

2020 Annual Report

Financials



STATEMENT OF NET POSITION PROPRIETARY FUND TYPE – ENTERPRISE FUND

At October 31, 2020 (with comparative summarized financial information as of October 31, 2019) (\$ in thousands)

	HDC AND COMPONENT UNITS			Total	
	New York City Housing Development Corporation	New York City Housing Assistance Corporation	New York City Residential Mortgage Insurance Corporation		
ASSETS					
Current Assets:					
Cash and cash equivalents (note 3)	\$ 609,276	\$ -	\$ -	\$ 609,276	\$ 801,401
Investments (note 3)	11,853	-	-	11,853	202,891
Receivables:					
Mortgage loans (note 4)	623,037	-	-	623,037	330,788
Accrued interest	43,528	-	-	43,528	38,933
Notes (note 5)	37,385	-	-	37,385	38,913
Other (note 7)	5,222	-	-	5,222	5,431
Total Receivables	709,172	-	-	709,172	414,065
Other assets	17	-	-	17	16
Total Current Assets	1,330,318	-	-	1,330,318	1,418,373
Noncurrent Assets:					
Restricted cash and cash equivalents (note 3)	1,366,937	1,539	12,867	1,381,343	1,656,270
Restricted investments (note 3)	2,400,359	5,941	138,436	2,544,736	3,221,510
Purpose investments (note 2)	27,937	-	-	27,937	28,497
Mortgage loans (note 4)	320,732	-	-	320,732	274,342
Restricted receivables:					
Mortgage loans (note 4)	14,651,378	114,912	-	14,766,290	12,906,173
Mortgage loan participation - Federal Financing Bank (note 4)	340,465	-	-	340,465	278,963
Loan participation receivable - The City of NY (note 6)	464,890	-	-	464,890	1,075,529
Accrued interest	88,045	-	-	88,045	74,002
Notes (note 5)	476,163	-	-	476,163	513,548
Other (note 7)	8,363	-	-	8,363	22,675
Total Restricted Receivables	16,029,304	114,912	-	16,144,216	14,870,890
Primary government/component unit receivable (payable)	(820)	(17)	(19)	(856)	-
Capital assets	1,003	-	-	1,003	1,874
Other assets (note 8)	40,377	-	-	40,377	603
Total Noncurrent Assets	20,185,829	122,375	151,284	20,459,488	20,053,986
Total Assets	21,516,147	122,375	151,284	21,789,806	21,472,359
DEFERRED OUTFLOWS OF RESOURCES					
Interest rate caps (note 9)	136	-	-	136	214
Deferred loss on early retirement of debt (note 9)	4,143	-	-	4,143	4,920
Deferred outflows related to pension plan (note 13)	4,839	-	-	4,839	3,264
Deferred outflows related to interest rate swaps (note 9)	173,054	-	-	173,054	102,907
Deferred outflows related to OPEB (note 14)	928	-	-	928	1,025
Total Deferred Outflows of Resources	\$ 183,100	\$ -	\$ -	\$ 183,100	\$ 112,330

[Click here to see accompanying notes to the basic financial statements.](#)

STATEMENT OF NET POSITION (continued)

PROPRIETARY FUND TYPE – ENTERPRISE FUND

At October 31, 2020 (with comparative summarized financial information as of October 31, 2019) (\$ in thousands)

	HDC AND COMPONENT UNITS				
	New York City Housing Development Corporation	New York City Housing Assistance Corporation	New York City Residential Mortgage Insurance Corporation		
LIABILITIES					
Current Liabilities:					
Bonds payable (net) (note 10)	\$ 455,099	\$ -	\$ -	\$ 455,099	\$ 342,849
Debt obligations payable	725	-	-	725	93
Loan participation payable to Federal Financing Bank	3,728	-	-	3,728	2,980
Accrued interest payable	138,888	-	-	138,888	135,926
Payable to mortgagors	-	-	-	-	194,650
Restricted earnings on investments	22,632	-	-	22,632	23,265
Accounts and other payables	62,397	-	-	62,397	49,635
Total Current Liabilities	683,469	-	-	683,469	749,398
Noncurrent Liabilities:					
Bonds and debt obligations payable:					
Bonds payable (note 10)	12,468,640	-	-	12,468,640	11,788,584
Debt obligations payable	174,280	-	-	174,280	296,570
Loan participation payable to Federal Financing Bank	340,408	-	-	340,408	278,963
Payable to The City of New York:					
Loan participation agreements (note 12)	464,890	-	-	464,890	1,075,529
Housing finance fund (Section 661)	3,011,639	-	-	3,011,639	2,523,338
Other	(16,623)	122,350	-	105,727	833,420
Payable to mortgagors	399,646	-	-	399,646	660,772
Net pension liabilities (note 13)	11,922	-	-	11,922	10,049
OPEB liability (note 14)	8,562	-	-	8,562	7,154
Derivative instrument - interest rate swaps (note 9)	173,054	-	-	173,054	102,907
Unearned revenues and other liabilities	703,202	-	-	703,202	115,565
Due to the United States Government (note 15)	316	-	-	316	-
Total Noncurrent Liabilities	17,739,936	122,350	-	17,862,286	17,692,851
Total Liabilities	18,423,405	122,350	-	18,545,755	18,442,249
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to pensions (note 13)	917	-	-	917	1,737
Deferred inflows related to OPEB (note 14)	8,296	-	-	8,296	8,785
Total Deferred Inflows of Resources	9,213	-	-	9,213	10,522
NET POSITION					
Net investment in capital assets	1,003	-	-	1,003	1,874
Restricted for bond obligations (note 19)	2,602,548	25	-	2,602,573	2,236,470
Restricted for insurance requirement and others	-	-	98,310	98,310	85,918
Unrestricted (note 19)	663,078	-	52,974	716,052	807,656
Total Net Position	\$ 3,266,629	\$ 25	\$ 151,284	\$ 3,417,938	\$ 3,131,918

