objectives contained in the PHA's Agency Plan. This FSS action plan is a supporting document to the Columbia Housing Authority's Agency Plan and is available for public review as required by 24 CFR Part 903.

This family self-sufficiency action plan is set forth to define the CHA's local policies for operation of the program in the context of federal laws and regulations. All issues related to FSS not addressed in this document are governed by such federal regulations, HUD handbooks and guidebooks, notices, and other applicable laws. The policies in this FSS action plan have been designed to ensure compliance with the consolidated ACC and all HUD-approved applications for program funding.

CHA is responsible for complying with all changes in HUD regulations pertaining to the FSS program. If such changes conflict with this plan, HUD regulations will take precedence.

Administration of the FSS program and the functions and responsibilities of staff shall be in compliance with CHA's personnel policy and HUD's family self-sufficiency regulations, as well as all public housing and HCV regulations, in addition to federal, state, and local fair housing laws and regulations.

PART II. REQUIREMENTS OF THE FSS ACTION PLAN

1-II.A. OVERVIEW

CHA must have a HUD-approved action plan before implementing an FSS program, regardless of whether the FSS program is a mandatory or voluntary program. Further, this action plan must comply with the requirements specified for the plan in the regulations [24 CFR 984.201(a)].

The regulatory requirements dealing specifically with the FSS action plan itself largely involve the development, revision, and required contents of the action plan. This part covers those requirements.

1-II.B. HUD APPROACH TO POLICY DEVELOPMENT

In developing policy for the FSS action plan, PHAs need to be aware of the distinction HUD makes between mandatory and discretionary policies.

- *Mandatory policies* are those driven by legislation, regulations, current handbooks, notices, and legal opinions.
- *Discretionary policies* consist of those developed for areas in which the PHA has regulatory discretion, or with regard to optional, nonbinding guidance including guidebooks, notices that have expired, and recommendations from individual HUD staff.

HUD expects PHAs to develop policies and procedures that are consistent with mandatory regulations and to make clear the optional policies the PHA has adopted. The PHA's FSS action plan is the foundation of those policies and procedures for the FSS program. HUD's directions require PHAs to make policy choices that provide guidance to staff and consistency to program applicants and participants.

Following HUD guidance, even though it is not mandatory, provides a PHA with a "safe harbor." HUD has already determined that the recommendations and suggestions it makes are consistent with mandatory policies. If a PHA adopts an alternative strategy, it must make its own determination that the alternative approach is consistent with legislation, regulations, and other mandatory requirements. There may be very good reasons for adopting a policy or procedure that is different from HUD's safe harbor, but PHAs should carefully consider those decisions.

1-II.C. FSS ACTION PLAN DEVELOPMENT AND REVISION

Development of Action Plan [24 CFR 984.201(b) and (c)]

When developing an FSS action plan, a PHA must do so in consultation with the chief executive officer of the applicable unit of general local government and the program coordinating committee (PCC).

In addition, a PHA that is establishing its FSS program must submit an action plan to HUD for approval within 90 days after the PHA receives notice from HUD of approval of the PHA's application for funding that establishes the obligation to operate an FSS program. This deadline is required unless the dates are extended by HUD for good cause.

For voluntary FSS programs, the PHA must submit its action plan and obtain HUD approval of the plan before it can implement the FSS program. This includes a voluntary program established because the PHA chose to implement an FSS program that exceeds the minimum size for a mandatory program (see Section 2-II.A. for a discussion of mandatory versus voluntary FSS programs).

Single Action Plan [24 CFR 984.201(f)]

PHAs implementing both a Section 8 FSS program and a public or Indian housing FSS program may submit one action plan. In cases where the PHA decides to submit one plan for more than one program, the policies contained in the action plan would apply to both programs.

CHA Policy

CHA is implementing both an HCV FSS program and a public housing FSS program and will submit one action plan, the policies in which apply to both programs.

Revision to the FSS Action Plan [24 CFR 984.201(c)(2)]

Following HUD's initial approval of the action plan, no further approval of the action plan is required unless the PHA proposes to make policy changes to the action plan or increase the size of a voluntary program, or to revise the FSS action plan as needed to comply with changes in HUD regulations. The PHA must submit any changes to the action plan to HUD for approval.

CHA Policy

CHA will review and update the action plan as often as needed, to reflect changes in regulations, CHA operations, or when needed to ensure staff consistency in operation.

1-II.D. CONTENTS OF THE PLAN [24CFR 984.201(d)]

HUD regulations state that there are several components that must be included in the FSS action plan. At a minimum, the action plan must cover the policies and procedures of the PHA for operation of a local FSS program as follows:

- Family demographics, including a description of the number, size, characteristics, and other demographics such as racial and ethnic data, in addition to the supportive service needs of the families expected to participate in the program. (Chapter 1)
- Estimate of participating families, which means the number of families which can reasonably be expected to receive supportive services under the FSS program. (Chapter 2)
- Eligible families from any other local self-sufficiency program who are expected to agree to executing an FSS contract of participation. (Chapter 2)
- A statement of the PHA's FSS family selection procedures, including a description of how the procedures ensure that families are selected without regard to race, color, religion, disability, sex, familial status, or national origin. (Chapter 4)
- A description of the incentives that the PHA intends to offer to families to encourage participation in the FSS program (an incentives plan), including the establishment of the escrow account. (Chapter 4)
- Outreach efforts, which include a description of the PHA's efforts to recruit eligible families, the actions the PHA will take to ensure that both minority and nonminority groups are informed about the FSS program, and how the PHA will make this information known. (Chapter 4)
- A description of the FSS activities and supportive services to be provided by both public and private resources to FSS families, and identification of these public and private resources. (Chapter 4)
- A description of the PHA's method for identifying family support needs, including how the PHA will identify the needs and deliver the services. (Chapter 4)
- A description of the PHA's policies regarding program termination, withholding of services or terminating or withholding Section 8 assistance on the basis of a family's failure to comply with the FSS contract, and available grievance procedures. (Chapter 5)
- Assurances of noninterference with rights of non-participating families which state that a family's election to not participate in the FSS program will not affect the family's admission to the public housing or HCV program, nor will it affect their right to occupancy in accordance with its lease. (Chapter 4)

- Timetable for program implementation, including the schedule for filling FSS slots with eligible families. (Chapter 2)
- Certification of coordination, which is a certification that the development of services and activities under the FSS program has been coordinated with the Workforce Investment Act (formerly JTPA), Workforce Investment Board and One Stop Centers (formerly JOBS program), and any other relevant employment, child care, transportation, training, and education programs in the applicable area, and that implementation will continue to be coordinated, in order to avoid duplication of services and activities. (Chapter 4)
- Optional additional information, which involves such other information that would help HUD determine the soundness of the PHA's proposed FSS program. (All Chapters)

1-II.E. FAMILY DEMOGRAPHICS [24 CFR 984.201(d)(1)]

As part of the required contents of the FSS action plan, family demographics of the housing choice voucher and public housing program participants serve to provide a description of the number, size, characteristics, and other descriptive data (including racial and ethnic data of those participants). This data may later be used to help the housing authority and the program coordinating committee (PCC) identify supportive service needs of the families expected to participate in the FSS program.

Housing Choice Voucher/ Public Housing	Total Families	Percent of Total
All Families	2,071	100%
Families with Children	874	42%
Female HOH	1,455	70%
Male HOH	616	30%
Race		
White	831	40%
Black/African American	1,232	59%
American Indian/Alaska Native	11	0.5%
Asian	14	0.7%
Native Hawaiian/Other Pacific Islander	7	0.3%
Ethnicity		
Hispanic or Latino	22	1%
Not Hispanic or Latino	2,049	99%
Income		
Extremely Low-Income	1,584	76%
Very Low-Income	348	17%
Low-Income	130	6%
HOH Income from Wages	596	29%
Other Member Income from Wages	122	6%
HOH Income from TANF	56	3%
Other Member Income from TANF	0	0%
HOH Income from SSI	849	41%
Other Member Income from SSI	67	3%
Number of Children		
0	1197	58%
1-2	548	26%
3-4	272	13%
5 or more	54	3%
Total Number of Family Members		
1-2	1,358	66%
3-4	521	25%
5 or more	192	9%
Persons with Disabilities		
HOH Person w/ Disabilities (HUD)	946	46%
Family Members w/ Disabilities	69	3%



FAMILY SELF-SUFFICIENCY ACTION PLAN

CHAPTER 2

PURPOSE, SCOPE AND APPLICABILITY OF THE FSS PROGRAM

Chapter 2

PURPOSE, SCOPE, AND APPLICABILITY OF THE FAMILY SELF-SUFFICIENCY PROGRAM

INTRODUCTION

This chapter contains information about the FSS program's purpose, size, and measurable objectives as well as information on program operation. This includes potential participant demographics, the program timetable, the number of families to be served, and the size of the PHA's voluntary FSS program. This chapter also contains definitions of the key terms in this FSS action plan.

Part I: The Purpose and Basic Requirements of the FSS program: This part includes a description of the purpose of the FSS program on a national level—its intent, goal, and major strategies.

Part II: The Scope of the FSS program: This part contains information about the size of the PHA's FSS program, an estimate of participating families, eligible families from other self-sufficiency programs, and eligibility for combined FSS programs.

Part III: Program Operation: This part specifies the requirements for FSS program operation, including the deadlines for program start-up and when the PHA is expected to have attained full enrollment.

Part IV: The Definitions of Terms Used in the PHA's FSS program: This section contains both HUD and PHA definitions for terms used in this policy document.

PART I: PURPOSE AND BASIC REQUIREMENTS OF THE FSS PROGRAM

2-I.A. PURPOSE

The purpose of the family self-sufficiency (FSS) program is to promote the development of local strategies to coordinate the use of public housing assistance and housing assistance under the housing choice voucher program with public and private resources enabling families eligible to receive assistance under these programs to achieve economic independence and self-sufficiency [984.101(a)(1)].

In addition to this broader national goal of the FSS program, the PHA also establishes a local goal consistent with the PHA's mission statement to serve as a guide for establishing policy and implementing the FSS program.

CHA Policy

CHA's local goal in operating this FSS program is to match housing-assisted families in Columbia, Boone County, Missouri, with a broad range of highly collaborative existing community services to assist FSS families in achieving economic self-sufficiency.

Economic self-sufficiency is defined as having the sustainable skills necessary to maintain employment paying a "living wage." This wage would pay for the family's basic needs without the use of government subsidies.

2-I.B. PROGRAM OBJECTIVES [24 CFR 984.102]

In order to reach the FSS national program goal, HUD has defined its FSS program objective as to reduce the dependency of low-income families on welfare assistance and on Section 8, public, or any federal, state, or local rent or homeownership subsidies. Under the FSS program, low-income families are provided opportunities for education, job training, counseling, and other forms of social service assistance while living in assisted housing so that they may obtain the education, employment, and business and social skills necessary to achieve self-sufficiency. As with the goals of the program, FSS program objectives are defined on the national level through FSS regulation, and on the local level by PHA policy.

CHA Policy

On the local level, CHA will achieve the national program objective by offering low-income families a broad range of services through partnering with the program coordinating committee (PCC). These services will provide long-term education, job training, counseling, and other forms of social service assistance so that families may achieve economic self-sufficiency, as defined in Section 2-I.A. of this document.

2-I.C. BASIC REQUIREMENTS OF THE FSS PROGRAM [24 CFR 984.104]

An FSS program established under 24 CFR Part 984 must operate in conformity with the regulations and this FSS action plan (as required in 24 CFR 984.201), provide comprehensive supportive services (as defined in 24 CFR 984.103), and operate in compliance with nondiscrimination and equal opportunity requirements.

PART II: SCOPE OF THE FSS PROGRAM

2-II.A. PHAS REQUIRED TO OPERATE AN FSS PROGRAM

Each PHA that received funding for public housing units under the FY 1991 and FY 1992 FSS incentive award competitions must operate a public housing FSS program. Each PHA that received funding for Section 8 rental certificates or vouchers under the combined FY 1991/1992 FSS incentive award competition also must operate a Section 8 FSS program.

In addition, unless the PHA receives an exemption under 24 CFR 984.105, each PHA for which HUD reserved funding (budget authority) for additional rental certificates or vouchers in FY 1993 through October 20, 1998, must operate a Section 8 FSS program. Each PHA for which HUD reserved funding (budget authority) to acquire or construct additional public housing units in FY 1993 through October 20, 1998, must operate a public housing FSS program as well.

Mandatory Minimum Program Size (MMPS) [24 CFR 984.105]

PHAs that must operate an FSS program under 24 CFR 984.101 are subject to a minimum program size requirement.

In public housing, a PHA's FSS program minimum program size is determined by adding the total number of public housing units reserved in FY 1991 and FY 1992 under the FSS incentive award competitions to the number of public housing units reserved in FY 1993 through October 20, 1998, and subtracting the number of families that have graduated from the PHA's public housing FSS program on or after October 21, 1998, by fulfilling their FSS contract of participation obligations.

In the housing choice voucher program, a PHA's FSS program minimum program size is determined by adding the number of HCV program units reserved under the combined FY 1991/1992 FSS incentive award competition to the number of additional rental voucher units reserved in FY 1993 through October 20, 1998, (not including the renewal of funding for units previously reserved) then subtracting the units that are excluded from minimum program size and subtracting the number of families who have graduated from the PHA's Section 8 FSS program on or after October 21, 1998, by fulfilling their contract of participation obligations.

Further, when determining the Section 8 FSS program size for funding reserved in FY 1993 through October 20, 1998, the PHA must exclude funding for families affected by termination, expiration, or owner opt-out under Section 8 project-based programs; funding for families affected by demolition or disposition of a public housing project or replacement of a public housing project; funding for families affected by conversion of assistance from the Section 23 leased housing or housing assistance payments programs to the housing choice voucher program; funding for families affected by the sale of a HUD-owned project; and funding for families affected by the prepayment of a mortgage or voluntary termination of mortgage insurance.

PHA Minimum Program Size

CHA has no mandatory minimum program size requirement and operates a voluntary FSS Program.

Maintaining Mandatory Minimum Program Size

Although the discretion to do so ultimately rests with the PHA, mandatory minimum program size can decrease as FSS participants graduate. Per the regulation, for each family that graduates from the program by fulfilling its FSS contract of participation on or after October 21, 1998, the mandatory minimum program size for a PHA's public housing or housing choice voucher FSS program is reduced by one slot. However, If an FSS slot is vacated by a family that has not completed its FSS contract of participation obligations, the slot must be filled by a replacement family which has been selected in accordance with the FSS family selection procedures [24 CFR 984.105(b)(3)].

PHA Policy

The PHA will reduce the FSS mandatory minimum program size by one for each family that graduates from the program by fulfilling its FSS contract of participation.

Option to Operate Larger FSS Program

A PHA may choose to operate an FSS program of a larger size than the minimum required by HUD [24 CFR 984.105(a)(3)].

PHA Policy

The PHA has no mandatory minimum program size requirement, and will operate a FSS program in correlation with FSS coordinator availability.

Exception to Program Operation [24 CFR 984.105(c)]

The requirement to establish and carry out a public housing or a housing choice voucher FSS program may be waived with approval from HUD. In order to waive the requirement, the PHA must provide a certification to HUD that the establishment and operation of an FSS program is not feasible because of a lack of accessible supportive services funding, including lack of the availability of programs under JTPA or JOBS; a lack of funding for reasonable administrative costs; a lack of cooperation by other units of state or local government; or a lack of interest in participating in the FSS program on the part of eligible families.

An exception will not be granted if HUD determines that local circumstances do not preclude the PHA from effectively operating an FSS program that is smaller than the minimum program size.

Reduction in Program Size

Rather than a full exception to program operation, a PHA may also be permitted to operate a public housing or a housing choice voucher FSS program that is smaller than the minimum program size. As with the full exception, HUD may grant the PHA such a partial exception if the PHA provides to HUD a certification that the operation of an FSS program of the minimum program size is not feasible because of a decrease in or lack of accessible supportive services [24 CFR 984.105(d)].

Expiration of Exception

The approval for a full or partial exception to the FSS minimum program size requirement expires three years from the date of HUD approval of the exception. If a PHA seeks to continue an exception after its expiration, the PHA must submit a new request and a new certification to HUD for consideration [24 CFR 984.105(e)].

2-II.B. ESTIMATE OF PARTICIPATING FAMILIES [24 CFR 984.201(d)(2)]

The PHA must state the number of eligible FSS families who can reasonably be expected to receive supportive services under the FSS program based on available and anticipated federal, tribal, state, local, and private resources

Estimate of Eligible Families

150 eligible FSS families can reasonably be expected to receive supportive services under the FSS program, based on available and anticipated federal, tribal, state, local, and private resources.

2-II.C. ELIGIBLE FAMILIES FROM OTHER SELF-SUFFICIENCY PROGRAMS [24 CFR 984.201(d)(3)]

If applicable, the PHA must enter the number of families, by program type, who are participating in any other local housing self-sufficiency program who are expected to agree to execute an FSS contract of participation.

CHA Policy

The PHA does not operate other self-sufficiency programs and therefore no additional families from other programs are expected to execute an FSS contract of participation.

2-II.D. ELIGIBILITY OF A COMBINED PROGRAM [24 CFR 984.201(e)]

A PHA that wishes to operate a joint FSS program with other PHAs may combine its resources with one or more PHAs to deliver supportive services under a joint action plan that will provide for the establishment and operation of a combined FSS program that meets the requirements of this part.

PHA Policy

CHA will not combine its resources with any other PHA to deliver support services, have a joint action plan, or establish or operate a combined FSS Program.

PART III: PROGRAM OPERATION

2-III.A. OVERVIEW

Federal regulations specify requirements for FSS program operation regarding deadlines for program start-up and when the PHA is expected to have attained full enrollment. A timetable illustrating when the PHA intends to meet these deadlines is included as part of the required contents of the action plan.

2-III.B. PROGRAM IMPLEMENTATION DEADLINE

The deadlines for program implementation differ depending on whether the FSS program is voluntary or mandatory.

Voluntary Program [24 CFR 984.301(a)(1)]

There is no deadline for implementation of a voluntary program. However, a voluntary program may not be implemented before the requirements specified in 24 CFR 984.201 have been satisfied (see Sections 1-II.A.–1-II.D.).

Mandatory Program [24 CFR 984.301(a)(2)]

For mandatory FSS programs, operation of a local FSS program must begin within 12 months of HUD's approval of funding that establishes the obligation to operate an FSS program. *Operation* means that activities such as outreach, participant selection, and enrollment have begun. Full delivery of the supportive services to be provided to the total number of families required to be served under the program need not occur within this 12 months, but must occur within two years (see Section 2-III.C.).

2-III.C. FULL ENROLLMENT AND DELIVERY OF SERVICE [24 CFR 984.301(a)(2)(ii)]

Unless the PHA is implementing a voluntary FSS program, the PHA must have completed enrollment of the total number of families required to be served under the program (based on the minimum program size), and must have begun delivery of the supportive services within two years from the date of notification of approval of the application for *new public housing units* for a public housing FSS program, *new rental certificates or rental vouchers* for a Section 8 FSS program, or HUD's approval of funding that establishes the obligation to operate an FSS program.

**2-III.D. EXTENSION OF PROGRAM DEADLINES FOR GOOD CAUSE
[24 CFR 984.301(a)(2)(iii)]**

HUD may extend the deadline for program implementation if the PHA requests an extension and HUD determines that despite best efforts on the part of the PHA, the development of new public housing units will not occur within the required deadlines, the commitment by public or private resources to deliver supportive services has been withdrawn, the delivery of such services has been delayed, or other local circumstances warrant an extension of the required deadlines.

2-III.E. TIMETABLE FOR PROGRAM IMPLEMENTATION [24 CFR 984.201(d)(ii)]

A timetable for implementation of the FSS program is part of the required contents of the FSS action plan. The timetable must comply with the requirements in 24 CFR 984.301 (see Section 2-III.B.–2-III.D.), including the schedule for filling FSS slots with eligible FSS families.

PHA Policy

The PHA will implement the FSS program within one year from the date of approval of either the FSS action plan by the HUD field office, or the FSS funding application by HUD.

In addition, the PHA will fill the mandatory FSS slots within two years from the date of approval of either the FSS action plan by the HUD field office, or the FSS funding application by HUD.

The PHA will implement its FSS program according to the following timetable:

Activity	Month and Date
Establish PCC	January 1
Conduct Program Needs Assessment	August 1
Resource Identification	August 1
Establish Policies	January 1
Design Service Delivery	August 1
Develop Administrative Procedures	January 1
Begin Service Delivery	Ongoing
Conduct Outreach	Ongoing
Conduct Orientations	Quarterly
Conduct Individual Needs Assessment	Yearly
Begin Contracting	Ongoing
Complete Contracting	Ongoing

PART IV: DEFINITIONS

2-IV.A. DEFINITIONS [24 CFR 984.103]

The terms *1937 Act*, *fair market rent*, *HUD*, *low-income family*, *public housing*, *public housing agency (PHA)*, *secretary*, and *Section 8*, as used in this document are defined in the 24 CFR Part 5.

The term *very low-income family* is defined in 24 CFR 813.102 and 24 CFR 913.102.

The terms used in this document have the following definitions as defined by 24 CFR 984.103 and this family self-sufficiency action plan.

Baseline annual income means the FSS family's total annual earned income from wages and business income (if any) as of the effective date of the FSS contract.

Baseline monthly rent means the FSS family's total tenant payment (TTP), as of the effective date of the FSS contract, or the amount of the flat rent (which includes the applicable utility allowance) or ceiling rent as of that date.

Certification means a written assertion based on supporting evidence, provided by the FSS family or the PHA, which must be maintained by the PHA in the case of the family's certification, or by HUD in the case of the PHA's certification; made available for inspection by HUD, the PHA, and the public, as appropriate; and be deemed to be accurate, unless the secretary or the PHA determines otherwise after inspecting the evidence and providing due notice and opportunity for comment.

Chief executive officer (CEO) means the CEO of a unit of general local government who is the elected official or the legally designated official having primary responsibility for the conduct of that entity's governmental affairs.

Contract of participation (COP) means a contract in a form approved by HUD, entered into between a participating family and a PHA operating an FSS program that sets forth the terms and conditions governing participation in the FSS program. The contract of participation includes all individual training and services plans entered into between the PHA and all members of the family who will participate in the FSS program, and which plans are attached to the contract of participation as exhibits. For additional detail, see 24 CFR 984.303.

Current annual earned income means the FSS family's total annual earned income from wages and business income (if any) as of the most recent reexamination of income.

Current monthly income means the FSS family's total tenant payment (TTP) as of the most recent re-examination of income, or the amount of the flat rent (which includes the applicable utility allowance) or ceiling rent, as of that date.

Earned income means income or earnings included in annual income from wages, tips, salaries, other employment compensation, and self-employment. Earned income does not include any pension or annuity, transfer payments, any cash or in-kind benefits, or funds deposited in or accrued interest on the FSS escrow account established by a PHA on behalf of a participating family.

Effective date of contract of participation means the first day of the month following the month in which the FSS family and the PHA entered into the contract of participation.

Eligible families for the public housing FSS program means current residents of public housing, and for the housing choice voucher FSS program, means current housing choice voucher program participants, as well as housing choice voucher homeownership participants. Eligible families also include current residents of public housing and participants in the housing choice voucher program who are participants in other local self-sufficiency programs.

Enrollment means the date that the FSS family entered into the contract of participation with the PHA.

Family self-sufficiency program or *FSS program* means the program established by a PHA within its jurisdiction to promote self-sufficiency among participating families, including the provision of supportive services to these families, as authorized by section 23 of the 1937 Act.

FSS account means the FSS escrow account authorized by section 23 of the 1937 Act.

FSS credit means the amount credited by the PHA to the participating family's FSS account.

FSS family or *participating family* means a family that resides in public housing or receives assistance under the rental voucher programs that elects to participate in the FSS program and whose designated head of the family has signed the contract of participation.

FSS-related service program means any program, publicly or privately sponsored, that offers the kinds of supportive services described in the definition of *supportive services*.

FSS slots refer to the total number of public housing units or the total number of rental vouchers that comprise the minimum size of a PHA's respective public housing FSS program or HCV FSS program.

FY means federal fiscal year (starting with October 1, and ending September 30, and designated by the calendar year in which it ends).

Head of FSS family means the adult member of the FSS family who the family has chosen to execute the FSS Contract of Participation.

Housing subsidies means assistance to meet the costs and expenses of temporary shelter, rental housing, or homeownership, including rent, mortgage, or utility payments.

Individual training and services plan (ITSP) means a written plan that is prepared for the head of the FSS family and each adult member of the FSS family who elects to participate in the FSS program, by the PHA in consultation with the family member, and which sets forth the supportive services to be provided to the family member, the activities to be completed by that family member, and the agreed upon completion dates for the services and activities. Each ITSP must be signed by the PHA and the participating family member, and is attached to and incorporated as part of the contract of participation. An ITSP must be prepared for the head of the FSS family.

