



Alaska
Housing
FINANCE CORPORATION

A Component Unit of the State of Alaska

Financial Statements
And Independent Auditor's Report

June 30, 2021

With Summarized Financial Information
for June 30, 2020

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This publication of Alaska Housing Finance Corporation. For comments or questions:
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Independent Auditor's Report

To the Board of Directors
Alaska Housing Finance Corporation
Anchorage, Alaska

Report on the Financial Statements

We have audited the accompanying financial statements of net position, revenues, expenses, and change in net position and cash flows of each major fund of the Alaska Housing Finance Corporation (the Corporation), a component unit of the State of Alaska, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Corporation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund of the Alaska Housing Finance Corporation as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters**Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedules of the net pension liability, contributions to the pension plan, net OPEB liability, and contributions to the OPEB plan be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Alaska Housing Finance Corporation's basic financial statements. The accompanying supplementary financial information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary financial information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2021, on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Boise, Idaho
September 30, 2021

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MANAGEMENT'S DISCUSSION AND ANALYSIS

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial report of the Alaska Housing Finance Corporation (the "Corporation" or "AHFC") consists of three sections: Management's Discussion and Analysis, the Basic Financial Statements, and Supplementary Schedules. The Corporation's operations are business-type activities and follow enterprise fund accounting rules. The Corporation is a component unit of the State of Alaska (the "State") and is discretely presented in the State's financial statements. The Corporation's Basic Financial Statements include the Statement of Net Position; the Statement of Revenues, Expenses and Changes in Net Position; the Statement of Cash Flows; and the Notes to Financial Statements. These statements are presented for all of the Corporation's operations and grouped by program or function. Summarized financial information for fiscal year 2021 is also presented in Management's Discussion and Analysis to facilitate and enhance the understanding of the Corporation's financial position and the results of operations for the current fiscal year in comparison to the prior fiscal year.

Management's Discussion and Analysis

This section of the Corporation's annual financial report presents management's discussion and analysis of the financial position and results of operations for the fiscal year ended June 30, 2021. This information is presented to assist the reader in identifying significant financial issues and to provide additional information regarding the activities of the Corporation. This information should be read in conjunction with the Independent Auditors' Report, audited financial statements and accompanying notes.

Basic Financial Statements

The *Statement of Net Position (Exhibit A)* helps answer the question: "How is the Corporation's financial health at the end of the year?" The Statement of Net Position includes all assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the Corporation, both financial and capital, short-term and long-term. It uses the accrual basis of accounting and economic resources measurement focus. The accrual basis of accounting is used by most private-sector companies. The resulting net position presented in the Statement of Net Position is characterized as restricted or unrestricted. Assets are restricted when their use is subject to external limits or rules such as bond resolutions, legal agreements, or statutes. Assets not included in this category are characterized as unrestricted. Over time, changes in net position may serve as a useful indicator of whether the financial position of the Corporation is improving or declining.

The *Statement of Activities (Exhibit B)* measures the activities of the Corporation's operations over the past year and presents the operating income or (loss) and change in net position. It can be used to determine whether the Corporation has successfully recovered all of its expenses through mortgage and loan interest, investment interest, externally funded programs and other revenue sources. The Statement of Revenues, Expenses and Changes in Net Position helps answer the question: "Is the Corporation as a whole better or worse off as a result of the year's activities?"

The primary purpose of the *Statement of Cash Flows (Exhibit C)* is to provide information about the sources and uses of the Corporation's cash and the components of the change in cash balance during the reporting period. This statement reports cash receipts, cash payments, and net changes resulting from operations, non-capital and capital financing and investing activities. It provides answers to such questions as: "Where did cash come from?"; "What was cash used for?" and "What was the change in the cash balance during the reporting period?"

The *Notes to Financial Statements* provide additional information that is essential to a full understanding of the data provided in the Basic Financial Statements. The *Notes to Financial Statements* follow *Exhibit C*.

Major Funds

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For fiscal year 2021, the Corporation reports the following major funds:

The Administrative Fund is the main operating fund of the Corporation. It represents all of the Corporation's activity not presented in other funds. The resources in this fund:

- provide for general working capital requirements of the Corporation;
- fund program requirements;
- are available to meet outstanding obligations and to fund continuing appropriations;
- are available to absorb future loan foreclosure losses; and
- are the source of legislatively authorized transfers to and from the State of Alaska and debt service payments for debt issued on behalf of the State.

As of June 30, 2021, the Administrative Fund reported a net position of \$641.5 million, an increase of \$84.5 million from June 30, 2020. The increase in net position is largely due to internal transfers from the Mortgage and Bond Funds, despite an operating loss of \$7.6 million. The Administrative Fund transferred \$728.3 million to the Mortgage and Bond Funds, whereas \$839.3 million transferred from the Mortgage and Bond Funds, resulting in a net transfer into the Administrative Fund of \$111.0 million. Transfers for loan purchases totaled \$87.3 million more than in the previous year, and loans were warehoused in the Administrative Fund after the refunding of bonds. Interest rate cuts during the COVID-19 Pandemic by the Federal Reserve, and an increase in medical expense of \$2.0 million contributed to the operating loss. Unrestricted net position totaled \$500.8 million, or 78% of the total net position in the fund, and may be used for operations and to meet the continuing obligations of the Corporation.

The Grant Programs Fund includes resources provided to other agencies and individuals to develop and improve affordable housing units for lower income families and to assist in improving the energy efficiency of Alaskan homes, as well as tenant-based rental assistance programs for families in the private market that are administered by the Corporation under contract with HUD. These programs include the Energy Programs, the Section 8 Voucher Programs, and Other Grants. In fiscal year 2021, the Corporation received Federal grants from the U.S. Treasury Department for rental and mortgage assistance for those impacted by the COVID-19 Pandemic totaling \$225.3 million, with additional funding expected in fiscal year 2022. This had no appreciable effect on net position, as the majority of the funding is used to assist those in need.

The Mortgage and Bond Funds include resources used to assist in the financing of loan programs or to fund legislative appropriations. This fund includes the First Time Homebuyer Program Bonds, Veterans Mortgage Program Bonds, Other Housing Bonds, and Non-Housing Bonds.

As of June 30, 2021, the Mortgage and Bond Funds reported a net position of \$802.3 million, a decrease of \$72.0 million from the previous year. Funds are transferred to the Administrative Fund to fund mortgage purchases, and there was \$87.3 million more transferred to the Administrative Fund in FY2021 for purchases than in FY2020. Even though there were more loan purchases in FY2021 than the previous year, loan payoffs increased by 52% during the current fiscal year due to lower interest rates and refinancing. During fiscal year 2021, the mortgage loan portfolio decreased by 8.1%, or \$266.5 million, from fiscal year 2020. Approximately \$624.3 million, or 77.8%, of the fund's net position is restricted by bond resolutions.

The Other Funds and Programs include AHFC-owned housing for low-income families that is managed under contract with HUD as well as other programs that are not specifically grants or bond funds. These programs include the Low Rent Program, the Market Rate Rental Housing Program, the Home Ownership Fund and the Senior Housing Revolving Loan Fund. The fund had an operating loss of \$6.3 million in fiscal year 2021. This exceeded the loss in fiscal year 2020 by \$2.1 million. In fiscal year 2021, the Administrative Fund transferred \$2.3 million to Other Funds and Programs.

The Alaska Corporation for Affordable Housing ("ACAH") is a non-profit public benefit corporation that develops and operates affordable housing for Alaskans, utilizing various funding sources. ACAH is reported as a major blended component unit for the benefit of users of the financial statements. ACAH's net position at June 30, 2021, was \$24.7 million. ACAH had an operating loss of \$8,000 in fiscal year 2021, and the Administrative Fund

MANAGEMENT'S DISCUSSION AND ANALYSIS

transferred \$618,000 into ACAH. ACAH's net income (loss) is the product of rental income from both housing and non-housing properties and expenses include rental property expenses and payroll expenses.