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STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION PROPRIETARY FUND TYPE – ENTERPRISE FUND

For the Year ended October 31, 2020 (with comparative summarized financial information for the year ended October 31, 2019) (\$ in thousands)

	HDC AND COMPONENT UNITS			Total	
	New York City Housing Development Corporation	New York City Housing Assistance Corporation	New York City Residential Mortgage Insurance Corporation	2020	2019
OPERATING REVENUES					
Interest on loans (note 4)	\$ 490,363	\$ 8	\$ -	\$ 490,371	\$ 446,267
Fees and charges (note 7)	66,056	-	3,584	69,640	85,006
Income on loan participation interests (note 6)	21,709	-	-	21,709	22,710
Other	2,823	-	-	2,823	3,651
Total Operating Revenues	580,951	8	3,584	584,543	557,634
OPERATING EXPENSES					
Interest and amortization of bond premium and discount (note 10)	370,030	-	-	370,030	378,494
Salaries and related expenses	28,644	-	-	28,644	27,274
Trustees' and other fees	10,177	-	-	10,177	9,271
Bond issuance costs	13,034	-	-	13,034	16,644
Corporate operating expenses (note 11)	7,227	-	-	7,227	6,133
Total Operating Expenses	429,112	-	-	429,112	437,816
Operating Income	151,839	8	3,584	155,431	119,818
NON-OPERATING REVENUES (EXPENSES)					
Earnings on investments (note 3)	85,805	-	3,827	89,632	114,054
Unrealized (losses) gains on investments (note 3)	(2,259)	26	21	(2,212)	25,490
Other non-operating revenues, net (note 7)	41,379	-	-	41,379	41,088
Payments from REMIC Subsidiary to HDC	572	-	(572)	-	-
Other	9	(9)	-	-	-
Total Non-operating Revenues, net	125,506	17	3,276	128,799	180,632
Income before transfers from Custodial Funds	277,345	25	6,860	284,230	300,450
Transfer from Custodial Funds	1,824	-	-	1,824	-
Changes in Net Position	279,169	25	6,860	286,054	300,450
Total net position - beginning of year, as previously stated	2,987,494	-	144,424	3,131,918	2,831,468
Cumulative effect of accounting change	(34)	-	-	(34)	-
Total net position - beginning of year, as restated	2,987,460	-	144,424	3,131,884	2,831,468
Total Net Position - End of Year	\$ 3,266,629	\$ 25	\$ 151,284	\$ 3,417,938	\$ 3,131,918

[Click here to see accompanying notes to the basic financial statements.](#)

STATEMENT OF CASH FLOWS

PROPRIETARY FUND TYPE – ENTERPRISE FUND

Year ended October 31, 2020 (with comparative summarized financial information for the year ended October 31, 2019) (\$ in thousands)

