TOWN OF WINDSOR HOUSING AUTHORITY

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2020

WITH
REPORT OF INDEPENDENT AUDITORS

TOWN OF WINDSOR HOUSING AUTHORITY
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YEAR ENDED DECEMBER 31, 2020

NOVOGRADAC & COMPANY LLP®

CERTIFIED PUBLIC ACCOUNTANTS

REPORT OF INDEPENDENT AUDITORS

To the Board of Commissioners of the
Town of Windsor Housing Authority:

Report on the Financial Statements

We have audited the accompanying financial statements of the Town of Windsor Housing Authority (the "Authority") as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, as listed in the accompanying table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America. This includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Authority's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net position of the Authority as of December 31, 2020, and the changes in its net position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Prior Period Financial Statements and Report on Summarized Comparative Information

The financial statements of the Authority as of December 31, 2019, were audited by other auditors whose report dated March 10, 2020, expressed an unmodified opinion on those statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Required Supplementary Information

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by the missing information.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying combining statements of net position, combining statements of revenues, expenses and changes in net position and USDA balance sheet are presented for purposes of additional analysis and are 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. The information 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, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

The accompanying USDA year end actual budget has not been subjected to the auditing procedures applied in the audit of the financial statements and accordingly, we do not express an opinion or provide any assurance on it.

Novogradac & Company LLP

March 4, 2021
Toms River, New Jersey

FINANCIAL STATEMENTS

TOWN OF WINDSOR HOUSING AUTHORITY
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2020

ASSETS

	2020	For Comparative Purposes Only 2019
Current assets:		
Cash and cash equivalents	$ 266,073	$ 631,268
Accounts receivable	8,352	7,991
Prepaid expenses	-	392
Total current assets	274,425	639,651
Non-current assets:		
Restricted deposits	426,470	93,919
Developer fee receivable	140,611	170,769
Predevelopment costs	253,202	219,493
Land held for sale	1,597,986	1,565,093
Notes receivable	172,100	172,100
Capital assets, net	1,236,354	1,302,590
Total non-current assets	3,826,723	3,523,964
Total assets	$ 4,101,148	$ 4,163,615

LIABILITIES

	2020	2019
Current liabilities:		
Accounts payable	$ 24,347	$ 33,177
Accrued expenses	13,105	16,046
Tenant security deposits	30,767	30,386
Prepaid rent	5,459	-
Accrued interest payable	287	-
Notes payable, current	44,936	41,125
Total current liabilities	118,901	120,734
Non-current liabilities:		
Notes payable, non-current	1,373,992	1,419,064
Total liabilities	1,492,893	1,539,798

NET POSITION

	2020	2019
Net position:		
Net investment in capital assets	657,426	682,401
Restricted	426,470	-
Unrestricted	1,524,359	1,941,416
Total net position	2,608,255	2,623,817
Total liabilities and net position	$ 4,101,148	$ 4,163,615

See accompanying notes to financial statements.

TOWN OF WINDSOR HOUSING AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2020

	2020	For Comparative Purposes Only 2019
Operating revenues:		
Tenant revenue	$ 340,036	$ 448,467
Subsidy revenue	164,409	-
Other revenues	36,376	50,397
Total operating revenues	540,821	498,864
Operating expenses:		
Administrative	127,587	135,707
Utilities	100,776	97,772
Maintenance	181,472	163,192
Depreciation	66,236	62,159
Total operating expenses	476,071	458,830
Operating income	64,750	40,034
Non-operating revenus (expenses):		
Interest income	2,950	3,074
Insurance proceeds	-	68,761
Interest expense	(83,262)	(86,161)
Development expense	-	(3,753)
Net non-operating expenses	(80,312)	(18,079)
Change in net position	(15,562)	21,955
Net position, beginning of year	2,623,817	2,601,862
Net position, end of year	$ 2,608,255	$ 2,623,817

See accompanying notes to financial statements.

TOWN OF WINDSOR HOUSING AUTHORITY
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2020

	2020	For Comparative Purposes Only 2019
Cash Flows from Operating Activities:		
Cash received from tenants and grantors	$ 553,423	$ 327,284
Cash paid to suppliers and employees	(428,337)	(406,213)
Net cash provided by (used in) operating activities	125,086	(78,929)
Cash Flows from Capital and Related Financing Activities:		
Purchase of capital assets	-	(373,407)
Principal payments on notes payable	(41,261)	(38,284)
Interest paid on notes payable	(82,975)	(86,161)
Insurance proceeds received	-	68,761
Deposits received	-	83,081
Payments to developer	-	(3,753)
Costs of land held for sale	(32,893)	-
Net cash used in capital and related financing activities	(157,129)	(349,763)
Cash Flows from Investing Activities:		
Developer fee received	30,158	-
Predevelopment costs paid	(33,709)	-
Interest received on investments	2,950	3,074
Net cash provided by (used in) investing activities	(601)	3,074
Net decrease in cash and cash equivalents	(32,644)	(425,618)
Cash and cash equivalents and resticted deposits, beginning of year	725,187	1,150,805
Cash and cash equivalents and restricted deposits, end of year	$ 692,543	$ 725,187

Reconciliation of cash and cash equivalents and restricted cash to the Statement of Net Position is as follows:

	2020	2019
Cash and cash equivalents	$ 266,073	$ 631,268
Restricted deposits	426,470	93,919
Cash and cash equivalents and restricted deposits, end of year	$ 692,543	$ 725,187

See accompanying notes to financial statements.

