

**Bowery Residents' Committee, Inc.  
and Affiliated Organizations**

Independent Auditor's Report and Combined Financial Statements

June 30, 2021 and 2020



**Bowery Residents' Committee, Inc. and Affiliated Organizations**  
**June 30, 2021 and 2020**

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## Independent Auditor's Report

Board of Directors  
Bowery Residents' Committee, Inc.  
and Affiliated Organizations  
New York, New York

We have audited the accompanying combined financial statements of Bowery Residents' Committee, Inc. and Affiliated Organizations (collectively, the Organization), which comprise the combined statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the combined financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these combined 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 combined financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these combined financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combined 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 entity'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 combined financial statements.

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

### **Opinion**

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined financial position of Bowery Residents' Committee, Inc. and Affiliated Organizations as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Emphasis of Matter**

As discussed in *Note 2* to the combined financial statements, during the year ended June 30, 2021, the Organization adopted Accounting Standards Codification 606, *Revenue from Contracts with Customers* (Topic 606). Our opinion is not modified with respect to this matter.

### **Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the combined financial statements as a whole. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined 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 combined financial statements as a whole.

**BKD, LLP**

New York, New York  
November 30, 2021

**Bowery Residents' Committee, Inc. and Affiliated Organizations**  
**Combined Statements of Financial Position**  
**June 30, 2021 and 2020**

	<b>2021</b>	<b>2020</b>
<b>Assets</b>		
<b>Current Assets</b>		
Cash	\$ 7,834,834	\$ 6,141,737
Accounts receivable, net	33,308,636	16,235,900
Contributions receivable	1,116,046	959,974
Prepaid expenses and other assets	1,929,265	1,264,202
Total current assets	44,188,781	24,601,813
Restricted cash - assets limited as to use	4,399,825	4,206,074
Property and equipment, net	95,928,050	94,767,476
Total assets	\$ 144,516,656	\$ 123,575,363
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued expenses	\$ 17,802,631	\$ 9,948,728
Due to government agencies	500,000	-
Accrued compensation and related taxes	6,700,547	4,962,308
Accrued interest payable	5,191,734	4,468,794
Deferred revenue	2,464,317	592,337
Line of credit	1,500,000	5,000,000
Current portion of loans payable	638,518	542,440
Total current liabilities	34,797,747	25,514,607
<b>Other Liabilities</b>		
Deferred rent	6,956,385	7,374,322
Deferred revenue, net of current portion	3,223,984	3,415,675
Loans payable, net of current portion	75,623,871	65,294,315
Total liabilities	120,601,987	101,598,919
<b>Net Assets</b>		
Without donor restrictions	7,600,046	4,367,022
With donor restrictions	1,199,297	632,995
Noncontrolling interest	15,115,326	16,976,427
Total net assets	23,914,669	21,976,444
Total liabilities and net assets	\$ 144,516,656	\$ 123,575,363

**Bowery Residents' Committee, Inc. and Affiliated Organizations**  
**Combined Statements of Activities**  
**Years Ended June 30, 2021 and 2020**

	2021		
	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenues</b>			
Government and other grants	\$ 120,355,959	\$ -	\$ 120,355,959
Medicaid	5,753,665	-	5,753,665
Program service fees	1,881,578	-	1,881,578
Rental income	4,127,522	-	4,127,522
Contributions	2,026,497	966,873	2,993,370
Other income	1,393,741	-	1,393,741
Net assets released from restrictions	400,571	(400,571)	-
Total revenues before special events	<u>135,939,533</u>	<u>566,302</u>	<u>136,505,835</u>
Special events revenue	914,789	-	914,789
Less cost of direct benefit to donors	<u>(58,565)</u>	<u>-</u>	<u>(58,565)</u>
Net revenue from special events	<u>856,224</u>	<u>-</u>	<u>856,224</u>
Total revenues	<u>136,795,757</u>	<u>566,302</u>	<u>137,362,059</u>
<b>Expenses</b>			
Program services without affiliated organizations' expenses			
Gateway Services	49,040,140	-	49,040,140
Homeless Services	40,378,485	-	40,378,485
Housing Services	13,234,874	-	13,234,874
Treatment Service	<u>12,089,768</u>	<u>-</u>	<u>12,089,768</u>
Total program services without affiliated organizations' expenses	<u>114,743,267</u>	<u>-</u>	<u>114,743,267</u>
Supporting services			
Management and general	14,142,337	-	14,142,337
Fundraising	<u>734,937</u>	<u>-</u>	<u>734,937</u>
Total supporting services	<u>14,877,274</u>	<u>-</u>	<u>14,877,274</u>
Affiliated organizations' expenses	<u>5,803,293</u>	<u>-</u>	<u>5,803,293</u>
Total expenses	<u>135,423,834</u>	<u>-</u>	<u>135,423,834</u>
<b>Change in Net Assets</b>	1,371,923	566,302	1,938,225
<b>Net Assets, Beginning of Year</b>	<u>21,343,449</u>	<u>632,995</u>	<u>21,976,444</u>
<b>Net Assets, End of Year</b>	<u>\$ 22,715,372</u>	<u>\$ 1,199,297</u>	<u>\$ 23,914,669</u>

**Bowery Residents' Committee, Inc. and Affiliated Organizations**  
**Combined Statements of Activities (Continued)**  
**Years Ended June 30, 2021 and 2020**

	<b>2020</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Revenues</b>			
Government and other grants	\$ 86,487,807	\$ -	\$ 86,487,807
Medicaid	6,188,150	-	6,188,150
Program service fees	1,739,716	-	1,739,716
Rental income	4,038,759	-	4,038,759
Contributions	1,330,729	666,136	1,996,865
Other income	952,681	-	952,681
Net assets released from restrictions	2,903,222	(2,903,222)	-
Total revenues before special events	<u>103,641,064</u>	<u>(2,237,086)</u>	<u>101,403,978</u>
Special events revenue	1,190,927	-	1,190,927
Less cost of direct benefit to donors	(124,340)	-	(124,340)
Net revenue from special events	<u>1,066,587</u>	<u>-</u>	<u>1,066,587</u>
Total revenues	<u>104,707,651</u>	<u>(2,237,086)</u>	<u>102,470,565</u>
<b>Expenses</b>			
Program services without affiliated organizations' expenses			
Gateway Services	26,872,037	-	26,872,037
Homeless Services	34,597,354	-	34,597,354
Housing Services	11,488,647	-	11,488,647
Treatment Service	12,834,670	-	12,834,670
Total program services without affiliated organizations' expenses	<u>85,792,708</u>	<u>-</u>	<u>85,792,708</u>
Supporting services			
Management and general	11,770,621	-	11,770,621
Fundraising	721,735	-	721,735
Total supporting services	<u>12,492,356</u>	<u>-</u>	<u>12,492,356</u>
Affiliated organizations' expenses	6,982,902	-	6,982,902
Total expenses	<u>105,267,966</u>	<u>-</u>	<u>105,267,966</u>
<b>Change in Net Assets</b>	(560,315)	(2,237,086)	(2,797,401)
<b>Capital Contributions</b>	457,436	-	457,436
<b>Net Assets, Beginning of Year</b>	<u>21,446,328</u>	<u>2,870,081</u>	<u>24,316,409</u>
<b>Net Assets, End of Year</b>	<u>\$ 21,343,449</u>	<u>\$ 632,995</u>	<u>\$ 21,976,444</u>

**Bowery Residents' Committee, Inc. and Affiliated Organizations**  
**Combined Statements of Changes in Net Assets**  
**Years Ended June 30, 2021 and 2020**

	2021							
	Controlling Interests			Controlling Interests			Noncontrolling Interests	Total
	Bowery Residents' Committee, Inc. Without Donor Restrictions	Affiliated Organizations Without Donor Restrictions	Subtotal Without Donor Restrictions	Bowery Residents' Committee, Inc. With Donor Restrictions	Subtotal Controlling Interests			
<b>Net Assets, June 30, 2020</b>	\$ 8,865,543	\$ (4,498,521)	\$ 4,367,022	\$ 632,995	\$ 5,000,017	\$ 16,976,427	\$ 21,976,444	
Increase (decrease) in net assets								
without donor restrictions	2,104,344	728,109	2,832,453	-	2,832,453	(1,861,101)	971,352	
Restricted contributions	-	-	-	966,873	966,873	-	966,873	
Net assets released from restrictions	400,571	-	400,571	(400,571)	-	-	-	
<b>Net Assets, June 30, 2021</b>	<u>\$ 11,370,458</u>	<u>\$ (3,770,412)</u>	<u>\$ 7,600,046</u>	<u>\$ 1,199,297</u>	<u>\$ 8,799,343</u>	<u>\$ 15,115,326</u>	<u>\$ 23,914,669</u>	
	2020							
	Controlling Interests			Controlling Interests			Noncontrolling Interests	Total
	Bowery Residents' Committee, Inc. Without Donor Restrictions	Affiliated Organizations Without Donor Restrictions	Subtotal Without Donor Restrictions	Bowery Residents' Committee, Inc. With Donor Restrictions	Subtotal Controlling Interests			
<b>Net Assets, June 30, 2019</b>	\$ 7,480,924	\$ (4,538,420)	\$ 2,942,504	\$ 2,870,081	\$ 5,812,585	\$ 18,503,824	\$ 24,316,409	
Increase (decrease) in net assets								
without donor restrictions	(1,518,603)	39,899	(1,478,704)	-	(1,478,704)	(1,984,833)	(3,463,537)	
Restricted contributions	-	-	-	666,136	666,136	-	666,136	
Capital contributions	-	-	-	-	-	457,436	457,436	
Net assets released from restrictions	2,903,222	-	2,903,222	(2,903,222)	-	-	-	
<b>Net Assets, June 30, 2020</b>	<u>\$ 8,865,543</u>	<u>\$ (4,498,521)</u>	<u>\$ 4,367,022</u>	<u>\$ 632,995</u>	<u>\$ 5,000,017</u>	<u>\$ 16,976,427</u>	<u>\$ 21,976,444</u>	

**Bowery Residents' Committee, Inc. and Affiliated Organizations**  
**Combined Statements of Functional Expenses**  
**Years Ended June 30, 2021 and 2020**