JTPA means the Job Training Partnership Act (29 U.S.C. 1579(a)) now known as the Workforce Investment Act or WIA.

Knowledgeable professional

PHA Policy

Knowledgeable professional means a person who is knowledgeable about the situation, competent to render a professional opinion, and is not in a position to gain, monetarily or otherwise, from the PHA FSS program decision in the area to which they are certifying.

Participating family is defined as *FSS family* in this section.

Program coordinating committee (PCC) means the committee described in 24 CFR 984.202.

Public housing means housing assisted under the 1937 Act, excluding housing assisted under Section 8 of the 1937 Act.

Self-sufficiency means that an FSS family is no longer receiving Section 8, public, or Indian housing assistance, or any federal, state, or local rent or homeownership subsidies or welfare assistance. Achievement of self-sufficiency, although an FSS program objective, is not a condition for receipt of the FSS account funds.

Supportive services mean those appropriate services that a PHA will make available or cause to be made available to an FSS family under a contract of participation. These may include child care of a type that provides sufficient hours of operation and serves an appropriate range of ages; transportation necessary to enable a participating family to receive available services or to commute to their places of employment; remedial education; education for completion of secondary or post-secondary schooling; job training, preparation, and counseling; job development and placement; and follow-up assistance after job placement and completion of the contract of participation; substance/alcohol abuse treatment and counseling; training in homemaking and parenting skills; household management; money management; counseling regarding homeownership or opportunities available for affordable rental and homeownership in the private housing market (including information on an individual's rights under the Fair Housing Act) and money management; and any other services and resources, including case management and reasonable accommodations for individuals with disabilities, that the PHA may determine to be appropriate in assisting FSS families to achieve economic independence and self-sufficiency.

Unit size or *size of unit* refers to the number of bedrooms in a dwelling unit.

Welfare assistance means (for purposes of the FSS program only) income assistance from federal or state welfare programs and includes only cash maintenance payments designed to meet a family's ongoing basic needs. Welfare assistance does not include nonrecurrent, short-term benefits that are designed to deal with a specific crisis situation or episode of need, or are not intended to meet recurrent or ongoing needs and will not extend beyond four months; work subsidies (i.e., payments to employers or third parties to help cover the costs of employee wages, benefits, supervision, and training); supportive services such as child care and transportation provided to families who are employed; refundable earned income tax credits; contributions to, and distributions from, individual development accounts under TANF; services such as counseling, case management, peer support, child care information and referral, transitional services, job retention, job advancement and other employment-related services that do not provide basic income support; transportation benefits provided under a Job Access or Reverse Commute project, pursuant to section 404(k) of the Social Security Act, to an individual who is not otherwise receiving assistance; amounts solely directed to meeting housing expenses; amounts for health care; food stamps and emergency rental and utilities assistance; and SSI, SSDI, or social security.



FAMILY SELF-SUFFICIENCY ACTION PLAN

CHAPTER 3

PROGRAM ADMINISTRATION

Chapter 3

PROGRAM ADMINISTRATION

INTRODUCTION

This chapter discusses administrative policies and practices as they are relevant to the activities covered in this plan. The policies and practices are discussed in two parts:

Part I: Staffing, Fees and Costs, and On-Site Facilities: This part describes identifying appropriate staff and contractors to operate the FSS program and provide the necessary direct services to FSS families. In addition, it describes how administrative fees, costs, and supportive services will be funded, and defines the use of on-site facilities.

Part II: The Program Coordinating Committee: This part covers the establishment of a program coordinating committee (PCC), which is a regulatory requirement for the FSS program. It describes required and recommended PCC membership, in addition to the option for an alternative committee.

PART I. STAFFING, FEES AND COSTS, AND ON-SITE FACILITIES

3-I.A. OVERVIEW

Several functions of program administration are crucial to running an FSS program. A PHA may need to employ a program coordinator, or decide to contract with another organization to administer the program. In addition to staffing issues, PHAs should understand how program funding and expenses work in order to keep the program running smoothly. Finally, PHAs need to sort out whether and how to make common areas or unoccupied units to provide supportive services.

3-I.B. PROGRAM ADMINISTRATION STAFF AND CONTRACTORS [24 CFR 984.301(b)]

PHAs have the choice between hiring their own staff and contracting with an outside organization to administer their FSS program. If the PHA should choose to employ its own staff, the staffing levels should be appropriate, and may include one or more FSS coordinators. If the PHA chooses to contract with an outside organization, the organization's staffing levels must likewise be appropriate to establish and administer the FSS program, and the organization's responsibilities would include managing the FSS account in accordance with federal regulations.

PHA Policy

CHA will employ appropriate staff, including two or more FSS coordinators or program coordinators to administer its FSS program.

3-I.C. ADMINISTRATIVE FEES AND COSTS

In the past, the ways in which administrative fees and costs were funded were different for public housing and housing choice voucher FSS programs, and the use of such funding was restricted to the applicable program. In the Consolidated Appropriations Act of 2014, however, funding streams for the PH FSS and HCV FSS programs were combined, and all FSS funding is now awarded through one NOFA. Use of this funding is no longer restricted to the applicable program—funding now may be used to serve both PH and HCV FSS participants.

Funding will be awarded through a Grant Agreement and disbursed through HUD's Line of Credit Control System (LOCCS), similar to previous PH FSS awards; instead of an amendment to the PHA's Annual Contributions Contract (ACC), which was previously used for HCV awards.

PH FSS and HCV FSS funds awarded in prior years are still restricted to the applicable program, Rental Assistance Demonstration (RAD) programs excepted. Funding differences regarding previous years' funding is specified below.

Public Housing FSS Program

For public housing FSS programs, the performance funding system (PFS), provided under section 9(a) of the 1937 Act provides for the reasonable and eligible administrative costs that the PHA incurs in carrying out the program only when funds have been appropriated. However, a PHA may use other resources for this purpose [24 CFR 984.302(a)].

In other words, the PHA may fund reasonable and eligible administrative costs in the FSS program from the Operating Fund. However, these expenses will only be reimbursed in the operating subsidy when a current appropriations act allows it. In addition, the PHA may fund reasonable and eligible administrative costs from the Capital Fund. Administrative staffing costs may also be funded through HUD or other grant or foundation sources. This includes FSS Coordinator grants when available.

Housing Choice Voucher FSS Program

In the housing choice voucher program, administrative fees are paid to PHAs for HUD-approved costs associated with the operation of an FSS program. These administrative fees are established by Congress and subject to appropriations [24 CFR 984.302(b)].

In addition, administrative fees for HUD-approved costs not specifically related to the operation of the FSS program may be used to cover these costs associated with the administration of FSS [see Notice PIH 93-24 E-7 and E-8].

3-I.D. SUPPORTIVE SERVICES FEES AND COSTS

As with administrative fees and costs, funding for supportive services fees and costs are now combined under one funding stream. Supportive services fees and costs include childcare expenses, transportation funds, and the costs of training, work equipment, or GED classes, among others. As with administrative fees and costs, funding will be awarded through a Grant Agreement and disbursed through HUD's Line of Credit Control System (LOCCS), similar to previous PH FSS awards; instead of an amendment to the PHA's Annual Contributions Contract (ACC), which was previously used for HCV awards. Remember, however, that funds awarded in prior years are still restricted to the applicable program. Information for funds under previous years' awards follows.

Public Housing Supportive Services

In public housing, the PHA may fund reasonable and eligible FSS supportive service costs in the FSS program from either the Operating Fund or the Capital Fund. However, in the Operating Fund, the costs of FSS supportive services are only reimbursed through the operating subsidy when appropriations allow it.

In addition to the Operating Fund and Capital Fund, public housing supportive services can also be funded through HUD grants, other than FSS coordinator grants, when available.

Housing Choice Voucher Supportive Services

In the housing choice voucher program, the PHA may fund reasonable and eligible FSS supportive service costs in the FSS program from unrestricted net assets [see Notice PIH 93-24, E-3].

In addition, the PHA may seek additional funds from HUD through submitting grant applications, or seek grants from other sources when available.

3-I.E. ON-SITE FACILITIES

Each PHA may, subject to the approval of HUD, make available and utilize common areas or unoccupied dwelling units in public housing projects to provide supportive services under an FSS program. This includes using such areas for participants in a housing choice voucher FSS program.

PHA Policy

CHA will make Blind Boone Community Center and Administrative Training Room & Offices available to provide supportive services under the Public Housing and HCV FSS Programs.

PART II: PROGRAM COORDINATING COMMITTEE

3-II.A. OVERVIEW

As another integral part of FSS program administration, each participating PHA must establish a program coordinating committee (PCC) whose functions will be to assist the PHA in securing commitments of public and private resources for the operation of the FSS program within the PHA's jurisdiction, including assistance in developing the action plan and in implementing the program [24 CFR 984.202(a)].

The PCC must consist of certain members, which are dependent upon whether the PHA is operating a public housing or housing choice voucher program. In addition to these required members, the PCC may also include additional members recommended by regulation.

3-II.B. PROGRAM COORDINATING COMMITTEE MEMBERSHIP

Required PCC Membership [24 CFR 984.202(b)(1)]

For a public housing FSS program, the PCC members required consist of representatives of the PHA and public housing residents. The public housing resident representatives on the PCC will be solicited from one or more of the following groups:

- An area-wide or city-wide resident council
- If the PHA will be transferring FSS participants to vacant units in a specific public housing development, the resident council or resident management corporation of the public housing development where the public housing FSS program is to be carried out
- Any other public housing resident group that the PHA believes is interested in the FSS program and would contribute to the development and implementation of the FSS program

For a housing choice voucher FSS program, the PCC membership must consist of representatives of the PHA and participants of the HCV program and HUD's public or Indian housing programs.

PHA Policy

CHA members of the program coordinating committee (PCC) shall include the Director of Resident Services and at least one FSS Coordinator.

- The FSS team shall also serve as administrative support to this committee.

Membership shall also include one or more participants from each CHA rental assistance program; (1) Public Housing, (2) RAD Project-Based Vouchers, and (3) Housing Choice Vouchers.

CHA will strive to include one or more members from the CHA Resident Advisory Board (RAB) and any tenant association as applicable. These members shall qualify as representatives of their respective rental assistance program.

- CHA will also consider RAB recommendations for representatives of the rental assistance programs.

Recommended PCC Membership [24 CFR 984.202(b)(2)]

Membership on the PCC also may include representatives of the unit of general local government served by the PHA, local agencies (if any) responsible for carrying out employment training programs or programs funded under the Workforce Investment Act, and other organizations, such as other state, local, or tribal welfare and employment agencies, public and private education or training institutions, child care providers, nonprofit service providers, private business, and any other public and private service providers with resources to assist the FSS program.

CHA Policy

The PHA's FSS program coordinating committee membership will include (but not limited to) leadership from the following organizations:

Columbia College, Moberly Area Community College, Lutheran Family & Children Services, Daniel Boone Regional Library, Job Point, Voluntary Action Center, CMCA, Prosper U, MERS Goodwill, Love Columbia.

3-II.C. ALTERNATIVE PCC COMMITTEE [24 CFR 984.202(c)]

It is also possible for the PHA, in consultation with the chief executive officer of the unit of general local government served by the PHA, to use an existing entity as the PCC, as long as the membership of the existing entity consists or will consist of the individuals required by regulation (See section 3-II.B. above).

PHA Policy

CHA will not utilize an existing entity as its program coordinating committee.



FAMILY SELF-SUFFICIENCY ACTION PLAN

CHAPTER 4

SELECTING AND SERVING FSS FAMILIES

Chapter 4

SELECTING AND SERVING FSS FAMILIES

INTRODUCTION

FSS regulations require that the PHA include in its action plan a statement indicating how it will select families for participation in the FSS program. This includes outreach, waiting list management, and other selection procedures. When followed, the PHA's selection procedures ensure that families will be selected without regard to race, color, religion, sex, handicap, familial status, or national origin.

Once selected for participation in the FSS program, families are to be provided various activities and supportive services so that they may obtain the education, employment, and business and social skills necessary to achieve self-sufficiency. A description of such activities and supportive services is also a requirement of the FSS action plan.

This chapter contains three parts:

Part I: Incentives, Outreach, and Assurance of Noninterference: This part describes the incentives the PHA will offer and the outreach efforts the PHA will use in order to encourage participation and recruit eligible families for the FSS program. It also contains the required assurance of noninterference with the rights of nonparticipating families.

Part II: Family Selection: This part covers whether the PHA will use preferences for family selection and which preferences the PHA will employ if they choose to do so. In addition, this part describes the selection factors the PHA will use in screening families for participation in the FSS program.

Part III: Activities and Support Services: This part lists the activities and supportive services to be provided to families through both public and private resources, describes the method the PHA will use to identify family support needs, and covers the required certification of coordination.

PART I. INCENTIVES, OUTREACH, AND ASSURANCE OF NONINTERFERENCE

4-I.A. OVERVIEW

The FSS program offers incentives such as the FSS escrow account, case management, and other supportive services that not only encourage participation, but also help families achieve self-sufficiency. In addition to encouraging program participation through such incentives, PHAs also conduct outreach to recruit FSS participants from among eligible families. As part of this process, families need to know that their choice as to whether to participate in the FSS program will not affect their admission to the public housing or housing choice voucher programs, nor will it affect their right to occupancy. This part describes the PHA's policies regarding these issues, all of which are required aspects of the FSS action plan.

4-I.B. INCENTIVES FOR PARTICIPATION [24 984.201(d)(5)]

By regulation, the FSS action plan must include a PHA's incentives plan—a description of the incentives that the PHA intends to offer eligible families to encourage their participation in the FSS program. The incentives plan provides for the establishment of the FSS escrow account and any other incentives designed by the PHA

PHA Policy

CHA will offer the following services to its FSS participants as incentives to participate in FSS:

Incentive	Provided By	Description
Case management	CHA FSS Coordinators	Assist with achieving all household goals towards self-sufficiency.
Information on and referrals to services	CHA FSS Coordinators	Provide monthly newsletters with resources and one-on-one meetings whenever necessary.
FSS Escrow Account	HUD FSS Program	Account maintained by the PHA or owner on behalf of FSS Participant. Participants build savings in the escrow account as their earned income increases.

4-I.C. OUTREACH EFFORTS [24 CFR 984.201(d)(6)(i)(ii)]

In addition to offering incentives for FSS participation, PHAs also conduct outreach in order to recruit more FSS participants from eligible families. The FSS action plan must include a description of these efforts to recruit FSS participants, including notification and outreach, the actions the PHA will take to assure that both minority and nonminority groups are informed about the FSS program, and how the PHA will make this information known.

PHA Policy

The PHA will notify eligible families about the FSS program using the following outreach locations, activities, methods, and languages, where appropriate. These points of contact and methods have been selected to ensure that both minority and nonminority groups are informed about the FSS program.

Location/Activity	Staff/Partner	Method	Language
Briefings/Orientations	CHA Intake Specialist or CHA Housing Manager	Flyer Presentation	
Interims/Recertifications	CHA HCV Specialist or CHA Housing Manager	Flyer Posters Presentation Referral Form	
Transfers/Portability	CHA HCV Portability Specialist	Flyer Posters Presentation Referral Form	
Lobby	CHA Staff Receptionist	Flyer Posters Referral Form Video	
Waiting Room	CHA Staff	Flyer Posters Video	

4-I.D. ASSURANCE OF NONINTERFERENCE WITH THE RIGHTS OF NONPARTICIPATING FAMILIES [24 CFR 984.201(d)(10)]

A family's housing assistance or admission into assisted housing should never depend on whether they choose to participate in the FSS program, and PHAs need to make this known as part of the recruitment process. For this reason, the PHA's action plan must include an assurance that a family's decision to not participate in the FSS program will not affect the family's admission to the public housing or housing choice voucher programs, nor will it affect the family's right to occupancy in accordance with the lease.

CHA Policy

Participation in the FSS program is strictly voluntary. Public housing residents and housing choice voucher program participants will be notified in all literature and media presentations related to the FSS program that should they decide not to participate in the FSS program it will not affect their public housing or HCV housing assistance. This material will also specify that the family will retain the right to occupancy according to their lease and family obligations contract.

PART II. FAMILY SELECTION

4-II.A. OVERVIEW

The FSS action plan is required to contain a statement indicating the procedures for selecting families for FSS program participation, including a description of how the PHA will do so without regard to race, color, religion, sex, handicap, familial status, or national origin. This part describes these procedures, taking into account whether the PHA will use preferences for family selection and which preferences the PHA will employ if they choose to do so, in addition to defining the factors the PHA will use in screening families for program participation.

4-II.B. FSS SELECTION PREFERENCES

As part of the process for selecting families for participation in the FSS program, the PHA may choose whether to employ the use of preferences. In particular, if the PHA so chooses, it has the option of giving a selection preference for up to 50 percent of its public housing FSS slots and 50 percent of its HCV program FSS slots, respectively, to eligible families who have one or more family members currently enrolled in an FSS-related service program or who are on the waiting list for such a program. Such a preference may be further limited to participants in and applicants for one or more specific eligible FSS-related service programs.

Should the PHA choose to adopt such a preference, it would need to include the following information in its action plan:

- The percentage of FSS slots, not to exceed 50 percent of the total number of FSS slots for each of its FSS programs, for which it will give a selection preference
- The FSS related service programs to which it will give a selection preference to the programs' participants and applicants
- The method of outreach to and selection of families with one or more members participating in the identified programs [24 CFR 984.203(a)]

A PHA may wish to adopt additional selection preferences as well [Notice PIH 93-24].

CHA Policy

The PHA will not adopt the use of preferences when selecting families for participation in the FSS program.

Even with up to 50 percent of the total number of FSS slots filled via selection preferences, and the possibility of other slots being filled by means of additional preferences, open slots will remain. Regardless of whether the PHA adopts selection preferences, those FSS slots for which the PHA chooses **not** to exercise the selection preference must be filled with eligible families in accordance with an objective selection system such as a lottery, the length of time living in subsidized housing, or the date the family expressed an interest in participating in the FSS program. This system must be described in the action plan [24 CFR 984.203(b)].

CHA Policy

CHA will use the date the family expressed an interest in participating in the FSS program to fill the FSS slots for which CHA chooses not to exercise the selection preference.

4-II.C. SELECTION FACTORS

Many factors contribute to whether a PHA may choose to select a family for participation in the FSS program. These selection factors can help the PHA screen families for admission, and ultimately contribute to the PHA's decision to either allow or deny a family's admission into the FSS program.

Motivation Selection Factors [24 CFR 984.203(c)(1)]

A PHA may screen families for interest and motivation to participate in the FSS program provided that the factors utilized by the PHA are those which solely measure the family's interest and motivation to participate in the FSS program. For this reason, PHAs must only apply motivational screening factors that are permissible under the regulations.

Permissible Motivation Selection Factors

Permitted motivational factors include requiring attendance at FSS orientation sessions or pre-selection interviews, and assigning certain tasks indicating the family's willingness to undertake the obligations that may be imposed by the FSS contract of participation. However, any tasks assigned should be readily accomplishable by the family based on the family members' educational level or disabilities, if any. Reasonable accommodations must be made for individuals with mobility, manual, sensory, speech impairments, mental, or developmental disabilities [24 CFR 984.203(c)(2)].

CHA Policy

CHA will screen families for interest and motivation to participate in the FSS program by assigning a meeting or workshop which is the same type of meeting or workshop for each family. The PHA will only use the fact that the family attended as a screening factor, even if tasks or exercises are not completed in the meeting. In addition, if the family needs either childcare or transportation to be able to attend, or requests an accommodation for a disability, CHA will either refer the family to available services or exempt the family from this screening factor.

Prohibited Motivation Selection Factors

Prohibited motivational screening factors include the family's educational level, educational or standardized motivational test results, previous job history or job performance, credit rating, marital status, number of children, or other factors, such as sensory or manual skills, and any factors which may result in discriminatory practices or treatment toward individuals with disabilities or minority or nonminority groups [24 CFR 984.203(C)(3)].

Other Selection Factors

In addition to motivational screening, the PHA may also wish to screen families for other factors.

PHA Debt Selection Factor

The PHA may deny FSS participation to a family if the family owes the PHA, or another PHA, money in connection with HCV or public housing assistance [Notice PIH 93-24, B-18].

CHA Policy

CHA may deny FSS participation to a family if the family owes CHA, or another PHA, money in connection with HCV or public housing assistance-each case will be handled on an individual basis. Families that owe money to a PHA who have entered into a repayment agreement and are current on that repayment agreement will not be denied FSS participation.

Previous Participation Selection Factor

A PHA may refuse to select a family for participation in the FSS program a second time if that family previously participated unsuccessfully (i.e., the family participated, did not meet its FSS obligations, and was terminated from the FSS program) [Notice PIH 93-24, B-14].

CHA Policy

CHA may or may not refuse to select a family for participation in the FSS program a second time if that family previously participated and did not complete. Each case will be handled on an individual basis.

CHA may or may not refuse to select a family for participation in the FSS program a second time if that family previously participated and graduated from the program receiving escrow funds. Each case will be handled on an individual basis.

PART III. ACTIVITIES AND SUPPORT SERVICES

4-III.A. OVERVIEW

Once families are admitted to the FSS program, the PHA becomes responsible for making sure these families are adequately served. The purpose of the family self-sufficiency (FSS) program is to promote the development of local strategies to coordinate the use of public housing assistance and assistance under the housing choice voucher programs with public and private resources, to enable families eligible to receive assistance under these programs to achieve economic independence and self-sufficiency. As such, upon selection, families are matched with the appropriate activities and supportive services so that they may obtain the education, employment, and business and social skills necessary to achieve self-sufficiency. This is a vital element of the FSS program.

4-III.B. METHOD OF IDENTIFYING FAMILY SUPPORT NEEDS

[24 CFR 984.201(d)(8)]

Before a PHA can determine the services and activities it will provide to FSS families, it must identify the services and activities appropriate to each family. The action plan must contain a description of how the program will identify the needs of FSS families and deliver the services and activities according to these needs.

CHA Policy

Supportive services needs will be identified by completion of an informal needs assessment with the FSS coordinator or case manager before completion of the initial individual training and services plan and signing of the contract of participation. After enrollment in CHA's FSS program, a formal needs assessment, including vocational counseling, educational counseling, and employment planning, is conducted by the FSS Coordinators with assistance from the following partners on the PCC *Columbia College, Moberly Area Community College, Lutheran Family & Children Services, Daniel Boone Regional Library, JobPoint, Voluntary Action Center, CMCA, Prosper U, MERS Goodwill, Love Columbia.*

These results are used to modify the ITSP, if requested by the family.

4-III.C. FSS ACTIVITIES AND SUPPORT SERVICES DESCRIPTION
[24 CFR 984.201(d)(7)]

As part of the required contents of the action plan, PHAs must both describe the activities and supportive services to be provided by public and private resources to FSS families, and identify the public and private resources that are expected to provide the supportive services.

Of course, this task assumes that the PHA has first identified the needed activities and supportive services.

CHA Policy

CHA’s FSS program, through its partners on the program coordinating committee, will provide the following activities and support services to FSS families:

Support Service General	Support Service Specific	Source/Partner
Assessment	Vocational Assessment Educational Assessment Vocational Planning Educational Planning Disability Assessment Disability Vocational Assessment/Planning Disability Educational Assessment/Planning Drug/Alcohol Assessment Drug/Alcohol Planning	Adult Basic Education Career Center Community College Community Based Organizations Career Center Community College Vocational Rehabilitation Health Department Career Center Community-based Organizations
Education	High School English as a Second Language GED Post-secondary College	High School Adult Basic Education Community College University
Training	Skills Training Emerging Technologies Training Biomedical Training On-the-Job Training Functional Context Training	Adult Basic Education Community College University Community-based Organizations Workforce Investment

Support Service General	Support Service Specific	Source/Partner
Job Search Assistance	Resume Preparation Interviewing Skills Dress for Success Workplace Skills Job Development Job Placement	Adult Basic Education Community College University Community-based Organizations Workforce Investment
Transportation	Bus Train/Trolley	Metropolitan Transit
Health Care	Alcohol and Drug Prevention Alcohol and Drug Treatment	HMO Health Department Community Clinic General Hospital
Mentoring	Mentoring Match	Adult Basic Education Community College Workforce Investment Act Youth Programs Community-based Organizations
Micro and Small Business Development	Training Planning Technical Assistance Mentoring	Microbusiness Assistance Program Small Business Administration Business Incubator
Homeownership	Training Planning Debt Resolution	Public Housing Authority Housing Counseling Organization Community-based Organizations
Individual Development Accounts	Match Savings Accounts Distribution of IDA Funds	Public Housing Authority TANF Office of Community Services in DHHS Office of Refugee Resettlement Beginner Farmers and Ranchers Community-based Organizations
Child Care	Infant Care Toddler Care Preschool Care Afterschool Care Homework Assistance	Child Care Resource Parks and Recreation

Support Service General	Support Service Specific	Source/Partner
Crisis Services	Crisis Assessment Crisis Intervention Crisis Management Crisis Resolution	Crisis Team Senior Crisis Team Poison Center Domestic Violence Shelter
Child/Adult Protective Services	Needs Assessment Case Planning Information Referral Crisis Management	Senior Services Adult Services In-home Support Services Adult Abuse Hotline Child Abuse Hotline Foster Care Adoption Services
Legal Services	Representation Document Review Counsel or Advice	ACLU Legal Aid
Debt Resolution	Needs Assessment Case Planning Advocacy Negotiation	Consumer Credit Counselors

4-III.D. CERTIFICATION OF COORDINATION [24 CFR 984.201(d)(12)]

The FSS action plan is required to contain a certification that the development of the activities and services under the FSS program has been coordinated with the JOBS program (now Welfare to Work under TANF), the programs provided under the JTPA (now Workforce Investment Act programs), and any other relevant employment, child care, transportation, training, and education programs in the applicable area. The implementation of the FSS program's activities and services must continue to be coordinated as such in order to avoid duplication of activities and services.