TOWN OF WINDSOR HOUSING AUTHORITY
STATEMENT OF CASH FLOWS (continued)
YEAR ENDED DECEMBER 31, 2020

Reconciliation of operating income to net cash provided by (used in) operating activities:				
Operating income	$	64,750	$	40,034
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:				
Depreciation expense		66,236		62,159
Changes in operating assets and liabilities:				
Accounts receivable		(361)		(172,745)
Prepaid expenses		392		(392)
Accounts payable		(8,830)		(3,983)
Accrued expenses		(2,941)		(5,167)
Tenant security deposits		381		1,165
Prepaid rent		5,459		-
Net cash provided by (used in) operating activities	$	125,086	$	(78,929)

See accompanying notes to financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization

The Town of Windsor Housing Authority (the "Authority") is a governmental, public organization created under federal and state housing laws for the purpose of creating additional affordable housing opportunities for the Town of Windsor (the "Town") and to act as an advocate for and participate in other housing programs.

The Authority is governed by a board of commissioners who are appointed by the governing body of the Town. The Authority's board of commissioners has contracted Loveland Housing Authority to manage the day-to-day operations of the Authority. The Authority owns and operates a seventy two (72) unit apartment complex for seniors and disabled individuals called Century III Apartments (the "Project"). The Project was developed and operates with financing through the United States Department of Agriculture ("USDA"). The Project utilizes the following federal housing programs to make rent affordable to lower income individuals:

Section 514 Farm Labor Housing Loans
The Project was was constructed using USDA Rural Development Section 514 Farm Labor Housing Loans. The loans provide low interest rates with longer amortization periods for rental housing built in rural areas of America.

Section 514 Farm Labor Housing Grants
The Project participates in USDA Rural Development Section 516 Farm Labor Housing Grants. The programs provide rental assistance. This rental subsidy, available only to USDA properties, ensures renters only pay 30% of their adjusted income toward rent. Fifty two (52) units of the Project receive this rental subsidy.

The accompanying financial statements present the financial activity of the Authority as a whole in one proprietary fund.

B. Basis of Accounting / Financial Statement Presentation

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

The Authority's funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, and losses from assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

The Authority's financial statements are prepared in accordance with GASB 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments ("GASB 34"), as amended. GASB 34 requires the basic financial statements to be prepared using the economic resources measurement focus and the accrual basis of accounting and requires the presentation of Statements of Net Position, Statements of Revenues, Expenses and Changes in Net Position and Statements of Cash Flows. GASB 34 also requires the Authority to include Management's Discussion and Analysis as part of the Required Supplementary Information.

The Authority's primary source of non-exchange revenue relates to grants and subsidies. In accordance with GASB 33, Accounting and Financial Reporting for Non-exchange Transactions, grant and subsidy revenue is recognized at the time eligible program expenditures occur and/or the Project has complied with the grant and subsidy requirements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Use of Management Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets, 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. Significant estimates include the allowance for doubtful accounts, accrued expenses, depreciable lives of properties and equipment, and contingencies. Actual results could differ significantly from these estimates.

D. Cash and Cash Equivalents

Cash and cash equivalents consists of all cash balances and highly liquid investments with a maturity of three months or less at the time of acquisition. The Colorado Public Deposit Protection Act ("PDPA") requires that all units of local government deposit cash in eligible depositories. Eligibility is determined by state regulations.

The PDPA also requires that deposits be fully collateralized at all times by eligible collateral as determined by the PDPA. The PDPA allows the financial institution to create a single collateral pool for all public funds held.

E. Accounts Receivable

Rents are due from tenants on the first day of each month. As a result, tenants receivable balances primarily consist of rents past due and vacated tenants. The Authority utilizes the direct write-off method for any rents determined to be uncollectible. GAAP requires that the allowance method be used to recognize bad debts; however, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method.

F. Prepaid Expenses

Prepaid expenses represent amounts paid as of year-end that will benefit future operations.

G. Capital Assets, Net

Capital assets are stated at cost. Expenditures for repairs and maintenance are charged directly to expense as they are incurred. Expenditures determined to represent additions or betterments are capitalized. Upon the sale or retirement of capital assets, the cost and related accumulated depreciation are eliminated from the accounts and any related gain or loss is reflected in the Statement of Revenues, Expenses and Changes in Net Position.