	2021										
	Program Services					Total Program Services	Supporting Services				Total
	Gateway Services	Homeless Services	Housing Services	Treatment Services	Affiliated Organizations - Housing		Management and General	Fundraising	Direct Costs of Special Events	Total Supporting Services	
Salaries	\$ 17,716,243	\$ 15,982,591	\$ 3,819,535	\$ 5,869,879	\$ 582,411	\$ 43,970,659	\$ 6,396,771	\$ 449,353	\$ -	\$ 6,846,124	\$ 50,816,783
Employee taxes and fringe benefits	3,878,906	3,432,890	844,595	1,283,568	125,193	9,565,152	1,446,644	104,470	-	1,551,114	11,116,266
Total salaries and related expenses	21,595,149	19,415,481	4,664,130	7,153,447	707,604	53,535,811	7,843,415	553,823	-	8,397,238	61,933,049
Temporary services	2,695,725	4,001,332	152,712	427,087	116,950	7,393,806	454,873	2,196	-	457,069	7,850,875
Real estates, water and sewer taxes	167,999	388,253	162,351	44,315	107,347	870,265	3,235	133	-	3,368	873,633
Rent	15,458,985	5,333,067	6,014,168	1,870,237	82,075	28,758,532	313,802	36,695	-	350,497	29,109,029
Utilities	307,783	522,311	357,690	261,270	159,457	1,608,511	24,379	1,350	-	25,729	1,634,240
Communications	148,236	148,759	155,094	205,671	5,198	662,958	24,534	1,650	-	26,184	689,142
Printing and postage	766	1,141	624	841	355	3,727	5,203	58	-	5,261	8,988
Insurance	514,296	586,869	273,452	189,491	318,705	1,882,813	644,258	56,378	-	700,636	2,583,449
Professional fees	2,604,935	7,072,936	456,622	337,550	84,534	10,556,577	1,140,933	7,113	-	1,148,046	11,704,623
Staff training and recruitment	47,912	36,887	6,314	15,905	604	107,622	66,695	303	-	66,998	174,620
Office expenses	201,642	160,854	112,982	86,229	16,213	577,920	107,319	57,696	-	165,015	742,935
Supplies	339,315	643,743	121,844	171,711	34,712	1,311,325	79,009	599	-	79,608	1,390,933
Equipment	6,179	9,789	210,711	44,054	4,834	275,567	4,343	-	-	4,343	279,910
Maintenance and repairs	1,159,291	1,088,118	382,168	319,022	174,915	3,123,514	233,734	4,875	-	238,609	3,362,123
Travel	4,730	348	6,064	19,390	45	30,577	23,805	137	-	23,942	54,519
Client related expenses	3,659,226	903,138	130,880	567,421	46	5,260,711	3,556	187	-	3,743	5,264,454
Interest	31,448	1,986	-	366	1,882,300	1,916,100	65,791	-	-	65,791	1,981,891
Catering and other expenses	-	-	-	-	-	-	-	-	58,565	58,565	58,565
Bad debt expenses	-	-	-	-	65,678	65,678	2,091,158	-	-	2,091,158	2,156,836
Property management cost	-	-	-	-	25,175	25,175	-	-	-	-	25,175
Other	1,050	17	84	135	41,253	42,539	242,766	11,744	-	254,510	297,049
Total expenses before depreciation	48,944,667	40,315,029	13,207,890	11,714,142	3,828,000	118,009,728	13,372,808	734,937	58,565	14,166,310	132,176,038
Depreciation	95,473	63,456	26,984	375,626	1,975,293	2,536,832	769,529	-	-	769,529	3,306,361
Less expenses deducted directly from revenues on the statements of activities	-	-	-	-	-	-	-	-	-	-	-
Direct cost of special events	-	-	-	-	-	-	-	-	(58,565)	(58,565)	(58,565)
Total expenses	<u>\$ 49,040,140</u>	<u>\$ 40,378,485</u>	<u>\$ 13,234,874</u>	<u>\$ 12,089,768</u>	<u>\$ 5,803,293</u>	<u>\$ 120,546,560</u>	<u>\$ 14,142,337</u>	<u>\$ 734,937</u>	<u>\$ -</u>	<u>\$ 14,877,274</u>	<u>\$ 135,423,834</u>

**Bowery Residents' Committee, Inc. and Affiliated Organizations**  
**Combined Statements of Functional Expenses (Continued)**  
**Years Ended June 30, 2021 and 2020**

	2020										
	Program Services					Total Program Services	Supporting Services				Total
	Gateway Services	Homeless Services	Housing Services	Treatment Services	Affiliated Organizations - Housing		Management and General	Fundraising	Direct Costs of Special Events	Total Supporting Services	
Salaries	\$ 14,926,533	\$ 16,866,647	\$ 3,730,561	\$ 6,385,592	\$ 796,906	\$ 42,706,239	\$ 6,016,657	\$ 501,989	\$ -	\$ 6,518,646	\$ 49,224,885
Employee taxes and fringe benefits	2,882,529	3,461,459	790,442	1,383,149	162,044	8,679,623	1,267,099	100,924	-	1,368,023	10,047,646
Total salaries and related expenses	17,809,062	20,328,106	4,521,003	7,768,741	958,950	51,385,862	7,283,756	602,913	-	7,886,669	59,272,531
Temporary services	1,033,895	2,068,247	69,524	522,032	34,281	3,727,979	192,089	1,277	-	193,366	3,921,345
Real estates, water and sewer taxes	205,841	448,973	157,059	56,397	88,296	956,566	6,415	594	-	7,009	963,575
Rent	4,036,936	5,414,278	4,875,301	1,900,556	81,898	16,308,969	371,962	38,463	-	410,425	16,719,394
Utilities	295,222	472,038	311,712	230,815	102,529	1,412,316	19,823	1,832	-	21,655	1,433,971
Communications	116,802	113,123	122,467	170,307	5,139	527,838	17,702	1,645	-	19,347	547,185
Printing and postage	413	1,190	718	733	529	3,583	7,922	3,267	-	11,189	14,772
Insurance	315,477	585,026	88,434	173,391	308,419	1,470,747	471,625	2,930	-	474,555	1,945,302
Professional fees	481,272	1,658,255	214,803	281,769	99,054	2,735,153	1,341,737	6,315	-	1,348,052	4,083,205
Staff training and recruitment	36,133	50,559	4,065	11,573	172	102,502	31,210	69	-	31,279	133,781
Office expenses	201,662	229,731	101,599	92,680	23,470	649,142	161,011	38,676	-	199,687	848,829
Supplies	477,588	808,471	160,921	192,795	41,825	1,681,600	20,140	3,593	-	23,733	1,705,333
Equipment	45,980	12,594	116,077	40,221	5,306	220,178	36,995	-	-	36,995	257,173
Maintenance and repairs	843,715	1,108,365	450,935	304,247	102,176	2,809,438	35,308	5,505	-	40,813	2,850,251
Travel	8,157	5,713	15,718	25,659	106	55,353	10,224	361	-	10,585	65,938
Client related expenses	832,251	952,876	229,307	691,615	3,316	2,709,365	6,264	881	-	7,145	2,716,510
Interest	46,878	-	-	-	1,805,258	1,852,136	54,533	-	-	54,533	1,906,669
Catering and other expenses	-	-	-	-	-	-	-	-	124,340	124,340	124,340
Bad debt expenses	-	-	-	-	369,371	369,371	932,239	-	-	932,239	1,301,610
Property management cost	-	-	-	-	10,150	10,150	-	-	-	-	10,150
Other	8,901	278,254	22,083	21,970	814,639	1,145,847	12,781	13,414	-	26,195	1,172,042
Total expenses before depreciation	26,796,185	34,535,799	11,461,726	12,485,501	4,854,884	90,134,095	11,013,736	721,735	124,340	11,859,811	101,993,906
Depreciation	75,852	61,555	26,921	349,169	2,128,018	2,641,515	756,885	-	-	756,885	3,398,400
Less expenses deducted directly from revenues on the statements of activities	-	-	-	-	-	-	-	-	(124,340)	(124,340)	(124,340)
Direct cost of special events	-	-	-	-	-	-	-	-	-	-	-
Total expenses	\$ 26,872,037	\$ 34,597,354	\$ 11,488,647	\$ 12,834,670	\$ 6,982,902	\$ 92,775,610	\$ 11,770,621	\$ 721,735	\$ -	\$ 12,492,356	\$ 105,267,966

**Bowery Residents' Committee, Inc. and Affiliated Organizations**  
**Combined Statements of Cash Flows**  
**Years Ended June 30, 2021 and 2020**

	<b>2021</b>	<b>2020</b>
<b>Operating Activities</b>		
Change in net assets	\$ 1,938,225	\$ (2,797,401)
Items not requiring (providing) operating cash flows		
Depreciation	3,306,361	3,398,400
Amortization of debt issuance costs included in interest expense	54,398	56,928
Provision for bad debts	2,156,836	1,301,610
Grants received for construction	(4,430,368)	(2,879,539)
Changes in		
Accounts receivable	(19,229,572)	(8,569,785)
Contributions receivable	(156,072)	922,000
Prepaid expenses and other assets	(665,063)	310,812
Accounts payable and accrued expenses	8,240,957	3,585,937
Due to government agencies	500,000	-
Accrued compensation and related taxes	1,738,239	1,885,712
Accrued interest payable	722,940	532,544
Deferred revenue	1,680,289	(2,368,637)
Deferred rent	(417,937)	(175,957)
Net cash used in operating activities	(4,560,767)	(4,797,376)
<b>Investing Activities</b>		
Purchase of property and equipment	(4,853,989)	(4,102,995)
Net cash used in investing activities	(4,853,989)	(4,102,995)
<b>Financing Activities</b>		
Proceeds from equity contributions	-	457,436
Proceeds from line of credit	12,500,000	12,500,000
Principal payments on line of credit	(16,000,000)	(10,500,000)
Proceeds from loan	10,881,726	3,776,783
Principal payments on loan	(510,490)	(500,803)
Proceeds from grants received for construction	4,430,368	2,879,539
Net cash provided by financing activities	11,301,604	8,612,955
<b>Net (Decrease) Increase in Cash and Restricted Cash</b>	1,886,848	(287,416)
<b>Cash and Restricted Cash, Beginning of Year</b>	10,347,811	10,635,227
<b>Cash and Restricted Cash, End of Year</b>	\$ 12,234,659	\$ 10,347,811
<b>Cash and Restricted Cash Consist of:</b>		
Cash	\$ 7,834,834	\$ 6,141,737
Restricted cash - assets limited as to use	4,399,825	4,206,074
	\$ 12,234,659	\$ 10,347,811
<b>Supplemental Cash Flows Information</b>		
Interest paid	\$ 1,204,553	\$ 1,374,125
Property and equipment in accounts payable	277,303	664,357

# **Bowery Residents' Committee, Inc. and Affiliated Organizations**

## **Notes to Combined Financial Statements**

### **June 30, 2021 and 2020**

#### **Note 1: Nature of Operations and Summary of Significant Accounting Policies**

##### ***Nature of Operations***

Bowery Residents' Committee, Inc. (BRC) and Affiliated Organizations (collectively, the Organization) were formed for the purpose of addressing the needs of persons with limited resources in the metropolitan New York City area. This included the homeless, hungry, chemically dependent, psychiatrically disabled, aged and persons with HIV and AIDS. BRC provides a comprehensive array of services including health care, vocational rehabilitation, temporary and permanent housing, community education and advocacy. By providing these services, BRC offers its clients the means to function successfully in society and seeks to improve the quality of life in its community.