CHA Policy

CHA certifies that its FSS program has developed its services and activities in coordination with the Workforce Investment Act (formerly JTPA), Workforce Investment Board and One Stop Centers, Welfare to Work (formerly JOBS program), and any other relevant employment, child care, transportation, training, and education programs in the applicable area. The implementation of these activities and services will continue to be coordinated in this manner in order to avoid duplication of activities and services.



FAMILY SELF-SUFFICIENCY ACTION PLAN

CHAPTER 5

CONTRACT OF PARTICIPATION

Chapter 5

CONTRACT OF PARTICIPATION

INTRODUCTION

Each family that is selected to participate in an FSS program must enter into a contract of participation with the PHA. This contract, which is signed by the head of the FSS family, sets forth the principal terms and conditions governing participation in the FSS program, including the rights and responsibilities of the FSS family and of the PHA, the services to be provided to the head of the FSS family and each adult member of the family who elects to participate in the program, and the activities to be completed by them. The contract also incorporates the individual training and services plan [24 CFR 984.303].

This chapter contains two parts:

Part I: Overview and Family Obligations: This part provides an overview of the form and content of the contract of participation and describes what the contract requires of FSS families.

Part II: Contract Specifications: This part explains the specifications of the contract, including terms and conditions, contract modification, contract terminations, and grievance procedures.

PART I: OVERVIEW AND FAMILY OBLIGATIONS

5-I.A. OVERVIEW

The purpose of the FSS contract of participation is to set forth the principal terms and conditions governing participation in the FSS program, including the incorporation the individual training and services plan (ITSP) as part of the contract's required contents. The ITSP is meant to establish goals for an FSS family to meet along the family's way to completing the contract and becoming self-sufficient. In addition to the goals specified in the ITSP, the contract also lists the responsibilities of the family and the PHA. This part covers the ITSP as part of the required contents of the contract of participation, and the family's obligations under the contract.

5-1.B. CONTENTS OF THE CONTRACT OF PARTICIPATION

Individual Training and Services Plan

As part of the required contents of the FSS contract of participation (COP), the individual training and services plan (ITSP) establishes specific interim and final goals by which the PHA and the family measure the family's progress toward fulfilling its obligations under the contract of participation and becoming self-sufficient. Interim and final goals will differ depending on the family's individual needs. Further, regulations require the establishment of a final goal regarding independence from welfare assistance and suitable employment.

Final Goals

For each participating FSS family that receives welfare assistance, the PHA must establish as a final goal that the family become independent from welfare assistance at the time of FSS Contract of Participation completion, including any extension thereof [24 CFR 984.303(b)(2)].

CHA Policy

CHA will inform each family participating in the FSS program, regardless of whether the family is receiving welfare assistance at the time the contract of participation is developed, that the family must include a final goal on its individual training and services plan for the family to be independent from welfare assistance at the expiration of the term of the contract of participation, including any extension thereof.

For each participating FSS family, the PHA must establish as a final goal that the designated FSS Head of Household must continue seeking and maintaining suitable employment specific to that individual's skills, education, job training, and the available job opportunities in the area [24 CFR 984.303(b)(2)]. Employment will be discussed further in section 5-1.C of the Action Plan.

CHA Policy

CHA will inform each family participating in the FSS program that the family must include a final goal on its individual training and services plan that the Head of the FSS family must continue seeking and maintaining suitable employment specific to that individual's skills, education, job training, and the available job opportunities in the area.

Individual Training & Service Plans for Other than FSS Head

An individual training and services plan is only required for the head of the FSS family. This means that it is the PHA's decision, after consulting with the family, whether to create an ITSP and provide supportive services to other family members aged 18 or over if they want to participate in the FSS program and supportive services are available [Notice PIH 93-24, G-16].

CHA Policy

CHA will have all adult household members sign a waiver designating who will be the FSS Head of Household, and thus, the escrow recipient. CHA will permit any additional family members to have an ITSP.

5-I.C. FAMILY OBLIGATIONS

Compliance with Lease Terms

One of the obligations of the FSS family according to the contract of participation is to comply with the terms and conditions of the public housing lease or housing choice voucher program assisted lease [24 CFR 984.303(b)(3)].

Inability to comply with the lease represents an inability to comply with the contract, therefore regulations regarding noncompliance with the FSS contract apply [see 24 CFR 984.303(b)(5)]. It is up to the PHA to determine the plan of action for FSS families found in noncompliance with the lease and how the PHA will precisely define the term *comply with the lease*.

CHA Policy

Comply with the lease means the FSS family has not been evicted for repeated or serious violations of the lease; or if they have been evicted for serious or repeated violations of the lease, the family has prevailed in either the grievance hearing or the informal hearing process.

CHA's FSS program will terminate the FSS contract of participation for failure to comply with the terms of the lease.

Employment Obligation [24 CFR 984.303 (b)(4)]

Another obligation set forth by the contract of participation is for the head of the FSS family to *seek and maintain suitable employment* during the term of the contract and any extension thereof. Although other members of the FSS family may seek and maintain employment during the term of the contract, it is only a requirement for the head of the FSS family.

The obligation for the head of the FSS family to *seek employment* is defined in the regulatory language as meaning that the head of the FSS family has applied for employment, attended job interviews, and has otherwise followed through on employment opportunities. However, this definition still leaves room for policy decisions on the part of the PHA because it does not define the level of activity involved in "seeking."

There is no regulatory definition of *maintain employment*. For this reason, it is up to the PHA to define the term.

In addition, there is no minimum period of time that an FSS head of household needs to be employed in order to meet its contract of participation requirements [Notice PIH 93-24, G-9].

According to regulation, the PHA makes a determination of *suitable employment* based on the skills, education, and job training of the FSS head of household, and based on the available job opportunities within the jurisdiction served by the PHA [24 CFR 984.303(b)(4)(iii)]. This means that the PHA has the ultimate responsibility for making the decision regarding the suitability of employment. However, this decision must be made in conjunction with the head of the FSS family [Notice PIH 93-24, G-3].

CHA Policy

For purposes of CHA's FSS program, *seek employment* means the head of household has applied for employment, attended job interviews, and otherwise followed through on

employment opportunities as outlined in the individual training and services plan of his or her contract of participation.

Maintain employment means that the FSS head of household will complete all of the obligations outlined in the individual training and services plan in his or her contract of participation (COP) and be employed in suitable employment on the last effective day of the COP.

Suitable employment is employment that is outlined in the individual training and services plan of the contract of participation and is based on the skills, education, and job training of the head of household.

5-I.D. CONSEQUENCES OF NONCOMPLIANCE WITH THE CONTRACT

Consequences apply for families who do not meet the terms and conditions of the contract. The regulations require that the contract of participation specify that if the FSS family fails to comply, without good cause, with the terms and conditions of the contract (including compliance with the public housing lease or the HCV-assisted lease), the PHA may:

- Withhold supportive services
- Terminate the family's participation in the FSS program
- In an HCV FSS program, terminate or withhold the family's HCV program assistance

However, the PHA may not terminate or withhold the family's HCV program assistance if the only basis for noncompliance with the contract of participation is noncompliance with the lease or failure to become independent from welfare assistance. Still, failure to become independent from welfare assistance because of failure of the head of household to meet the employment obligation specified in the contract, or failure of the FSS family to meet any other obligation under the contract of participation (except the final goal concerning welfare assistance) is grounds for the PHA to terminate or withhold HCV program assistance [24 CFR 984.303(b)(5)]. PHA policy regarding termination of HCV program assistance due to failure to comply with the requirements of the COP without good cause is found in Section 5-II.G. of this action plan.

CHA Policy

The contract of participation (COP) will be terminated before the expiration of the contract term if the participant fails to meet, without “good cause,” their obligations as outlined in the COP. If the participant fails to meet its obligations outlined in the COP, the FSS coordinator, or their designee, will first meet with the family to reassess the need for supportive services or a change in the individual training and services plan (ITSP). Then, if a reassessment of supportive services or a change in the ITSP is not successful in bringing the family in compliance, the FSS coordinator will withhold supportive services for no more than 90 days until the participant meets their obligations outlined in the COP. Finally, if neither of these alternatives is successful, the FSS coordinator will terminate the COP for failure to complete the tasks, interim goals, or final goals of the ITSP in a timely manner, and thus failure to complete the obligations outlined in the COP.

The FSS coordinator will make an exception to the actions in terminating the COP if the participant can demonstrate “good cause” for the failure to meet its obligations as outlined in the COP.

For purposes of the PHA FSS program, *good cause* includes:

Family circumstances

Death in the family

Serious illness

Medical emergency

Mandatory court appearances

Involuntary loss of employment

Loss of head of household through death, incarceration, or removal from lease

Change in the ITSP improving progress toward economic self-sufficiency

Community circumstances

Significant reduction in workforce (over 20 percent reduction in employment field)

Significant interruption in service delivery (over 3 months interruption)

Provider noncompliance with regulation

Provider unable/unwilling to provide service

Provider offering inferior service

PART II. CONTRACT SPECIFICATIONS

5-II.A. OVERVIEW

In addition to making clear the family's obligations under the program, the contract of participation contains specific terms and conditions, including those governing contract modifications, terminations, and grievance procedures. This part describes those specifications and associated policy.

5-II.B. CONTRACT TERM [24 CFR 984.303(c)]

The contract term is five years starting from the first rent recertification following FSS enrollment. This means that the family has five years from the effective date of the rent recertification following the execution of the contract of participation (COP) to fulfill their obligations as specified in the contract.

Contract Extension [24 CFR 984.303(d)]

While the term set forth in the contract of participation is for five years following the next recertification after enrollment, contract extensions are possible. According to regulation, PHAs will for "good cause" extend the term of the contract for a period not to exceed two years for any FSS family that requests an extension of the contract in writing. The family's written request for an extension must include a description of the need for the extension. *Good cause* means circumstances beyond the control of the FSS family, as determined by the PHA, such as a serious illness or involuntary loss of employment. Good cause for extension also includes participants who are actively engaging in pursuing family self-sufficiency goals (further defined by PHA policy in Section 5-I.D.). Lastly, good cause for extension includes any other circumstance that the PHA or owner determines warrants an extension, as long as the PHA or owner is consistent in its determination as to which circumstances warrant an extension. Extension of the contract of participation will entitle the FSS family to continue to have amounts credited to the family's FSS account.

5-II.C. MODIFICATION OF THE CONTRACT

The contract of participation (COP) does have the ability to be modified, as long as the PHA and the FSS family mutually agree to modify it. This includes modifications in writing with respect to the individual training and services plans (ITSPs), the contract term (See Section 5-II.B. above), and designation of the head of the family [24 CFR 984.303(f)].

In addition, the PHA may also delete the line in the COP under “Corrective Actions to Meet Family Responsibilities” stating that if the family is participating in the HCV program, the PHA may terminate HCV assistance when allowed by HUD requirements. Mutual agreement is not needed for this modification [Notice PIH 95-5]. Termination of HCV assistance is covered in further detail in Section 5-II.G. The conditions under which the PHA will modify the contract are set forth in the policy below.

CHA Policy

In CHA’s FSS program, the COP will be modified by mutual agreement between the PHA and the FSS head of household:

When modifications to the ITSP improve the participant’s ability to complete their obligations in the COP or progress toward economic self- sufficiency

When the designated head of the FSS family ceases to reside with other family members in the assisted unit, and the remaining family members, after consultation with the public housing or HCV program representative, designate another family member to be the head of household and receive escrow funds

When a relocating family is entering the FSS program of a receiving PHA and the start date of the COP must be changed to reflect the date the new COP is signed with the receiving PHA

CHA will also remove the line under “Corrective Actions to Meet Family Responsibilities” stating that if the family is participating in the HCV program, the PHA may terminate the assistance when allowed by HUD requirements.

5-II.D. COMPLETION OF THE CONTRACT

By regulation, the contract of participation is considered to be completed, and a family's participation in the FSS program is considered to be concluded when one of the following occurs [24 CFR 984.303(g)]:

- The FSS family has fulfilled all of its obligations under the contract of participation on or before the expiration of the contract term, including any extension thereof.

Policies on verifying completion of the contract of participation can be found in Section 6-I.C. of this action plan.

5-II.E. TRANSITIONAL SUPPORTIVE SERVICE ASSISTANCE

Even after a family has completed the contract of participation, a PHA may continue to offer appropriate FSS supportive services to a former FSS family whose head of family is employed. If the family still resides in public housing, or HCV-assisted housing, these supportive services would be offered for becoming self-sufficient. If the family no longer resides in public housing, HCV-assisted housing, or other assisted housing, these supportive services would be offered for remaining self-sufficient [24 CFR 984.303(j)].

CHA Policy

CHA will continue to offer supportive services to a former FSS family who has completed its contract of participation, and whose head of FSS family is employed and pursuing homeownership.

5-II.F. TERMINATION OF THE CONTRACT

The contract of participation may be terminated before the expiration of the contract term and any extension of the contract by the following [24 CFR 984.303(h)]:

- Mutual consent of the parties
- Failure of the FSS family to meet its obligations under the contract of participation without good cause, including in an HCV FSS program the failure to comply with the contract requirements because the family has moved outside the jurisdiction of the PHA
- The family's withdrawal from the FSS program
- Such other act as is deemed inconsistent with the purpose of the FSS program
- Operation of law

CHA Policy

The COP will be terminated before the expiration of the contract term, and any extension thereof, for any of the following reasons:

Mutual consent of the parties

Failure of the FSS family to meet its obligations under the contract of participation without good cause

In an HCV FSS program, failure to comply with the contract requirements because the family has moved outside the jurisdiction of the PHA without continued assistance under portability

Family's withdrawal from the FSS program

Such other act as is deemed inconsistent with the purpose of the FSS program

Operation of law

If the FSS family faces termination due to failing to meet, without good cause, its obligations under the COP, the PHA will follow the relevant policy specified in Section 5-I.D. of this action plan.

Good cause for the purposes of the FSS program is also defined in Section 5-I.D.

In addition, the contract of participation is automatically terminated if the family's HCV or public housing assistance is terminated in accordance with HUD requirements [24 CFR 984.303(h)].

5-II.G. OPTION TO TERMINATE SECTION 8 HOUSING AND SUPPORTIVE SERVICE ASSISTANCE [24 CFR 984.303(i)]

As touched upon in Section 5-I.D. of this action plan, the PHA has the option to terminate or withhold HCV housing assistance, supportive services, and the FSS family's participation in the FSS program, if the PHA determines (in accordance with the hearing procedures provided in 24 CFR 982.555) that the FSS family has failed to comply without good cause with the requirements of the contract of participation.

CHA Policy

CHA will not withhold or terminate HCV or public housing assistance if the CHA determines that the FSS family failed to comply without good cause with the requirements of the COP unless the actions prompting termination of the FSS COP would also, independently, prompt termination of the public housing assistance or HCV voucher.

5-II.H. NULLIFICATION OF CONTRACT FOR UNAVAILABILITY OF SUPPORTIVE SERVICES [24 CFR 984.303(e)]

In addition to termination, the contract of participation can also be ended ahead of time as a result of integral supportive services being unavailable. This, however, should only occur as a last resort:

- If a social service agency fails to deliver the supportive services pledged under an FSS family member's individual training and services plan (ITSP), the PHA must make a good faith effort to obtain these services from another agency.
- If the PHA is unable to obtain the services from another agency, the PHA must reassess the family member's needs and determine whether other available services would achieve the same purpose.
- If other available services would not achieve the same purpose, the PHA shall determine whether the unavailable services are integral to the FSS family's advancement or progress toward self-sufficiency.
- If the unavailable services are not integral to the FSS family's advancement toward self-sufficiency, the PHA must revise the ITSP, delete these services, and modify the contract of participation to remove any obligation on the part of the FSS family to accept the unavailable services.
- If the unavailable services *are* determined to be integral to the FSS family's advancement toward self-sufficiency (which may be the case if the affected family member is the head of the FSS family), the PHA shall declare the contract of participation null and void.

Nullification of the contract of participation on the basis of unavailability of supportive services shall not be grounds for termination of public housing or HCV assistance.

5-II.I. GRIEVANCE PROCEDURES

When adverse action is taken by the PHA against a family, the PHA is required to provide a grievance hearing in the public housing program, or an informal hearing in the housing choice voucher program [24 CFR 966 subpart B, 24 CFR 982.554].

According to regulatory requirements, the FSS action plan must contain the grievance and hearing procedures available for FSS families against whom the PHA has taken adverse action with regards to FSS [24 CFR 984.201(d)(9)].

CHA Policy

The grievance and informal hearing procedures for the FSS program will be the same as the grievance and hearing procedures adopted for the public housing and housing choice voucher programs in the PHA's admissions and continued occupancy policy and administrative plan, respectively (See ACOP Chapter 14, pages 14:1-14 and Administrative Plan Chapter 16 Part III, subsections A, B, C, D).

Adverse actions taken within the FSS program include:

- Denial of admission into the FSS program
- Denial of request for supportive services
- Denial of request to change the ITSP
- Denial of request to change the head of household
- Denial of request for interim disbursement of the escrow account
- Denial of request to complete the COP
- Denial of a request for extension to the FSS COP
- Denial of request for final distribution of the escrow account or any portion thereof
- Withholding of support services
- Termination of the FSS COP
- Withholding of HCV rental assistance, when the PHA operates an HCV FSS program
- Termination of HCV rental assistance, when the PHA operates an HCV FSS program
- Denial of transitional services



FAMILY SELF-SUFFICIENCY ACTION PLAN

CHAPTER 6

ESCROW ACCOUNT

Chapter 6

ESCROW ACCOUNT

INTRODUCTION

The establishment of an escrow account is offered as a financial incentive to families for participation in the FSS program. Generally, under this incentive, the amount of an increase in family rent resulting from an increase in earned income is escrowed. That is, usually a family's rent or share of the rent goes up when the family experiences an increase in earned income. In the FSS program, this is still the case, but the part of the rent representing the increase is deposited into an account as an escrow credit. The funds from this escrow account then become available to FSS families upon successful completion of their contracts of participation.

This chapter explains how the FSS escrow account works, including calculating the amount of the escrow credit, disbursing the funds, and it covers the proper way for the PHA to manage and report on the account.

This chapter contains two parts:

Part I: The Escrow Account: This part provides an overview of how the escrow account works, including calculating the escrow credit and disbursing the funds upon completion of the contract of participation.

Part II: Escrow Fund Accounting and Reporting: This part describes the requirements for managing the escrow account, including both accounting and reporting requirements.

PART I. THE ESCROW ACCOUNT

6-I.A. OVERVIEW

As an integral incentive to the FSS program, it is very important to have clear-cut policy spelling out how the escrow account works. This includes policy regarding the calculation of the FSS credit amount, the disbursement of FSS account funds, the use of account funds for homeownership, and forfeiture of the FSS escrow account.

6-I.B. CALCULATING THE FSS CREDIT AMOUNT

For FSS families who are very low-income families, the FSS credit is the lesser of 30 percent of current monthly adjusted income less the family rent, or the current family rent less the family rent at the time of the effective date of the contract of participation. The family rent is obtained by disregarding any increases in earned income (as defined in 24 CFR 984.103) from the effective date of the contract of participation. For FSS families who are considered low-income families but not very low-income families, the FSS credit is calculated in the same manner but cannot earn escrow when income exceeds 80 percent of the median income [24 CFR 984.305(b)(1)].

FSS families who are not low-income families are not entitled to any FSS credit [24 CFR 984.305(b)(2)].

Determination of Family Rent and Total Tenant Payment

For purposes of determining the FSS credit, *family rent* for the public housing program is the total tenant payment as defined in 24 CFR Part 5, subpart F. For the HCV program, *family rent* is 30 percent of adjusted monthly income [24 CFR 984.305(b)(1)].

Total tenant payment for a family participating in the public housing FSS program is determined in accordance with the regulations set forth in 24 CFR Part 913.

Increases in FSS Family Income [24 CFR 984.304]

As described in the FSS credit calculations above, any increases in family earned income resulting in increases in family rent become deposited in the escrow account. For this reason, and because of the nature of the FSS account, any increase in the earned income of an FSS family during its participation in an FSS program may not be considered as income or a resource for purposes of eligibility of the FSS family for other benefits, or amount of benefits payable to the FSS family, under any other program administered by HUD.

Cessation of FSS Credit [24 CFR 984.305(b)(3)]

The PHA will not make any additional credits to the FSS family's FSS account when the family has completed the contract of participation, or when the contract of participation is terminated or otherwise nullified.

6-I.C. DISBURSEMENT OF FSS ACCOUNT FUNDS

Disbursement at Completion of Contract [24 CFR 984.305(c)(1)]

When the contract has been completed according to regulation, the amount in an FSS account in excess of any amount the FSS family owes to the PHA will be paid to the head of the FSS family. However, in order to receive the disbursement, the head of the FSS family must submit a certification (as defined in §984.103) to the PHA at the time of contract completion that, to the best of his or her knowledge and belief, no member of the FSS family is a recipient of welfare assistance.

Disbursement before Expiration of Contract Term

FSS account funds may also be disbursed before the end of the contract term. If the PHA determines that the FSS family has fulfilled its obligations under the contract of participation before the expiration of the contract term and the head of the FSS family submits a certification that, to the best of his or her knowledge, no member of the FSS family is a recipient of welfare assistance, the amount in the family's FSS account in excess of any amount the family owes to the PHA will be paid to the head of the FSS family [24 984.305(c)(2)(i)].

In addition, the PHA may at its sole option disburse FSS account funds before completion of the contract if the family needs a portion of the funds for purposes consistent with the contract of participation and the PHA determines that the FSS family has fulfilled certain interim goals established in the contract of participation. Such cases could include using the funds to assist the family in meeting expenses related to completion of higher education (e.g., college, graduate school) or job training, or to meet start-up expenses involved in creation of a small business [24 984.305(c)(2)(ii)].

CHA Policy

CHA will disburse a portion of the FSS escrow account funds before completion of the COP when the family has met all its obligations under the COP to date, including the completion of all ITSP interim goals and tasks to date, and:

Requested funds are needed in order to complete an interim goal or task within the COP and are not ongoing expenses.

OR

The family has demonstrated that the need for one-time payment of otherwise ongoing expenses such as rent, utilities, telephone, cell phone, pager, car payments, car maintenance, insurance, or childcare is needed to complete an interim goal, a final goal, or a task related to such goals.

Interim disbursements may be granted for no more than 50% of the FSS family's escrow balance at the time of the request; and CHA will not grant more than two interim disbursements per FSS family. Exceptions to the 50% limit can be made if CHA deems the amount requested is necessary for the FSS family to complete interim or final goals.

CHA will inform the family in writing within fifteen calendar days of the approval or disapproval of the interim disbursement request.

Families denied an interim disbursement may request an Informal Hearing to determine whether the decision was made in accordance with HUD regulations and the guidelines in this plan. The request for an Informal Hearing must be made in writing within ten business days of the date of notification of the decision to deny the interim disbursement.

Verification of Family Certification at Disbursement

Interim disbursement may only occur after the family has completed certain interim goals and funds are needed in order to complete other interim goals. Final disbursement can only occur after the family has completed the contract of participation and all members are welfare-free as defined by regulation. Because of this, it follows that the PHA may require verification for the completion of interim goals or the contract of participation.

Before final disbursement of the FSS account funds to the family, the PHA may verify that the FSS family is no longer a recipient of welfare assistance by requesting copies of any documents which may indicate whether the family is receiving any welfare assistance, and by contacting welfare agencies [24 CFR 984.305(c)(3)].