Depreciation is computed on the straight-line method over the estimated useful lives of the assets. The useful lives of the assets are estimated as follows:

- Buildings and improvements 50 Years
- Equipment 40 Years

The Authority has established a capitalization threshold of $1,000.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. Impairment of Long Lived Assets

The Authority reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of the asset may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the asset to the future net undiscounted cash flow expected to be generated and any estimated proceeds from the eventual disposition. If the long-lived assets are considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the asset exceeds the fair value as determined from an appraisal, discounted cash flows analysis, or other valuation technique. There were no impairment losses recognized during the year ended December 31, 2020.

I. Accounts Payable and Accrued Liabilities

The Authority recognizes a liability for goods and services received but not paid for as of year-end. It also recognizes a liability for wages and fringe benefits related to services performed at year-end but not yet paid to employees or taxing authorities.

J. Prepaid Rent

The Authority's prepaid rent primarily consists of the prepayment of rent by residents applicable to future periods.

K. Equity Classifications

Equity is classified as net position and displayed in three components:

Net investment in capital assets — Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted net position — Consists of resources with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted net position — All other resources that do not meet the definition of “restricted” or “net investment in capital assets.”

L. Operating Revenues and Expenses

The Authority defines its operating revenues as income derived from charges to residents and others for services provided as well as government subsidies and grants used for operating purposes. Operating expenses are costs incurred in the operation of its program activities to provide services to residents and others. The Authority classifies all other revenues and expenses as non-operating.

M. Taxes

The Authority is a unit of local government under the State of Colorado law and is exempt from real estate, sales and income taxes by both the federal and state governments.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

N. Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Significant losses are covered by commercial insurance and there have been no significant reductions in insurance coverage. Claims expenditures and liabilities are reported when it is probable that a loss has occurred, the amount of the loss can be reasonably estimated, and said amount exceeds insurance coverage. Settlement amounts have not exceeded insurance coverage for the last three years.

NOTE 2. CASH AND CASH EQUIVALENTS AND RESTRICTED DEPOSITS

As of December 31, 2020, the Authority had funds on deposit in checkings and savings accounts. The carrying amount of the Authority's cash and cash equivalents (including restricted deposits) was $692,543 and the bank balances approximated $692,543.

Cash Category	Amount
Operating	$ 266,073
Restricted deposits	426,470
Total cash and cash equivalents and restricted deposits	$ 692,543

Of the bank balances, $500,000 was covered by federal depository insurance and the remaining $192,543 was collateralized with an authorized escrow agent in the financial institution's name as of December 31, 2020.

Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The Authority does not have a formal policy for custodial credit risk. As of December 31, 2020, the Authority's bank balances were not exposed to custodial credit risk.

NOTE 3. ACCOUNTS RECEIVABLE

Accounts receivable consists of the following as of December 31, 2020:

Description	Amount
Accounts receivable - tenants	$ 2,016
Accounts receivable - USDA	6,336
Total accounts receivable	$ 8,352

Accounts Receivable - Tenants
Tenant accounts receivable represents amounts owed to the Authority by tenants for outstanding rent.

Accounts Receivable - USDA
Accounts receivable - USDA represents amounts due to the Project for amounts expenses under the Section 516 Farm Labor Housing Grant Program that have not been reimbursed as of year end.

NOTE 4. RESTRICTED DEPOSITS

As of December 31, 2020, restricted deposits consisted of the following:

Cash Category	Amount
Debt service escrows	$ 59,395
Repairs and replacement reserves	367,075
Total restricted deposits	$ 426,470

Debt services escrows are restricted for the repayment of principal and interest on outstanding debt.

In accordance with the Project's loan agreements, the Project is required to set aside funds each month for repairs and replacement of property. These amounts are not generally available for operating purposes.

NOTE 5. LAND HELD FOR SALE

Land held for sale consists of a parcel of land purchased utilizing funds borrowed from the Bank of Colorado. As of December 31, 2020, land held for sale totaled $1,597,986. The following is a summary of the changes in land held for sale during the year ending December 31, 2020:

	Amount
Balance at December 31, 2019	$ 1,565,093
Purchases	-
Expenditures	32,893
Sales	-
Balance at December 31, 2020	$ 1,597,986

NOTE 6. CAPITAL ASSETS, NET

The following is a summary of the Authority's changes in capital assets during the year ended December 31, 2020:

Description	December 31, 2019	Additions	Dispositions	Transfers	December 31, 2020
Non-depreciable:					
Land	$ 146,051	$ -	$ -	$ -	$ 146,051
Depreciable:					
Buildings and improvements	2,574,062	-	-	-	2,574,062
Equipment	10,892	-	-	-	10,892
Subtotal	2,584,954	-	-	-	2,584,954
Less: accumulated depreciation	1,428,415	66,236	-	-	1,494,651
Net capital assets	$ 1,302,590	$ (66,236)	$ -	$ -	$ 1,236,354

Depreciation expense for the year ended December 31, 2020 amounted to $66,236.