FINANCIAL HIGHLIGHTS

- The Corporation had operating income in fiscal year 2021 of \$10.0 million. The decrease from fiscal year 2020 was the result of lower interest rates earned on investments as well as on the mortgage portfolio. The average interest rate on the mortgage portfolio was 4.17%, a 5.7% decrease from the prior year, and the portfolio itself decreased by \$266.5 million, or 8.1%. (See discussion above in "Mortgage and Bond Funds".)
- The Corporation's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources as of June 30, 2021, by \$1.62 billion (net position), 77.8% of which is unrestricted.
- During the fiscal year ended June 30, 2021, the investment portfolio earned approximately 0.24% overall, as compared to 1.76% for the fiscal year ended June 30, 2020, reflecting the decrease in short-term interest rates.
- The Corporation's mortgage loan portfolio is one of its primary assets. During the fiscal year ended June 30, 2021, the mortgage loan portfolio decreased by 8.1%, primarily due to loan payoffs. Loan payoffs in fiscal year 2021 exceeded loan purchases by \$120.2 million.
- The bond portfolio decreased by 8.6%. See the paragraphs below regarding bonds issued and redeemed in fiscal year 2021.
- On September 15, 2020, the Corporation issued \$209,845,000 in General Mortgage Revenue Bonds II, 2020 Series A and Series B. Net proceeds of the bonds totaled \$228,549,000, including a premium of \$18,704,000. Proceeds were used to refund a portion of the Corporation's outstanding commercial paper, purchase mortgages, refund bonds, and pay costs of issuance. The bonds are general obligations of the Corporation and are tax exempt. The bonds bear interest at fixed rates and are payable on each June 1 and December 1, with a final maturity of December 1, 2044.
- On October 13, 2020, the Corporation issued \$96,665,000 in State Capital Project Bonds II, 2020 Series A. Proceeds were used to fund an escrow account for the partial defeasance of State Capital Project Bonds II, 2012 Series A, 2013 Series A, and 2014 Series A. The bonds are taxable general obligations of the Corporation bearing interest at fixed rates between 0.531% and 2.18%, payable on each June 1 and December 1, with a final maturity of December 1, 2033.
- On April 28, 2021, the Corporation issued \$90,420,000 of State Capital Project Bonds II, 2021 Series A (Social Bonds). Net proceeds totaled \$110,885,000, including a premium of \$20,465,000. The bonds are the first series of bonds designated by the Corporation as "Social Bonds" based on the intended use of proceeds. Social Bonds finance projects that directly aim to address or mitigate a specific social issue and/or seek to achieve positive social outcomes. The bonds are tax-exempt general obligations of the Corporation bearing interest at fixed rates between 3.00% and 5.00%, payable on each June 1 and December 1, with a final maturity of June 1, 2030.
- The Corporation redeemed a total of \$424,980,000 in bonds. Scheduled bond redemptions totaled \$95,325,000, and special redemptions totaled \$329,655,000. Redemptions exceeded new bond issuances by over \$28.1 million.
- As of June 30, 2021, the weighted average interest rate on the mortgage and bond portfolios was 4.17% and 3.03%, respectively, yielding a net interest margin of 1.14%, an increase of 2.7% from 1.11% in fiscal year 2020.
- The U.S. Department of the Treasury awarded the Corporation funding for rental and mortgage assistance for those affected by the COVID-19 pandemic. The funding came from the Consolidated Appropriations

MANAGEMENT'S DISCUSSION AND ANALYSIS

and the Rescue America Plan Acts of 2021. Funding received in fiscal year 2021 totaled \$225,300,000 to assist Alaskans struggling to make rent or mortgage payments due to the coronavirus pandemic.

CONDENSED STATEMENT OF NET POSITION

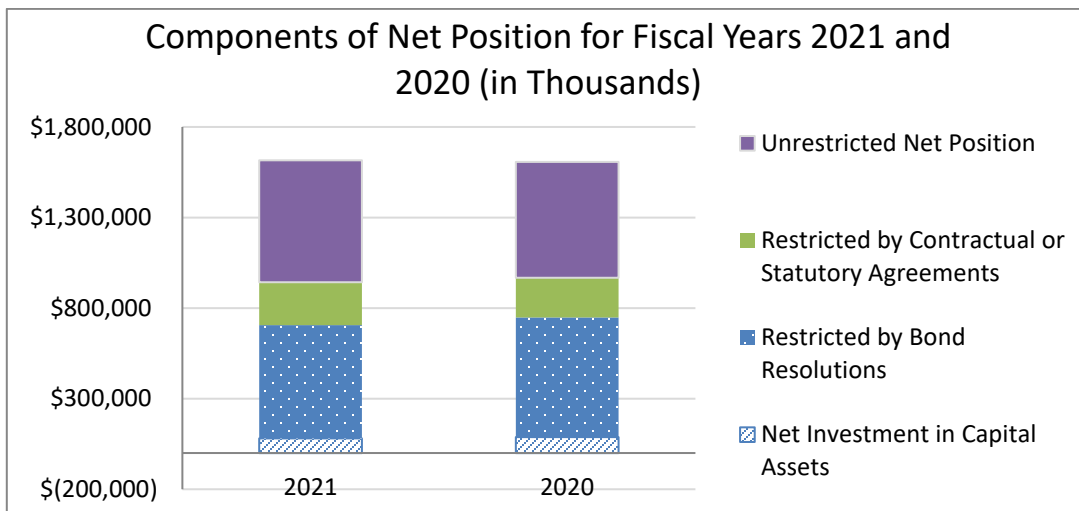
The following table presents condensed information about the financial position of the Corporation as of June 30, 2021, and 2020, and changes in balances during the fiscal year ended June 30, 2021 (in thousands):

	2021	2020	Increase/(Decrease)	
Cash and investments	\$ 1,141,834	\$ 945,157	\$ 196,677	20.8%
Mortgage loans, notes and other loans, net	2,995,561	3,256,290	(260,729)	-8.0%
Capital assets, net	81,177	87,061	(5,884)	-6.8%
Other assets	73,647	60,108	13,539	22.5%
Total Assets	4,292,219	4,348,616	(56,397)	-1.3%
Deferred outflow of resources	210,255	261,327	(51,072)	-19.5%
Bonds and notes payable, net	2,366,206	2,572,813	(206,607)	-8.0%
Short term debt	130,697	115,366	15,331	13.3%
Accrued interest payable	6,681	7,257	(576)	-7.9%
Derivatives	168,250	234,281	(66,031)	-28.2%
Pension and OPEB liabilities	37,216	36,968	248	0.7%
Other liabilities	173,981	33,433	140,548	420.4%
Total Liabilities	2,883,031	3,000,118	(117,087)	-3.9%
Deferred inflow of resources	3,512	2,861	651	22.8%
Total net position	\$ 1,615,931	\$ 1,606,964	\$ 8,967	0.6%

The decrease in total assets during FY 2021 is primarily due to a decrease in mortgage loans due to loan payoffs resulting from the availability of relatively low market interest rates.

Total liabilities decreased by \$117,087,000. The Corporation issued new bonds totaling \$396,930,000, but bond redemptions, both scheduled and special, totaled \$424,980,000. Bond redemptions exceeded new bond issuance by \$28.1 million. See the description of new bond issuances in fiscal year 2021 in the Financial Highlights section of this report.

The chart below shows the various components of net position in fiscal years 2021 and 2020.



MANAGEMENT'S DISCUSSION AND ANALYSIS

CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

The following table presents condensed information about the revenues, expenses and changes in net position for the fiscal years ended June 30, 2021, and 2020, and the variances from the prior fiscal year (in thousands):

Condensed Statement of Revenues, Expenses, and Changes in Net Position

	2021	2020	Increase/(Decrease)	
Mortgage and loan revenue	\$ 132,258	\$ 147,068	\$ (14,810)	-10.1%
Investment interest income	5,669	13,031	(7,362)	-56.5%
Net change in fair value of investments	(1,579)	1,745	(3,324)	-190.5%
Externally funded programs	154,023	76,113	77,910	102.4%
Rental and other revenue	15,709	13,119	2,590	19.7%
Total operating revenue	306,080	251,076	55,004	21.9%
Interest expense	70,987	81,137	(10,150)	-12.5%
Mortgage and loan costs	8,581	8,124	457	5.6%
Bond financing expenses	6,033	5,163	870	16.9%
Operations and administration	50,360	40,958	9,402	23.0%
Rental housing and grant expenses	160,141	80,153	79,988	99.8%
Total operating expense	296,102	215,535	80,567	37.4%
Operating income(loss)	9,978	35,541	(25,563)	-71.9%
Contributions to the State of Alaska	(1,011)	-	(1,011)	
Change in net position	\$ 8,967	\$ 35,541	\$ (26,574)	-74.8%

Total operating revenues decreased by \$55.0 million during fiscal year 2021. The low interest rates set by the Federal Reserve are the primary cause of the decrease since both investment revenue and mortgage interest revenue have been negatively impacted. Grant revenue increased by \$77.9 million from the previous year due to large COVID-19 housing grants from the Federal Government, but as grant expenses similarly increased, there was essentially no effect on operating income.

Operating expenses increased in 2021 due primarily to increased medical expense and other administrative expenses.