HUD provides verification guidance in Notice PIH 2010-19. This guidance is mandatory for the public housing and housing choice voucher programs. The PHA's ACOP and/or Administrative Plan must contain verification policies following the hierarchy in this notice. The policies contained in the PHA's ACOP and Administrative Plan cover verification policies related to the FSS program in general. However, determining the need for interim disbursements may require more clarification as to what constitutes an acceptable third-party source.

CHA Policy

CHA will require verification that the FSS family has completed certain interim goals, or has completed the contract of participation, and that the FSS family is no longer a recipient of welfare assistance, as relevant, before making interim and final disbursements.

CHA will follow HUD's verification hierarchy set forth in Notice PIH 2010-19 to make these verifications. However, the PHA will use a *knowledgeable professional* as a third-party source to verify the need for interim disbursements.

Disbursement without Completion of the Contract of Participation

The CoP will be terminated with FSS escrow disbursement when:

- (a) Services that the PHA or owner and the FSS family have agreed are integral to the FSS family's advancement towards self-sufficiency are unavailable
- (b) The head of the FSS family becomes permanently disabled and unable to work during the period of the contract, unless the PHA or owner and the FSS family determine that it is possible to modify the contract to designate a new head of the FSS family; or
- (c) An FSS family in good standing moves outside the jurisdiction of the PHA (in accordance with portability requirements at §982.353 of this chapter) for good cause, as determined by the PHA, and continuation of the CoP after the move, or completion of the CoP prior to the move, is not possible.

PHAs must be consistent in their determinations of escrow disbursement [24 CFR 984.303(k)].

Succession to FSS Account [24 CFR 984.305(d)]

FSS account funds should be disbursed to the head of the FSS family. However, if the head of the FSS family no longer resides with the other family members in the public housing or the HCV-assisted unit, the remaining members of the FSS family, after consultation with the PHA, have the right to designate another family member to receive the funds.

6-I.D. USE OF FSS ACCOUNT FUNDS FOR HOMEOWNERSHIP

According to regulation, a public housing FSS family may use its FSS account funds for the purchase of a home, including the purchase of a home under one of HUD's homeownership programs, or other federal, state, or local homeownership programs, unless the use is prohibited by the statute or regulations governing the particular homeownership program [24 CFR 984.305(e)].

Homeownership is just one option for use of the FSS account funds. PHAs may not restrict the use of escrow funds at contract completion [Notice PIH 93-24, C-13].

6-I.E. FORFEITURE OF FSS ACCOUNT FUNDS

Amounts in the FSS account will be forfeited when the contract of participation is terminated, or when the contract of participation is completed by the family (see Section 5-II.D. of this action plan) but the FSS family is receiving welfare assistance at the time of expiration of the term of the contract of participation, including any contract extension [24 CFR 984.305(f)(1)].

Treatment of Forfeited FSS Account Funds

FSS account funds forfeited by the FSS family may not be recaptured by the PHA. This prevents the incentive for PHAs to not graduate FSS families in order to recapture the forfeited funds. This also ensures forfeited funds are used to advance the goals of other FSS families. [24 CFR 984.305(f)]

Forfeited escrow accounts must be used for the benefit of FSS participants, and not for the FSS program more broadly. Specifically, such funds may be used for the following eligible activities:

- (a) Support for FSS participants in good standing, including, but not limited to, transportation, childcare, training, testing fees, employment preparation costs, and other costs related to achieving obligations outlined in the COP
- (b) Training for FSS Program Coordinator(s); or
- (c) Other eligible activities as determined by the Secretary.

Such funds may not be used for salary and fringe benefits of FSS Program Coordinators; general administrative costs of the FSS program, for housing assistance payments (HAP) expenses or public housing operating funds; or any other activity determined ineligible by the Secretary.

PART II. ESCROW FUND ACCOUNTING AND REPORTING

6-II.A. OVERVIEW

Regulations set forth specific requirements involving the accounting and reporting for the FSS escrow account. This part describes those requirements and the PHA policy necessary for managing the account from the PHA perspective.

6-II.B. ACCOUNTING FOR FSS ACCOUNT FUNDS

When establishing FSS escrow accounts, the PHA must deposit the FSS account funds of all families participating in the PHA's FSS program into a single depository account for each (public housing or HCV) program. In addition, the funds held in this account must be invested in one or more of the HUD-approved investments [24 CFR 984.305].

The total of the combined FSS account funds will be supported in the PHA accounting records by a subsidiary ledger showing the balance applicable to each FSS family. During the term of the contract of participation, the PHA periodically, but not less than annually, credits the amount of the FSS credit (see Section 6-I.B.) to each family's FSS account [24 CFR 984.305(a)(2)(i)].

CHA Policy

CHA will credit the amount of the FSS credit(s) to each family's account on a monthly basis.

Proration of Investment Income [24 CFR 984.305(a)(2)(ii)]

Because the FSS account funds are to be invested, the investment income for those funds in the FSS account will also need to be credited to each family's account. By regulation, these funds are to be prorated and credited to each family's FSS account based on the balance in each family's FSS account at the end of the period for which the investment income is credited.

CHA Policy

Each quarter the full amount of the investment income for funds in the ***Public Housing and HCV*** FSS account will be prorated and credited to each family's subsidiary line item after the deduction of unpaid rent and other amounts due under the ***Public Housing or HCV*** lease.

Reduction of Amounts Due by FSS Family [24 CFR 984.305(a)(2)(iii)]

If the FSS family has not paid the family contribution towards rent, or other amounts, if any, due under the public housing or HCV-assisted lease, the balance in the family's FSS account shall be reduced by that amount (as reported by the owner to the PHA in the HCV FSS program) before prorating the interest income. If the FSS family has fraudulently underreported income, the amount credited to the FSS account will be based on the income amounts originally reported by the FSS family.

6-II.C. REPORTING ON THE FSS ACCOUNT

Each PHA is required to make a report, at least once annually, to each FSS family on the status of the family's FSS account.

At a minimum, the report must include [24 CFR 984.305(a)(3)]:

- The balance at the beginning of the reporting period
- The amount of the family's rent payment that was credited to the FSS account, during the reporting period
- Any deductions made from the account for amounts due the PHA before interest is distributed
- The amount of interest earned on the account during the year
- The total in the account at the end of the reporting period

CHA Policy

CHA will provide FSS participants an annual statement on the status of their FSS escrow account.



FAMILY SELF-SUFFICIENCY ACTION PLAN

CHAPTER 7

PORTABILITY IN HOUSING CHOICE VOUCHER FSS PROGRAMS

Chapter 7

PORTABILITY IN HOUSING CHOICE VOUCHER FSS PROGRAMS

INTRODUCTION

PHAs operating HCV FSS programs must be familiar with the rules and regulations regarding portability under the housing choice voucher program. As with the case of portability in the HCV program in general, the FSS family may move outside the initial PHA jurisdiction under portability procedures after the first 12 months of the FSS contract of participation [24 CFR 984.306].

In the event that an FSS family chooses to exercise portability, certain special requirements regarding the FSS program would apply. This chapter describes the obligations of the initial PHA, the receiving PHA, and the FSS family under portability, in addition to any special stipulations regarding portability in the FSS context.

This chapter contains two parts:

Part I: Portability in the FSS Program: This part provides a general overview of portability in the FSS program, including the residency requirements for FSS portability and management of the contract of participation when a family moves into or from another PHA's jurisdiction.

Part II: The Effects of Portability on FSS Regulations and Policy: This part describes the specific ways in which portability affects different aspects of the FSS program, including the escrow account, program termination, loss of the FSS account, and termination of HCV program assistance.

PART I: PORTABILITY IN THE FSS PROGRAM

7-I.A. OVERVIEW

Portability is a statutory feature of the housing choice voucher program—it is included in the law. As such, PHAs operating an HCV FSS program need to understand the effects that portability will have on HCV FSS families and program operation. This part provides a general overview of portability in the FSS program, including the residency requirements for FSS portability and management of the contract of participation when a family moves into or from another PHA's jurisdiction.

7-I.B. DEFINITIONS

For the purposes of portability with regards to the FSS program, the following definitions will be used [24 CFR 982.4, 24 CFR 984.306].

- *Initial PHA* means both:
 1. A PHA that originally selected a family that later decides to move out of the jurisdiction of the selecting PHA; and
 2. A PHA that absorbed a family that later decides to move out of the jurisdiction of the absorbing PHA.
- *Receiving PHA* means a PHA that receives a family selected for participation in the tenant-based program of another PHA. The receiving PHA either absorbs the family into its program, including issuing a voucher and providing rental assistance to the family, or bills the initial PHA for the family's housing assistance payments and the fees for administering the family's voucher.
- *Relocating FSS Family* refers to an FSS family that moves from the jurisdiction of a PHA at least 12 months after signing its contract of participation.

7-I.C. RESIDENCY REQUIREMENTS

Families participating in an HCV FSS program are required to lease an assisted unit within the jurisdiction of the PHA that selected the family for the FSS program for a minimum period of 12 months after the effective date of the contract of participation. However, the initial PHA may approve a family's request to move outside its jurisdiction under portability during this period [24 CFR 984.306(b)(1)].

PHA Policy

The PHA will approve a family's request to move outside its jurisdiction under portability during the first 12 months after the effective date of the contract of participation if needed for training, education, employment, support services, or to meet personal family needs.

After the first 12 months of the FSS contract of participation, the FSS family may move outside the initial PHA jurisdiction under portability procedures regardless of PHA approval [24 CFR 984.306(b)(2)].

7-I.D. CONTRACT OF PARTICIPATION

Once a family moves outside the initial PHA's jurisdiction, a determination will need to be made regarding whether the family will continue to participate in the initial PHA's FSS program or whether it will participate in the FSS program of the receiving PHA.

Continued Participation in the FSS program of the Initial PHA

A relocating FSS family may continue in the FSS program of the initial PHA if the family demonstrates to the satisfaction of the initial PHA that, notwithstanding the move, the relocating FSS family will be able to fulfill its responsibilities under the initial or modified contract of participation at its new place of residence. For example, this could mean that the FSS family may be able to commute to the supportive services specified in the contract of participation, or the family may move to obtain employment as specified in the contract [24 CFR 984.306(c)].

CHA Policy

CHA will approve a relocating family's request to continue in its FSS program if the family demonstrates to the PHA's satisfaction that, notwithstanding the move, the relocating FSS family will be able to fulfill its responsibilities under the existing or modified contract of participation at its new place of residence.

Should the relocating family stay in the initial PHA's FSS program, there will be only one contract of participation. This will be the same contract as originally executed by the initial PHA [24 CFR 984.306(c)(2)].

Participation in the FSS Program of the Receiving PHA

When a family moves into the jurisdiction of another PHA, the relocating FSS family may participate in the FSS program of the receiving PHA if the receiving PHA allows the family to do so. However, a PHA is not obligated to enroll a relocating FSS family in its FSS program [24 CFR 984.306(d)(1)].

CHA Policy

CHA, as the receiving housing authority, will allow a relocating FSS family to participate in its FSS program so long as an open FSS slot exists.

In cases where the receiving PHA allows the relocating FSS family to participate in its FSS program, the receiving PHA will enter into a new contract of participation with the FSS family for the term remaining on the contract with the initial PHA. The initial PHA will then terminate its contract of participation with the family [24 CFR 984.306(d)(2)].

PART II: THE EFFECTS OF PORTABILITY ON FSS REGULATIONS AND POLICY

7-II.A. OVERVIEW

The regulations set forth under the FSS program will sometimes be affected by the regulations of the public housing and housing choice voucher programs. Portability, as an integral part of the housing choice voucher program, is an excellent example of how HCV regulations can in turn affect FSS program operation. This part describes the specific ways in which portability affects different aspects of the FSS program, including the escrow account, program termination, loss of the FSS account, and termination of HCV program assistance.

7-II.B. PORTABILITY AND THE ESCROW ACCOUNT [24 CFR 984.306(e)]

The escrow account is one aspect of the FSS program that could present an issue if a participant family decides to move under portability because the family's account is administered by the initial PHA. Regardless of whether the relocating FSS family remains in the FSS program of the initial PHA or is enrolled in the FSS program of the receiving PHA, FSS regulations specify that there will be a single FSS account to be maintained by the initial PHA so long as the initial PHA is ultimately paying the housing assistance payment. However, when an FSS family is absorbed by the receiving PHA, the initial PHA transfers the family's FSS account to the receiving PHA, and the receiving PHA begins administering the account.

7-II.C. PROGRAM TERMINATION, LOSS OF FSS ACCOUNT, AND TERMINATION OF SECTION 8 ASSISTANCE

Another point of consideration for PHAs is noncompliance with the contract of participation when the FSS participant family moves outside of the PHA's jurisdiction. In such cases, noncompliance with the contract is treated the same under portability as it is if the noncompliance occurred in the initial PHA's jurisdiction. According to the regulatory language, if an FSS family that relocates to another jurisdiction is unable to fulfill its obligations under the contract of participation (or any modifications to the contract), the PHA administering the contract may either terminate the FSS family from the FSS program and the family's FSS account will be forfeited; or, the PHA may terminate the FSS family from the FSS program and the family's FSS account will be forfeited, **and** terminate the FSS family's HCV program assistance on the grounds that the family failed to meet its obligations under the contract of participation [24 CFR 984.306(f)(1)].

PHA policy regarding the consequences of noncompliance with the FSS contract of participation can be found in Section 5-I.D. of this action plan. *Good cause* is likewise defined in this section.

PHA policy regarding the termination of HCV program assistance due to failure to comply with the contract of participation is written in Section 5-II.G. of this action plan.

In the event of forfeiture of the family's FSS account, the funds in the family's FSS account will revert to the PHA maintaining the FSS escrow account for the family.

If continued participation in FSS is not possible, the initial PHA must clearly discuss the options that may be available to the family, depending on the family's specific circumstances, which may include, but are not limited to, modification of the FSS contract, termination with FSS

escrow disbursement, termination of the FSS contract and forfeiture of escrow, and locating a receiving PHA that administers an FSS program.

The PHA needs to be consistent in determinations of "good cause" and whether to disburse escrow. [24 CFR 984.306(f)(2)]



Housing Authority of the City of Columbia, Missouri

201 Switzler Street, Columbia, Missouri 65203

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Department Source: CEO

To: CHA Board of Commissioners

From: CEO & Staff

CHA Board of Commissioners Meeting Date: August 10, 2022

Re: CEO Strategic Plan and Redevelopment Updates

Executive Summary

This memo outlines current Columbia Housing Authority (CHA) updates as it pertains to CHA's current 5-Year Strategic Plan and affordable housing initiatives.

Discussion

Kinney Point

CHA's Kinney Point project was submitted to the Missouri Housing Development Commission (MHDC) in early July 2022. CHA staff received three follow up questions from MHDC staff and has since responded to the items. CHA staff estimates MHDC potentially considering CHA's LIHTC application at their September meeting. The Zoning Amendment for Kinney Point was also approved at the July 18, 2022, City Council meeting.

Park Avenue

CHA staff and its Developer Consultant met with Matthew Lue, City of Columbia Director of Finance on July 21st to learn about ARPA funding processes. City staff indicated a significant level of interest in utilizing ARPA funding to address affordable housing. It was also indicated that the city will likely use the Comprehensive Homeless Service Center Plan as to inform funding decisions on the first round of ARPA funding. City staff noted that second round funding RFPs for ARPA may be available in October 2022 or shortly thereafter. The fall MHDC funding round states that proposals are due September 23, 2022. CHA staff and its Developer Consultant are preparing for a fall application for Park Avenue by the September 23rd deadline, however City and County funding decisions and timelines are critical for accessing MHDC funding and may impact strategy, as well as timing of applications.

CHA staff has received a first round of preliminary plans for redeveloping Park Avenue and aligned the plans with local redevelopment requirements as it relates to storm water. CHA staff held a lunch event on Park Avenue with residents to view initial plans. CHA staff partnered with Powerhouse Community Development Corporation to provide games, food and activities as a part of the event. The event was well attended, and Park Avenue residents had a significant amount of positive feedback on the preliminary plans. A couple of recommended changes from residents included keeping 1-bedroom units on one floor without units above them and having a transition from 1-bedroom to 2-bedroom units, rather than having 1-bedroom units right next to 3 of 4-bedroom units. Other than that, the feedback was overwhelmingly positive and there was significant excitement for the opportunity to live in up to date, high quality housing.



Columbia

Housing Authority

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Comprehensive Homeless Services Center Plan

CHA staff has been working to finalize the first draft of the Comprehensive Homeless Service Center Plan in accordance with the City Agreement. The first draft is due on August 15th. City staff is then supposed provide comments back to CHA by August 31, 2022. The final report is then due by September 30, 2022. There was significant interest in the topic of homelessness at the July 18th City Council meeting and further interest in having an update on the Comprehensive Homeless Service Center Plan. The CHA CEO was requested to provide an update to City Council on August 15th as a Special Item. The CHA CEO intends to provide a thorough update and overview of recommendations and inform City Council of further potential feedback from City staff prior to the final report.

CDBG and HOME Housing and Community Development Commission Recommendations

The Housing and Community Development Commission recommended funding for each of the four proposals submitted by CHA for FY 2023 CDBG and HOME funding. The funding recommendations are as follows:

Blind Boone Facility Moving Ahead Program Renovations: \$50,000 CDBG

Bear Creek Early Head Start Conversion to Housing: \$100,000 HOME

Tenant Based Rental Assistance: \$100,000 HOME

FSS Affordable Homeownership Unit: \$20,000 HOME

HOME ARP

CHA staff contacted City staff on July 25th to inquire the status of HUD's approval of the City's HOME ARP Allocation Plan that includes \$2 million in funding for Kinney Point. City staff indicated they had not heard any updates from the HUD Field Office.

Suggested Commission Action

Review and consider the report.



Housing Authority of the City of Columbia, Missouri

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Department Source: Affordable Housing Operations

To: CHA Board of Commissioners

From: CEO & Staff

CHA Board of Commissioners Meeting Date: August 10, 2022

Re: Affordable Housing Report-CHA Public Housing and LIHTC

Executive Summary

This report provides a summary of statistics for CHA Public Housing and LIHTC units for the month of June 2022.

Discussion

In June, twelve (12) families moved in and ten (10) families moved out. Of the ten (10) families that moved out one (1) transferred to Section 8, three (3) went to a nursing home, two (2) passed away, two (2) moved to the private sector, one (1) transferred to a family site and one (1) moved out of state. Out of 742 units there were 19 vacant as of June 30, 2022 which is an overall occupancy average of 97.4%. Two (2) units were vacant over 60 days. Ten (10) requests for vouchers and ten (10) intents to vacate were submitted by participants. Ten (10) terminations were issued for reasons other than non-payment. Uncollected rents for June increased from May totals. We have about 16 tenants that have applied for the rental assistance through the SAFHR Program.

Suggested Commission Action

Review and consider the monthly report.

Property Management Report for June 2022

Property	Total units	Occupancy % for June	Occupancy (as of 6/30/22)	YTD Occupancy (1/1-6/30/22)	#Vacant units under 0-60 days	#Vacant units over 61 days	Request for voucher	Move-ins (June)	Move-outs (June)	Unit restores (June)	Avg. cost per restore	Billed to tenant at move out	Total work orders	Total \$ Amount billed
Amp 1 - PH	120	93.60%	95.00%	93.90%	4	1	0	2	1	3	\$1,422.01	\$546.99	64	\$560.10
Bear Creek	76	95.57%	96.10%	97.05%	3	0	1	2	1	3	\$980.20	\$60.18	46	\$733.48
Oak Tower	147	98.45%	98.00%	97.25%	2	1	6	2	3	1	\$527.00	\$0.00	70	\$90.99
Paquin Tower	200	97.81%	97.50%	97.16%	5	0	0	3	5	3	\$666.00	\$701.25	93	\$2,241.18
Stuart Parker	84	96.82%	9760.00%	96.96%	2	0	1	1	0	0	N/A	\$115.54	13	\$115.54
BWW	54	94.56%	98.10%	95.50%	1	0	0	2	0	2	Restores in progress	Restores in progress	21	\$0.00
BWWII	36	100.00%	100.00%	94.30%	0	0	2	0	0	0	N/A	N/A	9	\$45.00
Patriot Place	25	100.00%	100.00%	98.76%	0	0	0	0	0	0	N/A	N/A	11	\$0.00

Property	Total units	TARS uncollected for June	delinquent 31-60	delinquent 61-90	delinquent 90+	# pymnt agrmnts	rpymnt in default	# Accts. with deposit due (May)	total Security deposit due (May)	# Accts. with deposit due (June)	Total security deposit due (June)	# Non-pymnt termination issued in June	# other termination issued in June	# Intent to vacate submitted for June
Amp 1 - PH	120	\$6,643.60	\$1,609.00	\$516.98	\$182.92	5	2	30	\$13,212.83	29	\$11,569.11	0	1	2
Bear Creek	76	\$1,316.14	\$1,093.83	\$0.78	\$0.00	1	0	10	\$2,841.23	13	\$4,419.23	0	1	1
Oak Tower	147	\$5,058.28	\$1,533.93	\$0.00	\$707.98	4	1	18	\$5,339.69	15	\$5,215.67	0	5	3
Paquin Tower	200	\$3,580.78	\$55.08	\$0.00	\$0.00	0	0	28	\$7,630.69	28	\$7,014.00	0	1	1
Stuart Parker	84	\$5,564.37	\$845.37	\$0.00	\$5,400.24	1	0	7	\$1,074.00	7	\$1,465.00	0	1	0
BWW	54	\$2,632.44	\$1,195.00	\$235.00	\$0.00	0	0	8	\$1,619.50	9	\$1,673.50	0	0	0
BWWII	36	\$1,394.03	\$72.85	\$0.00	\$0.00	0	0	1	\$173.00	0	\$0.00	0	1	2
Patriot Place	25	\$1,747.90	\$0.00	\$0.00	\$0.00	1	0	N/A	N/A	N/A	N/A	0	0	1

Affordable Housing Terminations Report - FY2022

	<i>Failure to Pay</i>	<i>Criminal</i>	<i>Unauthorized Guest</i>	<i>Other</i>	Total Termination Notices	Total Suspended Terminations	Total Vacated Units	Total Unlawful Detainers	Total Unresolved Terminations
Month of January 2022									
Downtown - AMP 1	0	0	0	0	0	0	0	0	0
Oak Tower	0	0	0	0	0	0	0	0	0
Bear Creek	1	0	0	1	2	0	0	0	2
Patriot Place	0	0	0	0	0	0	0	0	0
Stuart Parker - Downtown	0	0	0	0	0	0	0	0	0
Stuart Parker - Paquin Tower	6	0	0	0	6	5	0	0	1
Bryant Walkway	0	1	0	0	1	0	0	0	1
Bryant Walkway II	0	0	0	0	0	0	1	0	0
MONTHLY TOTAL	0	1	0	1	9	5	1	0	4
Month of February 2022									
Downtown - AMP 1	0	0	0	0	0	0	0	0	0
Oak Tower	0	1	0	0	1	0	0	1	1
Bear Creek	0	0	1	0	1	2	0	0	1
Patriot Place	0	0	0	0	0	0	0	0	0
Stuart Parker - Downtown	0	0	0	0	0	0	0	0	0
Stuart Parker - Paquin Tower	3	0	1	1	5	3	0	0	2
Bryant Walkway	0	0	0	0	0	0	1	0	0
Bryant Walkway II	0	0	0	0	0	0	0	0	0
MONTHLY TOTAL	0	1	0	1	7	5	1	1	4
Month of March 2022									
Downtown - AMP 1	0	0	0	0	0	0	0	0	0
Oak Tower	0	2	0	1	3	2	1	1	0
Bear Creek	2	0	0	2	4	4	0	0	0
Patriot Place	0	0	0	0	0	0	0	0	0
Stuart Parker - Downtown	0	0	0	0	0	0	0	0	0
Stuart Parker - Paquin Tower	3	1	0	2	6	2	2	0	2
Bryant Walkway	0	1	0	0	0	0	0	0	0
Bryant Walkway II	0	0	0	0	0	0	0	0	0
MONTHLY TOTAL	0	4	0	5	13	8	3	1	2
Month of April 2022									
Downtown - AMP 1	0	0	0	0	0	0	0	0	0
Oak Tower	0	0	0	0	0	0	3	1	0
Bear Creek	0	0	0	0	0	0	0	1	0
Patriot Place	0	0	0	0	0	0	0	0	0
Stuart Parker - Downtown	0	0	0	0	0	0	0	0	0
Stuart Parker - Paquin Tower	5	0	0	0	5	4	0	0	1
Bryant Walkway	0	0	0	0	0	0	0	0	0
Bryant Walkway II	0	0	0	0	0	0	0	0	0
MONTHLY TOTAL	5	0	0	0	5	4	3	2	1
Month of May 2022									
Downtown - AMP 1	0	1	0	0	1	0	0	0	1
Oak Tower	6	0	0	0	6	0	0	0	6
Bear Creek	2	2	0	0	4	1	0	0	3
Patriot Place	0	0	0	0	0	0	0	0	0
Stuart Parker - Downtown	0	1	0	0	1	0	0	0	1
Stuart Parker - Paquin Tower	2	0	0	0	2	2	0	0	0
Bryant Walkway	0	1	0	0	1	1	0	0	0
Bryant Walkway II	0	0	0	0	0	0	0	0	0
MONTHLY TOTAL	0	5	0	0	15	4	0	0	11
Month of June 2022									
Downtown - AMP 1	0	0	0	0	0	0	0	0	0
Oak Tower	4	0	0	1	5	1	0	0	4
Bear Creek	4	0	1	0	5	5	0	1	0
Patriot Place	0	0	0	0	0	0	0	0	0
Stuart Parker - Downtown	0	0	0	0	0	0	0	1	0
Stuart Parker - Paquin Tower	0	0	0	1	1	0	0	0	1
Bryant Walkway	0	0	0	0	0	0	0	0	0
Bryant Walkway II	0	1	0	0	1	1	0	0	0
MONTHLY TOTAL	0	1	0	2	12	7	0	2	5



Columbia

Housing Authority

Housing Authority of the City of Columbia, Missouri

201 Switzler Street, Columbia, Missouri 65203

Office: 573.443.2556 ♦ TTY Relay 800.735.2966 ♦ Fax: 573.443.0051 ♦ www.ColumbiaHA.com

Department Source: HCV Programs
To: CHA Board of Commissioners
From: CEO & Staff
CHA Board of Commissioners Meeting Date: August 10, 2022
Re: Housing Choice Vouchers & Special Programs

Executive Summary

This memo provides a report of June Housing Choice Voucher (HCV) and Special Program activities.