NOTE 7. NOTES RECEIVABLE

The Authority entered into a loan agreement with Windsor Meadows II, LLLP in the amount of $172,100. The loan is interest free and is due from available cash flow. The loan matures on December 31, 2045, at which point the remaining principal balance will be due in full. The loan is secured by interest in real property. As of December 31, 2020, the loan balance totaled $172,100.

NOTE 8. ACCOUNTS PAYABLE

As of December 31, 2020, accounts payable totaled $24,347 and consisted of accounts payable to vendors. Vendors accounts payables represents amounts payable to contractors and vendors for materials received or services rendered.

NOTE 9. NOTES PAYABLE

Notes payable of the Authority consisted of the following as of December 31, 2020:

Description	Amount
On May 30, 2008, the Authority entered into a loan agreement with the USDA in the amount of $185,000, to provide financing for the Project. The loan is due in monthly payments of principal and interest in the amount of $909. The loan accrues interest at a rate of 9.0%, of which 8.0% is subsidized by the USDA, leaving a net rate of 1.0%. The loan matures in January 2027 and is secured by the real property.	$ 95,870
On May 30, 2008, the Authority entered into a loan agreement with the USDA in the amount of $575,000, to provide financing for the Project. The loan is due in monthly payments of principal and interest in the amount of $2,587. The loan accrues interest at a rate of 9.0%, of which 8.0% is subsidized by the USDA, leaving a net rate of 1.0%. The loan matures in May 2029 and is secured by the real property.	343,636
On May 30, 2008, the Authority entered into a loan agreement with the USDA in the amount of $150,000, to provide financing for improvements of the Project. The loan is due in monthly payments of principal and interest in the amount of $318. The loan accrues interest at a rate of 5.375%, of which 4.375% is subsidized by the USDA, leaving a net rate of 1.0%. The loan matures in May 2058 and is secured by the real property.	139,422
On October 17, 2018, the Authority entered into a loan agreement with the Bank of Colorado in the amount of $840,000, to purchase land to hold for resale. The loan accrues interest at a rate of 4.25% and matures on April 17, 2022, at which time the remaining principal and interest will be due in full. The loan is secured by the real property.	840,000
Total notes payable	1,418,928
Less: current portion	44,936
Notes payable, net of current portion	$ 1,373,992

Interest expense totaled $83,262 for the year ending December 31, 2020.

NOTE 9. NOTES PAYABLE (continued)

Annual debt service for principal over the next five years and in five-year increments thereafter is as follows:

Year	Principal	Interest	Total
2021	$ 44,936	$ 79,293	$ 124,229
2022	888,936	51,493	940,429
2023	53,293	35,236	88,529
2024	57,947	30,582	88,529
2025	63,203	25,325	88,528
2026-2030	186,511	57,123	243,634
2031-2035	11,351	31,938	43,289
2036-2040	14,827	28,462	43,289
2041-2045	19,410	23,879	43,289
2046-2050	25,382	17,907	43,289
2051-2055	33,192	10,098	43,290
2056-2058	19,940	1,395	21,335
	$ 1,418,928	$ 392,731	$ 1,811,659

The following is a summary of the Authority's activity in notes payable during the year ended December 31, 2020:

Description	December 31, 2019	Additions	Payments	December 31, 2020	Amounts due within one Year
USDA loan - phase 1	$ 107,204	$ -	$ (11,334)	$ 95,870	$ 12,399
USDA loan - phase 2	372,433	-	(28,797)	343,636	31,344
USDA loan - improvements	140,552	-	(1,130)	139,422	1,193
Bank of Colorado loan	840,000	-	-	840,000	-
Total notes payable	$ 1,460,189	$ -	$ (41,261)	$ 1,418,928	$ 44,936

NOTE 10. RESTRICTED NET POSITION

Restricted net position consists of the following as of December 31, 2020:

Description	Amount
Debt service escrows	$ 59,395
Repairs and replacement reserves	367,075
Total restricted deposits	$ 426,470

Debt services escrows are restricted for the repayment of principal and interest on outstanding debt.

In accordance with the Project's loan agreements, the Project is required to set aside funds each month for repairs and replacement of property. These amounts are not generally available for operating purposes.

NOTE 11. RELATED PARTY TRANSACTIONS

Asset Management Fees
The Authority receives an asset management fee from the Project for managing the operations of the USDA program and loans. For the year ended December 31, 2020, the Authority received $7,500 for asset management fees from the Project. These balances are eliminated for financial statement presentation.

Development Fees
The Authority is a partner in a development project, Windsor Meadows Apartments II, LLLP, which provides low income housing in the Town. The Authority has entered into a development agreement with Loveland Housing Authority to assist in obtaining financing, coordinating projects, supervising construction, and providing accounting and other administative services. As of December 31, 2020, the balance of development fees receivable totaled $140,611.