In fiscal year 2021, the Corporation sent \$1.0 million cash contributions to the State of Alaska. See Footnote No. 18 in the Notes to the Financial Statements for more details about the Transfer Plan.

CAPITAL ASSETS AND DEBT ADMINISTRATION

The Corporation's capital assets include land, buildings, office, and computer equipment. Capital assets are presented in the financial statements at \$81.2 million (net of accumulated depreciation), a decrease of 6.8%. No large capital assets were disposed of in fiscal year 2021. The decrease is due to depreciation of those capital assets. Typically, the change in capital assets in any given year is immaterial to the overall operation of the Corporation.

MANAGEMENT'S DISCUSSION AND ANALYSIS

As of June 30, 2021, the Corporation had \$2.4 billion in outstanding bonds and notes payable secured by assets held and the general obligation pledge of the Corporation. The Corporation's general obligation is rated by three major rating agencies as follows. There has been no change in the Corporation's ratings from previous years.

Rating Category	Standard & Poor's	Moody's	Fitch Ratings
Long Term	AA+	Aa2	AA+
Short Term	A-1+	P-1	F1+

Significant debt activity during the year included the following:

- Issued \$396.9 million in new bonds;
- Redeemed bonds through both scheduled and special redemption provisions of their respective indentures of \$424.9 million.

Additional information on the Corporation's long-term debt can be found in the Notes to Financial Statements.

ECONOMIC FACTORS AND OTHER FINANCIAL INFORMATION

The primary business activity of the Corporation is providing a secondary market for the purchase of single-family and multi-family mortgage loans. The Corporation's mortgage financing activities are sensitive to changes in interest rates, the spread between the rate on the Corporation's loans and those available in the conventional mortgage markets, and the availability of affordable housing in the State. The availability of long-term tax-exempt financing on favorable terms is a key element in providing the funding necessary for the Corporation to continue its mortgage financing activities.

The Corporation's main sources of revenue include mortgage loan activity, investment interest income and externally funded grants and subsidies. Market interest rates have an effect on both the mortgage program and investment income revenues. If interest rates rise, mortgage and investment income should increase as new loans are originated and new investments are purchased at the higher rates. If interest rates fall, mortgage and investment income will decrease as new loans are originated and new investments are purchased at the lower rates.

Any decrease in interest rates could also cause an increase in prepayments on higher rate mortgages. The Corporation uses these prepayments to redeem higher rate bonds, thus lowering the interest expense incurred on the Corporation's overall portfolio, or to recycle mortgages to obtain the maximum allowable spread. Large federal deficits or changes in programs or funding levels could have a negative impact on externally funded program revenues.

CONTACTING THE CORPORATION'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Corporation's finances and to show the Corporation's accountability for the money it receives during the periods reported. For inquiries about this report or to request additional financial information please call (907) 330-8322 or email finance@ahfc.us.

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF NET POSITION

COMBINED – ALL MAJOR PROGRAMS

As of June 30, 2021

(in thousands of dollars)

	Administrative Fund	Grant Programs	Mortgage and Bond Funds
ASSETS			
Current			
Cash	\$ 38,508	\$ 31,834	\$ 116
Investments	719,819	-	312,896
Accrued interest receivable	4,269	-	10,378
Inter-fund due (to)/from	(158,934)	100,193	60,787
Mortgage loans, notes and other loans	6,391	32	83,110
Net investment in direct financing lease	-	-	2,238
Other assets	2,765	22,208	-
Intergovernmental receivable	72	5,516	-
Total Current	612,890	159,783	469,525
Non Current			
Investments	256	-	-
Inter-fund due (to)/from	-	1,423	-
Mortgage loans, notes and other loans	191,058	1,054	2,653,620
Net investment in direct financing lease	-	-	18,049
Capital assets - non-depreciable	2,483	-	-
Capital assets - depreciable, net	12,468	35	-
Other assets	1,261	-	1,054
OPEB asset	3,015	-	-
Total Non Current	210,541	2,512	2,672,723
Total Assets	823,431	162,295	3,142,248
DEFERRED OUTFLOW OF RESOURCES	7,469	-	202,786
LIABILITIES			
Current			
Bonds payable	-	-	94,740
Short term debt	130,697	-	-
Accrued interest payable	-	-	6,681
Other liabilities	15,605	152,441	785
Intergovernmental payable	-	-	116
Total Current	146,302	152,441	102,322
Non Current			
Bonds payable	-	-	2,271,466
Other liabilities	3,120	-	-
Derivative instrument - interest rate swaps	-	-	168,250
Pension liability	37,216	-	-
Total Non Current	40,336	-	2,439,716
Total Liabilities	186,638	152,441	2,542,038
DEFERRED INFLOW OF RESOURCES	2,799	-	713
NET POSITION			
Net investment in capital assets	14,951	35	-
Restricted by bond resolutions	-	-	624,266
Restricted by contractual or statutory agreements	125,697	14,743	-
Unrestricted or (deficit)	500,815	(4,924)	178,017
Total Net Position	\$ 641,463	\$ 9,854	\$ 802,283

See accompanying notes to the financial statements.

Other Funds and Programs	Total Programs and Funds	Alaska Corporation for Affordable Housing	Total June 30, 2021
\$ 29,651	\$ 100,109	\$ 8,660	\$ 108,769
94	1,032,809	-	1,032,809
136	14,783	67	14,850
(1,949)	97	(97)	-
1,422	90,955	-	90,955
-	2,238	-	2,238
1,370	26,343	136	26,479
1,112	6,700	-	6,700
31,836	1,274,034	8,766	1,282,800
-	256	-	256
-	1,423	(1,423)	-
45,985	2,891,717	12,889	2,904,606
-	18,049	-	18,049
13,636	16,119	4,740	20,859
47,815	60,318	-	60,318
-	2,315	1	2,316
-	3,015	-	3,015
107,436	2,993,212	16,207	3,009,419
139,272	4,267,246	24,973	4,292,219
-	210,255	-	210,255
-	94,740	-	94,740
-	130,697	-	130,697
-	6,681	-	6,681
1,260	170,091	3	170,094
384	500	-	500
1,644	402,709	3	402,712
-	2,271,466	-	2,271,466
-	3,120	267	3,387
-	168,250	-	168,250
-	37,216	-	37,216
-	2,480,052	267	2,480,319
1,644	2,882,761	270	2,883,031
-	3,512	-	3,512
61,451	76,437	4,740	81,177
-	624,266	-	624,266
76,878	217,318	20,009	237,327
(701)	673,207	(46)	673,161
\$ 137,628	\$ 1,591,228	\$ 24,703	\$ 1,615,931

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF ACTIVITIES

COMBINED – ALL MAJOR PROGRAMS

For the Year Ended June 30, 2021

(in thousands of dollars)

	Administrative Fund	Grant Programs	Mortgage and Bond Funds	Other Funds and Programs	Total Programs and Funds
OPERATING REVENUES					
Mortgage and loan revenue	\$ 8,057	\$ -	\$ 122,819	\$ 1,243	\$ 132,119
Investment interest	3,246	10	2,346	57	5,659
Net change in the fair value of investments	(1,943)	-	(215)	-	(2,158)
Net change of hedge termination	-	-	579	-	579
Total Investment Revenue	<u>1,303</u>	<u>10</u>	<u>2,710</u>	<u>57</u>	<u>4,080</u>
Grant revenue	-	139,627	-	2,474	142,101
Housing rental subsidies	-	-	-	11,922	11,922
Rental revenue	9	-	-	11,011	11,020
Gain (Loss) on Disposal of Capital Assets	14	-	-	20	34
Other revenue	3,118	973	326	-	4,417
Total Operating Revenues	<u>12,501</u>	<u>140,610</u>	<u>125,855</u>	<u>26,727</u>	<u>305,693</u>
OPERATING EXPENSES					
Interest	217	-	70,770	-	70,987
Mortgage and loan costs	1,565	-	9,665	112	11,342
Bond financing expenses	1,069	-	4,964	-	6,033
Provision for loan loss	168	29	(3,016)	47	(2,772)
Operations and administration	17,112	12,354	4,589	15,926	49,981
Rental housing operating expenses	-	34	-	16,973	17,007
Grant expense	-	143,129	-	-	143,129
Total Operating Expenses	<u>20,131</u>	<u>155,546</u>	<u>86,972</u>	<u>33,058</u>	<u>295,707</u>
Operating Income (Loss)	<u>(7,630)</u>	<u>(14,936)</u>	<u>38,883</u>	<u>(6,331)</u>	<u>9,986</u>
NON-OPERATING EXPENSES AND TRANSFERS					
Contributions to State of Alaska or State agencies	(1,011)	-	-	-	(1,011)
Interfund receipts (payments) for operations	93,189	14,781	(110,958)	2,370	(618)
Change in Net Position	<u>84,548</u>	<u>(155)</u>	<u>(72,075)</u>	<u>(3,961)</u>	<u>8,357</u>
Net position at beginning of year	<u>556,915</u>	<u>10,009</u>	<u>874,358</u>	<u>141,589</u>	<u>1,582,871</u>
Net Position at End of Year	<u>\$ 641,463</u>	<u>\$ 9,854</u>	<u>\$ 802,283</u>	<u>\$ 137,628</u>	<u>\$ 1,591,228</u>

See accompanying notes to the financial statements.