This mission is also serviced by the following Affiliated Organizations:

*Pitt Street Housing Development Fund Corporation (Pitt)* operates programs that provide housing to former homeless people with mental illness.

*330 East 4th Street Housing Development Fund Corporation (330 E. 4th)* was organized to own, construct and operate a permanent housing project for formerly homeless elderly persons who participate in case management, crisis intervention, nutritional and recreational services.

*Fulton Street Housing Development Fund Corporation (Fulton)* was organized to own and operate a community residence for individuals diagnosed with severe and persistent mental illness.

*Palace Renaissance, Inc. (Palace)* was organized to provide space to further BRC's mission.

*139-141 Avenue D HDFC* is a charitable not-for-profit corporation organized exclusively for the purpose of developing and operating a housing project for persons of low income.

*139-141 Avenue D G.P., Inc. (Avenue D G.P.)* was organized as the general partner for 139-141 Avenue D L.P. with a .01 percent interest ownership.

*902 Liberty Avenue Housing Development Fund Corporation (Liberty Avenue)* was organized as the general partner for 902 Liberty Avenue, L.P. with a .01 percent interest ownership.

*902 Liberty Avenue GP* provides housing to individuals and families of low income. Liberty Avenue GP was .01 percent interest in 902 Liberty Avenue, L.P. 902 Liberty Avenue, L.P. operates a low and moderate-income housing project, which is managed by BRC.

*West 25th Street Housing Development Fund Corporation (25th Street HDFC)* was organized to provide transitional housing for individuals of low income.

*BRC Landing Road I Housing Development Fund Corporation (BRC Landing Road I)* was organized to own, construct and operate transitional and permanent housing for individuals of low income.

*BRC AIDS Services Corporation (BRC AIDS)* operates programs that provide healthcare services to individuals living with HIV/AIDS.

# **Bowery Residents' Committee, Inc. and Affiliated Organizations**

## **Notes to Combined Financial Statements**

### **June 30, 2021 and 2020**

*BRC Inwood I Housing Development Fund Corporation* is a charitable not-for-profit corporation organized exclusively for the purpose of developing and operating a housing project for persons of low income.

*139-141 Avenue D L.P. (Glass Factory, L.P.)* was formed as a limited partnership under the laws of the State of New York on March 19, 1996 to acquire, rehabilitate, own and operate low and moderate-income housing for single adults with AIDS. The project consists of one building with 45 units located in New York City, and was operating under the name of Glass Factory, L.P. The project qualified for the low-income housing tax credits established under the program described in Section 42 of the Internal Revenue Code (IRC). Glass Factory, L.P. has one general partner, 139-141 Avenue D G.P., which has a .01 percent interest, and one limited partner, 139-41 Avenue D Housing Development Fund Corporation, which had a 99.99 percent interest. The project was managed by BRC. The entity was liquidated in FY 2020 and the net assets were transferred to *139-141 Avenue D HDFC*.

*902 Liberty Avenue, L.P.* is a limited partnership organized on November 1, 2008 under the laws of the State of New York for the purpose of investing in real property and providing low-income housing through the renovation, rehabilitation and operation of the property, containing 46 apartments and one superintendent unit in Brooklyn, New York.

*BRC Landing Road II, L.P. (BRC Landing L.P.)* was organized to own, construct and operate a housing project providing supportive housing to low-income individuals, some of whom meet other eligibility criteria.

#### ***Basis of Combination***

All material intercompany transactions and balances have been eliminated in combination.

#### ***Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses, gains, losses and other changes in net assets during the reporting period. Actual results could differ from those estimates.

#### ***Cash and Restricted Cash***

The Organization considers all liquid investments with original maturities of three months or less to be cash equivalents. Deposits restricted internally and externally are considered to be cash.

At June 30, 2021, the Organization's cash accounts exceeded federally insured limits by approximately \$8,522,000.

#### ***Assets Limited as to Use***

Assets limited as to use include assets set aside by BRC for future long-term purposes and debt finances for future payout.

# **Bowery Residents' Committee, Inc. and Affiliated Organizations**

## **Notes to Combined Financial Statements**

### **June 30, 2021 and 2020**

#### ***Accounts Receivable***

Accounts receivable are stated at the amount of consideration from customers, of which the Organization has an unconditional right to receive. The Organization provides an allowance for doubtful accounts, which is based upon a review of outstanding receivables, historical collection information and existing economic conditions. Accounts receivable from government fees and grants and other sources of income are recorded when services are rendered or when qualifying expenses are incurred.

Accounts receivable are ordinarily due 30 days after the issuance of the invoice. Medicaid amounts past due more than 90 days are considered delinquent. Grants receivable are analyzed on a case by case basis, by funder, to determine collectability. Delinquent receivables are written off based on individual credit evaluation and specific circumstances of the customer.

The Organization determines whether an allowance for uncollectibles should be provided for contributions receivable and accounts receivable. Such estimates are based on management's assessment of the aged basis of the account, current economic conditions and historical information. Receivables are written off against the allowance for doubtful accounts when all reasonable collection efforts have been exhausted. The allowance for doubtful accounts for the fiscal years ended June 30, 2021 and 2020 was approximately \$930,000 and \$1,770,000, respectively.

#### ***Property and Equipment***

Property and equipment acquisitions over \$5,000 are stated at cost, less accumulated depreciation. Depreciation is charged to expense on the straight-line basis over the estimated useful life of each asset. Leasehold improvements are amortized over the shorter of the lease term or respective estimated useful lives.

The estimated useful lives for each major depreciable classification of property and equipment are as follows:

Buildings and improvements	10 – 40 years
Leasehold improvements	10 years
Furniture and fixtures	5 years
Vehicles	4 years

#### ***Long-Lived Asset Impairment***

The Organization evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset are less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value.

No asset impairment was recognized during the years ended June 30, 2021 and 2020.

**Bowery Residents' Committee, Inc. and Affiliated Organizations**  
**Notes to Combined Financial Statements**  
**June 30, 2021 and 2020**

**Deferred Revenue**

Revenue from assignment of leasehold interest is amortized over the life of the lease.

Deferred revenue also includes revenue from contracts and is recognized as earned when contract expenses are incurred to the maximum amount allowed for each contract award. Any payments received that have not been earned are classified as deferred revenue on the combined statements of financial position.

**Net Assets**

Net assets, revenues, gains and losses are classified based on the existence or absence of donor restrictions.

Net assets without donor restrictions are available for use in general operations and not subject to donor restrictions.

Net assets with donor restrictions are subject to donor restrictions. Some restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor.

**Contributions**

Contributions are provided to the Organization either with or without restrictions placed on the gift by the donor. Revenues and net assets are separately reported to reflect the nature of those gifts – with or without donor restrictions. The value recorded for each contribution is recognized as follows:

<b>Nature of the Gift</b>	<b>Value Recognized</b>
<i>Conditional gifts, with or without restriction</i>	
Gifts that depend on the Organization overcoming a donor-imposed barrier to be entitled to the funds	Not recognized until the gift becomes unconditional, <i>i.e.</i> , the donor-imposed barrier is met
<i>Unconditional gifts, with or without restriction</i>	
Received at date of gift – cash and other assets	Fair value
Received at date of gift – property, equipment and long-lived assets	Estimated fair value
Expected to be collected within one year	Net realizable value
Collected in future years	Initially reported at fair value determined using the discounted present value of estimated future cash flows technique

# **Bowery Residents' Committee, Inc. and Affiliated Organizations**

## **Notes to Combined Financial Statements**

### **June 30, 2021 and 2020**

In addition to the amount initially recognized, revenue for unconditional gifts to be collected in future years is also recognized each year as the present-value discount is amortized using the level-yield method.

When a donor-stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the combined statements of activities as net assets released from restrictions. Absent explicit donor stipulations for the period of time that long-lived assets must be held, expirations of restrictions for gifts of land, buildings, equipment and other long-lived assets are reported when those assets are placed in service.

Gifts and investment income having donor stipulations which are satisfied in the period the gift is received are recorded as revenue and net assets without donor restrictions.

Conditional contributions having donor stipulations which are satisfied in the period the gift is received are recorded as revenue and net assets without donor restrictions.

#### **Government Grants**

Support funded by grants is recognized as the Organization meets the conditions prescribed by the grant agreement, performs the contracted services or incurs outlays eligible for reimbursement under the grant agreements. Grant activities and outlays are subject to audit and acceptance by the granting agency and, as a result of such audit, adjustments could be required.

#### **Program Fees**

BRC receives third-party payments for some program participants. A portion of the payment represents the participants' program fees and is recognized as revenues when received. Any portion of the payment that is for the participant's personal use is recognized as a liability due to the client.

#### **Noncontrolling Interests**

In accordance with Accounting Standards Codification (ASC) 810, *Consolidation*, the Organization reports noncontrolling interests, sometimes referred to as minority interests, as part of total net assets in the combined statements of financial position. Furthermore, the Organization reports the changes in net assets of both the controlling and noncontrolling interests, for all periods presented, in the combined statements of changes in net assets. For the years ended June 30, 2021 and 2020, the change in the noncontrolling interest balance was (\$1,861,101) and (\$1,527,397), respectively.

#### **Income Taxes**

BRC, Pitt, 330 E. 4th, Fulton, BRC AIDS, 25th Street HDFC, 139-141 Avenue D HDFC, BRC Inwood I, BRC Landing Road I and Liberty Avenue are exempt from federal income tax under Section 501(c)(3) of the IRC and have been determined by the Internal Revenue Service (IRS) not to be a "private foundation" within the meaning of Section 509(a) of the IRC.