Predevelopment Costs
The Authority is involved in the predevelopement of two tax credit projects, Golden Meadows I, LLLP and Golden Meadows II, LLLP. As part of this predevelopment through December 31, 2020, the Authority has incurred costs totaling $164,173 and $89,029, respectively, for these two projects. The Authority anticipates to be reimbursed for these costs by the partnerships upon development of the projects.

NOTE 12. MANAGEMENT FEES

The Authority has entered into a management agreement with the Loveland Housing Authority to run the day to day operations of the Authority. For the year ended December 31, 2020, the Authority paid $46,909 for management fees.

NOTE 13. VULNERABILITY - IMPACT OF COVID-19

The severity of the impact of the Coronavirus ("COVID-19") on the Authority's operations will depend on a number of factors, including, but not limited to, the duration and severity of the pandemic and the extent and severity of the impact on the Authority's tenants and borrowers, all of which are uncertain and cannot be predicted. The Authority's future results could be adversely impacted by delays in rent and loan payment collections. Management is unable to predict with absolutely certainty the impact of COVID-19 on its financial condition, results of operations or cash flows.

NOTE 14. SUBSEQUENT EVENTS

Events that occur after the financial statement date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the financial statement date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the financial statement date require disclosure in the accompanying notes to the financial statements. Subsequent events have been evaluated through March 4, 2021, which is the date the financial statements were available to be issued, and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

SUPPLEMENTARY INFORMATION

TOWN OF WINDSOR HOUSING AUTHORITY
SCHEDULE OF COMBINING STATEMENTS OF NET POSITION
AS OF DECEMBER 31, 2020

ASSETS

	Housing Agency	Century III Apartments	Elimination	Total
Current assets:				
Cash and cash equivalents	$ 143,187	$ 122,886	$ -	$ 266,073
Accounts receivable	-	8,352	-	8,352
Total current assets	143,187	131,238	-	274,425
Non-current assets:				
Restricted deposits	59,395	367,075	-	426,470
Developer fee receivable	140,611	-	-	140,611
Predevelopment costs	253,202	-	-	253,202
Land held for sale	1,597,986	-	-	1,597,986
Notes receivable	172,100	-	-	172,100
Capital assets, net	-	1,236,354	-	1,236,354
Total non-current assets	2,223,294	1,603,429	-	3,826,723
Total assets	$ 2,366,481	$ 1,734,667	$ -	$ 4,101,148

LIABILITIES

	Housing Agency	Century III Apartments	Elimination	Total
Current liabilities:				
Accounts payable	$ 3,313	$ 21,034	$ -	$ 24,347
Accrued expenses	-	13,105	-	13,105
Tenant security deposits	-	30,767	-	30,767
Prepaid rent	-	5,459	-	5,459
Accrued interest payable	-	287	-	287
Notes payable, current	-	44,936	-	44,936
Total current liabilities	3,313	115,588	-	118,901
Non-current liabilities:				
Notes payable, non-current	840,000	533,992	-	1,373,992
Total liabilities	843,313	649,580	-	1,492,893

NET POSITION

	Housing Agency	Century III Apartments	Elimination	Total
Net position:				
Net investment in capital assets	-	657,426	-	657,426
Restricted	59,395	367,075	-	426,470
Unrestricted	1,463,773	60,586	-	1,524,359
Total net position	1,523,168	1,085,087	-	2,608,255
Total liabilities and net position	$ 2,366,481	$ 1,734,667	$ -	$ 4,101,148

See Report of Independent Auditors.

TOWN OF WINDSOR HOUSING AUTHORITY
SCHEDULE OF COMBINING STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2020

	Housing Agency	Century III Apartments	Elimination	Total
Operating revenues:				
Tenant revenue	$ -	$ 340,036	$ -	$ 340,036
Subsidy revenue	-	164,409	-	164,409
Management fee revenue	7,123	-	(7,123)	-
Other income	35,718	658	-	36,376
Total operating revenues	42,841	505,103	(7,123)	540,821
Operating expenses:				
Administrative	8,803	125,907	(7,123)	127,587
Utilities	-	100,776	-	100,776
Maintenance	-	181,472	-	181,472
Depreciation	-	66,236	-	66,236
Total operating expenses	8,803	474,391	(7,123)	476,071
Operating income	34,038	30,712	-	64,750
Non-operating revenues (expenses):				
Interest income	1,863	1,087	-	2,950
Interest expense	(36,295)	(46,967)	-	(83,262)
Net non-operating revenues (expenses)	(34,432)	(45,880)	-	(80,312)
Change in net position	(394)	(15,168)	-	(15,562)
Net position, beginning of year	1,523,562	1,100,255	-	2,623,817
Net position, end of year	$ 1,523,168	$ 1,085,087	$ -	$ 2,608,255

See Report of Independent Auditors.