Alaska Corporation for Affordable Housing	Total June 30, 2021
\$ 139	\$ 132,258
10	5,669
-	(2,158)
-	579
<u>10</u>	<u>4,090</u>
-	142,101
-	11,922
199	11,219
-	34
<u>39</u>	<u>4,456</u>
<u>387</u>	<u>306,080</u>
-	70,987
-	11,342
-	6,033
11	(2,761)
379	50,360
5	17,012
-	143,129
<u>395</u>	<u>296,102</u>
(8)	9,978
-	(1,011)
<u>618</u>	<u>-</u>
610	8,967
<u>24,093</u>	<u>1,606,964</u>
<u>\$ 24,703</u>	<u>\$ 1,615,931</u>

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS

COMBINED – ALL MAJOR PROGRAMS

For the Year Ended June 30, 2021

(in thousands of dollars)

	Administrative Fund	Grant Programs	Mortgage and Bond Funds	Other Funds and Programs	Total Programs and Funds
CASH FLOWS					
Operating Activities					
Interest income on mortgages and loans	\$ 7,721	\$ -	\$ 117,322	\$ 1,153	\$ 126,196
Principal receipts on mortgages and loans	13,496	-	845,027	10,314	868,837
Disbursements to fund mortgages and loans	(587,867)	-	-	-	(587,867)
Receipts (payments) for interfund loan transfers	530,038	-	(530,055)	17	-
Mortgage and loan proceeds receipts	977,867	-	-	-	977,867
Mortgage and loan proceeds paid to trust funds	(994,621)	-	-	-	(994,621)
Payroll-related disbursements	(22,029)	(5,246)	-	(9,644)	(36,919)
Payments for goods and services	(7,200)	(2,615)	-	(14,732)	(24,547)
Receipts from externally funded programs	-	25,915	-	12,993	38,908
Receipts from Federal HAP subsidies	-	33,811	-	-	33,811
Payments for Federal HAP subsidies	-	(34,762)	-	-	(34,762)
Interfund receipts (payments)	(133,655)	131,059	-	1,802	(794)
Grant payments to other agencies	-	(126,232)	-	-	(126,232)
Other operating cash receipts (payments)	3,737	1,659	(75)	10,337	15,658
Net Cash Receipts (Disbursements)	(212,513)	23,589	432,219	12,240	255,535
Non-Capital Financing Activities					
Proceeds from bond issuance	-	-	436,925	-	436,925
Principal paid on bonds	-	-	(354,796)	-	(354,796)
Payments to defease bonds	-	-	(96,665)	-	(96,665)
Payment of bond issuance costs	(1,477)	-	(1,456)	-	(2,933)
Interest paid on bonds	-	-	(78,842)	-	(78,842)
Proceeds from short-term debt issuance	860,531	-	-	-	860,531
Payment of short term debt	(845,417)	-	-	-	(845,417)
Contributions to State of Alaska or State agencies	(1,011)	-	-	-	(1,011)
Transfers from (to) other funds	380,150	-	(364,526)	(15,624)	-
Net Cash Receipts (Disbursements)	392,776	-	(459,360)	(15,624)	(82,208)
Capital Financing Activities					
Acquisition of capital assets	(85)	-	-	(281)	(366)
Proceeds from the disposal of capital assets	14	-	-	20	34
Principal paid on capital notes	-	-	(6,477)	-	(6,477)
Interest paid on capital notes	-	-	(1,115)	-	(1,115)
Proceeds from direct financing leases	-	-	3,303	-	3,303
Net Cash Receipts (Disbursements)	(71)	-	(4,289)	(261)	(4,621)
Investing Activities					
Purchase of investments	(4,404,854)	-	(2,043,074)	(15,720)	(6,463,648)
Proceeds from maturity of investments	4,231,834	-	2,073,127	19,851	6,324,812
Interest received from investments	3,298	10	1,304	55	4,667
Net Cash Receipts (Disbursements)	(169,722)	10	31,357	4,186	(134,169)
Net Increase (decrease) in cash	10,470	23,599	(73)	541	34,537
Cash at beginning of year	28,038	8,235	189	29,110	65,572
Cash at end of period	\$ 38,508	\$ 31,834	\$ 116	\$ 29,651	\$ 100,109

Alaska Corporation for Affordable Housing	Total June 30, 2021
\$ -	\$ 126,196
-	868,837
-	(587,867)
-	-
-	977,867
-	(994,621)
(274)	(37,193)
(110)	(24,657)
-	38,908
-	33,811
-	(34,762)
794	-
-	(126,232)
40	15,698
450	255,985
-	436,925
-	(354,796)
-	(96,665)
-	(2,933)
-	(78,842)
-	860,531
-	(845,417)
-	(1,011)
-	-
-	(82,208)
-	(366)
-	34
-	(6,477)
-	(1,115)
-	3,303
-	(4,621)
-	(6,463,648)
-	6,324,812
10	4,677
10	(134,159)
460	34,997
8,200	73,772
\$ 8,660	\$ 108,769

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS

COMBINED – ALL MAJOR PROGRAMS

For the Year Ended June 30, 2021

(in thousands of dollars)

	Administrative Fund	Grant Programs	Mortgage and Bond Funds	Other Funds and Programs	Total Programs and Funds
RECONCILIATION					
Operating Income (Loss) to Net Cash					
Operating income (loss)	\$ (7,630)	\$ (14,936)	\$ 38,883	\$ (6,331)	\$ 9,986
<i>Adjustments:</i>					
Depreciation expense	987	15	-	5,399	6,401
Provision for loan loss	168	29	(3,016)	47	(2,772)
Net change in the fair value of investments	1,943	-	215	-	2,158
Interfund receipts (payments) for operations	93,189	14,781	(110,958)	2,370	(618)
Interest received from investments	(3,298)	(10)	(1,304)	(55)	(4,667)
Interest paid on bonds and capital notes	-	-	79,957	-	79,957
<i>Change in assets, liabilities and deferred resources:</i>					
Net (increase) decrease in mortgages and loans	(26,131)	29	291,640	(4,681)	260,857
Net increase (decrease) in assets, liabilities, and deferred resources	(271,741)	23,681	136,802	15,491	(95,767)
Net Operating Cash Receipts (Disbursements)	\$ (212,513)	\$ 23,589	\$ 432,219	\$ 12,240	\$ 255,535
Non-Cash Activities					
Deferred outflow of resources - derivatives	\$ -	\$ -	\$ (93,515)	\$ -	\$ (93,515)
Derivative instruments liability	-	-	(93,190)	-	(93,190)
Net change of hedge termination	-	-	645	-	645
Deferred outflow debt refunding	-	-	(13,885)	-	(13,885)
Total Non-Cash Activities	\$ -	\$ -	\$ (199,945)	\$ -	\$ (199,945)

See accompanying notes to the financial statements.

<u>Alaska Corporation for Affordable Housing</u>	<u>Total June 30, 2021</u>
\$ (8)	\$ 9,978
-	6,401
11	(2,761)
-	2,158
618	-
(10)	(4,677)
-	79,957
(128)	260,729
(33)	(95,800)
<u>\$ 450</u>	<u>\$ 255,985</u>
\$ -	\$ (93,515)
-	(93,190)
-	645
-	(13,885)
<u>\$ -</u>	<u>\$ (199,945)</u>

NOTE DISCLOSURES INDEX

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FOR THE TWELVE MONTHS ENDED JUNE 30, 2021

1 AUTHORIZING LEGISLATION AND FUNDING

The Alaska Housing Finance Corporation (the "Corporation") or ("AHFC"), a public corporation and government instrumentality of the State of Alaska (the "State"), was created in 1971, and substantially modified in 1992, by acts of the Alaska State Legislature (the "Legislature") to assist in the financing, development and sale of dwelling units, operate the State's public housing, offer various home loan programs emphasizing housing for low and moderate-income and rural residents, and administer energy efficiency and weatherization programs within Alaska. The Corporation is a component unit of the State and is discretely presented in the State's financial statements.