# **Bowery Residents' Committee, Inc. and Affiliated Organizations**

## **Notes to Combined Financial Statements**

### **June 30, 2021 and 2020**

Landing GP, 93 Pitt Street G.P., Avenue D G.P. and 902 Liberty Avenue G.P. are New York corporations subject to federal income tax and applicable state and local taxes.

Palace is an exempt organization from federal income tax under Section 501(c)(2) of the IRC.

The income tax regulations associated to Glass Factory, L.P., 902 Liberty Avenue, L.P. and BRC Landing, L.P. provide that all taxes on income of the limited partnership are payable by the partners. Therefore, the combined financial statements reflect no provision or liability for such taxes.

The Organization adheres to provisions from ASC 740, *Income Taxes*. Under ASC 740, an organization must recognize the tax benefit associated with tax positions taken for tax return purposes when it is more likely than not that the position will be sustained upon examination by a taxing authority. BRC does not believe it has taken any material uncertain tax positions and accordingly, it has not recorded any liability for unrecognized tax benefits. The Organization has filed for and received income tax exemptions in the jurisdictions where it is required to do so. Additionally, the Organization has filed IRS Form 990 returns, as required, and all other applicable returns in jurisdictions where so required. For the years ended June 30, 2021 and 2020, there were no interest or penalties recorded or included in the combined statements of activities. The Organization believes it is no longer subject to income tax examinations for the years prior to 2018, which is the standard statute of limitation look-back period.

#### ***Functional Allocation of Expenses***

The costs of supporting the various programs and other activities have been summarized on a functional basis in the combined statements of activities. The combined statements of functional expenses present the natural classification detail of expenses by function. Certain costs have been allocated among the program, management and general and fundraising categories based on the direct cost method and other methods.

**Bowery Residents' Committee, Inc. and Affiliated Organizations**  
**Notes to Combined Financial Statements**  
**June 30, 2021 and 2020**

***Grant Reimbursements Receivable and Future Commitments***

The Organization receives its grant support through periodic claims filed with the respective funding sources, not to exceed a limit specified in the grant agreements. Since the combined financial statements of the Organization are prepared on the accrual basis, all portions of the grants not yet received as of June 30, 2021 where the Organization has an unconditional right to payment have been recorded as receivables. The following are the grant commitments that extend beyond June 30, 2021:

Grant	Term	Grant Amount	Earned Through 2021	Funding Available
DHS	Various from 07/01/2017 - 06/30/2024	\$ 391,989,437	\$ 96,863,654	\$ 295,125,783
HUD	Various from 11/01/2020 - 04/30/2022	732,319	384,707	347,612
HRA	Various from 07/01/2018 - 06/30/2051	120,788,509	678,252	120,110,257
OMH	Various from 07/01/2017 - 06/30/2024	37,215,684	14,562,799	22,652,885
OASAS	Various from 07/01/2019 - 06/30/2024	2,556,189	828,658	1,727,531
Other	Various from 07/01/2018 - 12/31/2022	5,286,583	3,195,940	2,090,643
DOHMH	Various from 07/01/2019 - 11/30/2024	27,819,133	9,909,642	17,909,491
Total		<u>\$ 586,387,854</u>	<u>\$ 126,423,652</u>	<u>\$ 459,964,202</u>

The grant agreements include certain clauses that allow them to be terminated in whole or in part by the granting agency as well as the Organization.

***Revision***

Certain immaterial revisions were made to the 2020 financial statement disclosures to correct the concentrations related to grant receivables and revenues from government agencies. These revisions did not have an impact on any financial statement line items.

**Note 2: Change in Accounting Principle**

On July 1, 2020, the Organization adopted the Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers* (Topic 606), (ASU 2014-09) using a modified retrospective method of adoption to all contracts with customers not completed at July 1, 2020.

The core guidance in ASU 2014-09 is to recognize revenue to depict the transfer of promised goods or services to customers in amounts that reflect the consideration to which the Organization expects to be entitled in exchange for those goods or services.

The amount to which the Organization expects to be entitled is calculated as the transaction price and recorded as revenue in exchange for providing goods or services.

Adoption of ASU 2014-09 resulted in changes in the disclosures in the notes to the financial statements.

**Bowery Residents' Committee, Inc. and Affiliated Organizations**  
**Notes to Combined Financial Statements**  
**June 30, 2021 and 2020**

**Note 3: Contributions Receivable**

Contributions receivable at June 30, 2021 and 2020 consisted of the following:

	<b>2021</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Due within one year	\$ 271,359	\$ 255,000	\$ 526,359
Due in one to five years	-	589,687	589,687
	<u>\$ 271,359</u>	<u>\$ 844,687</u>	<u>\$ 1,116,046</u>
	<b>2020</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Due within one year	\$ 71,305	\$ 888,669	\$ 959,974
	<u>\$ 71,305</u>	<u>\$ 888,669</u>	<u>\$ 959,974</u>

**Note 4: Property and Equipment**

Property and equipment at June 30, 2021 and 2020 consist of:

	<b>2021</b>		
	<b>BRC</b>	<b>Affiliated Organizations</b>	<b>Total</b>
Land	\$ 1,020,002	\$ 5,845,057	\$ 6,865,059
Buildings and improvements	26,814,097	80,903,803	107,717,900
Leasehold improvements	5,393,268	3,722,645	9,115,913
Furniture and equipment	4,128,932	767,647	4,896,579
Vehicles	643,304	-	643,304
Construction in progress	7,447,880	-	7,447,880
	45,447,483	91,239,152	136,686,635
Less accumulated depreciation	<u>(17,789,652)</u>	<u>(22,968,933)</u>	<u>(40,758,585)</u>
Property and equipment, net	<u>\$ 27,657,831</u>	<u>\$ 68,270,219</u>	<u>\$ 95,928,050</u>

**Bowery Residents' Committee, Inc. and Affiliated Organizations**  
**Notes to Combined Financial Statements**  
**June 30, 2021 and 2020**

	<b>2020</b>		
	<b>BRC</b>	<b>Affiliated Organizations</b>	<b>Total</b>
Land	\$ 1,020,002	\$ 5,845,057	\$ 6,865,059
Buildings and improvements	26,814,097	80,432,562	107,246,659
Leasehold improvements	5,393,268	3,722,645	9,115,913
Furniture and equipment	3,817,803	748,894	4,566,697
Vehicles	643,304	-	643,304
Construction in progress	3,438,345	-	3,438,345
	<u>41,126,819</u>	<u>90,749,158</u>	<u>131,875,977</u>
Less accumulated depreciation	<u>(16,458,587)</u>	<u>(20,649,914)</u>	<u>(37,108,501)</u>
Property and equipment, net	<u>\$ 24,668,232</u>	<u>\$ 70,099,244</u>	<u>\$ 94,767,476</u>

The Organization has outstanding commitments for future construction projects of \$1,167,640 at June 30, 2021.

**Note 5: Accounts Receivable, Net**

At June 30, 2021 and 2020, accounts receivable, net consist of the following:

	<b>2021</b>		
	<b>BRC</b>	<b>Affiliated Organizations</b>	<b>Total</b>
Government and other grants	\$ 33,171,912	\$ -	\$ 33,171,912
Medicaid	542,964	-	542,964
Other	50,609	476,762	527,371
Allowance for doubtful accounts	<u>(661,237)</u>	<u>(272,374)</u>	<u>(933,611)</u>
	<u>\$ 33,104,248</u>	<u>\$ 204,388</u>	<u>\$ 33,308,636</u>

  

	<b>2020</b>		
	<b>BRC</b>	<b>Affiliated Organizations</b>	<b>Total</b>
Government and other grants	\$ 16,440,622	\$ -	\$ 16,440,622
Medicaid	1,133,535	-	1,133,535
Other	153,062	274,784	427,846
Allowance for doubtful accounts	<u>(1,609,382)</u>	<u>(156,721)</u>	<u>(1,766,103)</u>
	<u>\$ 16,117,837</u>	<u>\$ 118,063</u>	<u>\$ 16,235,900</u>

**Bowery Residents' Committee, Inc. and Affiliated Organizations**  
**Notes to Combined Financial Statements**  
**June 30, 2021 and 2020**

**Note 6: Assets Limited as to Use**

As of June 30, 2021 and 2020, assets limited as to use consist of the following:

	<b>2021</b>		
	<b>BRC</b>	<b>Affiliated Organizations</b>	<b>Total</b>
Operating reserve	\$ 296,505	\$ 1,793,564	\$ 2,090,069
Replacement reserve	184,668	351,969	536,637
Capital reserve	-	920,767	920,767
Social service reserve	216,332	303,292	519,624
Escrow deposit	-	332,728	332,728
	\$ 697,505	\$ 3,702,320	\$ 4,399,825
	<b>2020</b>		
	<b>BRC</b>	<b>Affiliated Organizations</b>	<b>Total</b>
Operating reserve	\$ 296,475	\$ 1,768,671	\$ 2,065,146
Replacement reserve	162,370	259,771	422,141
Capital reserve	-	928,069	928,069
Social service reserve	216,310	303,443	519,753
Escrow deposit	-	270,965	270,965
	\$ 675,155	\$ 3,530,919	\$ 4,206,074

**Note 7: Line of Credit**

The Organization has a \$7,500,000 unsecured revolving line of credit expiring in March 2022. At June 30, 2021 and 2020, there was \$1,500,000 and \$5,000,000, respectively, borrowed against this line. Interest varies with the London Interbank Offered Rate (LIBOR) plus 100 basis points per three months, which was average of 1.10 and 1.22 percent at June 30, 2021 and 2020 and is payable monthly, respectively. Interest expense during the years ending June 30, 2021 and 2020 was \$49,219 and \$54,533, respectively.

**Bowery Residents' Committee, Inc. and Affiliated Organizations**  
**Notes to Combined Financial Statements**  
**June 30, 2021 and 2020**

**Note 8: Operating Leases**

Noncancelable operating leases for office space expire in various years through 2043. The Organization also rents space to provide housing under its programs. Rental expense to non-related parties was \$29,109,029 and \$16,719,394 for the years ended June 30, 2021 and 2020, respectively.

In February 2010, BRC entered into a long-term lease for 100,000 square feet of program and office space. As part of that lease, the landlord made substantial contributions toward base building renovations. This amount as well as the straight lining of rent escalations is recognized as deferred rent and is being amortized over the life of the lease.