Discussion

Housing Choice Voucher (HCV) Program

The attached HCV Program Report is contingent on the number of vouchers leased, which is the primary measurement of this program's success. The Housing Programs Department continues to have a need of increasing lease ups; however, staff continues to make progress. CHA added 22 new lease ups in June. There were 7 attritions for a net of 15 new participants. As of June, CHA had 118 voucher holders searching for homes. Available rental units remain our most significant challenge.

HCV Move Out Reasons:

- Termination/Non-Compliance – 1
- Took self-off Program – 1
- Termination/Criminal – 1
- Moved without notifying the CHA – 3
- Termination/Damages - 1

Veteran Affairs Supportive Housing (VASH) Program

The VA has shown an increase in providing chronically homeless Veterans within our community the opportunity to receive program subsidy. The VA has recently experienced staffing transitions, however, continues to work towards utilizing the remaining VASH vouchers in providing housing for the community's homeless veterans. As of June 30, 2022, we have 117 households receiving VASH program assistance - 92 HCV + 25 PBV (Patriot Place). We currently have 15 HCV VASH new voucher holders searching for homes.

HUD VASH Move Out Reasons:

None



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Mainstream Vouchers

Mainstream Vouchers are reserved for non-elderly disabled individuals. CHA has been awarded 19 Mainstream Vouchers. As of June 30, 2022, we have 18 vouchers leased with 1 voucher holder searching for a home. A request for an additional 30 Mainstream Vouchers was submitted to HUD. We have been granted an additional 25 mainstream vouchers.

Mainstream Move Out Reasons:

N/A

Continuum of Care (CoC) Program

CHA continues to provide Continuum of Care Program vouchers to the most vulnerable chronically homeless individuals within our community. Each year we see an increase in homeless individuals and families needing safe, decent, and sanitary housing. As of June 30, we had 65 households receiving COC program assistance, and our target is 70. The applicants must be added to the waitlist through the BCCEH via a “coordinated entry” system as prescribed by the MO Balance of State, Continuum of Care. As the applicants are homeless, there are often additional barriers such as locating individuals for processing. We currently have 24 voucher holders looking for homes.

Continuum of Care (CoC)

N/A

Emergency Housing Vouchers (EHV) Program

CHA currently has 51 Emergency Housing Vouchers with 26 leased and 42 others with vouchers and looking for housing. Just as required with the CoC program, the applicants must be added to the waitlist through the Boone County Coalition to End Homelessness (BCCEH) via a “coordinated entry” system as prescribed by the MO Balance of State, Continuum of Care. As the admission to this program is wider in scope than the CoC program, we are working with the HUD Field Office and the Balance of State to allow a more diverse choice of applicants in hopes to accelerate lease ups. The BCCEH has made great strides to connect these vouchers with families that better meet the criteria for the EHV voucher program.

Emergency Housing Vouchers (EHV)

N/A



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Tenant-Based Rental Assistance (TBRA) Program

CHA currently has 18 participants on this program and our target to utilize remaining funding is 24. The "Target Number of Vouchers" can be a little deceiving due to the factors in the "target" calculation: (1) remaining funding available (2) remaining number of months, and (5) the current month's HAP payment, but the current month's HAP payment is not consistent as the amount of security deposits and adjustments paid fluctuates from month to month. Special Program Specialist to pull an additional 15 families from the waitlist to meet our target of 24 leased vouchers.

As this funding is through December 31, 2022, we still have 6 months to make monthly adjustments in maintaining a desired number of vouchers leased to expend all funding.

Move Out Reasons:

No move outs.

Suggested Commission Action

Review and consider the report.

Section 8 - Housing Choice Voucher (HCV) Program - Monthly Management Report

June 30, 2022

HOUSING CHOICE VOUCHER = HCV + VASH + MAINSTREAM + PORT-INS

ATTRITION RATE

Month	Funds Available Through the End of the Calendar Year	Project Monthly Funds Available	Average Tenant Payment	Average HAP Payment	Total HAP Payment (includes Actual & Anticipated)	HAP Over/(Under) Authorized	Current Vouchers in Lease	Total Vouchers Available per Month	YTD Vouchers Leased	Target Number of Vouchers	Number of Vouchers Over/Under Authorized	YTD Number of Vouchers Over/(Under) Authorized	Newly Leased this Month	Current Vouchers (Looking)	Utilization				YTD Utilization				Monthly Attrition	Percent of Total Vouchers Leased	Average YTD Attrition	Percent of Total Vouchers Leased
															Vouchers	Funding	Vouchers	Funding	Vouchers	Funding	Vouchers	Funding				
Jan-22	\$ 7,909,344	\$ 659,112	\$ 193.09	\$ 585	\$ 625,732	\$ (33,380)	1,069	1,212	1,069	1,131	(62)	(62)	12	88	88%	95%	88%	95%	10	0.9%	10	0.9%				
Feb-22	\$ 7,283,612	\$ 662,147	\$ 194.45	\$ 572	\$ 613,487	\$ (82,039)	1,072	1,212	2,141	1,166	(94)	(156)	6	81	88%	93%	88%	94%	-	0.0%	5	0.5%				
Mar-22	\$ 6,670,125	\$ 667,012	\$ 199.86	\$ 574	\$ 608,854	\$ (58,159)	1,060	1,212	3,201	1,173	(113)	(268)	15	104	87%	91%	88%	93%	8	0.8%	6	0.6%				
Apr-22	\$ 6,061,271	\$ 673,475	\$ 170.65	\$ 570	\$ 608,236	\$ (65,239)	1,067	1,212	4,268	1,196	(129)	(397)	23	114	88%	90%	88%	92%	4	0.4%	6	0.5%				
May-22	\$ 5,453,035	\$ 681,629	\$ 206.69	\$ 564	\$ 603,435	\$ (78,195)	1,069	1,212	5,337	1,227	(158)	(555)	14	127	88%	89%	88%	92%	9	0.8%	6	0.6%				
Jun-22	\$ 4,849,600	\$ 692,800	\$ 202.62	\$ 571	\$ 613,631	\$ (79,169)	1,074	1,212	6,411	1,236	(162)	(717)	22	118	89%	89%	88%	91%	7	0.7%	6	0.6%				

The purpose of this Management Report is to provide an overview of the Section 8 Housing Choice Voucher program. The report provides information on budget and voucher utilization as well as program trends and statistics.

Funds Available Through The End of the Year: The funds available through the end of the year is the projected amount of funding remaining for the Section 8 program. This is a projected number because the actual number is subject to change depending upon what HUD actually authorizes on a monthly basis.

Projected monthly funds available: This is the projected amount of funding the program will have available for that month.

Average Tenant Payment: Based upon our total tenant payments and our total number of vouchers, this is the average amount each tenant will pay out of pocket for rent.

Average Housing Assistance Payment (HAP) Per Voucher: This is the average HAP per voucher under lease for the current month based upon the total HAP for the current month divided by the number of vouchers under lease.

Total Housing Assistance Payment (HAP): This is the actual and anticipated amount of HAP paid out for that month.

Housing Assistance Payment (HAP) Over/Under Authorized: This amount HAP that is over or under authorized based on the current monthly budget and average HAP payment per voucher.

Current Vouchers in Lease: This is the number of current vouchers in lease for the Section 8 program on the last day of the month.

Total vouchers available = 1132

Target Number of Vouchers: target number of vouchers the program should have in lease for that particular month based upon the current monthly budget and average HAP payment per voucher.

Number Vouchers Over/Under Authorized: This is the number of vouchers the program has over authorized or under authorized for that particular month based upon the target number of vouchers.

Newly Leased This Month: This is the number of new vouchers that have been utilized to lease up within this month.

Current Vouchers Looking: This is the current numbers of vouchers that have been issued and the voucher holder is searching for a unit.

Homeownership: Current number of homeownership vouchers

Family Self Sufficiency Participants (FSS): Current number of participants involved in the Section 8 Family Self Sufficiency Program.

Section 8 - RAD Project Based Voucher (RAD-PBV) Program - Monthly Management Report

June 30, 2022

RAD PROJECT BASED VOUCHER (RAD-PBV)																	ATTRITION RATE							
Month	Funds Available Through the End of the Calendar Year	Project Monthly Funds Available	Average Tenant Payment	Average HAP Payment	Total HAP Payment (includes Actual & Anticipated)	HAP Over/(Under) Authorized	Current Vouchers in Lease	Total Vouchers Available per Month	YTD Vouchers Leased	Target Number of Vouchers	Number of Vouchers Over/(Under) Authorized	YTD Number of Vouchers Over/(Under) Authorized	Newly Leased this Month	Current Vouchers (Looking)	Vouchers	Funding	Vouchers	Funding	Monthly Attrition	Percent of Total Vouchers Leased	Average YTD Attrition	Percent of Total Vouchers Leased		
																	Utilization		YTD Utilization					
Jan-22	\$ 2,300,000	\$ 191,667	\$ 205.20	\$ 333	\$ 198,733	\$ 7,066	569	597	569	597	(28)	(28)	11	-	95.3%	103.7%	95.3%	103.7%	6	1.1%	6	1.1%		
Feb-22	\$ 2,101,267	\$ 191,024	\$ 206.68	\$ 335	\$ 199,806	\$ 8,782	573	597	1,142	597	(24)	(52)	7	-	96.0%	104.6%	95.6%	104.1%	3	0.5%	5	0.8%		
Mar-22	\$ 1,901,461	\$ 190,146	\$ 211.04	\$ 336	\$ 200,417	\$ 10,271	575	597	1,717	597	(22)	(74)	17	-	96.3%	105.4%	95.9%	104.6%	12	2.1%	7	1.2%		
Apr-22	\$ 1,701,044	\$ 189,005	\$ 189.60	\$ 338	\$ 201,536	\$ 12,531	578	597	2,295	597	(19)	(93)	12	-	96.8%	106.6%	96.1%	105.1%	6	1.0%	7	1.2%		
May-22	\$ 1,499,508	\$ 187,439	\$ 214.73	\$ 339	\$ 202,263	\$ 14,825	582	597	2,877	597	(15)	(108)	10	-	6=+H49/I49	107.9%	76.9%	105.6%	11	1.9%	8	1.3%		
Jun-22	\$ 1,297,245	\$ 185,321	\$ 214.15	\$ 332	\$ 198,119	\$ 12,798	582	597	3,459	597	#FIELD!	#FIELD!	9	-	97.5%	106.9%	80.3%	105.9%	8	1.4%	8	1.3%		

The purpose of this Management Report is to provide an overview of the Section 8 Housing Choice Voucher program. The report provides information on budget and voucher utilization as well as program trends and statistics.

Funds Available Through The End of the Year: The funds available through the end of the year is the projected amount of funding remaining for the Section 8 program. This is a projected number because the actual number is subject to change depending upon what HUD actually authorizes on a monthly basis.

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Total Housing Assistance Payment (HAP): This is the actual and anticipated amount of HAP paid out for that month.

Housing Assistance Payment (HAP) Over/Under Authorized: This amount HAP that is over or under authorized based on the current monthly budget and average HAP payment per voucher.

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Total vouchers available = 1132

Target Number of Vouchers: target number of vouchers the program should have in lease for that particular month based upon the current monthly budget and average HAP payment per voucher.

Number Vouchers Over/Under Authorized: This is the number of vouchers the program has over authorized or under authorized for that particular month based upon the target number of vouchers.

Newly Leased This Month: This is the number of new vouchers that have been utilized to lease up within this month.

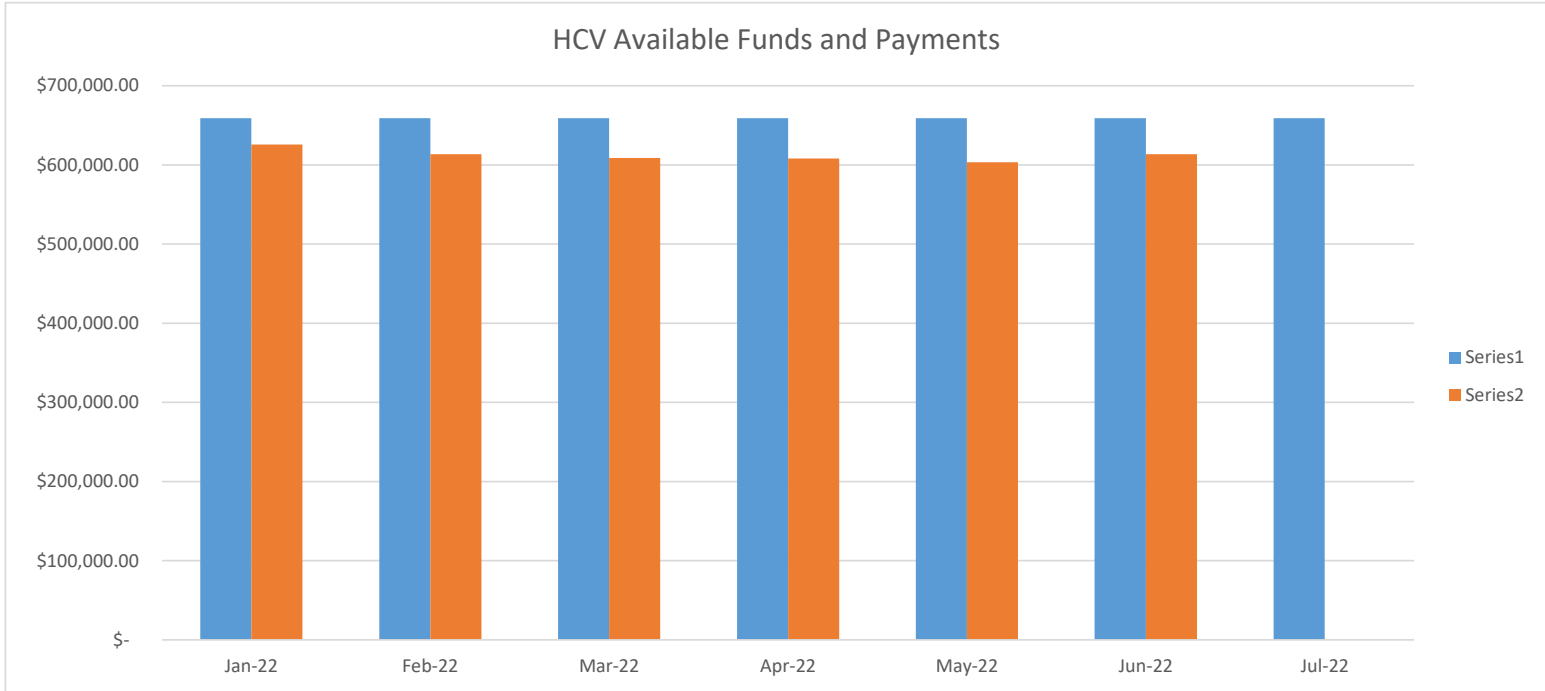
Current Vouchers Looking: This is the current numbers of vouchers that have been issued and the voucher holder is searching for a unit.

Homeownership: Current number of homeownership vouchers

Family Self Sufficiency Participants (FSS): Current number of participants involved in the Section 8 Family Self Sufficiency Program.

Section 8 - Housing Choice Voucher (HCV) Program - Monthly Management Report

June 2022





Housing Authority of the City of Columbia, Missouri

201 Switzler Street, Columbia, Missouri 65203

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Department Source: Resident Services

To: CHA Board of Commissioners

From: CEO & Staff

CHA Board of Commissioners Meeting Date: August 10, 2022

Re: Monthly Resident Services Report

Executive Summary

This report summarizes Resident Services Department's activities for the 1st half of 2022.

Discussion

ROSS Service Coordinator Program (ROSS) – Serving Active ROSS Participants in Public Housing

CHA completed the previous three-year ROSS grant on May 31 and began a new three-year grant term on June 1 (6/1/22-5/31/25). CHA has new staff assigned to this program, and HUD has been assisting with training and guidance. The ROSS “participant” count resets to zero with the beginning of each grant term. CHA is required to have 50 or more participants by October 31, 2022. To become a participant, a resident must live in public housing and staff must have conducted a “needs assessment” with this resident thus developing a plan for success. The primary focus areas of our ROSS program are “Employment Services”, “Financial Literacy”, and “Health and Wellness”. As this is a “Service Coordination” position, the objective is to identify the needs and goals and coordinate with social service organizations as resources for achieving the needs.

Participants	
Total Qualified	118
Total ROSS Participants	10
New as of Last Report	10
Engaged	30+
Units of service provided	n/a

Family Self Sufficiency Program (FSS) – Serving Active FSS Participants from all CHA Housing Programs

On September 21, 2020, HUD published a “Proposed Rule” with proposed alterations to the HUD FSS Program. On May 17, 2022, HUD published the “Final Rule” for the HUD FSS Program. The effective date of the rule is June 16, 2022, with a compliance date of November 14, 2022, when all FSS operations shall abide by changes adopted by this final rule.

All FSS Programs are required to update their “FSS Action Plans” to reflect the new regulations, submit the revised plan to HUD and obtain HUD’s approval of the revised plan



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prior to enrolling new participants under these new regulations. With the Board's approval of the revised FSS Action Plan, as presented in Resolution 2903, CHA will forward the revised plan to HUD for their review and approval.

The FSS coordinators are responsible for recruiting and assisting in retaining participants for the FSS program. FSS coordinators are responsible for maintaining contact with the participants to ensure they are fulfilling their obligations and meeting their established goals. The coordinators work very closely with social service agencies within the community to assist with basic needs, removing barriers, health and wellness and household development. There were 9 Graduates from January 1 through June 30 (8 HCV and one Public Housing / PBV). The most notable was a February graduation with an escrow in excess of \$40,000.

In January and April, the FSS Partner Coordinating Committee (PCC) held their quarterly meetings where former FSS program graduates presented their stories and experiences to our community partners. Our partners also talked about their current and upcoming activities and events and shared flyers and other programming materials for distribution among CHA Residents.

Participants	
Total (as of June 30)	123
Employed (as of June 30)	68
With Escrow (as of June 30)	37
Graduated (1/1/22-6/30/22)	9

Healthy Home Connections Program (HHC) - Serving Families with Children 19 and Under, PBV & HCV

CHA experienced turnover in several HHC positions and the Resident Services Director position in first quarter of 2022. CHA also experienced challenges in filling vacancies in the first and second quarter of 2022 due to labor market challenges that other local employers are also experiencing.

As of July 2022, CHA has a fully staffed most of the Resident Services Department. As the Resident Services Department reestablishes and earns consistent "units of service", staff intends to add the fourth HHC Family Support Specialist and the much-needed Family Support Coordinator. These additions will further strengthen the Department's ability to ensure effective operation of the HHC program.



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HHC Participants	
Total PBV Residents (as of June 30, 2022)	144
Total HCV Participants (as of June 30, 2022)	487
Total Qualified Families (as of June 30, 2022)	631
Units of service provided (1/1/22-6/30/22)	2,961

Independent Living Program (ILP) – Serving 55 & Over and Persons with Disabilities, PBV & HCV

With the newly appointed HHC positions in May and June, the Resident Services Department implemented a strategy of having each HHC specialist also assume the ILP role. This now enables services to most all Housing Choice Voucher and Project-Based Voucher participants within their assigned areas. In this short period, this new approach appears to be working very well.

Through all our challenges navigated in the first half of 2022, the Resident Services Department staff is making progress with regards to the ILP. May, June, and July have most definitely been a rebuilding and development period and staff feels confident that the department is now on the right track to excel. As staff reestablish and earn consistent “units of service”, staff will add the fourth ILP Family Support Specialist and the much-needed Family Support Coordinator. These additions will further strengthen the ILP mission, and we are optimistic that we will come out of this providing very steady and effective services for our residents and participants.

ILP Participants	
Total PBV Residents (as of June 30, 2022)	81
Total HCV Participants (as of June 30, 2022)	406
Total Qualified Families (as of June 30, 2022)	487
Units of service provided (1/1/22-6/30/22)	505

Food Distribution

The Annie Fisher Food Pantry has been doing very well and has been fortunate with many donations from the Food Bank, Target, and Olive Garden. Most recently, Powerhouse has been a major contributor in such areas as meats and cleaning supplies. In April, “ForColumbia” volunteers built all new, very heavy-duty shelving for the Food Pantry that was a vast improvement.



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Our management and resident services team at Bear Creek reopened Bear Creek's "Share Shelf" on June 27 located in the back end of the Bear Creek laundry. The goods include food, clothing, infant supplies, cleaning supplies etc., and has been a huge success and a great service to the Bear Creek residents. We have applied through the Food Bank to establish Bear Creek as another Food Pantry but have not received a determination.

The Food Bank also provides a Food Truck once a month to both Oak and Paquin Towers that is also a great service that complements many other food programs that the Tower Resident Services staff coordinate.

Location (all 1/1/22-6/30/22)	People / Household Served	Pounds of Food
Annie Fisher Food Pantry	~1,500 / ~1,200	~31,200
Bear Creek Share Shelf	Just opened on 6/27	n/a
Oak Towers	399 / 399	12,961
Paquin Towers	427 / 427	17,633

Moving Ahead Program (MAP) Afterschool and Summer Program for Students and their Parents

In 2022, the Moving Ahead Program continued to offer one-on-one tutoring, social-emotional learning, and interactive academically enriching activities for children in kindergarten through 12th grade. MAP is in the process of converting the north offices into a Teen Center for our 7th-12th grade youth. This will allow our classrooms to be more effectively divided into more grade matched levels for more effective learning and add 20 to 30 more slots for children on the MAP wait list.

In 2022, the Moving Ahead Program emphasized and enhanced family development and positive family social engagement opportunities such as:

- "Parenting Through Play" with Play therapist Kate Weir,
- "Trauma and Self-Care: Finding the Resilience Within" 8-week course with Dr. Christine Woods, and
- "Parenting with Love & Logic" weekly classes.

Through these programs, MAP families have achieved increased confidence in parenting proficiency, positive self-concept, and stress management skills. One parent commented:

"Moving Ahead has given me the skills to be a better parent and has constantly supported me on my journey of growth from my trauma so that I can be there for my kids. This program feels like a family, and I am so happy to know my children have a safe place where they can grow as well. Moving Ahead has not only helped me with childcare but with my own



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personal mental health. It has given me opportunities I would have never been able to experience with my family. I am beyond grateful.", and another commented:

"I need my Love and Logic class. I learned so much and I continue to use what I've learned daily."

Staff continues to work on their skills by attending trainings including the following:

- Classroom Management
- Trauma-Informed Care
- Mindfulness Techniques for Teens
- De-Escalation & Discipline
- Active Learning: Interaction & Engagement

The Moving Ahead Program staff made 965 connections with participants.

The MAP Family Development Coordinator offered Love & Logic Educational Programs that included the following sessions:

- Putting an End to Arguing, Back Talking and Begging, Teaching Responsibility without Losing Love, Discipline vs. Punishment, Setting Limits without Waging War, Avoiding Power Struggles, Guiding Kids to Solve Their Own Problems, and How to Deal with the Stubborn Child.

The Families also worked with Mike Veny on Trauma Informed Drumming Sessions to help with bonding, avoiding anger and working through stress. The MAP Staff also attended training in the Expressive Arts and how to implement those interventions within the classrooms.