	HDC AND COMPONENT UNITS			Total	
	New York City Housing Development Corporation	New York City Housing Assistance Corporation	New York City Residential Mortgage Insurance Corporation		
CASH FLOWS FROM OPERATING ACTIVITIES					
Mortgage loan repayments	\$ 1,052,784	\$ -	\$ -	\$ 1,052,784	\$ 1,138,648
Note repayments	62,818	-	-	62,818	62,805
Receipts from fees and charges	64,344	-	72	64,416	91,133
Mortgage escrow receipts	800	-	-	800	214,945
Reserve for replacement receipts	93	-	-	93	72,962
Mortgage loan advances	(2,889,788)	2	-	(2,889,786)	(2,077,112)
Escrow disbursements	(974)	-	-	(974)	(175,855)
Reserve for replacement disbursements	(7)	-	-	(7)	(55,896)
Payments to employees	(27,801)	-	-	(27,801)	(26,292)
Payments to suppliers for corporate operating expenses	(6,593)	-	-	(6,593)	(5,471)
Project contributions and funds received from NYC	486,225	-	-	486,225	930,040
Advances and other payments for NYC	(1,050)	-	-	(1,050)	(116,018)
Bond cost of issuance	(17,249)	-	-	(17,249)	(17,047)
Other receipts	562,450	-	-	562,450	170,691
Other payments	(356,452)	(2,511)	-	(358,963)	(138,358)
Net Cash (Used in) Provided by Operating Activities	(1,070,400)	(2,509)	72	(1,072,837)	69,175
CASH FLOWS FROM NON CAPITAL FINANCING ACTIVITIES					
Proceeds from sale of bonds	1,823,968	-	-	1,823,968	2,216,745
Proceeds from loan participation - FFB	65,630	-	-	65,630	-
Proceeds from debt obligations	17,151	-	-	17,151	40,021
Retirement of bonds	(1,170,319)	-	-	(1,170,319)	(1,517,547)
Interest paid	(365,726)	-	-	(365,726)	(365,279)
Grant proceeds from BPCA	41,323	-	-	41,323	41,668
Payments from/to component units	(4,695)	-	2,940	(1,755)	-
Net Cash Provided by Non Capital Financing Activities	407,332	-	2,940	410,272	415,608
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchase of capital assets	237	-	-	237	(372)
Net Cash Provided by (Used in) Capital and Related Financing Activities	237	-	-	237	(372)
CASH FLOWS FROM INVESTING ACTIVITIES					
Sale of investments	17,749,587	1,806	134,414	17,885,807	18,686,337
Purchase of investments	(17,296,980)	(7,723)	(152,529)	(17,457,232)	(19,411,250)
Interest and dividends collected	94,395	145	3,818	98,358	116,015
Net Cash Provided by (Used in) Investing Activities	547,002	(5,772)	(14,297)	526,933	(608,898)
(Decrease) in cash and cash equivalents	(115,829)	(8,281)	(11,285)	(135,395)	(124,487)
Cash and cash equivalents at beginning of year	2,092,042	9,820	24,152	2,126,014	2,582,158
Cash and Cash Equivalents at End of Year	\$ 1,976,213	\$ 1,539	\$ 12,867	\$ 1,990,619	\$ 2,457,671

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STATEMENT OF CASH FLOWS (continued)

PROPRIETARY FUND TYPE – ENTERPRISE FUND

Year ended October 31, 2020 (with comparative summarized financial information for the year ended October 31, 2019) (\$ in thousands)

	HDC AND COMPONENT UNITS			Total	
	New York City Housing Development Corporation	New York City Housing Assistance Corporation	New York City Residential Mortgage Insurance Corporation	2020	2019
Reconciliation of Operating Income to Net Cash (Used in) Provided by Operating Activities:					
Operating Income	\$ 151,839	\$ 8	\$ 3,584	\$ 155,431	\$ 119,818
Adjustments to Reconcile Operating Income to Net Cash (Used in) Provided by Operating Activities:					
Depreciation expense	634	-	-	634	662
Amortization of bond discount and premium	(3,590)	-	-	(3,590)	(3,959)
Amortization of deferred loss on early retirement of debt	776	-	-	776	740
Non-operating bond interest payment	365,727	-	-	365,727	365,279
Changes in Assets & Liabilities:					
Mortgage loans	(2,261,282)	7,155	-	(2,254,127)	(1,528,711)
Loan participation receivable - NYC	2,384	-	-	2,384	3,172
Accrued interest receivable	(44,390)	-	-	(44,390)	(26,922)
Notes receivable	38,913	-	-	38,913	37,529
Other receivable	(432)	-	-	(432)	6,134
Primary government/component unit receivable (payable)	6,584	-	(3,512)	3,072	-
Other assets	(111,547)	-	-	(111,547)	(70,869)
Payable to The City of New York	(122,048)	(9,672)	-	(131,720)	1,054,692
Payable to mortgagors	232,961	-	-	232,961	(10,477)
Accounts and other payables	85,988	-	-	85,988	127,895
Due to the United States Government	(1)	-	-	(1)	-
Restricted earnings on investments	(3,615)	-	-	(3,615)	(1,355)
Unearned revenues and other liabilities	587,738	-	-	587,738	(18,965)
Accrued interest payable	2,961	-	-	2,961	14,512
Net Cash Provided (Used in) Provided by Operating Activities	\$ (1,070,400)	\$ (2,509)	\$ 72	\$ (1,072,837)	\$ 69,175
Non Cash Investing Activities:					
(Decrease) increase in fair value of investments	\$ (2,259)	\$ 26	\$ 21	\$ (2,212)	\$ 25,490

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