Future minimum lease payments at June 30, 2021, were:

2022	\$ 5,824,733
2023	4,525,777
2024	4,411,236
2025	4,373,005
2026	4,442,439
Thereafter	<u>78,752,034</u>
	<u>\$ 102,329,224</u>

**Bowery Residents' Committee, Inc. and Affiliated Organizations**  
**Notes to Combined Financial Statements**  
**June 30, 2021 and 2020**

**Note 9: Loans Payable**

	2021	2020
<b>BRC</b>		
Mortgage due to the Low-Income Investment Fund, payable in monthly installments of \$12,116 including interest at 6.5% per annum. The mortgage matures on February 1, 2024 and is secured by leasehold mortgage on 317 Bowery, New York, NY and an assignment of certain receivables.	\$ 502,891	\$ 583,376
In May 2020, BRC entered into a loan agreement with Nonprofit Finance Fund for \$3,000,000 as a working capital loan to support its operation due to COVID-19. This loan is payable in four (4) equal quarterly payments commencing August 1, 2022 until May 1, 2023 with zero percent (0%) per annum.	3,000,000	3,000,000
In May 2021, BRC entered into loan agreement with Nonprofit Finance Fund for \$1,000,000 as a working capital loan to support its operation due to COVID-19. This loan is payable in four (4) equal quarterly payments commencing August 27, 2023 until May 27, 2024 with zero percent (0%) per annum.	1,000,000	-
On March 27, 2020, President Trump signed into law the <i>Coronavirus Aid, Relief, and Economic Security Act</i> . During April 2021, the Organization received a loan in the amount of \$9,779,820 pursuant to the Paycheck Protection Program (PPP). The Organization has elected to account for the funding as a loan in accordance with Accounting Standards Codification (ASC) Topic 470, <i>Debt</i> . The loan is due five years from the date of the first disbursement under the loan and has a fixed interest rate of 1 percent per year. Any forgiveness of the loan will be recognized as a gain in the financial statements in the period the debt is legally released. PPP loans are subject to audit and acceptance by the U.S. Department of Treasury, Small Business Administration or lender; as a result of such audit, adjustments could be required to any gain recognized.	9,779,820	-
In February 2015, BRC was awarded a multi-year recoverable grant from the Deutsche Bank Americas Foundation in the amount of \$120,000. There is no interest on the loan. The loan is due in three annual installments of \$40,000, beginning March 31, 2018. BRC received a one year extension for the last \$40,000 payment. During December 2019, BRC received an additional recoverable grant of \$120,000 disbursed in the amount of 40,000 per year for three years. This loan is due in three annual installments of \$40,000 starting on November 2022.	80,000	80,000
Total BRC	14,362,711	3,663,376

**Bowery Residents' Committee, Inc. and Affiliated Organizations**  
**Notes to Combined Financial Statements**  
**June 30, 2021 and 2020**

	2021	2020
<b>Affiliated Organizations</b>		
<b>330 East 4th Street HDFC</b>		
<p>330 East 4th Street HDFC is the holder of the mortgage dated March 30, 1990 to The City of New York for the principal sum of \$1,525,000 and another mortgage dated March 20, 1992 for the principal sum of \$193,921, which were consolidated into a single lien securing the principal sum of \$1,718,921. These consolidated mortgages had interest of \$394,435 accrued and payable as of August 2014.</p>		
<p>In August 2014, the terms of the mortgages and accrued interest were modified. The debt and accrued interest for the mortgage in the amount of \$1,525,000 is due and payable on August 7, 2074 at the rate of 1% per annum. The debt for the mortgage in the amount of \$193,921 is due and payable on December 30, 2023. However, this loan shall be reduced and deemed paid in five equal annual decrements of \$38,784, starting on December 30, 2019 and annually thereafter until December 30, 2023, as long as 330 East 4th HDFC is still owned by a not-for-profit corporation and no default occurs under the mortgage. If any amount is not paid when due, interest on such unpaid amount shall be payable at the rate of 12% per annum from the date such payment was due until paid. The balance on the mortgage as of June 30, 2021 is \$116,353.</p>		
<p>330 East 4th Street HDFC also obtained an additional loan in the amount of \$1,474,000 from the City of New York to rehabilitate the premises as housing for low-income persons, of which only \$760,678 has been drawn down as of June 30, 2021. In December 2019, 330 East 4th Street HDFC obtained a loan in the amount of \$1,161,493 from the City of New York to rehabilitate the premises as housing for low-income persons, of which only \$90,398 has been drawn down as of June 30, 2021.</p>		
	\$ 2,492,429	\$ 2,525,413
<b>Palace Renaissance</b>		
<p>Loan payable due to the City of New York. The loan will not accrue interest (0% loan) and will not require any debt service payments during years one through 25, provided there has been no default thereunder through that date. The loan shall be decreased each year during years 26 through 30 to the extent of 20% of the principal. The loan matures on August 14, 2031.</p>		
	2,854,573	2,854,573
<p>Mortgage payable due to Rebel Realty LLC, accrued interest and principal are due on or before January 2, 2028. The interest rate is 8%. The mortgage is secured by real property.</p>		
	10,000	10,000
<p>Mortgage payable due to 315 Bowery Lender LLC. The mortgage is payable in annual installments plus interest at 3.75%. Mortgage matures on August 30, 2038 and is secured by a leasehold mortgage on 315 Bowery, New York, NY.</p>		
	18,000	18,417
<p>Mortgage payable due to 317 Bowery Lender LLC. The mortgage is payable in annual installments plus interest at 3.75%. Mortgage matures on August 30, 2038 and is secured by a leasehold mortgage on 317 Bowery, New York, NY.</p>		
	18,000	18,417

**Bowery Residents' Committee, Inc. and Affiliated Organizations**  
**Notes to Combined Financial Statements**  
**June 30, 2021 and 2020**

	<b>2021</b>	<b>2020</b>
<b>BRC Landing Road I HDFC</b>		
In March 2018, BRC Landing Road I HDFC obtained a note payable from the Community Preservation Corporation in the amount of \$18,575,688. There is a 5.57% annual interest rate on the loan. The loan principal and interest are due in monthly installments beginning on May 1, 2018. The maturity date on the loan is April 1, 2048.	\$ 17,734,348	\$ 18,016,193
<b>Pitt Street HDFC</b>		
Mortgage due to The City of New York Department of Housing Preservation and Development of \$2,276,588, which consists of three portions; (1) Shelter plus care loan, \$552,000, 5.25% interest rate until 10th anniversary and .97% thereafter, 30-year term maturing in July 2025, (2) Capital budget loan, \$1,330,194, 1.25% interest rate, 30-year term maturing in July 2025 and (3) Loan of \$394,394, 1.25% interest rate, maturing July 2040. Above mortgages were modified in June 2013. The terms of payment of the indebtedness are modified as follows: No interest shall accrue on the principal amount and the principal amount remaining is due in July 2024.	2,276,588	2,276,588
<b>902 Liberty Ave., L.P.</b>		
Mortgage payable to The City of New York Department of Housing Preservation and Development. The interest rate is 3.10% per annum. The mortgage requires no interest or principal payments until maturity in March 2052. The loan is secured by an interest in real estate.	6,446,813	6,446,813
Mortgage payable to NYS Housing Finance Agency. The loan is non-interest-bearing with principal due March 2052. The loan is secured by an interest in real estate.	1,260,000	1,260,000
<b>BRC Landing Road II, L.P.</b>		
Mortgage payable to New York City Housing Development Corporation (HDC). The interest rate is 5.7% per annum. The mortgage requires interest and principal payments until maturity in November 2048. The loan is secured by an interest in real estate.	1,183,475	1,200,797
Mortgage payable (2nd Tranche A) to HDC. The interest rate is 2.72% per annum. The mortgage requires interest and no principal payments until maturity in November 2048. The loan is secured by an interest in real estate.	8,840,000	8,840,000
Mortgage payable (2nd Tranche B – BLA) to HDC. The interest rate is 2.72% per annum. The mortgage requires interest and no principal payments until maturity in November 2048. The loan is secured by an interest in real estate.	7,480,000	7,480,000
Mortgage payable to New York State Homeless Housing and Assistance Corporation. The interest rate is 1% per annum. The mortgage requires no interest or principal payments until maturity in November 2047. The loan is secured by an interest in real estate.	2,015,000	2,015,000

**Bowery Residents' Committee, Inc. and Affiliated Organizations**  
**Notes to Combined Financial Statements**  
**June 30, 2021 and 2020**

	<b>2021</b>	<b>2020</b>
<b>BRC Landing Road II, L.P. (continued)</b>		
Mortgage payable to The City of New York Department of Housing Preservation and Development (Tranche A (BLA) and Tranche B (BLA)). The interest rate is 2.47% per annum up through maturity. This loan does not require interest or principal payments until maturity in November 2078. The loan is secured by an interest in real estate.	\$ 5,683,545	\$ 5,683,545
<b>139-141 Avenue D HDFC</b>		
139-141 Avenue D HDFC is the holder of a mortgage dated June 2017 to the City of New York for the principal sum of \$647,792. As of June 30, 2021, 139-141 Avenue D HDFC was advanced \$635,684 of the mortgage principal. The interest rate is 2.65% per annum up through maturity in December 2048, at which time the outstanding principal and interest are due. The mortgage is secured by an interest in the real estate.	635,684	619,050
Green Reserve Loan payable to New York City Housing Development Corporation (HDC). The interest rate is 2.65% per annum. As of June 30, 2021, 139-141 Avenue D HDFC was advanced \$25,226 of the mortgage principal. The loan requires no interest or principal payments until maturity in December 2048. The loan is secured by an interest in real estate.	25,226	22,824
Reserve Loan payable to New York City Housing Development Corporation (HDC). The interest rate is 0.25% per annum. The mortgage requires interest and principal payments until maturity in December 2023. As of June 30, 2021, the remaining principal balance was \$32,522. The loan is secured by an interest in real estate.	32,526	46,676
Mortgage payable to The City of New York Department of Housing Preservation and Development. The loan is non-interest-bearing and matures in December 2048, at which time outstanding principal and service fees are due. The loan is secured by an interest in real estate.	<u>4,202,370</u>	<u>4,202,370</u>
Total Affiliated Organizations	<u>63,208,577</u>	<u>63,536,676</u>
Total	77,571,288	67,200,052
Less unamortized debt issuance costs	<u>(1,308,899)</u>	<u>(1,363,297)</u>
Total loans payable	<u>\$ 76,262,389</u>	<u>\$ 65,836,755</u>

**Bowery Residents' Committee, Inc. and Affiliated Organizations**  
**Notes to Combined Financial Statements**  
**June 30, 2021 and 2020**

At June 30, 2021, aggregate annual maturities of loans payable are as follows:

2022	\$	638,518
2023		5,861,961
2024		4,134,280
2025		3,030,290
2026		2,629,614
Thereafter		<u>61,276,625</u>
Total loan payable		77,571,288
Less unamortized debt issuance costs		<u>(1,308,899)</u>
		76,262,389
Less current portion		<u>(638,518)</u>
Loans payable, net of current portion	\$	<u><u>75,623,871</u></u>

**Note 10: Pension Benefit Plans**

***Defined Contribution Plan***

The Organization has two defined contribution pension plans covering substantially all employees. Based on the Board approved policy, the Organization matches of up to 4 percent effective July 1st and January 1st after one year of employment. Pension expense was \$921,937 and \$829,382 for the years ended June 30, 2021 and 2020, respectively.