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Balance Sheet

Project: Century Three Apts

Site ID: 05605
Fiscal Year: 2020

PART I - BALANCE SHEET

Item	ASSETS Actual	Comment
CURRENT ASSETS		
1. GENERAL OPERATING ACCOUNT	$89412.74	
2. R.E. TAX @ INSURANCE ACCNT	$0.00	
3. RESERVE ACCOUNT	$367075.86	
4. SECURITY DEPOSIT ACCOUNT	$33363.66	
5. OTHER CASH (IDENTIFY)	$109.72	Petty cash
6. OTHER (IDENTIFY)	$0.00	
7A. ACCTS RCVBL 0-30 DAYS	$8351.56	
7B. ACCTS RCVBL 30-60 DAYS	$0.00	
7C. ACCTS RCVBL 60-90 DAYS	$0.00	
7D. ACCTS RCVBL OVER 90 DAYS	$0.00	
7. TTL ACCTS RCVBL (7A - 7D)	$8,351.56	
8. LESS:DOUBTFUL ACCTS ALLWNCE	$0.00	
9. INVENTORIES (SUPPLIES)	$0.00	
10. PREPAYMENTS	$0.00	
11.	$0.00	
12. TTL CUR ASSETS (1 THRU 11)	$498,313.54	
FIXED ASSETS		
13. LAND	$146051.00	
14. BUILDINGS	$2574062.82	
15. LESS: ACCUM. DEPRECIATION	-$1483759.24	
16. FURNITURE @ EQUIPMENT	$10891.45	
17. LESS: ACCUM. DEPRECIATION	-$10891.45	
18.	$0.00	
19. TTL FXD ASSETS(13 THRU 18)	$1,236,354.58	
OTHER ASSETS		
20.	$0.00	
21. TOTAL ASSETS (12+19+20)	$1,734,668.12	
LIABILITIES AND OWNERS EQUITY		
CURRENT LIABILITIES		
22A. ACCTS PAYBLE 0-30 DAYS	$39597.63	
22B. ACCTS PAYBLE 30-60 DAYS	$0.00	
22C. ACCTS PAYBLE 60-90 DAYS	$0.00	
22D. ACCTS PAYBLE OVER 90 DAYS	$0.00	
22. TTL ACCTS PYBL (22A - 22D)	$39,597.63	
23. NOTES PAYABLE	$45223.54	

See Report of Independent Auditors.

24. SECURITY DEPOSITS	$30767.09	
25. TTL CUR LIABS (22 THRU 24)	$115,588.26	
LONG-TERM LIABILITIES		
26. NOTES PAYABLE RURL DVLPMNT	$533991.21	
27. OTHER (IDENTIFY)	$0.00	
28. TTL LNG-TERM LIABS (26+27)	$533,991.21	
29. TOTAL LIABILITIES (25+28)	$649,579.47	
30. OWNERS EQUITY (21-29)	$1,085,088.65	
31. TTL LIB @ OWN EQTY (29+30)	$1,734,668.12	

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Year End Actual Budget

Project: Century Three Apts

Form field errors: (Errors are highlighted in red.)
A comment is required to indicate the year the RTO was collected.

Site ID: 05605
Fiscal Year: 2020

PART I - CASH FLOW STATEMENT

Item	Actual	Comment
OPERATIONAL CASH SOURCES		
1. RENTAL INCOME	$340036.00	
2. RHS RENTAL ASSIST. RECEIVED	$121654.00	
3. APPLICATION FEE RECEIVED	$0.00	
4. LAUNDRY AND VENDING	$106.00	
5. INTEREST INCOME	$13.46	
6. TENANT CHARGES	$552.46	
7. OTHER - PROJECT SOURCES	$0.00	
8. LESS (VCNCY @ CNTGNCY ALLW)		
9. LESS (AGNCY APRVD INCENTV)		
10. SUB-TTL [(1 THRU 7)-(8@9)]	$462,361.92	
NON-OPERATIONAL CASH SOURCES		
11. CASH - NON PROJECT	$0.00	
12. AUTHORIZED LOAN (NON-RHS)	$0.00	
13. TRANSFER FROM RESERVE	$0.00	
14. SUB-TOTAL (11 THRU 13)	$0.00	
15. TOTAL CASH SOURCES (10+14)	$462,361.92	
OPERATIONAL CASH USES		
16. TTL O@M EXP (FROM PART II)	$406,654.82	
17. RHS DEBT PAYMENT	$45773.28	
18. RHS PAYMENT (OVERAGE)	$0.00	
19. RHS PAYMENT (LATE FEE)	$0.00	
20. REDUCTN IN PRIOR YR PYBLES	$0.00	
21. TENANT UTILITY PAYMENTS	$0.00	
22. TRANSFER TO RESERVE	$1,073.88	
23. RTN OWNER/NP ASSET MGT FEE	$1500.00	Asset fee to Housing authority training and misc
24. SUB-TOTAL (16 THRU 23)	$455,001.98	
NON-OPERATIONAL CASH USES		
25. AUTHZD DEBT PYMNT (NONRHS)	$0.00	
26. CAPITAL BUDGET (III 4-6)	$0.00	
27. MISCELLANEOUS	$0.00	
28. SUB-TOTAL (25 THRU 27)	$0.00	
29. TOTAL CASH USES (24+28)	$455,001.98	
30. NET (DEFICIT) (15-29)	$7,359.94	
CASH BALANCE		
31. BEGINNING CASH BALANCE	$82660.26	