Generally, the Corporation accomplishes its mortgage-related objectives by functioning as a secondary market for qualified real estate loans originated by financial institutions. The Corporation is authorized by the Legislature to issue its own bonds, bond anticipation notes and other obligations in such principal amounts as, in the opinion of the Corporation, will be necessary to provide sufficient funds for carrying out its purpose. Certain bonds issued to finance residences for qualified veterans are unconditionally guaranteed by the State. No other obligations constitute a debt of the State.

The non-mortgage related programs of the Corporation are funded through various grant and program agreements with the federal government's departments of Housing and Urban Development ("HUD"), Energy ("DOE"), and Health and Human Services ("HHS"), funding from the State of Alaska, as well as capital and operating subsidies from the Corporation's own funds.

The Corporation has affiliates incorporated under the Alaska Nonprofit Corporation Act (AS 10.20) and provisions of the Alaska Housing Finance Corporation Act (AS 18.56), as amended. Each affiliate issues annual audited financial statements. Copies may be found at the following links, or please contact AHFC to obtain a copy. The affiliates are as follows:

- Northern Tobacco Securitization Corporation ("NTSC") incorporated on September 29, 2000, pursuant to House Bill No. 281 of the 2000 Legislature. <https://www.ahfc.us/about-us/subsidiaries/ntsc/ntsc-financial-statements/>
- Alaska Housing Capital Corporation ("AHCC") incorporated on May 23, 2006, pursuant to Senate Bill No. 232 of the 2006 Legislature. <https://www.ahfc.us/about-us/subsidiaries/ahcc/ahcc-financial-statements/>
- Alaska Corporation for Affordable Housing ("ACAH") incorporated on February 1, 2012, pursuant to House Bill No. 119 of the 2011 Legislature. <https://www.ahfc.us/about-us/subsidiaries/alaska-corporation-affordable-housing-acah/acah-financial-statements/>

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The financial reporting entity consists of AHFC and the blended component unit ACAH. The entities are closely related and financially integrated. The board of directors for AHFC and ACAH are the same and both entities have similar mission statements. ACAH is a legally separate entity from AHFC, but is considered a blended component unit of AHFC due to AHFC's operational responsibility for ACAH and the potential financial benefit or financial burden between AHFC and ACAH. AHFC is financially accountable for ACAH.

The other affiliates of AHFC are not closely related, nor financially integrated with AHFC. There is no financial accountability for the other affiliates by AHFC. They are not component units of AHFC, thus not included in these financial statements. NTSC and AHCC are component units of the State.

Neither AHFC nor the State is liable for any debt issued by the affiliates of AHFC. They are government instrumentalities of, but have a legal existence separate and apart from, the State.

Basis of Accounting

The financial reporting entity utilizes the economic resource measurement focus and full accrual basis of accounting wherein revenues are recognized when earned and expenses when incurred. The financial statements have been prepared in conformity with generally accepted accounting principles ("GAAP") as prescribed by the Governmental Accounting Standards Board ("GASB"). GASB is the accepted standard-setting body for governmental accounting and financial reporting principles as set forth in GASB's pronouncements.

Basis of Presentation

The financial reporting entity is engaged in business-type activities that utilize enterprise funds. The basic fund financial statements are comprised of the Statement of Net Position (Exhibit A), the Statement of Revenues, Expenses and Changes in Net Position (Exhibit B), the Cash Flow Statement (Exhibit C) and the accompanying note disclosures. The supplementary section contains combining financial statements by program, purpose, or bond indenture.

The basic financial statements include a Total Funds and Programs column representing an aggregate of AHFC amounts and a Total column for the financial reporting entity, an aggregation of both AHFC and ACAH amounts.

Major Funds and Component Unit

The basic fund financial statements present the major funds of AHFC and the major component unit ACAH.

Administrative Fund: This is the Corporation's primary operating fund. It accounts for all financial resources of the Corporation not accounted for in other funds.

Grant Programs: Resources provided to other agencies and individuals to develop and improve affordable housing units for lower income families, to assist in improving the energy efficiency of Alaska homes, and to provide tenant-based rental assistance programs for families in the private market (administered by the Corporation under contract with HUD).

Mortgage or Bond Funds: Provides resources to assist in the financing of loan programs or to fund Legislature appropriations.

Other Funds or Programs: Includes the Low Rent program and other affordable housing for low income families managed under contract with HUD, owned by AHFC. Also includes the Home Ownership Fund and the Senior Housing Revolving Loan Fund.

Component unit ACAH: A non-profit public benefit corporation that develops and operates affordable housing for Alaskans, utilizing various funding sources. ACAH is reported as a major component unit for the benefit of users of the financial statements.

Restricted Net Position

The restricted net position of the Administrative Fund consists of the Corporation's remaining commitments to the State (refer to Footnote No. 18 State Authorizations and Commitments for further details) and resources of the Affordable Housing Development Program. The remaining resources of the Administrative Fund are unrestricted.

The other financial activities of the Corporation are restricted by the Corporation's bond indentures, requirements from the Legislature, and statutory requirements or third-party agreements that restrict the use of resources. These restricted resources are recorded in various special purpose funds and accounts. Restricted funds with a net deficit balance are shown as having an unrestricted net position balance pursuant to reporting requirements.

When both restricted and unrestricted resources are available in a fund, it is the Corporation's policy to spend restricted funds to the extent allowed and only spend unrestricted funds when needed.

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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates. The major estimate for the Corporation is the allowance for loan losses.

Investments

All investments are stated at fair value.

Accrued Interest Receivable on Loans and Real Estate Owned

Interest is accrued based upon the principal amount outstanding. Accrual of interest income is discontinued on loans when, in the opinion of management, collection of such interest becomes doubtful. When payment of interest is provided for pursuant to the terms of loan insurance or guarantees, accrual of interest on delinquent loans and real estate owned is continued.

Loans and Allowances for Estimated Loan Losses

Mortgage loans are carried at their unpaid principal balances net of allowance for estimated loan losses. Once monies have been disbursed, the mortgage loans are recorded.

The Corporation provides for possible losses on loans on which foreclosure is anticipated. A potential loss is recorded when the net realizable value, or fair value, of the related collateral or security interest is estimated to be less than the Corporation's investment in the property less anticipated recoveries from private mortgage insurance, private credit insurance, and various other loan guarantees. In providing for losses, through a charge to operations, consideration is given to the costs of holding real estate, including interest costs. The loan portfolio, property holding periods and property holding costs are reviewed periodically. A general allowance is applied to the performing loan portfolio, and a specific reserve on individual non-performing. This can be modified. While management uses the best information available to make evaluations, future adjustments to the allowances may be necessary if there are significant changes in economic conditions or property disposal programs.

Real Estate Owned

Real estate owned consists principally of properties acquired through foreclosure or repossession and is carried at the lower of cost or estimated net realizable value. These amounts are included in other assets.

Depreciation

Depreciation and amortization of buildings, equipment, and leasehold improvements are computed on a straight-line basis over the estimated useful lives of the related assets. Estimated useful lives range from 3 to 40 years. The capitalization threshold is \$5,000.

Bonds

The Corporation issues bonds to provide capital for its mortgage programs and other uses consistent with its mission. The bonds are recorded at cost plus accreted interest and premiums, less discounts. Discounts and premiums are amortized using the straight-line method. Costs of issuance are expensed when incurred.

Deferred Debt Refunding Expenses

Deferred debt refunding expenses occur when new debt is issued to replace existing debt. The differences between the carrying value of the old debt and the resources used to redeem it are called deferred debt refunding expenses. The unamortized balances of these expenses are recorded as deferred outflows of resources. These expenses are amortized over the shorter of the remaining life of the old debt or the remaining life of the new debt.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension, and pension expense, information about the fiduciary net position of the Public Employees' Retirement System ("PERS") and additions to/from the PERS fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Post-Employment Benefits

Information about the Other Post-Employment Benefits ("OPEB") fiduciary net position of the PERS plans has been determined on the same basis as reported by PERS. The PERS information includes the valuation of the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense. Benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Derivative Instruments-Interest Rate Swaps

The Corporation's Fiscal Policies allow, with certain restrictions, the Corporation to enter into certain derivative financial instruments called interest rate swap agreements, or swaps. The Corporation enters into these swaps with various counter-parties to achieve a lower overall cost of funds for certain bond issuances. These agreements can be negotiated whereby the Corporation pays the counter-party a fixed interest rate in exchange for a variable interest rate payment from the counter-party, or vice-versa. The swap agreements are negotiated to achieve the financing objectives of the Corporation. The swaps are stated at fair value. The change in the fair value of the hedgeable derivatives is recorded as deferred inflows of resources or deferred outflows of resources, and the change in the fair value of the investment derivatives is recorded as investment revenue.