Participants – Out of School		(Boone County, City of Columbia, United Way)	
Total Unduplicated Students (1/1-6/30/22)			100
Active (as of June 30)			82
Units of Service Provided			25,849

Development Programs		(Boone County)	
Units of Services Provided, Support Groups			1,046
Units of Services Provided, Family Education			128
Units of Services Provided, Family Develop			443



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Suggested Commission Action

Read and review Monthly Report.



Columbia

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Department Source: Safety

To: CHA Board of Commissioners

From: CEO & Staff

CHA Board of Commissioners Meeting Date: August 10, 2022

Re: Safety Report

Executive Summary

This report provides a brief overview of Safety Department Activity June 1, 2022 thru June 30, 2022.

Discussion

Columbia Housing Authority Safety Department took 32 reports

	January	February	March	April	May	June	July	August	September	October	November	December
	2022	2022	2022	2022	2022	2022	2021	2021	2021	2021	2021	2021
Bear Creek	5	1	5	6	4	4	2	0	4	9	1	3
Bryant Walk	4	3	2	2	2	1	3	6	5	4	5	4
Downtown	12	5	6	7	4	2	12	16	14	11	6	6
Oak Towers	13	16	13	14	10	12	15	8	8	16	23	17
Patriot Place	0	1	3	0	3	2	1	3	4	3	0	3
Paquin Towers	24	24	26	14	10	10	36	25	29	26	34	20
Stuart Parker	2	0	3	1	0	1	8	5	3	3	3	3
misc							3		4	5		
Total	60	50	58	44	33	32	80	63	71	77	72	56

Yearly Totals for CHA Safety Reports

Year	2016	2017	2018	2019	2020	2021	2022
Safety Reports	445	629	793	813	626	831	250

Joint Communications Log for June 2022

	January	February	March	April	May	June	July	August	September	October	November	December
	2022	2022	2022	2022	2022	2022	2022	2022	2022	2021	2021	2021
Columbia Police Response	94	86	91	98	91	85				92	95	113
Columbia Police Reports	15	11	14	11	10	13				12	11	22
Fire/Ems	105	61	93	79	90	74				104	95	117
Total	214	158	198	188	191	172	0	0	0	208	201	252



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Safety Department New Resident Move in meetings

6 New residents move in meetings by S.O. Forck

Safety Department other activities:

5-13-2022 616 Park Ave neighborhood appreciation event

Review and consider Report



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Department Source: Finance

To: CHA Board of Commissioners

From: CEO & Staff

CHA Board of Commissioners Meeting Date: August 10, 2022

Re: June 2022 Unaudited Financial Reports

Executive Summary

Financial Highlights for YTD June 2022

- Total YTD revenues are \$9,231,965
- Total YTD expenditures are \$8,734,518
- YTD Net Gain/(Loss) for HCV is \$23,814 above budget, Public Housing is \$27,033 above budget, and LIHTC is \$127,121 above budget.

Discussion

Revenues

- HCV - Admin Fees earned are \$71,285 or 14% above budget YTD. HUD increased the pro-ration rate from 84% to 88% in April
- AMP 1 – actual HUD Operating grant funds received and earned exceeds the budget by \$43,991 or 21% YTD; HUD adjusted the monthly allotment based on a comparison of the amount appropriated by Congress and the interim eligibility determined by the 2022 Operating Subsidy submissions. A proration factor of 104.08% was used. Our 2022 budget is based on a 97.26% proration factor.
- AMP 1 – Other Revenue includes \$25,941 for a property insurance reimbursement.
- Bear Creek Other Tenant Revenue includes \$14,461 of work order revenue for a damaged unit.
- Administration Management fees are \$14,545 under budget YTD mainly because the Capital Fund grant funds have not yet been drawn

Expenses

- HCV
- Inspection costs and background checks are under budget YTD
 - Office expenses includes six new Lenovo computers purchased for staff to increase efficiency
- LIHTC
- Extraordinary Maintenance for Paquin Towers includes \$16,479 for repairs to the cooling tower; this cost will be replenished from replacement reserves.
- All Properties
- Utilities are under budget based on timing of payment.

Suggested Commission Action

Read and review this report.



Columbia Housing Authority
201 Switzler Street
Columbia, MO 65203

HOUSING AUTHORITY
of the City of Columbia, Missouri

Office: (573) 443-2556
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MONTHLY
FINANCIAL STATEMENTS
(unaudited)

June 30, 2022

Fiscal Year End
December 2022
Month 6 of 12

as submitted by:

Debbi Simmons, CFO
Housing Authority of the City of Columbia, MO

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Housing Choice Voucher Program
Unaudited Revenue Expense Budget Comparison

	Current Month	Budget	Variance	Year to Date	Budget	Variance	Percent of Variance
HUD PHA Operating Grants - HAP	\$ 746,754	\$ 810,885	\$ (64,131)	\$ 4,784,124	\$ 4,865,307	(81,183)	-2%
HUD Admin Fees Earned	99,872	87,739	12,133	597,720	526,435	71,285	14%
Total Fee Revenue	846,626	898,624	(51,997)	5,381,844	5,391,743	(9,898)	0%
Investment Income - Unrestricted	393	500	(107)	2,477	3,000	(523)	-17%
Fraud Recovery - HAP	140	100	40	1,378	600	778	0%
Fraud Recovery - Admin	-	100	(100)	1,018	600	418	0%
71500 Other Revenue	-	-	-	4,672	-	4,672	
FSS Forfeitures	1,463	917	547	4,378	5,500	(1,122)	-20%
Total Revenue	\$ 848,622	\$ 900,240	\$ (51,618)	\$ 5,395,767	\$ 5,401,443	\$ (5,676)	0%
Administrative Salaries	24,419	26,810	(2,391)	147,170	160,861	(13,691)	-9%
Auditing Fees	3,579	3,333	246	20,425	20,000	425	2%
Management Fee	19,872	20,021	(149)	118,728	120,126	(1,398)	-1%
Book-keeping Fee	12,420	12,513	(93)	74,205	75,079	(874)	-1%
Advertising and Marketing	-	167	(167)	200	1,000	(800)	-80%
Employee Benefit contributions - Administrative	7,327	8,390	(1,064)	50,349	50,342	7	0%
Office Expenses	13,265	4,980	8,285	44,212	29,880	14,332	48%
Training & Travel	95	542	(447)	1,195	3,250	(2,056)	-63%
Other Administrative Expenses	6,711	9,688	(2,977)	39,964	58,128	(18,164)	-31%
Total Operating - Administrative	87,687	86,444	1,242	496,447	518,666	(22,218)	-4%
Total Tenant Services	-	-	-	428	-	428	
Total Utilities	24	620	(596)	4,348	3,720	628	17%
Bldg. Maintenance	1,141	1,439	(298)	7,289	8,634	(1,344)	-16%
Insurance Premiums	990	1,348	(358)	5,952	8,087	(2,135)	-26%
Other General Expenses	377	467	(89)	3,314	2,800	514	18%
Total Operating Expenses	\$ 90,219	\$ 90,318	\$ (99)	\$ 517,779	\$ 541,906	\$ (24,127)	-4%
Excess of Operating Revenue over Operating Expenses	\$ 758,403	\$ 809,923	\$ (51,519)	\$ 4,877,988	\$ 4,859,536	\$ 18,451	0%
Homeownership	4,262	4,236	26	25,296	25,416	(120)	0%
Portable Housing Assistance Payments	5,887	9,450	(3,563)	48,201	56,700	(8,499)	-15%
S8 FSS Payments	12,586	12,500	86	85,001	75,000	10,001	13%
VASH Housing Assistance Payments	49,428	62,430	(13,002)	301,358	374,580	(73,222)	-20%
All Other Vouchers Housing Assistance Payments	731,647	724,430	7,217	4,402,854	4,346,580	56,274	1%
Total Housing Assistance Payments	803,810	813,046	(9,236)	4,862,710	4,878,276	(15,566)	0%
Depreciation Expense	1,701	-	1,701	10,203	-	10,203	
Total Expenses	\$ 895,730	\$ 903,364	\$ (7,634)	\$ 5,390,692	\$ 5,420,182	\$ (29,490)	-1%
Net Gain (Loss)	\$ (47,107)	\$ (3,123)	\$ (43,984)	\$ 5,075	\$ (18,740)	\$ 23,814	

AMP 1 - Downtown
Unaudited Revenue Expense Budget Comparison

	Current Month	Budget	Variance	Year to Date	Budget	Variance	Percent of Variance
Tenant Rental Revenue	\$ 31,126	\$ 26,836	\$ 4,291	\$ 175,090	\$ 161,013	\$ 14,076	9%
Vacancy Loss	(2,287)	(1,427)	(861)	(19,397)	(8,561)	(10,836)	127%
Net Tenant Rental Revenue	28,839	25,409	3,430	155,693	152,453	3,240	2%
Tenant Revenue - Other	521	542	(22)	5,172	3,255	1,918	59%
Total Tenant Revenue	29,360	25,951	3,408	160,865	155,708	5,158	3%
HUD PHA Operating Grants	56,586	34,874	21,712	253,235	209,244	43,991	21%
Capital Fund Grants	-	-	-	-	-	-	-
Total Grant Revenue	56,586	34,874	21,712	253,235	209,244	43,991	21%
Investment Income - Unrestricted	934	338	597	6,476	2,025	4,450	220%
Fraud Recovery	-	-	-	-	-	-	0%
Other Revenue	27,842	3,063	24,779	41,290	18,380	22,911	125%
Total Revenue	\$ 114,721	\$ 64,226	\$ 50,495	\$ 461,866	\$ 385,356	\$ 76,510	20%
Administrative Salaries	4,627	4,000	628	23,308	23,997	(689)	-3%
Auditing Fees	327	400	(73)	2,112	2,400	(288)	-12%
Management Fee	5,476	5,524	(48)	33,195	33,147	49	0%
Book-keeping Fee	848	855	(8)	5,138	5,130	8	0%
Advertising and Marketing	-	-	-	28	-	28	-
Employee Benefit contributions - Administrative	848	1,349	(501)	7,335	8,097	(761)	-9%
Office Expenses	930	975	(45)	6,593	5,849	745	13%
Legal Expense	70	125	(55)	70	750	(680)	-91%
Training & Travel	95	358	(264)	95	2,150	(2,055)	-96%
Other	113	820	(707)	2,846	4,920	(2,074)	-42%
Total Operating - Administrative	13,333	14,406	(1,073)	80,719	86,439	(5,719)	-7%
Asset Management Fee	1,200	1,200	-	7,200	7,200	-	0%
Total Tenant Services	67	1,193	(1,126)	6,551	7,157	(606)	-8%

AMP 1 - Downtown
Unaudited Revenue Expense Budget Comparison

	Current Month	Budget	Variance	Year to Date	Budget	Variance	Percent of Variance
Water	\$ 966	\$ 2,597	\$ (1,630)	\$ 12,592	\$ 15,580	\$ (2,988)	-19%
Electricity	(401)	1,431	(1,832)	5,114	8,588	(3,474)	-40%
Gas	417	1,039	(621)	6,195	6,233	(38)	-1%
Sewer	1,071	2,461	(1,390)	13,379	14,764	(1,385)	-9%
Total Utilities	2,054	7,527	(5,473)	37,280	45,165	(7,884)	-17%
Maintenance - Labor	17,745	17,477	268	95,903	104,861	(8,958)	-9%
Maintenance - Materials & Other	3,674	5,733	(2,059)	32,208	34,398	(2,190)	-6%
Maintenance and Operations Contracts	9,856	7,564	2,292	62,800	45,387	17,413	38%
Employee Benefit Contributions - Maintenance	5,481	5,721	(240)	27,371	34,327	(6,956)	-20%
Total Maintenance	36,756	36,495	261	218,282	218,973	(691)	0%
Total Protective Services	2,588	2,976	(388)	16,637	17,856	(1,219)	-7%
Total Insurance Premiums	4,651	4,404	247	28,224	26,424	1,800	7%
Other General Expenses	86	1,857	(1,771)	34,278	11,139	23,139	208%
Payments in Lieu of Taxes	2,602	1,788	814	10,926	10,730	196	2%
Bad debt - Tenant Rents	1,096	389	707	2,535	2,337	199	9%
Total Other General Expenses	3,784	4,034	(250)	47,740	24,206	23,534	97%
Interest on Notes Payable	271	351	(80)	2,001	2,105	(104)	-5%
Total Operating Expenses	\$ 64,704	\$ 72,587	\$ (7,883)	\$ 444,635	\$ 435,524	\$ 9,111	2%
Excess of Operating Revenue over Operating Expen:	\$ 50,016	\$ (8,361)	\$ 58,378	\$ 17,231	\$ (50,168)	\$ 67,399	-134%
Extraordinary Maintenance	-	500	(500)	12,497	3,000	9,497	317%
Depreciation Expense	13,829	13,523	306	82,975	81,137	1,838	2%
Total Expenses	\$ 81,623	\$ 86,610	\$ (4,987)	\$ 569,137	\$ 519,660	\$ 49,477	10%
Net Gain (Loss)	\$ 33,098	\$ (22,384)	\$ 55,482	\$ (107,271)	\$ (134,304)	\$ 27,033	-20%

Stuart Parker Housing Development Group, LP
Unaudited Revenue Expense Budget Comparison

	Current Month	Budget	Variance	Year to Date	Budget	Variance	Percent of Variance
Tenant Rental Revenue	\$ 72,291	\$ 71,047	\$ 1,244	\$ 433,762	\$ 426,279	\$ 7,483	2%
Rental Subsidies	86,026	87,080	(1,054)	515,199	522,480	(7,281)	-1%
Vacancy Loss	(2,299)	(3,558)	1,259	(26,892)	(21,347)	(5,545)	26%
Net Rental Revenue	156,017	154,569	1,449	922,069	927,412	(5,343)	-1%
Tenant Revenue - Other	3,165	1,117	2,048	7,560	6,699	861	13%
Total Tenant Revenue	159,182	155,685	3,497	929,629	934,112	(4,482)	0%
Investment Income - Unrestricted	1,352	501	851	9,146	3,003	6,143	205%
Other Revenue	7,090	7,054	36	49,307	42,324	6,983	16%
Total Revenue	\$ 167,624	\$ 163,240	\$ 4,384	\$ 988,082	\$ 979,439	\$ 8,643	1%
Administrative Salaries	10,167	12,548	(2,381)	61,711	75,285	(13,575)	-18%
Auditing Fees	1,150	1,117	33	6,900	6,700	200	3%
Property Management Fee	9,989	9,765	224	58,487	58,587	(100)	0%
Asset Management Fees	1,100	1,100	-	6,599	6,599	-	0%
Advertising and Marketing	-	8	(8)	-	50	(50)	-100%
Employee Benefit contributions - Administrative	2,728	4,119	(1,391)	15,801	24,711	(8,910)	-36%
Office Expenses	2,756	2,443	313	17,064	14,659	2,405	16%
Legal Expense	209	172	37	1,409	1,035	374	36%
Training & Travel	-	167	(167)	321	1,001	(680)	-68%
Other	216	539	(322)	4,260	3,233	1,028	32%
Total Operating - Administrative	28,315	31,977	(3,662)	172,552	191,859	(19,308)	-10%
Total Tenant Services	7,795	9,605	(1,810)	53,322	57,627	(4,305)	-7%
Water	1	5,258	(5,257)	25,375	31,547	(6,172)	-20%
Electricity	490	12,597	(12,106)	56,445	75,579	(19,135)	-25%
Gas	1,432	1,087	345	9,912	6,521	3,391	52%
Sewer	-	3,840	(3,840)	20,266	23,037	(2,772)	-12%
Total Utilities	\$ 1,924	\$ 22,781	\$ (20,857)	\$ 111,997	\$ 136,684	\$ (24,688)	-18%

Stuart Parker Housing Development Group, LP
Unaudited Revenue Expense Budget Comparison

	Current Month			Year to Date			Percent of						
		Budget	Variance		Budget	Variance	Variance						
Maintenance - Labor	\$	13,351	\$	13,052	\$	299	\$	81,405	\$	78,315	\$	3,091	4%
Maintenance - Materials & Other		3,930		5,848		(1,918)		32,321		35,085		(2,765)	-8%
Maintenance and Operations Contracts		11,922		10,352		1,570		53,178		62,112		(8,933)	-14%
Employee Benefit Contributions - Maintenance		4,509		4,978		(469)		26,844		29,870		(3,026)	-10%
Total Maintenance		33,712		34,230		(518)		193,748		205,382		(11,634)	-6%
Total Insurance Premiums		6,350		6,188		162		38,152		37,128		1,024	3%
Other General Expenses		207		-		207		2,335		-		2,335	
Taxes		4,717		4,717		-		28,305		28,305		-	0%
Bad debt - Tenant Rents		138		1,993		(1,855)		4,149		11,957		(7,808)	-65%
Total Other General Expenses		5,062		6,710		(1,648)		34,788		40,262		(5,473)	-14%
Interest of Mortgage (or Bonds) Payable		16,534		16,534		(0)		99,206		99,207		(0)	0%
Interest on Notes Payable (Seller Financing)		20,967		20,967		0		125,799		125,799		0	0%
Amortization of Loan Costs		2,274		2,274		(0)		13,644		13,646		(2)	0%
Total Interest Expense and Amortization Cost		39,775		39,775		(0)		238,649		238,652		(2)	0%
Total Operating Expenses	\$	122,933	\$	151,266	\$	(28,333)	\$	843,208	\$	907,593	\$	(64,385)	-7%
Excess of Operating Revenue over Operating Expenses	\$	44,691	\$	11,974	\$	32,717	\$	144,874	\$	71,846	\$	73,028	102%
Extraordinary Maintenance		-		-		-		24,887		-		24,887	
Depreciation Expense		58,956		65,653		(6,697)		353,737		393,919		(40,182)	-10%
Total Expenses	\$	181,889	\$	216,919	\$	(35,030)	\$	1,221,832	\$	1,301,513	\$	(79,680)	-6%
Net Gain (Loss)	\$	(14,265)	\$	(53,679)	\$	39,414	\$	(233,750)	\$	(322,073)	\$	88,323	-27%

Bear Creek Housing Development Group, LP
Unaudited Revenue Expense Budget Comparison

	Current Month	Budget	Variance	Year to Date	Budget	Variance	Percent of Variance
Tenant Rental Revenue	\$ 15,143	\$ 15,902	\$ (759)	\$ 89,006	\$ 95,410	\$ (6,404)	-7%
Rental Subsidies	32,067	30,780	1,287	187,914	184,680	3,234	2%
Vacancy Loss	(1,839)	(1,401)	(439)	(5,302)	(8,403)	3,101	-37%
Net Rental Revenue	45,371	45,281	90	271,618	271,687	(69)	0%
Tenant Revenue - Other	14,957	1,129	13,828	18,345	6,776	11,569	171%
Total Tenant Revenue	60,328	46,410	13,918	289,963	278,463	11,500	4%
Investment Income - Unrestricted	361	126	234	2,535	758	1,777	234%
Other Revenue	2,045	2,679	(634)	12,704	16,077	(3,373)	-21%
Total Revenue	\$ 62,734	\$ 49,216	\$ 13,518	\$ 305,202	\$ 295,298	\$ 9,904	3%
Administrative Salaries	2,519	3,035	(515)	15,280	18,207	(2,927)	-16%
Auditing Fees	883	858	25	5,300	5,150	150	3%
Property Management Fee	3,126	2,945	181	15,133	17,673	(2,540)	-14%
Asset Management Fees	1,000	1,000	-	5,998	5,998	-	0%
Advertising and Marketing	-	4	(4)	-	25	(25)	-100%
Employee Benefit contributions - Administrative	707	1,031	(324)	4,319	6,186	(1,866)	-30%
Office Expenses	929	783	146	7,046	4,699	2,346	50%
Legal Expense	-	25	(25)	260	150	110	73%
Training & Travel	-	45	(45)	86	267	(181)	-68%
Other	39	124	(86)	852	746	106	14%
Total Operating - Administrative	9,203	9,850	(646)	54,273	59,100	(4,827)	-8%
Total Tenant Services	1,428	1,650	(222)	9,351	9,899	(548)	-6%
Water	1,798	1,829	(31)	8,904	10,974	(2,071)	-19%
Electricity	289	826	(538)	3,712	4,958	(1,246)	-25%
Gas	175	233	(58)	2,209	1,395	814	58%
Sewer	1,410	1,523	(113)	7,482	9,138	(1,656)	-18%
Total Utilities	\$ 3,671	\$ 4,411	\$ (740)	\$ 22,306	\$ 26,466	\$ (4,160)	-16%

Bear Creek Housing Development Group, LP
Unaudited Revenue Expense Budget Comparison

	Current Month	Budget	Variance	Year to Date	Budget	Variance	Percent of Variance
Maintenance - Labor	\$ 2,830	\$ 2,869	\$ (39)	\$ 17,647	\$ 17,212	\$ 435	3%
Maintenance - Materials & Other	5,968	2,916	3,052	13,915	17,497	(3,581)	-20%
Maintenance and Operations Contracts	8,054	4,400	3,654	35,374	26,398	8,976	34%
Employee Benefit Contributions - Maintenance	1,016	1,057	(41)	6,171	6,340	(169)	-3%
Total Maintenance	17,868	11,241	6,627	73,108	67,447	5,661	8%
Total Insurance Premiums	4,874	4,417	457	29,260	26,500	2,760	10%
Other General Expenses	328	-	328	1,119	-	1,119	
Property Taxes	1,791	1,791	-	10,746	10,746	-	0%
Bad debt - Tenant Rents	-	302	(302)	7	1,810	(1,803)	-100%
Total Other General Expenses	2,119	2,093	26	11,872	12,556	(684)	-5%
Interest of Mortgage (or Bonds) Payable	3,435	3,487	(52)	20,861	20,921	(60)	0%
Interest on Notes Payable (Seller Financing)	6,714	6,748	(35)	40,281	40,491	(209)	-1%
Amortization of Loan Costs	1,664	1,664	-	9,983	9,983	-	0%
Total Interest Expense and Amortization Cost	11,812	11,899	(87)	71,125	71,394	(269)	0%
Total Operating Expenses	\$ 50,976	\$ 45,560	\$ 5,415	\$ 271,294	\$ 273,362	\$ (2,067)	-1%
Excess of Operating Revenue over Operating Expenses	\$ 11,758	\$ 3,656	\$ 8,102	\$ 33,907	\$ 21,936	\$ 11,971	55%
Extraordinary Maintenance	788	-	788	7,525	-	7,525	
Depreciation Expense	18,775	18,774	1	112,644	112,647	(3)	0%
Total Expenses	\$ 70,539	\$ 64,335	\$ 6,204	\$ 391,464	\$ 386,008	\$ 5,456	1%
Net Gain (Loss)	\$ (7,805)	\$ (15,118)	\$ 7,314	\$ (86,262)	\$ (90,711)	\$ 4,448	-5%

Oak Towers Housing Development Group, LP
Unaudited Revenue Expense Budget Comparison

	Current Month	Budget	Variance	Year to Date	Budget	Variance	Percent of Variance
Tenant Rental Revenue	\$ 42,685	\$ 40,012	\$ 2,673	\$ 251,337	\$ 240,072	\$ 11,265	5%
Rental Subsidies	45,837	48,510	(2,673)	279,795	291,060	(11,265)	-4%
Vacancy Loss	(2,106)	(2,213)	107	(17,485)	(13,278)	(4,207)	32%
Net Rental Revenue	86,416	86,309	107	513,647	517,854	(4,207)	-1%
Tenant Revenue - Other	978	331	648	3,171	1,985	1,187	60%
Total Tenant Revenue	87,394	86,640	754	516,818	519,838	(3,020)	-1%
Investment Income - Unrestricted	484	195	290	3,041	1,167	1,874	161%
Other Revenue	1,633	1,745	(111)	13,833	10,467	3,366	32%
Total Revenue	\$ 89,512	\$ 88,579	\$ 933	\$ 533,692	\$ 531,472	\$ 2,220	0%
Administrative Salaries	6,554	7,481	(927)	32,195	44,889	(12,693)	-28%
Auditing Fees	1,233	1,200	33	7,400	7,200	200	3%
Property Management Fee	5,342	5,303	39	31,843	31,818	24	0%
Asset Management Fees	1,016	1,016	-	6,098	6,098	-	0%
Advertising and Marketing	-	4	(4)	-	25	(25)	-100%
Employee Benefit contributions - Administrative	1,506	2,500	(994)	9,359	14,998	(5,639)	-38%
Office Expenses	1,750	1,392	358	7,762	8,350	(589)	-7%
Legal Expense	175	42	133	1,127	250	877	351%
Training & Travel	-	63	(63)	167	381	(214)	-56%
Other	179	243	(64)	1,502	1,461	42	3%
Total Operating - Administrative	17,756	19,245	(1,489)	97,453	115,470	(18,017)	-16%
Tenant Services - Salaries	3,700	3,640	60	21,406	21,840	(434)	-2%
Employee Benefit Contributions - Tenant Services	1,145	1,166	(21)	6,765	6,994	(229)	-3%
Tenant Services - Other	1,031	1,478	(447)	7,218	8,870	(1,652)	-19%
Total Tenant Services	5,876	6,284	(408)	35,389	37,704	(2,315)	-6%
Water	-	1,499	(1,499)	7,155	8,995	(1,840)	-20%
Electricity	-	8,836	(8,836)	39,636	53,018	(13,381)	-25%
Gas	771	551	220	5,342	3,308	2,034	62%
Sewer	-	974	(974)	5,259	5,847	(588)	-10%
Total Utilities	\$ 771	\$ 11,861	\$ (11,090)	\$ 57,392	\$ 71,167	\$ (13,774)	-19%