In June 2021, BRC established an eligible deferred compensation plan under code section 457 for tax-exempt employers. The plan benefits a limited number of executives and key employees. Annual contributions are discretionary and may be terminated at any time, although there is currently no intention of management to terminate this plan. In 2021, the contribution was set at 2 percent of the annual base salary for each eligible employee and amounted to \$137,722.

**Bowery Residents' Committee, Inc. and Affiliated Organizations**  
**Notes to Combined Financial Statements**  
**June 30, 2021 and 2020**

**Note 11: Net Assets**

***Net Assets with Donor Restrictions***

Net assets with donor restrictions at June 30 are restricted for the following purposes or periods:

	<u>2021</u>	<u>2020</u>
Subject to expenditure for specified purpose		
The Way Home Fund - real estate development	\$ 339,110	\$ 632,995
Other	15,500	-
Contributions receivable, the proceeds of which have been restricted by donors for The Way Home Fund - real estate development	<u>844,687</u>	<u>-</u>
	<u>\$ 1,199,297</u>	<u>\$ 632,995</u>

***Net Assets Released from Restrictions***

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

	<u>2021</u>	<u>2020</u>
Satisfaction of purpose restrictions		
The Way Home Fund - real estate development	\$ 400,571	\$ 2,903,222

**Note 12: Liquidity and Availability**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of June 30, 2021 and 2020, comprise the following:

	<u>2021</u>	<u>2020</u>
Total current financial assets	\$ 42,259,516	\$ 23,337,611
Donor-imposed restrictions		
With donor restrictions	<u>1,199,297</u>	<u>632,995</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 41,060,219</u>	<u>\$ 22,704,616</u>

The Organization manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

**Bowery Residents' Committee, Inc. and Affiliated Organizations**  
**Notes to Combined Financial Statements**  
**June 30, 2021 and 2020**

**Note 13: Deferred Revenue**

During fiscal year 2021, BRC received advances, which primarily consist of cost reimbursement contracts that have not been expended at year-end. BRC's deferred revenue balance related to these advances totaled \$2,272,636 and \$397,156 at June 30, 2021 and 2020, respectively.

In December 2013, Palace assigned its leasehold interest in 313-315 Bowery to a third party in the amount of \$5,516,000. The amount was recorded as deferred revenue and is being amortized over the remaining life of the lease. The unamortized balance at June 30, 2021 and 2020 was \$3,415,665 and \$3,610,856, respectively.

As of June 30, 2021 and 2020, total deferred revenue was \$5,688,301 and \$4,008,012, respectively.

**Note 14: Revenue from Contracts with Customers**

***Medicaid Revenue***

Medicaid revenue is reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing addiction therapy and other services. These amounts are due from third-party payors and includes variable consideration for price concessions.

Revenue is recognized as performance obligations are satisfied, which is ratably over the period services are provided. Generally, the Organization bills monthly.

***Program Service Fees***

Program service fees revenue is reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing housing and other services. These amounts are due from third-party payors and includes variable consideration for price concessions.

Revenue is recognized as performance obligations are satisfied, which is ratably over the period services are provided. Generally, the Organization bills monthly.

***Other Revenue***

Performance obligations are determined based on the nature of the services provided by the Organization in accordance with the contract. Revenue for performance obligations satisfied over time is recognized ratably over the period the services are provided. The Organization believes this method provides a faithful depiction of the transfer of services over the term of the performance obligation.

**Bowery Residents' Committee, Inc. and Affiliated Organizations**  
**Notes to Combined Financial Statements**  
**June 30, 2021 and 2020**

***Transaction Price and Recognition***

The Organization determines the transaction price based on standard charges for goods and services provided, reduced by implicit price concessions provided to customers. The Organization determines its estimate of implicit price concessions based on its historical collection experience with this class of customers. Payments are due within 30 days of issuance of the invoice.

From time-to-time, the Organization will receive overpayments of customer balances resulting in amounts owed back to either the customers or third parties. These amounts are excluded from revenues and are recorded as liabilities until they are refunded. As of June 30, 2021, the Organization has a liability for refunds to third-party payors recorded of approximately \$500,000. This amount is included in due to government agencies on the statement of financial position.

Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to revenue in the period of the change. For the year ended June 30, 2021, additional revenue of \$304,267 was recognized due to changes in its estimates of implicit price concessions and contractual adjustments for performance obligations satisfied in prior years. Subsequent changes that are determined to be the result of an adverse change in the customer's ability to pay are recorded as bad debt expense.

The Organization has determined that the nature, amount, timing and uncertainty of revenue and cash flows are affected by the following factors:

- Payors (for example, customer, governmental programs and others) that have different reimbursement and payment methodologies
- Organization's line of business that provided the service

For the year ended June 30, 2021, the Organization recognized revenue of \$8,986,761 from goods and services that transfer to the customer over time.

***Contract Balances***

The following table provides information about the Organization's receivables from contracts with customers:

	<b>2021</b>
Accounts receivable, beginning of year	\$ 673,547
Accounts receivable, end of year	542,964

***Financing Component***

The Organization has elected a practical expedient which allows the recognition of the promised amount of consideration without adjusting for the time value of money if the contract has a duration of one year or less.

**Bowery Residents' Committee, Inc. and Affiliated Organizations**  
**Notes to Combined Financial Statements**  
**June 30, 2021 and 2020**

***Contract Costs***

The Organization has elected a practical expedient which allows recognition of incremental costs to obtain a contract as an expense when incurred if the amortization period is less than one year.

**Note 15: Significant Estimates and Concentrations**

Accounting principles generally accepted in the United States of America require disclosure of certain significant estimates and current vulnerabilities due to certain concentrations. Those matters include the following:

***Contributions Receivable***

Approximately 71 and 51 percent of all contributions receivable are from one and two donors in 2021 and 2020, respectively.

***Contributions***

Approximately 20 percent and 16 percent of all contributions were received from one and two donors in 2021 and 2020, respectively.

***Governmental Grants Receivable***

Approximately 80 and 71 percent of all governmental grants receivable are from two agencies in 2021 and 2020, respectively.

***Governmental Grants***

Approximately 80 and 75 percent of all governmental grants were received from two and three agencies in 2021 and 2020, respectively.

***Labor Agreement***

Approximately 63 percent of the Organization's employees are covered by collective bargaining agreements. The collective bargaining agreements expires on June 30, 2021, and negotiations for renewal are ongoing.

***General Litigation***

The Organization is subject to claims and lawsuits that arise primarily in the ordinary course of its activities. It is the opinion of management the disposition or ultimate resolution of such claims and lawsuits will not have a material adverse effect on the financial position, change in net assets and cash flows of the Organization. Events could occur that would change this estimate materially in the near-term.

# **Bowery Residents' Committee, Inc. and Affiliated Organizations**

## **Notes to Combined Financial Statements**

### **June 30, 2021 and 2020**

#### **Note 16: Economic Uncertainties**

As a result of the spread of the COVID-19 coronavirus pandemic, economic uncertainties have arisen which may negatively affect the financial position, changes in net assets and cash flows of the Organization. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

During the reporting period, and supported by emergency orders of the NYC Mayor, BRC significantly increased its residential capacity and budgeted workforce. Further, BRC participated in the major temporary relocation of clients from shelters to hotels, which resulted in temporary increases in expenses. As a result of the passage of the American Rescue Plan in 2021, BRC was finally eligible to and did participate in the Paycheck Protection Program, as described in Note 9.

While certainly not immune to the impacts of the COVID-19 crisis, BRC is proud of the successful emergency response actions that we implemented for our clients, our staff and our sector. We have remained resilient and operational, and it is important to note that our clients continue to achieve significant and positive outcomes. In FY21, BRC has served 7,463 individuals; BRC's residential programs remain fully operational, housing on average more than 2,503 people per night; 4,349 clients successfully completed a BRC program, and 713 people moved into permanent housing.

#### **Note 17: Subsequent Events**

Subsequent events have been evaluated through November 30, 2021, which is the date the financial statements were available to be issued.

#### **Note 18: Future Change in Accounting Principles**

##### ***Accounting for Leases***

FASB amended its standard related to the accounting for leases. Under the new standard, lessees will now be required to recognize substantially all leases on the statements of financial position as both a right-of-use asset and a liability. The standard has two types of leases for statements of activities recognition purposes: operating leases and finance leases. Operating leases will result in the recognition of a single lease expense on a straight-line basis over the lease term similar to the treatment for operating leases under existing standards. Finance leases will result in an accelerated expense similar to the accounting for capital leases under existing standards. The determination of lease classification as operating or finance will be done in a manner similar to existing standards. The new standard also contains amended guidance regarding the identification of embedded leases in service contracts and the identification of lease and nonlease components in an arrangement. The new standard is effective for annual periods beginning after December 15, 2021. The Organization is evaluating the effect the standard will have on the combined financial statements; however, the standard is expected to have a material effect on the combined financial statements due to the recognition of additional assets and liabilities for operating leases.