Operating Revenues and Expenses

The Corporation was created with the authority to issue bonds to the investing public in order to create a flow of private capital through the Corporation into mortgage loans to qualified housing sponsors and to certain individuals. The Corporation's primary purpose is to borrow funds in the bond market and to use those funds to make single-family and multi-family mortgages and loans. Its primary operating revenue is derived from the interest income and fees from those mortgages and loans and on the invested proceeds from the bond issues. Additionally, the Corporation's statutory purpose includes providing financial assistance programs for rental subsidies to tenants of various housing developments. The Corporation records all revenues from mortgages and loans, investments, rental activities, and externally funded programs as operating revenues. The primary costs of providing these programs are recorded as operating expenses.

Income Taxes

The Corporation is exempt from federal and state income taxes.

3 CASH AND INVESTMENTS

Cash consists of demand deposits, time deposits, and cash held in trust. The carrying amount of the Corporation's cash is restricted by bond resolutions, contractual agreements, and statutory agreements. A summary of the Corporation's cash is shown below (in thousands):

	June 30, 2021
Restricted cash	\$ 79,235
Unrestricted cash	29,534
Carrying amount	<u>108,769</u>
Bank balance	<u>\$ 109,746</u>

Investment Valuation

AHFC categorizes its fair value measurements within the fair value hierarchy established by Generally Accepted Accounting Principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

AHFC measures its investments using quoted market prices (Level 1 inputs).

Investment Maturities

The fair value of debt security investments by contractual maturity is shown below (in thousands). Expected maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without penalty.

	Investment Maturities (In Years)				June 30, 2021
	Less Than 1 Year	1-5 Years	6-10 Years	More Than 10 Years	
Commercial paper & medium-term notes	\$ 509,810	\$256	\$ -	\$ -	\$ 510,066
Corporate Certificates of Deposit	7,822	-	-	-	7,822
Money market funds	463,675	-	-	-	463,675
Repurchase agreements	50,000	-	-	-	50,000
Total not including GeFONSI	<u>\$ 1,031,307</u>	<u>\$256</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,031,563</u>
GeFONSI pool					<u>1,502</u>
Total AHFC Investment Portfolio					<u>\$ 1,033,065</u>

Restricted Investments

A large portion of the Corporation's investments, \$426,659,000, is restricted by bond resolutions, contractual agreements, and statutory agreements, and the remainder, \$606,406,000, is unrestricted.

Realized Gains and Losses

The calculation of realized gains and losses is independent of the calculation of the net increase in the fair value of investments. Realized gains and losses on investments that had been held in more than one fiscal year and sold in the current period may have been recognized as an increase or decrease in the fair value of investments reported in

the prior year. The net decrease in the fair value of investments included in the table below takes into account all changes in fair value (including purchases and sales) that occurred during the period. A summary of the gains and losses is shown below (in thousands):

Original Amount	June 30, 2021
Ending unrealized holding gain	\$ 1,458
Beginning unrealized holding gain	3,433
Net change in unrealized holding gain	(1,975)
Net realized gain (loss)	(183)
Net increase (decrease) in fair value	\$ (2,158)

Deposit and Investment Policies

The Corporation utilizes different investment strategies depending upon the nature and intended use of the assets being invested. All funds are classified as trusted or non-trusted, and this classification determines the applicable investment guidelines used by staff when making investment decisions. Trusted funds are invested in accordance with their respective indentures or governing agreements. Non-trusted funds are governed by the terms outlined in the Corporation's Fiscal Policies and are typically invested to meet the projected need for use of such funds.

The following securities are eligible for investment under the Corporation's Fiscal Policies.

- Obligations backed by the full faith and credit of the United States;
- Obligations of U.S. government-sponsored enterprises ("GSEs") and federal agencies not backed by the full faith and credit of the United States;
- Obligations of the World Bank rated at least "AA" by S&P or "Aa2" by Moody's or "AA" by Fitch if maturing in excess of one year or "A-1" by S&P or "P-1" by Moody's or "F1" by Fitch if maturing in one year or less;
- Money market funds rated at least "AAm" by S&P or "Aa-mf" by Moody's or "AAMmf" by Fitch;
- Banker's acceptances and negotiable certificates of deposit of any bank, the unsecured short-term obligations of which are rated at least "A-1" by S&P or "P-1" by Moody's or "F-1" by Fitch and which is incorporated under the laws of the United States of America or any state thereof and subject to supervision and examination by federal or state banking authorities, or which is a foreign bank with a branch or agency licensed under the laws of the United States of America or any state thereof and subject to supervision and examination by federal or state banking authorities, or which is a foreign bank having a long-term issuer rating of at least "AA" from S&P or "Aa2" from Moody's or "AA" from Fitch;
- Commercial paper, including asset-backed commercial paper, rated at least "A-1" by S&P or "P-1" by Moody's or "F1" by Fitch;
- Repurchase agreements ("repos") where: the counterparty is designated as a primary dealer by the Federal Reserve and has a long-term debt rating of at least "A" by S&P or "A" by Moody's or "A" by Fitch or a short-term rating of at least "A-1" by S&P or "P-1" by Moody's or "F-1" by Fitch; collateral is pledged at a minimum level of 102%, valued on a daily basis with a one-business-day cure period; the term of such repurchase agreement is one week or less; a third-party custodian acting as the Corporation's agent has possession of the collateral and holds such collateral in the Corporation's name; the agreement is evidenced by standard documents published by the Securities Industry and Financial Markets Association ("SIFMA"); and the securities to be repurchased are obligations backed by the full faith and credit of the United States or obligations of U.S. government-sponsored enterprises and federal agencies not backed by the full faith and credit of the United States or obligations of the World Bank rated at least "AA" by S&P or "Aa2" by Moody's or "AA" by Fitch if maturing in excess of one year or "A-1" by S&P or "P-1" by Moody's or "F1" by Fitch if maturing in one year or less;
- Guaranteed investment contracts with a financial institution having outstanding unsecured long-term obligations rated, or an investment agreement rating of, at least "AA" by S&P or "Aa2" by Moody's or "AA" by Fitch, or, if the term is one year or less, at least "A-1" by S&P or "P-1" by Moody's or "F-1" by Fitch;

- Fixed and floating-rate notes and bonds, other than commercial paper, issued by corporate or municipal obligors and rated at least “AA” by S&P or “Aa2” by Moody’s or “AA” by Fitch if maturing in excess of one year, or at least “A-1” by S&P or “P-1” by Moody’s or “F1” by Fitch if maturing, or with a provision for investor withdrawal or put at par, in one year or less;
- Asset-backed securities, other than asset-backed commercial paper, rated at least “AA+” by S&P or “Aa1” by Moody’s or “AA+” by Fitch; and
- Investment pools managed by the State of Alaska, including the General Fund and Other Non-Segregated Investments (“GeFONSI”) pool.

Credit Risk

Credit risk is the risk of loss due to the failure of the security or backer. The Corporation mitigates its credit risk by limiting investments to those permitted in its Fiscal Policies and relevant governing agreements, diversifying the investment portfolio, and pre-qualifying firms with which the Corporation administers its investment activities.

The credit quality ratings of the Corporation’s investments as of June 30, 2021, as determined by nationally recognized statistical rating organizations, are shown below (in thousands), and do not include investments held by GeFONSI pool.