Oak Towers Housing Development Group, LP
Unaudited Revenue Expense Budget Comparison

	Current Month	Budget	Variance	Year to Date	Budget	Variance	Percent of Variance
Maintenance - Labor	\$ 8,674	\$ 8,114	\$ 560	\$ 42,269	\$ 48,683	\$ (6,414)	-13%
Maintenance - Materials & Other	3,522	2,713	809	19,974	16,280	3,694	23%
Maintenance and Operations Contracts	7,003	7,676	(673)	44,541	46,056	(1,514)	-3%
Employee Benefit Contributions - Maintenance	2,147	2,642	(496)	12,106	15,854	(3,749)	-24%
Total Maintenance	21,346	21,145	200	118,890	126,873	(7,983)	-6%
Property Insurance	2,945	2,687	258	17,670	16,122	1,548	10%
Workmen's Compensation	360	385	(25)	1,822	2,309	(487)	-21%
All Other Insurance	71	68	3	426	409	17	4%
Total Insurance Premiums	3,376	3,140	236	19,918	18,840	1,078	6%
Other General Expenses	41	-	41	3,307	-	3,307	
Taxes	2,359	2,359	-	14,153	14,153	-	0%
Bad debt - Tenant Rents	-	295	(295)	(60)	1,767	(1,827)	-103%
Total Other General Expenses	2,400	2,653	(254)	17,400	15,920	1,480	9%
Interest of Mortgage (or Bonds) Payable	5,611	5,701	(89)	34,082	34,203	(121)	0%
Interest on Notes Payable (Seller Financing)	9,215	9,215	(0)	55,291	55,292	(0)	0%
Amortization of Loan Costs	1,568	1,568	-	9,408	9,408	-	0%
Total Interest Expense and Amortization Cost	16,394	16,484	(89)	98,781	98,903	(122)	
Total Operating Expenses	\$ 67,919	\$ 80,813	\$ (12,894)	\$ 445,222	\$ 484,875	\$ (39,653)	-8%
Excess of Operating Revenue over Operating Expenses	\$ 21,593	\$ 7,766	\$ 13,827	\$ 88,470	\$ 46,597	\$ 41,873	90%
Extraordinary Maintenance	-	-	-	5,263	-	5,263	
Depreciation Expense	40,528	40,591	(63)	243,169	243,545	(376)	0%
Total Expenses	\$ 108,447	\$ 121,403	\$ (12,957)	\$ 693,653	\$ 728,420	\$ (34,767)	-5%
Net Gain (Loss)	\$ (18,935)	\$ (32,825)	\$ 13,890	\$ (159,961)	\$ (196,948)	\$ 36,987	-19%

Mid-Missouri Veterans Housing Development Group, LP
Unaudited Revenue Expense Budget Comparison

	Current Month	Budget	Variance	Year to Date	Budget	Variance	Percent of Variance
Tenant Rental Revenue	\$ 8,443	\$ 7,638	\$ 806	\$ 47,968	\$ 45,825	\$ 2,143	5%
Rental Subsidies	8,132	8,750	(618)	49,232	52,500	(3,268)	-6%
Vacancy Loss	(450)	(328)	(122)	(863)	(1,967)	1,104	-56%
Net Rental Revenue	16,125	16,060	65	96,337	96,358	(21)	0%
Tenant Revenue - Other	(241)	90	(331)	381	540	(160)	-30%
Total Tenant Revenue	15,884	16,150	(266)	96,717	96,898	(181)	0%
Investment Income - Unrestricted	100	38	62	716	227	490	216%
Other Revenue	163	287	(124)	2,341	1,721	620	36%
Total Revenue	\$ 16,146	\$ 16,474	\$ (328)	\$ 99,775	\$ 98,846	\$ 929	1%
Administrative Salaries	1,032	948	84	7,047	5,689	1,358	24%
Auditing Fees	708	688	21	4,250	4,125	125	3%
Property Management Fee	802	822	(19)	4,953	4,931	22	0%
Asset Management Fees	1,011	1,011	-	6,069	6,069	-	0%
Employee Benefit contributions - Administrative	253	324	(71)	1,652	1,946	(293)	-15%
Office Expenses	649	328	320	2,386	1,970	416	21%
Legal Expense	-	17	(17)	-	100	(100)	-100%
Training & Travel	-	15	(15)	33	89	(55)	-63%
Other	19	47	(28)	279	282	(3)	-1%
Total Operating - Administrative	4,475	4,204	271	26,668	25,224	1,444	6%
Water	-	210	(210)	886	1,259	(373)	-30%
Electricity	-	999	(999)	4,114	5,995	(1,881)	-31%
Gas	193	364	(171)	3,685	2,184	1,502	69%
Sewer	-	159	(159)	756	957	(201)	-21%
Total Utilities	\$ 193	\$ 1,732	\$ (1,540)	\$ 9,441	\$ 10,394	\$ (954)	-9%

Mid-Missouri Veterans Housing Development Group, LP
Unaudited Revenue Expense Budget Comparison

	Current Month	Budget	Variance	Year to Date	Budget	Variance	Percent of Variance
Maintenance - Labor	\$ 942	\$ 956	\$ (15)	\$ 5,881	\$ 5,738	\$ 143	2%
Maintenance - Materials & Other	84	596	(512)	3,361	3,576	(215)	-6%
Maintenance and Operations Contracts	1,191	1,109	81	7,894	6,657	1,237	19%
Employee Benefit Contributions - Maintenance	338	352	(14)	2,107	2,114	(7)	0%
Total Maintenance	2,555	3,014	(459)	19,243	18,083	1,159	6%
Total Protective Services	493	633	(140)	3,443	3,796	(354)	-9%
Total Insurance Premiums	1,013	920	93	6,109	5,520	589	11%
Other General Expenses	12	-	12	170	-	170	
Taxes	598	598	-	3,591	3,591	-	0%
Bad debt - Tenant Rents	-	153	(153)	-	921	(921)	-100%
Total Other General Expenses	610	752	(142)	3,760	4,511	(751)	-17%
Interest of Mortgage (or Bonds) Payable	716	727	(11)	4,353	4,362	(9)	0%
Amortization of Loan Costs	681	681	(0)	4,084	4,084	(0)	0%
Total Interest Expense and Amortization Cost	1,397	1,408	(11)	8,437	8,446	(9)	0%
Total Operating Expenses	\$ 10,764	\$ 12,662	\$ (1,899)	\$ 77,129	\$ 75,975	\$ 1,154	2%
Excess of Operating Revenue over Operating Expenses	\$ 5,383	\$ 3,812	\$ 1,571	\$ 22,646	\$ 22,872	\$ (226)	-1%
Extraordinary Maintenance	-	-	-	-	-	-	
Depreciation Expense	10,277	10,277	0	61,662	61,662	0	0%
Total Expenses	\$ 21,041	\$ 22,939	\$ (1,899)	\$ 138,791	\$ 137,637	\$ 1,154	1%
Net Gain (Loss)	\$ (4,894)	\$ (6,465)	\$ 1,571	\$ (39,016)	\$ (38,790)	\$ (226)	1%

Bryant Walkway Housing Development Group, LP
Unaudited Revenue Expense Budget Comparison

	Current Month	Budget	Variance	Year to Date	Budget	Variance	Percent of Variance
Tenant Rental Revenue	\$ 11,770	\$ 9,746	\$ 2,023	\$ 54,884	\$ 58,479	\$ (3,595)	-6%
Rental Subsidies	18,567	20,520	(1,954)	127,132	123,120	4,012	3%
Vacancy Loss	(1,802)	(908)	(894)	(6,973)	(5,448)	(1,525)	28%
Net Rental Revenue	28,535	29,358	(824)	175,043	176,151	(1,107)	-1%
Tenant Revenue - Other	84	186	(102)	1,071	1,115	(44)	-4%
Total Tenant Revenue	28,618	29,544	(926)	176,114	177,266	(1,151)	-1%
Investment Income - Unrestricted	538	66	472	950	398	551	138%
Other Revenue	112	145	(33)	1,547	870	677	78%
Total Revenue	\$ 29,268	\$ 29,756	\$ (487)	\$ 178,611	\$ 178,533	\$ 77	0%
Administrative Salaries	2,221	2,298	(78)	11,548	13,790	(2,242)	-16%
Auditing Fees	1,233	1,200	33	7,400	7,200	200	3%
Property Management Fee	1,724	1,781	(58)	10,469	10,688	(219)	-2%
Asset Management Fees	704	704	-	4,221	4,221	-	0%
Advertising and Marketing	-	4	(4)	-	25	(25)	-100%
Employee Benefit contributions - Administrative	421	782	(361)	2,608	4,691	(2,083)	-44%
Office Expenses	409	455	(46)	2,459	2,729	(270)	-10%
Legal Expense	-	25	(25)	-	150	(150)	-100%
Training & Travel	-	58	(58)	77	350	(273)	-78%
Other	50	110	(60)	687	660	27	4%
Total Operating - Administrative	6,761	7,417	(657)	39,468	44,503	(5,035)	-11%
Total Tenant Services	907	1,259	(352)	6,059	7,552	(1,493)	-20%
Water	-	968	(968)	4,913	5,805	(892)	-15%
Electricity	240	470	(230)	2,133	2,822	(688)	-24%
Gas	49	195	(145)	1,114	1,169	(55)	-5%
Sewer	-	923	(923)	4,950	5,538	(589)	-11%
Total Utilities	\$ 289	\$ 2,556	\$ (2,267)	\$ 13,110	\$ 15,334	\$ (2,224)	-15%

Bryant Walkway Housing Development Group, LP
Unaudited Revenue Expense Budget Comparison

	Current Month	Budget	Variance	Year to Date	Budget	Variance	Percent of Variance
Maintenance - Labor	\$ 2,967	\$ 2,715	\$ 251	\$ 16,513	\$ 16,290	\$ 223	1%
Maintenance - Materials & Other	930	717	213	4,298	4,302	(4)	0%
Maintenance and Operations Contracts	2,223	2,814	(591)	13,410	16,884	(3,474)	-21%
Employee Benefit Contributions - Maintenance	1,022	1,035	(13)	5,966	6,210	(244)	-4%
Total Maintenance	7,141	7,281	(140)	40,187	43,686	(3,499)	-8%
Total Insurance Premiums	2,987	2,726	261	17,876	16,357	1,519	9%
Other General Expenses	39	-	39	185	-	185	
Property Taxes	1,574	1,574	-	9,446	9,446	-	0%
Bad debt - Tenant Rents	-	127	(127)	3,170	762	2,408	316%
Total Other General Expenses	1,614	1,701	(88)	12,801	10,208	2,593	25%
Interest of Mortgage (or Bonds) Payable	646	647	(1)	3,894	3,879	15	0%
Interest on Notes Payable	1,268	-	1,268	7,608	-	7,608	
Amortization of Loan Costs	526	526	0	3,159	3,159	0	0%
Total Interest Expense and Amortization Cost	2,440	1,173	1,267	14,660	7,038	7,622	108%
Total Operating Expenses	\$ 22,139	\$ 24,113	\$ (1,974)	\$ 144,161	\$ 144,677	\$ (516)	0%
Excess of Operating Revenue over Operating Expenses	\$ 7,130	\$ 5,643	\$ 1,487	\$ 34,450	\$ 33,857	\$ 593	2%
Extraordinary Maintenance	-	-	-	3,459	-	3,459	
Depreciation Expense	24,812	24,812	(0)	148,871	148,872	(0)	0%
Total Expenses	\$ 46,950	\$ 48,925	\$ (1,974)	\$ 296,491	\$ 293,548	\$ 2,943	1%
Net Gain (Loss)	\$ (17,682)	\$ (19,169)	\$ 1,487	\$ (117,880)	\$ (115,015)	\$ (2,866)	2%

Bryant Walkway II Housing Development Group, LP
Unaudited Revenue Expense Budget Comparison

	Current Month	Budget	Variance	Year to Date	Budget	Variance	Percent of Variance
Tenant Rental Revenue	\$ 7,951	\$ 5,377	\$ 2,574	\$ 45,122	\$ 32,260	\$ 12,862	40%
Rental Subsidies	10,523	13,140	(2,617)	65,722	78,840	(13,118)	-17%
Vacancy Loss	(178)	(556)	378	(7,205)	(3,333)	(3,872)	116%
Net Rental Revenue	18,296	17,961	335	103,639	107,767	(4,128)	-4%
Tenant Revenue - Other	-	77	(77)	2,446	459	1,987	
Total Tenant Revenue	18,296	18,038	258	106,085	108,227	(2,141)	-2%
Investment Income - Unrestricted	360	60	299	805	362	443	122%
Other Revenue	-	42	(42)	213	250	(37)	-15%
Total Revenue	\$ 18,656	\$ 18,140	\$ 516	\$ 107,104	\$ 108,839	\$ (1,735)	-2%
Administrative Salaries	1,406	1,438	(32)	7,270	8,627	(1,357)	-16%
Auditing Fees	1,233	1,200	33	7,400	7,200	200	0%
Property Management Fee	1,098	1,085	13	6,251	6,509	(258)	-4%
Asset Management Fees	704	704	-	4,221	4,221	-	0%
Advertising and Marketing	-	4	(4)	-	25	(25)	-100%
Employee Benefit contributions - Administrative	260	491	(231)	1,595	2,943	(1,349)	-46%
Office Expenses	220	228	(7)	1,226	1,367	(141)	-10%
Legal Expense	-	13	(13)	131	75	56	74%
Training & Travel	-	27	(27)	21	164	(143)	-87%
Other	29	44	(15)	623	265	358	135%
Total Operating - Administrative	4,949	5,233	(283)	28,737	31,396	(2,659)	-8%
Total Tenant Services	550	772	(223)	3,664	4,634	(970)	-21%
Water	-	633	(633)	2,692	3,800	(1,108)	-29%
Electricity	160	188	(28)	1,082	1,128	(46)	-4%
Gas	16	54	(38)	967	322	645	200%
Sewer	-	610	(610)	3,100	3,657	(558)	-15%
Total Utilities	\$ 176	\$ 1,485	\$ (1,309)	\$ 7,841	\$ 8,908	\$ (1,066)	-12%

Bryant Walkway II Housing Development Group, LP
Unaudited Revenue Expense Budget Comparison

	Current Month	Budget	Variance	Year to Date	Budget	Variance	Percent of Variance
Maintenance - Labor	\$ 993	\$ 905	\$ 88	\$ 5,568	\$ 5,430	\$ 137	3%
Maintenance - Materials & Other	42	538	(496)	990	3,226	(2,236)	-69%
Maintenance and Operations Contracts	1,471	1,536	(65)	8,257	9,217	(960)	-10%
Employee Benefit Contributions - Maintenance	348	345	3	2,064	2,070	(6)	0%
Total Maintenance	2,854	3,324	(470)	16,879	19,944	(3,065)	-15%
Total Insurance Premiums	1,890	1,756	134	11,318	10,536	782	7%
Other General Expenses	24	-	24	41	-	41	
Property Taxes	1,080	1,080	-	6,483	6,483	-	0%
Bad debt - Tenant Rents	-	72	(72)	2,115	433	1,682	388%
Total Other General Expenses	1,104	1,153	(48)	8,639	6,916	1,723	25%
Interest on Notes Payable	2,676	2,676	0	16,054	16,054	0	0%
Amortization of Loan Costs	271	271	0	1,625	1,625	0	0%
Total Interest Expense and Amortization Cost	2,946	2,946	0	17,679	17,679	0	
Total Operating Expenses	\$ 14,469	\$ 16,669	\$ (2,199)	\$ 94,756	\$ 100,011	\$ (5,255)	-5%
Excess of Operating Revenue over Operating Expenses	\$ 4,186	\$ 1,471	\$ 2,715	\$ 12,347	\$ 8,827	\$ 3,520	40%
Extraordinary Maintenance	-	-	-	3,065	-	3,065	
Depreciation Expense	13,459	13,459	0	80,752	80,752	0	
Total Expenses	\$ 27,928	\$ 30,127	\$ (2,199)	\$ 178,574	\$ 180,763	\$ (2,189)	-1%
Net Gain (Loss)	\$ (9,273)	\$ (11,987)	\$ 2,715	\$ (71,470)	\$ (71,925)	\$ 454	-1%

Columbia Housing Authority
Administration Revenue and Expense Summary

	Total Adminstration	Year to Date Budget	Budget Variance	
Management Fee	\$ 152,727	\$ 167,273	\$ (14,545)	-9%
Asset Management Fee	7,200	7,200	-	0%
Book Keeping Fee	79,845	80,209	(364)	0%
Fee Revenue	239,772	254,682	\$ (14,909)	-6%
Interest Income	6,831	5,483	1,348	25%
Investment Income	408,766	383,519	25,247	7%
Other Revenue	213,695	189,574	24,121	13%
Total Revenue	\$ 869,064	\$ 833,257	\$ 35,807	4%
Administrative Salaries	427,063	407,428	19,635	5%
Auditing Fees	7,834	4,500	3,334	74%
Advertising and Marketing	338	513	(175)	-34%
Employee Benefits - Admin.	98,669	105,660	(6,991)	-7%
Office Expenses	60,035	52,059	7,976	15%
Legal Expense	14,575	1,000	13,575	1357%
Training & Travel	7,762	3,000	4,762	159%
Other	9,655	9,614	41	0%
Total Operating - Administration	625,931	583,774	42,157	7%
Water	163	480	(317)	-66%
Electricity	1,648	1,800	(152)	-8%
Gas	968	600	368	61%
Sewer	119	96	23	24%
Total Utilities	2,898	2,976	(78)	-3%
Total Maintenance	8,445	5,175	3,270	63%
Total Insurance Premiums	17,417	17,474	(57)	0%
Total Other Expenses	38,587	36,751	1,836	5%
Interest of Bonds Payable	158,502	160,926	(2,424)	-2%
Interest on Notes Payable	11,377	-	11,377	
Total Interest/Amortization	169,879	160,926	8,953	6%
Total Operating Expenses	\$ 863,156	\$ 807,076	\$ 56,080	7%
Excess of Operating Revenue over Operating Expenses	\$ 5,908	\$ 26,181	\$ (20,273)	-77%
Extraordinary Maintenance	-	-	-	
Casualty Losses Non-capitalized	1,769	-	1,769	
Housing Assistance Payments	-	-	-	
97350 HAP Portability-In	-	-	-	
Depreciation Expense	13,385	3,560	9,825	276%
97500 Fraud Losses	-	-	-	
Capital Outlays	-	-	-	
Total Expenses	\$ 878,310	\$ 810,636	\$ 67,674	8%
Net Gain (Loss)	\$ (9,246)	\$ 22,621	\$ (31,867)	-141%

**Columbia Housing Authority
Entity Wide Revenue and Expense Summary**

	Public Housing Projects	Affordable Housing Projects	Housing Choice Vouchers	Mainstream Vouchers	Emergency Housing Vouchers	Continuum of Care Vouchers	TBRA Vouchers	ROSS Grants	CHALIS	Columbia Community Housing Trust	Affordable Housing General Partners	Affordable Housing Development	CHA Business Activities	CHA Central Office	Subtotal	ELIM	Total
Tenant Rental Revenue	\$ 175,090	\$ 922,079	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,614	\$ 7,380	\$ -	\$ -	\$ -	\$ -	\$ 1,118,163	\$ -	\$ 1,118,163
Rental Subsidies		1,224,994													1,224,994	(1,224,994)	
Vacancy Loss	(19,397)	(64,721)	-	-	-	-	-	-	-	-	-	-	-	-	(84,117)		(84,117)
Net Rental Revenue	155,693	2,082,353	-	-	-	-	-	-	13,614	7,380	-	-	-	-	2,259,040	(1,224,994)	1,034,045
Tenant Revenue - Other	5,172	32,974	-	-	-	-	-	-	-	-	-	-	-	-	38,146		38,146
Total Tenant Revenue	160,865	2,115,326	-	-	-	-	-	-	13,614	7,380	-	-	-	-	2,297,186	(1,224,994)	1,072,191
HUD PHA Operating Grants	253,235	-	4,784,124	52,670	28,213	175,080	-	90,105	-	-	-	-	-	-	5,383,428	-	5,383,428
HUD Voucher Admin Fees	-	-	597,720	-	-	-	-	-	-	-	-	-	-	-	597,720	-	597,720
Capital Grants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Management Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	152,727	152,727	(152,727)	-
Asset Management Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	7,200	7,200	(7,200)	-
Book Keeping Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	79,845	79,845	(79,845)	-
Total Fee Revenue	253,235	-	5,381,844	52,670	28,213	175,080	-	90,105	-	-	-	-	-	239,772	6,220,920	(239,772)	5,981,148
Other Government Grants	-	-	-	-	-	-	72,586	-	371,125	-	-	-	-	-	443,711	-	443,711
Interest Income	6,476	17,194	2,477	-	-	-	-	-	243	4,799	-	10,770	3,693	1,313	46,964	-	46,964
Investment Income	-	-	-	-	-	-	-	-	-	-	-	-	399,821	-	399,821	(399,821)	-
Fraud Recovery	-	-	2,396	-	-	-	-	-	-	-	-	-	-	-	2,396	-	2,396
Other Revenue	41,290	79,944	9,049	517	-	-	-	-	29,141	1,303,500	175,919	-	190,970	22,724	1,853,055	(167,501)	1,685,555
Gain/Loss on Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	\$ 461,866	\$ 2,212,465	\$ 5,395,767	\$ 53,187	\$ 28,213	\$ 175,080	\$ 72,586	\$ 90,105	\$ 414,123	\$ 1,315,679	\$ 175,919	\$ 10,770	\$ 594,485	\$ 263,809	\$ 11,264,053	\$ (2,032,088)	\$ 9,231,965
Administrative Salaries	23,308	135,051	147,170	30	1,768	1,955	548	-	26,547	-	-	26,558	234,045	166,460	763,440	-	763,440
Auditing Fees	2,112	38,650	20,425	-	-	-	-	-	2,175	31	-	-	2,350	5,484	71,226	-	71,226
Management Fee	33,195	127,136	118,728	-	804	-	-	-	750	430	-	-	-	-	281,043	(281,043)	-
Bookkeeping/LIHTC Asset Mgmt	5,138	33,205	74,205	-	503	-	-	-	-	-	-	-	-	-	113,050	(79,845)	33,205
Advertising and Marketing	28	-	200	-	-	-	-	-	503	-	-	-	169	169	1,068	-	1,068
Employee Benefits - Admin.	7,335	35,335	50,349	4	241	657	75	-	3,560	-	-	8,534	54,086	36,049	196,226	-	196,226
Office Expenses	6,593	37,942	44,212	398	1,313	2,589	390	1,550	6,698	-	3	1,451	28,272	30,313	161,723	-	161,723
Legal Expense	70	2,926	-	-	-	-	-	-	-	-	-	-	5,563	9,013	17,571	-	17,571
Training & Travel	95	705	1,195	-	-	-	-	-	177	-	-	-	3,501	4,261	9,933	-	9,933
Other	2,846	8,202	39,964	261	231	1,499	81	1,428	19,912	3,967	465	137	3,566	5,952	88,512	-	88,512
Total Operating - Admin.	80,719	419,152	496,447	694	4,860	6,699	1,094	2,978	60,322	4,427	468	36,680	331,552	257,699	1,703,792	(360,888)	1,342,903
Asset Management Fee	7,200	-	-	-	-	-	-	-	-	-	-	-	-	-	7,200	(7,200)	-
Tenant Services - Salaries	1,409	49,614	-	-	-	-	-	66,989	208,331	-	-	-	-	-	326,343	-	326,343
Employee Benefit - Tenant Serv.	108	14,904	-	-	-	-	-	18,866	47,673	-	-	-	-	-	81,550	-	81,550
Tenant Services - Other	5,034	43,296	428	-	28,461	-	-	-	94,960	-	-	-	-	-	172,180	-	172,180
Total Tenant Services	6,551	107,814	428	-	28,461	-	-	85,855	350,965	-	-	-	-	-	580,073	-	580,073
Water	12,592	49,925	245	-	-	-	-	-	-	-	-	-	82	82	62,926	-	62,926
Electricity	5,114	107,121	2,472	-	-	-	-	-	-	-	-	-	824	824	116,355	-	116,355
Gas	6,195	23,229	1,452	-	-	-	-	-	-	-	-	-	484	484	31,844	-	31,844
Sewer	13,379	41,811	179	-	-	-	-	-	-	-	-	-	60	60	55,488	-	55,488
Total Utilities	37,280	222,087	4,348	-	-	-	-	-	-	-	-	-	1,449	1,449	266,613	-	266,613