## **Supplementary Information**

# Bowery Residents' Committee, Inc. and Affiliated Organizations

## Combining Schedules of Financial Position

### June 30, 2021 and 2020

	2021																	
	BRC	Pitt St. HDFC (91 & 93 PH)	330 East HDFC	Fulton St. HDFC	Palace Renaissance	139-141 Avenue D HDFC	139-141 Avenue D GP	902 Liberty Avenue D HDFC	902 Liberty Avenue GP	West 25th St. HDFC	BRC Landing Road I HDFC	BRC AIDS Services	Pitt St. GP	139-141 Avenue D LP	902 Liberty Avenue LP	BRC Landing Road II LP	Eliminations	Total
<b>Assets</b>																		
<b>Current</b>																		
Cash and cash equivalents	\$ 5,630,540	\$ 762,441	\$ -	\$ -	\$ 430,754	\$ 263,990	\$ -	\$ -	\$ -	\$ 1,272	\$ 391,919	\$ -	\$ -	\$ -	\$ 166,435	\$ 187,483	\$ -	\$ 7,834,834
Accounts receivable, net	33,104,248	4,700	-	-	-	101,846	-	-	-	-	-	-	-	-	5,152	92,690	-	33,308,636
Contributions receivable	1,116,046	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,116,046
Prepaid expenses and other assets	1,562,920	-	-	-	116,028	2,981	-	-	-	-	-	-	-	-	235,276	12,090	-	1,929,265
Total current assets	41,413,754	767,141	-	-	546,782	368,817	-	-	-	1,272	391,919	-	-	-	406,863	292,233	-	44,188,781
Assets limited as to use	697,505	1,127,946	-	-	-	278,247	-	-	-	-	39,596	-	-	-	86,844	2,169,687	-	4,399,825
Related party loans	2,205,968	-	-	-	291,949	-	-	-	-	-	-	-	-	-	-	-	-	(2,497,917)
Investment in limited partnerships at cost	100	-	-	-	-	500,100	-	-	-	-	-	-	100	-	-	-	-	(500,300)
Property and equipment, net	27,657,831	1,056,309	1,020,463	433,032	78,430	2,392,278	-	-	-	-	17,771,562	490,729	-	-	11,500,357	40,249,719	(6,722,660)	95,928,050
Total assets	\$ 71,975,158	\$ 2,951,396	\$ 1,020,463	\$ 433,032	\$ 917,161	\$ 3,039,342	\$ 500,100	\$ -	\$ -	\$ 1,272	\$ 18,203,077	\$ 490,729	\$ 100	\$ -	\$ 11,994,064	\$ 42,711,639	\$ (9,720,877)	\$ 144,516,656
<b>Liabilities and Net Assets</b>																		
<b>Current Liabilities</b>																		
Accounts payable and accrued expenses	\$ 17,608,464	\$ 2,970	\$ 2,805	\$ 2,805	\$ 25,389	\$ 4,731	\$ -	\$ -	\$ -	\$ 2,895	\$ 2,895	\$ -	\$ -	\$ -	\$ 31,167	\$ 118,321	\$ -	\$ 17,802,631
Due to/from affiliates	3,702,865	(155,878)	(302,897)	626,485	(4,917,953)	2,379	1,085	(16,571)	(1,494)	6,396	(951,223)	1,886,225	2,191	-	17,806	100,584	-	-
Due to government agencies	500,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	500,000
Accrued salaries and fringes	6,700,547	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,700,547
Accrued interest payable	66,880	476,707	461,313	8,829	788	152,585	-	-	-	-	17,815	-	-	-	2,306,857	1,745,632	(45,672)	5,191,734
Deferred revenue	2,198,565	22,072	-	-	195,181	-	-	-	-	-	-	-	-	-	735,309	728,799	(1,415,609)	2,464,317
Lines of credit	1,500,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,500,000
Current portion of loans payable	638,518	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	638,518
Total current liabilities	32,915,839	345,880	161,311	638,209	(4,696,595)	159,695	1,085	(16,571)	(1,494)	9,291	(930,515)	1,886,225	2,191	-	3,091,139	2,693,336	(1,461,281)	34,797,747
Deferred rent	6,964,712	-	-	-	(8,327)	-	-	-	-	-	-	-	-	-	-	-	-	6,956,385
Deferred revenue, net of current portion	-	-	-	-	3,223,984	-	-	-	-	-	-	-	-	-	-	-	-	3,223,984
Loans payable, net of current portion	14,016,142	2,276,588	2,492,429	-	2,900,573	4,895,806	-	-	-	-	17,734,348	-	-	-	7,954,904	25,850,998	(2,497,917)	75,623,571
Total liabilities	53,896,693	2,622,468	2,653,740	638,209	1,419,635	5,055,501	1,085	(16,571)	(1,494)	9,291	16,803,835	1,886,225	2,191	-	11,046,043	28,544,334	(3,959,198)	120,601,987
<b>Net Assets</b>																		
Without donor restrictions	16,879,168	328,928	(1,633,277)	(205,177)	(802,474)	(2,016,159)	499,015	16,571	1,494	(8,019)	1,399,242	(1,395,496)	(2,091)	-	-	-	(5,761,679)	7,600,046
With donor restrictions	1,199,297	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,199,297
Noncontrolling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	948,021	14,167,305	-	15,115,326
Total net assets	18,078,465	328,928	(1,633,277)	(205,177)	(802,474)	(2,016,159)	499,015	16,571	1,494	(8,019)	1,399,242	(1,395,496)	(2,091)	-	948,021	14,167,305	(5,761,679)	23,914,669
Total liabilities and net assets	\$ 71,975,158	\$ 2,951,396	\$ 1,020,463	\$ 433,032	\$ 917,161	\$ 3,039,342	\$ 500,100	\$ -	\$ -	\$ 1,272	\$ 18,203,077	\$ 490,729	\$ 100	\$ -	\$ 11,994,064	\$ 42,711,639	\$ (9,720,877)	\$ 144,516,656

# Bowery Residents' Committee, Inc. and Affiliated Organizations

## Combining Schedules of Financial Position (Continued)

### June 30, 2021 and 2020

	2020																	
	BRC	Pitt St. HDFC (91 & 93 Pitt)	330 East HDFC	Fulton St. HDFC	Palace Renaissance	139-141 Avenue D HDFC	139-141 Avenue D GP	902 Liberty Avenue HDFC	902 Liberty Avenue GP	West 25th St. HDFC	BRC Landing Road I HDFC	BRC AIDS Services	Pitt St. GP	139-141 Avenue D LP	902 Liberty Avenue LP	BRC Landing Road II LP	Eliminations	Total
<b>Assets</b>																		
<b>Current</b>																		
Cash and cash equivalents	\$ 4,498,850	\$ 459,145	\$ -	\$ -	\$ 362,624	\$ 59,539	\$ -	\$ -	\$ -	\$ 102,272	\$ 393,655	\$ -	\$ -	\$ -	\$ 16,152	\$ 249,500	\$ -	\$ 6,141,737
Accounts receivable, net	16,117,837	6,921	-	-	(39,987)	107,520	-	-	-	-	-	-	-	-	746	-	-	16,235,900
Contributions receivable	959,974	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	959,974
Prepaid expenses and other assets	914,873	-	-	-	116,028	-	-	-	-	-	-	-	-	-	233,046	255	-	1,264,202
Total current assets	22,491,534	466,066	-	-	438,665	167,059	-	-	-	102,272	393,655	-	-	-	249,944	292,618	-	24,601,813
Assets limited as to use	675,155	1,119,270	-	-	-	306,512	-	-	-	-	27,092	-	-	-	35,469	2,042,576	-	4,206,074
Related party loans	2,205,968	-	-	-	378,183	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment in limited partnerships at cost	100	-	-	-	-	500,100	-	-	-	-	-	-	100	-	-	-	-	(2,584,151)
Property and equipment, net	24,668,232	1,189,248	1,135,762	475,610	96,365	2,305,493	(12,400)	-	-	-	18,221,290	\$20,173	-	-	11,888,919	41,231,995	(7,153,211)	94,767,476
Total assets	\$ 50,040,989	\$ 2,774,584	\$ 1,135,762	\$ 475,610	\$ 913,213	\$ 2,979,064	\$ 487,700	\$ -	\$ -	\$ 102,272	\$ 18,642,037	\$ 520,173	\$ 100	\$ -	\$ 12,174,332	\$ 43,567,189	\$ (10,237,662)	\$ 123,575,363
<b>Liabilities and Net Assets</b>																		
<b>Current Liabilities</b>																		
Accounts payable and accrued expenses	\$ 8,868,648	\$ 2,669	\$ 6,455	\$ 2,597	\$ 3,200	\$ 35,942	\$ -	\$ -	\$ -	\$ 2,600	\$ 961,129	\$ -	\$ -	\$ -	\$ 16,522	\$ 84,957	\$ (35,981)	\$ 9,948,728
Due to/from affiliates	3,971,976	(108,955)	(307,404)	668,835	(5,070,915)	39,127	(11,461)	(18,695)	(1,526)	104,796	(1,251,358)	1,886,225	2,159	-	19,500	77,696	-	-
Accrued salaries and fringes	4,962,308	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,962,308
Accrued interest payable	50,309	476,707	461,313	8,829	630	117,566	-	-	-	-	17,815	-	-	2,044,504	1,291,121	-	4,468,794	
Deferred revenue	325,234	22,072	-	-	198,672	-	-	-	-	-	-	-	-	735,309	726,659	-	(1,415,609)	992,337
Lines of credit	5,000,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,000,000
Current portion of loans payable	542,440	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	542,440
Total current liabilities	23,720,915	392,483	160,364	680,261	(4,868,413)	192,635	(11,461)	(18,695)	(1,526)	107,396	(272,414)	1,886,225	2,159	-	2,815,835	2,180,433	(1,451,590)	25,514,607
Deferred rent	7,373,465	-	-	-	857	-	-	-	-	-	-	-	-	-	-	-	-	7,374,322
Deferred revenue, net of current portion	-	-	-	-	3,415,675	-	-	-	-	-	-	-	-	-	-	-	-	3,415,675
Loans payable, net of current portion	3,499,119	2,276,588	2,525,413	-	2,901,407	4,890,920	-	-	-	-	18,016,193	-	-	7,950,074	25,818,752	(2,584,151)	65,294,315	
Total liabilities	34,593,499	2,669,071	2,685,777	680,261	1,449,526	5,083,555	(11,461)	(18,695)	(1,526)	107,396	17,743,779	1,886,225	2,159	-	10,765,909	27,999,185	(4,035,741)	101,598,919
<b>Net Assets</b>																		
Without donor restrictions	14,814,495	105,513	(1,580,015)	(204,651)	(536,313)	(2,104,491)	499,161	18,695	1,526	(5,124)	898,258	(1,366,052)	(2,059)	-	-	-	(6,201,921)	4,367,022
With donor restrictions	632,995	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	632,995
Noncontrolling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,408,423	15,568,004	-	16,976,427
Total net assets	15,447,490	105,513	(1,580,015)	(204,651)	(536,313)	(2,104,491)	499,161	18,695	1,526	(5,124)	898,258	(1,366,052)	(2,059)	-	1,408,423	15,568,004	(6,201,921)	21,976,444
Total liabilities and net assets	\$ 50,040,989	\$ 2,774,584	\$ 1,135,762	\$ 475,610	\$ 913,213	\$ 2,979,064	\$ 487,700	\$ -	\$ -	\$ 102,272	\$ 18,642,037	\$ 520,173	\$ 100	\$ -	\$ 12,174,332	\$ 43,567,189	\$ (10,237,662)	\$ 123,575,363