	Moody's	Fitch	Investment Fair Value
Commercial paper, medium-term notes and Certificates of Deposit:	Aa2	A+	\$ 256
	A1	WR	256
	P-1	F1+	73,402
	P-1	F1	48,170
	P-1	WR	37,366
	P-1	NA	157,853
	P-2	F1+	5,697
	P-2	F1	194,888
			<u>517,888</u>
Money market funds:	Aaa-mf	AAAmmf	463,675
Repurchase agreements:	P-2	F1	50,000
			<u>\$ 1,031,563</u>

Concentration Risk

Concentration risk is the risk of loss attributed to the magnitude of the Corporation's investments in a single issuer. Concentration limits are not established in the bond indentures and governing agreements for trust investments. The following table details the maximum concentration limits for non-trust investments as outlined in the Corporation's Fiscal Policies. Under certain conditions, the Fiscal Policies permit investments in excess of these limits. For more information, please see the Corporation's Fiscal Policies at: <http://www.ahfc.us/pros/investors/fiscal-policies>

Investment Category	Category Limit as % of Total Portfolio	Issuer Limit as % of Total Portfolio
U.S. Government obligations	n/a	n/a
U.S. GSEs and agencies	n/a	35%
World Bank obligations	n/a	35%
Money market funds	n/a	n/a
Banker's acceptances, negotiable CDs	n/a	5%
Commercial paper	n/a	5%
Repurchase agreements	n/a	25%
Guaranteed investment contracts	n/a	5%
Corporate and municipal notes and bonds	n/a	5%
Asset-backed securities	20%	5%
State of Alaska investment pools	n/a	n/a

Investment Holdings Greater than Five Percent of Total Portfolio

The following investment holdings, summarized by issuer, include both investments that are governed by the maximum concentration limits of the Corporation's Fiscal Policies and trusted investments which have no established concentration limits. As of June 30, 2021, the Corporation had investment balances greater than 5 percent of the Corporation's total investments with the following issuers (in thousands).

Issuer	Investment Fair Value	Percentage of Total Portfolio
Morgan Stanley	\$ 386,072	37.37%
Toronto Dominion Bank	80,048	7.75%
JP Morgan	78,053	7.56%
Royal Bank of Canada	56,667	5.49%

Custodial Credit Risk

The Corporation assumes levels of custodial credit risk for its deposits with financial institutions, bank investment agreements, and investments. For deposits, custodial credit risk is the risk that, in the event of a bank failure, the Corporation's deposits may not be returned. For bank investment agreements and investments, custodial credit risk is the risk that, in the event of failure of the custodian or counterparty holding the investment, the Corporation will not be able to recover the value of the investment. As stated in the Corporation's Fiscal Policies, credit risk is mitigated by limiting investments to those highly-rated securities permitted in the Fiscal Policies and by pre-qualifying firms through which the Corporation administers its investment activities.

Of the Corporation's \$109,746,000 bank balance at June 30, 2021, cash deposits in the amount of \$231,000 were uninsured and uncollateralized.

Interest Rate Risk

Interest rate risk is the risk that the market value of investments will decline as a result of changes in general interest rates. As stated in the Corporation's Fiscal Policies, for non-trust investments, the Corporation mitigates interest rate risk by structuring its investment maturities to meet cash requirements (including corporate operations), thereby avoiding the need to sell securities in the open market prior to maturity. For investments held in trust, investment maturities are structured to meet cash requirements as outlined in the bond indentures and contractual and statutory agreements.

The GeFONSI pool investment interest rate risk details are at the end of this footnote.

Modified Duration

Modified duration estimates the sensitivity of an investment to interest rate changes. The following table shows the Corporation's trusted and non-trusted investments (in thousands, net of GeFONSI holdings) with their modified duration as of June 30, 2021, in thousands:

Issuer	Investment Fair Value	Modified Duration
Certificate of deposit	\$ 7,822	0.341
Commercial paper & medium-term notes:		
Commercial paper discounts	506,681	0.363
Medium-term notes	3,385	0.518
Money market funds	463,675	0.000
Repurchase agreements	50,000	0.403
Portfolio modified duration	<u>\$ 1,031,563</u>	0.202

Investment in GeFONSI Pool

The Alaska State Department of Revenue, Treasury Division, has established various investment pools to manage funds for which the Commissioner of Revenue has fiduciary responsibility. The GeFONSI pool in which the Corporation participates is itself comprised of investment shares of the State's Short-term Fixed Income, and Intermediate-term Fixed Income investment pools. Assets in these pools are reported at fair value with purchases and sales recorded on a trade-date basis. Securities are valued each business day using prices obtained from a pricing service. The complete financial activity of the State's investment pools is shown in the Comprehensive Annual Financial Report (CAFR) available from the Department of Administration, Division of Finance.

The accrual basis of accounting is used for the investment income and GeFONSI investment income is distributed to pool participants monthly if prescribed by statute or if appropriated by state legislature. Income in the Short-term, Short-term Liquidity and Intermediate-term Fixed Income Pools is allocated to the pool participants daily on a pro-rata basis. The fair value of the Corporation's investment in the GeFONSI pool was \$1,502,000 on June 30, 2021.

For additional information on interest rate risk, credit risk, foreign exchange, derivatives, fair value, and counterparty credit risk see the separately issued report on the Invested Assets of the Commissioner of Revenue at: <http://treasury.dor.alaska.gov/Investments/Annual-Investment-Reports.aspx>.

4 INTERFUND RECEIVABLE/PAYABLE

A summary of the interfund receivable/payable balance as of June 30, 2021, is shown below (in thousands):

		Due From					
		Administrative Fund	Grant Programs	Mortgage or Bond Programs	Other Funds or Programs	Alaska Corporation for Affordable Housing	Total
Due To	Administrative Fund	\$ -	\$ 4,232	\$ -	\$ 2,617	\$ 97	\$ 6,946
	Grant Programs	104,425	-	-	-	1,423	105,848
	Mortgage or Bond Programs	60,787	-	-	-	-	60,787
	Other Funds or Programs	668	-	-	-	-	668
	Total	\$ 165,880	\$ 4,232	\$ -	\$ 2,617	\$ 1,520	\$ 174,249

The balance due to the Mortgage or Bond programs from the Administrative Fund resulted primarily from monies belonging to these funds being deposited in an Administrative Fund account to obtain a greater rate of return.

The balance due to the Administrative Fund from Grant Programs, Other Funds or Programs, and ACAH resulted primarily from expenditures paid by the Administrative Fund on behalf of those programs, as well as an allocation of management and bookkeeping fees mandated by HUD.

The balance due from ACAH to the Grant Programs is the result of a repayable grant to ACAH for the purchase of land in 2013.

5 MORTGAGE LOANS, NOTES AND OTHER LOANS

A summary of mortgage loans, notes and other loans is shown below (in thousands):

	June 30, 2021
Mortgage loans	\$ 2,534,423
Multifamily loans	428,147
Other notes receivable	71,790
	3,034,360
Less:	
Allowance for losses	(38,799)
Net Mortgages, Notes & Other	\$ 2,995,561

Of the \$3,034,360,000 mortgage loans, notes, and other loans, \$90,955,000 is due within a year.

Other notes receivable include monies due to AHFC for various unconventional loan programs, monies remaining unexpended by grant recipients, and notes receivable due to ACAH of \$14,009,000. Included in the allowance for losses is \$1,120,000 for ACAH's notes receivable bringing ACAH's net notes receivable to \$12,889,000.

Other supplementary loan information is summarized in the following table (in thousands):

		June 30, 2021
<u>Loans Delinquent 30 days or more</u>	\$	137,026
Foreclosures during reporting period		2,802
Loans in foreclosure process		5,907
<u>Mortgage-related commitments:</u>		
To purchase mortgage loans	\$	141,484

6 INSURANCE AGREEMENTS

The Corporation has obtained private mortgage insurance, credit insurance, or guarantees on certain mortgages and loans. The agreements protect the Corporation to varying degrees against losses arising from the disposition of the related collateral obtained through foreclosure or repossession, as well as the costs of obtaining title to, maintaining, and liquidating the collateral. The Corporation is exposed to losses on disposition in the event the insurers or guarantors are unable or refuse to meet their obligations under these agreements.

7 DIRECT FINANCING LEASE

In 1997, the Corporation purchased an office building (the "Atwood Office Building") in downtown Anchorage with bond proceeds. As part of the Corporation's State Building Lease Program, the Atwood Office Building was leased to the State of Alaska and was recorded as a direct financing lease. The lease expired in 2017, at which time the State exercised the option to purchase the Atwood Office Building and associated land, identified as Block 79, for \$1. Block 102, containing land the State did not transfer but may take ownership of at a later date, is reported as a Corporation asset at the assessed value of \$4,175,000, in the Other Non-Current Assets section of the financial statements, pending potential future transfers.

In 2007, the Corporation constructed a parking garage (the "Pacillo Parking Garage") in downtown Anchorage with its corporate assets. The Pacillo Parking Garage cost \$44,000,000 and was leased to the State of Alaska for use by its departments and agencies located in Anchorage. As part of the Corporation's State Building Lease Program, the lease has been recorded as a direct financing lease. The State has the option to purchase the Pacillo Parking Garage for \$1 after December 1, 2027, which is the end of the lease. In 2015, the Corporation issued its State Capital Project Bonds II, 2015 Series B and C, respectively, to partially refund its State Capital Project Bonds, 2007 Series A, which were originally issued in 2007 to finance the Pacillo Parking Garage. The following table lists the components of the net investment in direct financing lease and shows the future minimum payments under the lease for the next five years and thereafter (in thousands).