**Columbia Housing Authority
Entity Wide Revenue and Expense Summary**

	Public Housing Projects	Affordable Housing Projects	Housing Choice Vouchers	Mainstream Vouchers	Emergency Housing Vouchers	Continuum of Care Vouchers	TBRA Vouchers	ROSS Grants	CHALIS	Columbia Community Housing Trust	Affordable Housing General Partners	Affordable Housing Development	CHA Business Activities	CHA Central Office	Subtotal	ELIM	Total
Maintenance - Labor	95,903	169,282	-	-	-	-	-	-	-	-	-	-	-	-	265,186	-	265,186
Maintenance - Materials	32,208	74,860	-	-	-	-	-	-	1,936	499	616	-	150	760	111,028	-	111,028
Maintenance Contracts	62,800	162,655	7,289	-	-	-	-	-	11,728	2,810	802	-	2,322	5,213	255,619	(6,977)	248,642
Employee Benefits - Maint.	27,371	55,257	-	-	-	-	-	-	-	-	-	-	-	-	82,628	-	82,628
Total Maintenance	218,282	462,054	7,289	-	-	-	-	-	13,664	3,309	1,418	-	2,471	5,973	714,461	(6,977)	707,484
Protective Services - Labor	13,412	2,768	-	-	-	-	-	-	-	-	67,228	-	-	-	83,408	-	83,408
Protective Services - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Employee Benefit Contributions	3,226	675	-	-	-	-	-	-	-	-	16,146	-	-	-	20,046	-	20,046
Total Protective Services	16,637	3,443	-	-	-	-	-	-	-	-	83,374	-	-	-	103,454	-	103,454
Property Insurance	21,137	113,634	-	-	-	-	-	-	904	102	-	-	175	175	136,129	-	136,129
Liability Insurance	2,796	-	3,156	-	-	-	-	-	2,078	43	-	-	-	-	8,072	-	8,072
Workmen's Compensation	2,547	6,778	2,796	1	34	37	10	1,273	4,335	-	1,277	505	4,457	3,163	27,212	-	27,212
All Other Insurance	1,745	2,219	-	-	-	-	-	-	1,634	-	429	133	8,676	133	14,970	-	14,970
Total Insurance Premiums	28,224	122,631	5,952	1	34	37	10	1,273	8,952	145	1,706	638	13,308	3,471	186,382	-	186,382
Other General Expenses	34,278	7,157	3,314	-	73	-	-	-	285	750	142	-	38,129	458	84,587	(32,208)	52,379
Payments in Lieu of Taxes	10,926	72,721	-	-	-	-	-	-	1,361	738	-	-	-	-	85,747	-	85,747
Bad debt - Tenant Rents	2,535	9,382	-	-	-	-	-	-	-	-	-	-	-	-	11,917	-	11,917
Total Other Expenses	47,740	89,260	3,314	-	73	-	-	-	1,646	1,488	142	-	38,129	458	182,250	(32,208)	150,042
Interest of Mortgage Payable	-	162,395	-	-	-	-	-	-	-	-	1,796	-	158,502	-	322,693	-	322,693
Interest on Notes Payable	2,001	245,033	-	-	-	-	-	-	-	-	-	-	11,377	-	258,411	-	258,411
Amortization of Loan Costs	-	41,901	-	-	-	-	-	-	-	-	-	-	-	-	41,901	-	41,901
Total Interest/Amortization	2,001	449,330	-	-	-	-	-	-	-	-	1,796	-	169,879	-	623,006	(399,821)	223,185
Total Operating Expenses	\$ 444,635	\$ 1,875,770	\$ 517,779	\$ 694	\$ 33,429	\$ 6,736	\$ 1,104	\$ 90,105	\$ 435,548	\$ 9,370	\$ 88,905	\$ 37,318	\$ 556,787	\$ 269,051	\$ 4,367,232	\$ (807,094)	\$ 3,560,138
Excess of Operating Revenue over Operating Expenses	\$ 17,231	\$ 336,695	\$ 4,877,988	\$ 52,493	\$ (5,215)	\$ 168,344	\$ 71,482	\$ -	\$ (21,425)	\$ 1,306,309	\$ 87,013	\$ (26,548)	\$ 37,697	\$ (5,242)	\$ 6,896,822	\$ (1,224,994)	\$ 5,671,827
Extraordinary Maintenance	12,497	44,199	-	-	-	-	-	-	-	-	-	-	-	-	56,696	-	56,696
Housing Assistance Payments	-	-	4,862,710	46,588	44,825	168,344	71,482	-	-	-	-	-	-	-	5,193,949	(1,224,994)	3,968,954
Depreciation Expense	82,975	1,000,835	10,203	-	-	-	-	129	8,707	1,696	-	-	13,337	49	1,117,930	-	1,117,930
Total Expenses	\$ 569,137	\$ 2,920,805	\$ 5,390,692	\$ 47,282	\$ 78,254	\$ 175,080	\$ 72,586	\$ 90,234	\$ 444,255	\$ 11,066	\$ 88,905	\$ 37,318	\$ 570,124	\$ 270,868	\$ 10,766,606	\$ (2,032,088)	\$ 8,734,518
Net Gain (Loss)	\$ (107,271)	\$ (708,340)	\$ 5,075	\$ 5,905	\$ (50,040)	\$ -	\$ -	\$ (129)	\$ (30,132)	\$ 1,304,613	\$ 87,013	\$ (26,548)	\$ 24,360	\$ (7,059)	\$ 497,447	\$ -	\$ 497,447



By [Leila Mitchell](#)

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Columbia announces ARPA survey, revealing affordable housing is top community need

COLUMBIA, Mo. (KMIZ)

Results are in for a survey from The Columbia/Boone County Health and Human Services and the city, seeking feedback on how to spend the city's COVID-19 relief funding to address inequalities exposed by the pandemic.

Officials say 4,470 people completed the American Rescue Plan Act (ARPA) survey.

The city has \$12.6 million left of the \$25.2 million to address inequalities and areas of need exposed by the pandemic. The goal is for the survey to reach as many people as possible so they can really narrow down what areas of need are most important to fund.

The \$12.6 million is being used for homelessness, community violence, behavioral crisis care mental health services, and workforce development.

According to the survey, the top priorities for ARPA spending include:

1. Funding to help community members access health services, including mental health
2. Investments in affordable housing
3. Premium Pay for workers
4. Funding Services for Homeless Residents
5. Assistance to Households (Food, Utility, Rental or Cash Assistance)

The Columbia Housing Authority, the community's largest affordable housing provider, is working with other community providers to create a center to address affordable housing, transitional housing and the lack of permanent homeless shelter in the city. The hope is for the city to allocate funds for the project once that planning process is complete.

Randy Cole, CEO of the Columbia Housing Authority said the need for affordable housing support is great right now.

"We see the need every day in our office. We see upwards of 200 people come into our office per week as walk-ins needing assistance and we see upwards of 500 calls a week. We have 1200 households on our waitlist right now," Cole said.

Cole said the CHA is working to expand its footprint and maintain its affordable housing.

"I think this could be a great opportunity to leverage additional dollars in our community. Any ARPA dollars or other grant dollars we receive would go to benefiting low-income populations that we have." Cole said. "We have the additional staff to take on these projects and dollar for dollar those funds would go to helping someone in need."

Cole said a large portion of the people needing CHA assistance qualify for being homeless.

"The more we can put into affordable housing the more we can get people off the streets and into affordable housing," Cole said.

The Voluntary Action Center is one of the providers working to address homelessness with CHA. VAC provides basic needs on an immediate basis to Boone County residents that are at or below the 200 percent of the poverty level.

Ed Stansberry, Executive Director of VAC said the top basic needs they are providing for people is money for gas, their emergency food pantry, and fans and air conditioners.

Stansberry said their numbers for gas needs have tripled from this time last year, and the numbers for the food pantry have more than doubled from this time last year.

"We haven't seen numbers this low since 2010, which was the last recession. What we've discovered is that those that are at the lowest end of the income spectrum are usually hit hardest first and it takes them the longest to recover," Stansberry said.

VAC is pursuing ARPA funds for its Opportunity Campus, an all-encompassing homeless service facility.

The city council will meet at its regular meeting on July 18 and discuss the results.

The next step will be for the health department and city to identify the gaps in the survey data and then create focus groups.

There will be 10 focus groups seven will be in person and three on zoom. The groups will include trusted members of the community that are familiar with an area of need, plus those most impacted.

Columbia ARPA survey prioritizes affordable housing

by Mark Slavit

Wednesday, July 13th 2022



Columbia city officials said 4,470 people completed the American Rescue Plan Act, or ARPA, survey. (File Photo)

COLUMBIA — Columbia city officials released the results of their survey asking citizens how to spend COVID relief funding. The results showed affordable housing was a community priority.

Columbia city officials said 4,470 people completed the American Rescue Plan Act, or ARPA, survey. City leaders have \$12.6 million leftover of the

\$25.2 million to focus on inequalities and areas of need caused by the pandemic. Survey results recommend using the funding to help community members access health and mental health services, investments in affordable housing and funding services for homeless residents. CEO of the Columbia Housing Authority Randy Cole said the need for affordable housing support was overwhelming.

Cole said, "We have over 1,200 households on our wait list right now. We typically see about 200 walk-ins every week of households needing housing. We get about 500 calls per week as well."

The Voluntary Action Center is one of the providers working to address homelessness with the Columbia Housing Authority. The organization helps needy families and individuals.

Voluntary Action Center Executive Director Ed Stansberry said, "The last time VAC service numbers were this high was in 2010. Many of us remember that was coming out of the last recession."

City council members planned to discuss the results of the ARPA survey during their regular meeting on Monday night.

Columbia Councilman Karl Skala said, "If there is a consensus that wants to go in a particular direction, then we will start talking about ordinances or resolutions to bring before the council with a public hearing."

The next step will be for Boone County health officials to conduct focus groups and identify priorities before city council members make final decisions on how to spend the remaining COVID relief money.

City of Columbia's Boards & Commissions

TAYLOR AMBRA

AUGUST 2, 2022



| *A little something for everyone.*

Boards and commissions help advise the city council and make recommendations for the betterment of the City of Columbia. Most members, but not all, are appointed by the council to serve a predetermined term length, but every member must meet certain qualifications to be appointed. Each member must attend scheduled meetings and carry out their assigned duties.

Airport Advisory Board

This group studies the airport's demands, then makes recommendations about the airport's usage and development to the council. The city council appoints five of the board's voting members, and everyone serves a 3-year term.

Bicycle/Pedestrian Commission

This commission generates a master bike plan, then develops and submits annual grants. The group also carries out plans for bike routes as needed, educates on proper bike use and registration, and advises the city council on matters concerning sidewalks, walkways, and trails. All nine members are council appointees, with one acting as a contact to the parks and recreation commission. Members serve 3-year terms with openings for new members occurring in July.

Board of Adjustment

This board hears and makes decisions upon all appeals and matters referred to under the city's laws and ordinances. All members must be COMO residents and serve a 5-year term. Openings for new members occur in May for regular members and Nov. for alternate members.

Board of Health

Advises on public health and animal control matters to the Columbia City Council, Boone County Commission, and the health director. The board consists of 11 members with seven of them being appointed by the city council and the other four appointed by the County Commission. Members serve 3-year terms.

Building Construction Codes Commission

This group reviews building, electrical, plumbing, and fire codes to make changes if needed. It also considers appeals made toward the decisions of the code official or fire marshal. The commission consists of 11 regular members and 11 alternate members, all appointed by the city council. Members serve 3-year terms with openings for new members occurring in August.

Citizens Police Review Board

This review actual or perceived police misconduct, arranges educational programs, encourages policies, procedures, and trainings, and also audits police department records to ensure compliance. The board consists of nine members with eight of them being appointed by the city council. Members serve a 3-year term with openings for new members occurring in October/November.

City Council

The council creates policy and law and consists of seven members from six city wards and the mayor. All members must be elected by the citizens of COMO, and the ward council members must live and be qualified to vote in the ward they represent. Each member serves a 3-year term with elections staggered each April by ward. Upcoming elections for council members are: April 2023 for ward 1 and ward 5; April 2024 for ward 2 and ward 6. and April 2025 for wards 3, 4, and the mayor.

City of Columbia New Century Fund, Inc. Board

This seeks contributions to put toward the advancements and betterment of the City of Columbia. The board consists of seven members, all appointed by the city council. Members serve 3-year terms with openings in September, except for the city council representative, who has a 1-year term that begins in May.

Climate and Environment Commission

Advises city staff on the Climate Adaptation and Action Plan (CAAP) progress report. It also educates the public, analyzes the annual greenhouse gas emissions inventory, and does other work related to COMO's climate. The board consists of 15 members, all appointed by the city council. Members serve a 3-year term with openings for new board members occurring in November.

Collaborative Adaptive Management (CAM)

Enhances the water quality in the Hinkson Creek and narrows down the most effective approaches to combat water quality challenges. There are three subcommittees involved in CAM, including the stakeholder committee, the action team, and the science team.

Columbia and Boone County Library District Board

This board appoints the library's CEO, controls library fund expenditures, purchases leases, sells real property, and extends privileges for non-residents to use the library. The board consists of nine members, with five of them being appointed by the mayor, and the other four members appointed by the Boone County Commission. Members serve 3-year terms with openings for new members occurring in June.

Columbia Area Transportation Study Organization (CATSO)

Serves as the Metropolitan Planning Organization (MPO) to ensure coordinated transportation plans. The Transportation Plan contains elements covering roadways, transit, bicycles, and pedestrian facilities.

Columbia Arts Fund Advisory Committee

Recommends and monitors grant distributions from the fund and is accountable to the Board of Directors of the Community Foundation.

Columbia Housing Authority Board

Acquires, leases, and operates housing projects; contracts for furnishings and services; invests funds; investigates living, dwelling, and housing conditions, and issues a report of the annual audit of all operations and activities undertaken. The board consists of five members all appointed by the mayor. Members serve staggered 4-year terms.

Columbia Parks and Recreation Fund Advisory Committee

Recommends and monitors grant distributions from the fund and is accountable to the Board of Directors of the Community Foundation.

Columbia Police Chief's Vehicle Stops Committee

Examines data, identifies factors affecting the decision to stop a vehicle, finds ways to fill data gaps, creates a timeline for research, and examines police training that requires change to address the disparities in the vehicle stop rates by the Columbia Police Department.

Columbia Sports Commission

Advises and makes recommendations to the Convention and Visitors Bureau with regards to sporting events, sporting-related projects, and promotions while also advising the city council on any sports-related efforts. The commission consists of 11 voting members and three non-voting members, with seven of them being appointed by the city council. Members serve a 2-year term with openings for new members occurring in December.

Columbia Vision Commission

Advises the city council on matters of community engagement regarding the implementation of the current and future city strategic plan. The commission is composed of nine members serving a 3-year term with openings for new members occurring in December.

Commission on Cultural Affairs

Advises on all matters pertaining to the arts and cultural environment of the city of Columbia and makes recommendations on funding for arts programs and services. The commission is composed of 12 members serving a 3-year term with openings for new members occurring in October.

Commission on Cultural Affairs Standing Committee on Public Art

Assists the city council in considerations of public art to recommend the type and location of public art to be commissioned as well as whether an artist's competition should be held and the extent of that competition. Works closely with and involves members from the Commission on Cultural Affairs. The committee consists of at least five members, with three members being appointed by the city council and two members by the Commission on Cultural Affairs. Members serve 3-year terms with openings for new members occurring in July.

Commission on Human Rights

Creates educational programs to minimize or eliminate discriminatory practices, investigates complaints alleging discriminatory practices, provides mediation to resolve incidences of alleged discriminatory practices, and advises the city council on human rights issues. The committee consists of seven members who serve a 3-year term with openings for new members occurring in March.

Community Land Trust Organization Board

Not-for-profit corporation that preserves the long-term affordability of housing units formed through public subsidies. The board consists of nine members that are appointed by the city council.

Conley Fund Advisory Committee

Recommends and monitors grant distributions from the fund and is accountable to the Board of Directors of the Community Foundation. Current members include the City of Columbia's directors of finance, public health and human services, and law.

Convention and Visitors Advisory Board

Advises the city council, city manager, and department director on the use of funds from hotel and motel tax, provides annual report to the city council regarding the convention and visitors department budget, and projects and promotions referred to the board for review. The board consists of 12 members serving a 2-year term with openings for new board members occurring in September.

Disabilities Commission

Holds public hearings to review concerns of residents with disabilities, advises the city council, reviews, or monitors the accessibility of public and private facilities, and education as to the concerns of residents with disabilities. The commission consists of twelve members serving 3-year terms with openings for new members occurring in June.

Downtown Columbia Leadership Council

Reviews the boundaries of the expanded downtown development concept plan and study area and makes recommendations on development guidelines and physical attributes for downtown Columbia. The board consists of 16 members with six of them being appointed by city council. Members serve a 3-year term with openings for new members occurring in May.

Finance Advisory and Audit Committee

Advises and makes recommendations to the city council on financial matters. The committee is made up of five members serving 3-year terms with openings for new members occurring in December.

Firefighters' Retirement Board

Advises the city council on the administration of the firefighters' retirement plan and fund. The board consists of five members with two of them being appointed by the city council. Members serve a 2-year term with openings for new members occurring in December.

Growth Impact Study Working Group

Assists the consultant hired by the city to examine the fiscal ramifications of growth in construction, population, and territory in Columbia. Provides recommendations for allocation of growth-related costs for fiscally sustainable growth, establishing an analytical model to adapt to Columbia, and reviewing and commenting on the consultant's work as it progresses. The task force consists of five members appointed by the council. There are no term limits.

Historic Preservation Commission

Investigates and recommends the adoption of ordinances designating protection areas as having special cultural, historic, archeological, community, or architectural value as "notable property," "landmarks," or "historic districts;" keeps a register of all properties and structures which have been designated; educates citizens of COMO concerning the historic, archeological, and architectural heritage of the city. The commission consists of seven members serving 3-year terms with openings for new members occurring in September.

Housing and Community Development Commission

Advises in all matters pertaining to affordable housing and community development, considers the annual application for expenditures of federal funds under the Housing and Community Development Act of 1974, and makes recommendations to the city manager and city council. The commission consists of nine members with eight of them being appointed by the city council. Members serve 3-year terms with openings for new members occurring in November.

Human Services Commission

Determines human service needs of citizens, assembles a plan that outlines the needs and services essential in meeting those needs, and recommends the appropriate providers of the approved services to the city council. The commission consists of ten members all appointed by the council. Members serve 3-year terms with openings for new members occurring in December.

Investment Committee

Establishes and reviews the policy for investments. The committee consists of voting members of the firefighters' and the police retirement board as well as the director of finance.

Loan and Grant Committee

Reviews and determines loan applications for the city's housing programs, loan terms and requirements, and other various duties assigned. The committee consists of five members all appointed by the city manager.

Marijuana Facility License Review Board

Reviews appeals regarding marijuana facility licenses to affirm or deny the appeal through the business services administrator. The board consists of three members with one of them being appointed by the city council. Members serve 3-year terms with openings for new members occurring in September.

Mayor's Council on Physical Fitness and Health

Educates about the importance of regular physical fitness activity, encourages local physical fitness and sports programs in the community, assists local businesses, schools, and community organizations in establishing fitness programs. Members serve 3-year terms with openings for new members occurring in November.

Mayor's Task Force on the U.S.S. Columbia

Maintains positive relationships between the City of Columbia, the U.S. Navy, and the crew of the U.S.S. Columbia, as well as the cities of Columbia, Illinois, and Columbia, South Carolina as it pertains to the U.S.S. Columbia. The task force consists of eleven members with nine of them being appointed by the Mayor. There are no term limits.

Parking Advisory Commission

Studies, plans, and advises the city council on parking resources. The commission consists of nine members with six of them being appointed by the city council. Members serve 3-year terms with openings for new members occurring in February.

Parks and Recreation Commission

Advises on matters pertaining to public recreation, makes budget recommendations, and assists in planning recreation programs. The commission consists of seven members and must include representation from each of the six wards of the city. Members serve 3-year terms with openings for new members occurring in May.

Personnel Advisory Board

Advises on the status of the personnel system, reviews changes in personnel policies, hears appeals from corrective/disciplinary actions and answers questions on guidelines of conduct for municipal employees. The board consists of seven members serving 3-year terms with openings occurring in May for regular members, and November for alternates.

Planning and Zoning Commission

Submits and makes recommendations for the interpretation of a comprehensive development plan for adoption by the city council; acts as a zoning commission; prepares and recommends rules controlling subdivision of land; recommends approval or disapproval of plats for land subdivision and legislation to further city planning. The commission consists of nine members serving 4-year terms with openings for new members occurring in May.

Police Retirement Board

Advises the city council on the administration of the police retirement plan and fund. The board consists of five members serving 2-year terms with openings for new members occurring in December.

Public Transit Advisory Commission

Advises about transit policy and safety matters concerning transit issues affecting the City of Columbia. The commission consists of thirteen members with ten of them being appointed by the city council. Members appointed by city council serve 3-year terms with openings for new members occurring in February.

Railroad Advisory Board

Advises the city council on the operation and needs of the Columbia Terminal and shippers to ensure sound and efficient management of said rail line. The board consists of seven members serving 4-year terms with openings for new members occurring in July.

Rock Quarry Road Scenic Roadway Stakeholder Advisory Group

Works with the Planning and Zoning Commission to determine the values and preferences regarding the scenic preservation and roadway design within and along the Rock Quarry Road Scenic Roadway corridor and provides roadway design input regarding the level of service needs of all intended roadway users against the scenic roadway district preservation goals in proposing specific design options. The council appoints up to fifteen members to this group, and there are no term limits.

St. Charles Transportation Development District Board

The St. Charles Transportation Development District (TDD) is a political subdivision. The city council appoints one member to the board.

Substance Abuse Advisory Commission

Advises the city council on matters pertaining to substance abuse and promotes the coordination of programs intended to prevent and eliminate the abuse of alcohol and other controlled substances. The commission consists of 10 members with seven of them being appointed by the city council. Members serve 3-year terms with openings for new members occurring in October.

Tax Increment Financing Commission

Advises the city council as it relates to the consideration of tax increment financing proposals submitted. The commission consists of 11 members with six of them being appointed by the mayor with consent of the council. Members serve 4-year terms.

The District Community Improvement District Board

An independent organization dedicated to keeping COMO's downtown vital. The board consists of 15 members and consists of property owners, business owners, and residents throughout The District.

The Loop Community Improvement District Board

Develops and recommends an annual budget and work plan, oversees revenue and administration of funds, monitors performance and provision of services, ensures assessments are being utilized in accordance with the legislative intent of the Community Improvement District. Also supervises the management of Community Improvement District-financed programs, provides outreach and advocacy to members, public officials, and the community at large. The board consists of seven members appointed by the mayor with approval from the city council serving 3-year terms.

Tobacco Retailer License Review Board

Hears appeals of decisions regarding the denial, suspension or revocation of tobacco licenses and either affirms the action taken by the business services administrator or directs the business services administrator to grant or reinstate the license. The board consists of three members, with one of them being appointed by the city council. Members serve 3-year terms with openings for new members occurring in March.

Tree Board

Addresses issues regarding trees of public and private land, advises the city council on urban forest resources and the Columbia Urban Forest Master Plan, provides information to the public, and relays information from citizens to the city council regarding tree issues. The board consists of seven members appointed by the council. Members serve 3-year terms.

University of Missouri Extension Council of Boone County

The University of Missouri Extension Council makes recommendations to the university regarding its Extension Program and administers Boone County's share of the cost of extension services in the area. The city council appoints one member who serves a 2-year term with openings for a new member occurring in March.

Water and Light Advisory Board

Performs duties according to the charter and code of ordinances of the city and reports their findings and recommendations at least annually to the residents of COMO and the city council. The board consists of five members serving 4-year terms with openings for new members occurring in June.

Youth Advisory Council

Advises the city council in all matters pertaining to youth and youth-related issues. All members must be 14-19 years old and appointed by the city council. Members serve a 3-year term with openings for new members occurring in May.

For more information, visit como.gov/boards

**All information was current at time of writing.*