32. ACCRUAL TO CASH ADJUSTMENT	-$497.74	
33. ENDING CASH BAL (30+31+32)	$89,522.46	

PART II - O@M EXPENSE SCHEDULE

Item	Actual	Comment
1. MAINT. @ REPAIRS PAYROLL	$0.00	No maint payroll used all contracted
2. MAINT. @ REPAIRS SUPPLY	$5842.93	
3. MAINT. @ REPAIRS CONTRACT	$90707.66	
4. PAINTING	$4740.00	
5. SNOW REMOVAL	$8780.25	
6. ELEVATOR MAINT./CONTRACT	$0.00	
7. GROUNDS	$16896.84	
8. SERVICES	$0.00	
9. CPTL BGT(PART V OPERATING)	$49,926.66	
10. OTHER OPERATING EXPENSES	$0.00	
11. SUB-TTL O@M (1 THRU 10)	$176,894.34	
12. ELECTRICITY	$35605.96	
13. WATER	$27339.49	
14. SEWER	$17520.00	
15. FUEL (OIL/COAL/GAS)	$18575.81	
16. GARBAGE @ TRASH REMOVAL	$4576.31	
17. OTHER UTILITIES	$1734.72	Storm drainage
18. SUB-TTL UTIL. (12 THRU 17)	$105,352.29	
19. SITE MANAGEMENT PAYROLL	$41362.62	Contracted
20. MANAGEMENT FEE	$52908.82	
21. PROJECT AUDITING EXPENSE	$5000.04	
22. PROJ. BOOKKEEPING/ACCNTING	$0.00	
23. LEGAL EXPENSES	$130.00	
24. ADVERTISING	$0.00	
25. PHONE @ ANSWERING SERVICE	$3287.46	
26. OFFICE SUPPLIES	$1029.99	
27. OFFICE FURNITURE @ EQUIP.	$1630.50	
28. TRAINING EXPENSE	$561.04	
29. HLTH INS. @ OTHER BENEFITS	$0.00	No employees
30. PAYROLL TAXES	$0.00	No employees
31. WORKMANS COMPENSATION	-$32.00	No employees refund from 2019
32. OTHER ADMIN.EXPENSES	$2317.30	bank fees, credit cks dues & sub Tenant related
33. SUB-TTL ADMIN (19 THRU 32)	$108,195.77	
34. REAL ESTATE TAXES	$0.00	
35. SPECIAL ASSESSMENTS	$0.00	
36. OTHR TAXES, LCNSES, PERMTS	$0.00	
37. PROPERTY @ LIABILITY INS.	$16212.42	
38. FIDELITY COVERAGE INS.	$0.00	
39. OTHER INSURANCE	$0.00	
40. SUB-TTL TX/IN (34 THRU 39)	$16,212.42	
41. TTL O@M EXPS (11+18+33+40)	$406,654.82	

PART III - ACCT BUDGET/STATUS

Item	Actual	Comment
RESERVE ACCOUNT		
1.BEGINNING BALANCE	$366001.98	
2. TRANSFER TO RESERVE	$1073.88	
TRANSFER FROM RESERVE		
3. OPERATING DEFICIT	$0.00	
4. CPTL BGT (PART V RESERVE)	$0.00	
5. BUILDING @ EQUIP REPAIR	$0.00	
6. OTHR NON-OPERATING EXPENSES	$0.00	
7. TOTAL (3 THRU 6)		

See Report of Independent Auditors.

	$0.00	
8. ENDING BALANCE [(1+2)-7)]	$367,075.86	
GENERAL OPERATING ACCOUNT		
BEGINNING BALANCE	$82660.26	
ENDING BALANCE	$89522.46	
REAL ESTATE TAX AND INS ESCROW		
BEGINNING BALANCE	$0.00	
ENDING BALANCE	$0.00	
TENANT SECURITY DEPOSIT ACCT		
BEGINNING BALANCE	$33305.29	
ENDING BALANCE	$33363.66	