# Bowery Residents' Committee, Inc. and Affiliated Organizations

## Combining Schedules of Activities

### Years Ended June 30, 2021 and 2020

	2021																				
	BRC Without Donor Restrictions	BRC With Donor Restrictions	Total BRC	Pitt St. HDPC (91 & 93 Pitt)	330 East HDPC	Fulton St. HDPC	Palace Renaissance	139-141 Avenue D HDPC	139-141 Avenue D GP	902 Liberty Avenue HDPC	902 Liberty Avenue GP	West 25th St. HDPC	BRC Landing Road I HDPC	BRC AIDS Services	Pitt St. GP	139-141 Avenue D LP	902 Liberty Avenue LP	BRC Landing Road II LP	Eliminations	Total	
<b>Public Support and Revenue</b>																					
Government and other grants	\$ 119,933,958	\$ -	\$ 119,933,958	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 140,729	\$ 422,001	\$ (140,729)	\$ 120,355,059	
Medicaid	5,753,665	-	5,753,665	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,753,665	
Program service fees	1,881,578	-	1,881,578	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,881,578	
Rental income	1,514,499	-	1,514,499	398,949	-	45,000	195,181	464,639	-	-	-	-	1,951,755	-	-	-	676,435	932,355	(2,051,291)	4,127,522	
Contributions	2,026,497	966,873	2,993,370	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,993,370	
Management fees	140,960	-	140,960	-	-	-	-	-	-	-	10,000	-	-	-	-	-	-	-	-	(150,960)	
Other income	1,238,898	-	1,238,898	16,398	38,784	-	20,345	13,929	-	-	-	-	-	-	-	-	-	-	-	75,732	
Net assets released from restrictions	400,571	(400,571)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(28,345)	
Total revenues before special events	132,900,626	566,302	133,466,928	415,347	38,784	45,000	215,526	478,568	-	10,000	-	-	1,951,755	-	-	-	817,164	1,430,088	(2,363,325)	136,905,835	
Special events revenue	914,789	-	914,789	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	914,789	
Cost of direct benefits to donors	(88,865)	-	(88,865)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(88,865)	
Net revenue from special events	856,224	-	856,224	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	856,224	
Total public support and revenue	133,756,850	566,302	134,323,152	415,347	38,784	45,000	215,526	478,568	-	10,000	-	-	1,951,755	-	-	-	817,164	1,430,088	(2,363,325)	137,362,059	
<b>Expenses</b>																					
Program services																					
Gateway Services	49,040,485	-	49,040,485	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(20,345)	49,040,140
Homeless Services	42,530,240	-	42,530,240	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,951,755)	40,578,485
Housing Services	13,234,874	-	13,234,874	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13,234,874
Treatment Services	12,152,168	-	12,152,168	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(62,400)	12,089,768
Total program services	116,777,267	-	116,777,267	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,034,800)	114,742,467
Supporting services																					
Management and general	14,179,473	-	14,179,473	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(37,136)	14,142,337
Fundraising	734,937	-	734,937	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	734,937
Total supporting services	14,914,410	-	14,914,410	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(37,136)	14,877,274
Affiliated organizations' expenses	-	-	-	191,932	122,046	45,526	181,687	390,236	146	2,124	10,032	2,895	1,450,771	29,444	32	-	1,277,566	2,830,787	(731,931)	5,803,293	
Total expenses	131,692,177	-	131,692,177	191,932	122,046	45,526	181,687	390,236	146	2,124	10,032	2,895	1,450,771	29,444	32	-	1,277,566	2,830,787	(2,805,567)	135,423,834	
<b>Change in Net Assets Before Other Items</b>	2,064,673	566,302	2,630,975	223,415	(83,262)	(526)	33,839	88,332	(146)	(2,124)	(32)	(2,895)	500,984	(29,444)	(32)	-	(460,402)	(1,400,699)	440,242	1,938,225	
<b>Change in Net Assets</b>	2,064,673	566,302	2,630,975	223,415	(83,262)	(526)	33,839	88,332	(146)	(2,124)	(32)	(2,895)	500,984	(29,444)	(32)	-	(460,402)	(1,400,699)	440,242	1,938,225	
<b>Net Assets, Beginning of Year</b>	14,814,495	632,995	15,447,490	105,513	(1,550,015)	(204,651)	(536,313)	(2,104,491)	499,161	18,695	1,526	(5,124)	898,258	(1,366,052)	(2,059)	-	1,408,423	15,568,004	(6,201,921)	21,976,444	
<b>Net Assets, End of Year</b>	\$ 16,879,168	\$ 1,199,297	\$ 18,078,465	\$ 328,928	\$ (1,633,277)	\$ (205,177)	\$ (502,474)	\$ (2,016,159)	\$ 499,015	\$ 16,571	\$ 1,494	\$ (8,039)	\$ 1,399,242	\$ (1,395,496)	\$ (2,091)	\$ -	\$ 948,021	\$ 14,167,305	\$ (5,761,679)	\$ 23,914,669	

# Bowery Residents' Committee, Inc. and Affiliated Organizations

## Combining Schedules of Activities (Continued)

### Years Ended June 30, 2021 and 2020

	2020																				
	BRC Without Donor Restrictions	BRC With Donor Restrictions	Total BRC	Phit St. HDFC (B1 & B3 PH)	330 East HDFC	Fulton St. HDFC	Palace Renaissance	139-141 Avenue D HDFC	139-141 Avenue D GP	902 Liberty Avenue HDFC	902 Liberty Avenue GP	West 25th St. HDFC	BRC Landing Road I HDFC	BRC AIDS Services	Phit St. GP	139-141 Avenue D LP	902 Liberty Avenue LP	BRC Landing Road II LP	Eliminations	Total	
<b>Public Support and Revenue</b>																					
Government and other grants	\$ 86,076,099	\$ -	\$ 86,076,099	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 178,347	\$ 411,708	\$ (178,347)	\$ 86,487,807	
Medicaid	6,188,150	-	6,188,150	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,188,150	
Program service fees	1,739,716	-	1,739,716	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,739,716	
Rental income	1,384,527	-	1,384,527	391,202	-	45,000	214,854	468,800	-	-	-	-	1,904,151	-	-	-	700,119	933,793	(2,003,687)	4,038,359	
Contributions	1,330,729	666,136	1,996,865	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,996,865	
Management fees	121,185	-	121,185	-	-	-	-	-	-	-	10,000	-	-	-	-	-	-	-	-	(131,185)	
Other income	1,359,607	-	1,359,607	80,917	38,784	-	25,355	271,375	-	-	-	-	-	-	-	-	-	37,941	(832,541)	952,681	
Net assets released from restrictions	2,903,222	(2,903,222)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total revenues before special events	101,103,235	(2,237,086)	98,866,149	472,119	38,784	45,000	240,209	740,175	-	-	10,000	-	1,904,151	-	-	-	849,739	1,383,412	(3,145,760)	101,403,978	
Special events revenue	1,190,927	-	1,190,927	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,190,927	
Cost of direct benefit to donors	(124,340)	-	(124,340)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(124,340)	
Net revenue from special events	1,066,587	-	1,066,587	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,066,587	
Total public support and revenue	102,169,822	(2,237,086)	99,932,736	472,119	38,784	45,000	240,209	740,175	-	-	10,000	-	1,904,151	-	-	-	849,739	1,383,412	(3,145,760)	102,470,565	
<b>Expenses</b>																					
Program services																					
Gateway Services	26,897,392	-	26,897,392	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(25,355)	26,872,037
Homeless Services	36,501,505	-	36,501,505	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,004,151)	34,997,354
Housing Services	11,488,647	-	11,488,647	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,488,647
Treatment Services	12,897,070	-	12,897,070	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(62,400)	12,834,670
Total program services	87,784,614	-	87,784,614	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,991,906)	85,792,708
Supporting services																					
Management and general	11,709,266	-	11,709,266	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(37,136)	11,672,130
Fundraising	721,735	-	721,735	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	721,735
Total supporting services	12,431,001	-	12,431,001	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(37,136)	12,393,865
Affiliated organizations' expenses	-	-	-	233,526	273,712	27,933	279,021	452,051	48,501	470	104,246	2,600	1,935,353	28,033	25,093	-	1,432,105	2,785,879	(547,130)	7,081,393	
Total expenses	100,215,615	-	100,215,615	233,526	273,712	27,933	279,021	452,051	48,501	470	104,246	2,600	1,935,353	28,033	25,093	-	1,432,105	2,785,879	(2,576,172)	105,267,966	
<b>Change in Net Assets Before Other Items</b>	1,954,207	(2,237,086)	(282,879)	238,593	(234,928)	17,067	(38,812)	288,124	(48,501)	(470)	(94,246)	(2,600)	(31,202)	(28,033)	(25,093)	-	(582,366)	(1,402,467)	(569,588)	(2,797,401)	
<b>Transfer to HDFC</b>	-	-	-	-	-	-	-	(2,356,611)	-	-	-	-	-	-	-	-	2,356,611	-	-	-	-
<b>Change in Net Assets</b>	1,954,207	(2,237,086)	(282,879)	238,593	(234,928)	17,067	(38,812)	(2,068,487)	(48,501)	(470)	(94,246)	(2,600)	(31,202)	(28,033)	(25,093)	-	(582,366)	(1,402,467)	(569,588)	(2,797,401)	
<b>Capital Contributions</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	457,436	-	457,436
<b>Net Assets, Beginning of Year</b>	12,860,288	2,870,081	15,730,369	(133,080)	(1,315,087)	(221,718)	(497,501)	(36,004)	547,662	19,165	95,772	(2,524)	929,460	(1,338,019)	23,034	(2,356,611)	1,990,789	16,513,035	(5,632,333)	24,316,409	
<b>Net Assets, End of Year</b>	\$ 14,814,495	\$ 632,995	\$ 15,447,490	\$ 105,513	\$ (1,550,015)	\$ (204,651)	\$ (536,313)	\$ (2,104,491)	\$ 499,161	\$ 18,695	\$ 1,526	\$ (5,124)	\$ 898,258	\$ (1,366,052)	\$ (2,099)	\$ -	\$ 1,408,423	\$ 15,568,004	\$ (6,201,921)	\$ 21,976,444	