ANNUAL CAPITAL BUDGET

Item	Actual	Reserve	Operating	#Units/ Items	Comment
APPLIANCES					
APPLIANCES - RANGE	$2100.00	$0.00	$2100.00	5	
APPLIANCES - REFRIGERATOR	$3908.00	$0.00	$3908.00	4	
APPLIANCES - RANGE HOOD	$620.00	$0.00	$620.00	7	
APPLIANCES - WASHERS @ DRYERS	$3312.45	$0.00	$3312.45	3	
APPLIANCES - OTHER	$0.00	$0.00	$0.00	0	
CARPET AND VINYL					
CARPET @ VINYL - 1 BR.	$5757.37	$0.00	$5757.37	6	
CARPET @ VINYL - 2 BR.	$6000.00	$0.00	$6000.00	6	
CARPET @ VINYL - 3 BR.	$0.00	$0.00	$0.00	0	
CARPET @ VINYL - 4 BR.	$0.00	$0.00	$0.00	0	
CARPET @ VINYL - OTHER	$0.00	$0.00	$0.00	0	
CABINETS					
CABINETS - KITCHENS	$0.00	$0.00	$0.00	0	
CABINETS - BATHROOM	$0.00	$0.00	$0.00	0	
CABINETS - OTHER	$0.00	$0.00	$0.00	0	
DOORS					
DOORS - EXTERIOR	$0.00	$0.00	$0.00	0	
DOORS - INTERIOR	$0.00	$0.00	$0.00	0	
DOORS - OTHER	$0.00	$0.00	$0.00	0	
WINDOW COVERINGS					
WINDOW COVERINGS - DETAIL	$0.00	$0.00	$0.00	0	
WINDOW COVERINGS - OTHER	$0.00	$0.00	$0.00	0	
HEAT AND AIR CONDITIONING					
HEAT @ AIR - HEATING	$0.00	$0.00	$0.00	0	
HEAT @ AIR - AIR CONDITIONING	$181.50	$0.00	$181.50	1	
HEAT @ AIR - OTHER	$6242.50	$0.00	$6242.50	1	Boiler
PLUMBING					
PLUMBING - WATER HEATER	$1109.63	$0.00	$1109.63	1	
PLUMBING - BATH SINKS	$0.00	$0.00	$0.00	0	
PLUMBING - KITCHEN SINKS	$0.00	$0.00	$0.00	0	
PLUMBING - FAUCETS	$0.00	$0.00	$0.00	0	
PLUMBING - TOILETS	$0.00	$0.00	$0.00	0	
PLUMBING - OTHER	$0.00	$0.00	$0.00	0	
MAJOR ELECTRICAL					
MAJOR ELECTRICAL - DETAIL	$0.00	$0.00	$0.00		
MAJOR ELECTRICAL - OTHER	$0.00	$0.00	$0.00		
STRUCTURES					
STRUCTURES - WINDOWS	$1312.30	$0.00	$1312.30	2	
STRUCTURES - SCREENS	$0.00	$0.00	$0.00	0	
STRUCTURES - WALLS	$0.00	$0.00	$0.00		
STRUCTURES - ROOFING	$0.00	$0.00	$0.00		

STRUCTURES - SIDING	$0.00	$0.00	$0.00	
STRUCTURES - EXTERIOR PAINTING	$0.00	$0.00	$0.00	
STRUCTURES - OTHER	$0.00	$0.00	$0.00	
PAVING				
PAVING - ASPHALT	$0.00	$0.00	$0.00	
PAVING - CONCRETE	$0.00	$0.00	$0.00	
PAVING - SEAL AND STRIPE	$0.00	$0.00	$0.00	
PAVING - OTHER	$0.00	$0.00	$0.00	
LANDSCAPE AND GROUNDS				
LNDSCP@GRNDS - LANDSCAPING	$4104.99	$0.00	$4104.99	Trees
LNDSCP@GRNDS - LAWN EQUIPMENT	$0.00	$0.00	$0.00	
LNDSCP@GRNDS - FENCIN	$0.00	$0.00	$0.00	
LNDSCP@GRNDS - RECREATION AREA	$0.00	$0.00	$0.00	
LNDSCP@GRNDS - SIGNS	$0.00	$0.00	$0.00	
LNDSCP@GRNDS - OTHER	$0.00	$0.00	$0.00	
ACCESSIBILITY FEATURES				
ACCESSIBILITY FEATURES -DETAIL	$14474.02	$0.00	$14474.02	Rebath/show
ACCESSIBILITY FEATURES -OTHER	$0.00	$0.00	$0.00	
AUTOMATION EQUIPMENT				
AUTOMATION EQUIP. -SITE MNGT.	$0.00	$0.00	$0.00	
AUTOMATION EQUIP. -COMMON AREA	$0.00	$0.00	$0.00	
AUTOMATION EQUIP. -OTHER	$0.00	$0.00	$0.00	
OTHER				
LIST: ?	$803.90	$0.00	$803.90	Fire safety
LIST: ?	$0.00	$0.00	$0.00	
LIST: ?	$0.00	$0.00	$0.00	
TOTAL CAPITAL EXPENSES	$49,926.66	$0.00	$49,926.66	

Narrative:

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