Future Minimum Payments Due	
Year Ending June 30,	Parking Garage
2022	\$ 3,304
2023	3,304
2024	3,304
2025	3,304
2026	3,304
Thereafter	6,604
Gross payments due	23,124
Less: Unearned revenue	(2,837)
Net investment in direct financing lease	\$ 20,287

8 CAPITAL ASSETS

Capital assets activity for the twelve months ended June 30, 2021, and a summary of balances is shown below (in thousands):

Issuer	June 30, 2020	Additions	Reductions	June 30, 2021
Non-Depreciable Capital Assets:				
Land	\$ 20,859	\$ -	\$ -	\$ 20,859
Total Non-Depreciable	20,859	-	-	20,859
Depreciable Capital Assets:				
Buildings	243,819	123	-	243,942
Computers & Equipment	3,171	84	(10)	3,245
Vehicles	2,573	310	(206)	2,677
Less: Accumulated depreciation				
Buildings	(178,675)	(5,920)	-	(184,595)
Computers & Equipment	(2,675)	(239)	10	(2,904)
Vehicles	(2,011)	(242)	206	(2,047)
Total Depreciable, Net	66,202	(5,884)	-	60,318
Total Capital Assets, Net	\$ 87,061	\$ (5,884)	\$ -	\$ 81,177

The above capital assets include \$4,740,000 of land and land improvements that belong to ACAH.

Depreciation expense charged by the Corporation was \$6,401,000 for the twelve months ended June 30, 2021.

The Corporation is obligated under contracts and other commitments to purchase and/or modernize certain fixed assets. The total commitment, including amounts to be funded by third parties, was \$10,098,000 at June 30, 2021.

9 DEFERRED OUTFLOWS OF RESOURCES

The Government Accounting Standards Board has defined deferred outflows of resources as the consumption of resources that are applicable to a future period. AHFC's deferred outflows of resources at June 30, 2021, were interest rate swap derivatives of \$167,094,000, deferred debt refunding expense of \$35,692,000, pension deferred outflows of \$3,911,000, and other post employment benefits deferred outflows of \$3,558,000 for a total of \$210,255,000.

10 BONDS PAYABLE

All of the bonds are general obligations of the Corporation for which its full faith and credit are pledged. All of the bonds are secured, as described in the applicable agreements, by the revenues, monies, investments, mortgage loans, and other assets in the funds and accounts established by the respective security agreements. A substantial portion of the assets of the Corporation are pledged to the outstanding obligations of the Corporation.

The Corporation's obligations are not a debt of the State, and the State is not directly liable thereon except for the Veterans Mortgage Program Bonds. The Veterans Mortgage Program Bonds are backed by the full faith and credit of the State. Although the Corporation has always made its Veterans Mortgage Program Bond payments, in the event that the Corporation cannot make the payments, the State would be responsible for the principal and interest.

Bonds outstanding as of June 30, 2021, are shown on the next three pages (in thousands):

	Original Amount	June 30, 2021
Housing Bonds:		
Home Mortgage Revenue Bonds, Tax-Exempt:		
• 2002 Series A; Floating Rate*; 0.03% at June 30, 2021, due 2032-2036	\$ 170,000	\$ 30,690
Unamortized swap termination penalty	-	(1,383)
• 2007 Series A; Floating Rate*; 0.03% at June 30, 2021, due 2021-2041	75,000	67,350
• 2007 Series B; Floating Rate*; 0.02% at June 30, 2021, due 2021-2041	75,000	67,350
• 2007 Series D; Floating Rate*; 0.03% at June 30, 2021, due 2021-2041	89,370	80,240
• 2009 Series A; Floating Rate*; 0.03% at June 30, 2021, due 2021-2040	80,880	77,465
• 2009 Series B; Floating Rate*; 0.03% at June 30, 2021, due 2021-2040	80,880	77,465
• 2009 Series D; Floating Rate*; 0.03% at June 30, 2021, due 2021-2040	80,870	77,460
Total Home Mortgage Revenue Bonds	652,000	476,637
Collateralized Bonds (Veterans Mortgage Program), Tax-Exempt:		
• 2016 First and Second Series; 1.25% to 3.05%, due 2021-2046	50,000	34,030
• 2019 First and Second Series; 1.75% to 4.00%, due 2021-2048	60,000	25,480
Unamortized premium	-	687
Total Collateralized Bonds (Veterans Mortgage Program)	110,000	60,197
General Mortgage Revenue Bonds II, Tax-Exempt:		
• 2016 Series A; 1.30%-3.50%, due 2021-2046	100,000	59,710
Unamortized premium	-	422
• 2018 Series A; 2.05%-4.00%, due 2021-2048	109,260	70,480
Unamortized premium	-	1,501
• 2018 Series B; 5.00%, due 2031	58,520	28,465
Unamortized premium	-	3,823
• 2019 Series A; 1.25%-3.75%, due 2021-2044	136,700	109,745
Unamortized premium	-	1,658
• 2019 Series B; 2.50%-5.00%, due 2030-2034	24,985	24,385
Unamortized premium	-	4,223
• 2020 Series A; 0.30%-3.25%, due 2021-2044	135,170	129,960
Unamortized premium	-	4,579
• 2020 Series B; 2.00%-5.00%, due 2030-2035	74,675	74,675
Unamortized premium	-	12,655
Total General Mortgage Revenue Bonds II, Tax-Exempt	639,310	526,281

	Original Amount	June 30, 2021
Housing Bonds (cont.)		
Governmental Purpose Bonds, Tax-Exempt:		
• 2001 Series A; Floating Rate*; 0.03% at June 30, 2021, due 2021-2030	\$ 76,580	\$ 34,935
Unamortized swap termination penalty	-	(2,763)
• 2001 Series B; Floating Rate*; 0.03% at June 30, 2021, due 2021-2030	93,590	42,690
Total Governmental Purpose Bonds	170,170	74,862
Total Housing Bonds	1,571,480	1,137,977
Non-Housing Bonds:		
State Capital Project Bonds, Tax-Exempt:		
• 2002 Series C; Floating Rate*; 0.03% at June 30, 2021, due 2021-2022	60,250	10,350
Total State Capital Project Bonds, Tax-Exempt	60,250	10,350
State Capital Project Bonds II, Tax-Exempt:		
• 2012 Series A; 3.25% to 5.00%, due 2021-2032	99,360	5,250
Unamortized premium	-	85
• 2013 Series A; 4.00% to 5.00%, due 2021-2032	86,765	6,140
Unamortized premium	-	113
• 2014 Series A; 4.00% to 5.00%, due 2021-2033	95,115	15,090
Unamortized premium	-	380
• 2014 Series B; 5.00%, due 2021-2029	29,285	6,115
Unamortized premium	-	222
• 2014 Series D; 5.00%, due 2021-2029	78,105	25,430
Unamortized premium	-	1,150
• 2015 Series A; 4.00% to 5.00%, due 2021-2030	111,535	63,200
Unamortized premium	-	3,534
• 2015 Series B; 3.00% to 5.00%, due 2021-2036	93,365	58,210
Unamortized discount	-	(149)
Unamortized premium	-	1,035
• 2015 Series C; 5.00%, due 2022-2035	55,620	11,120
Unamortized premium	-	771
• 2017 Series A; 4.00% to 5.00%, due 2021-2032	143,955	129,845
Unamortized premium	-	13,122
• 2017 Series C; 5.00%, due 2024-2032	43,855	43,855
Unamortized premium	-	5,154
• 2018 Series B; 3.125% to 5.00%, due 2021-2038	35,570	32,745
Unamortized discount	-	(64)
Unamortized premium	-	3,092
• 2019 Series B; 4.00% to 5.00%, due 2021-2039	60,000	57,175
Unamortized premium	-	8,608
• 2021 Series A; 3.00% to 5.00%, due 2023-2030	90,420	90,420
Unamortized premium	-	19,911
Total State Capital Project Bonds II, Tax-Exempt	1,022,950	601,559

	Original Amount	June 30, 2021
Non-Housing Bonds (cont.):		
State Capital Project Bonds II, Taxable:		
• 2017 Series B; Floating Rate*; 0.10% at June 30, 2021, due 2047	\$ 150,000	\$ 150,000
• 2018 Series A; Floating Rate*; 0.09% at June 30, 2021, due 2031-2043	90,000	90,000
• 2019 Series A; Floating Rate*; 0.07% at June 30, 2021, due 2033-2044	140,000	140,000
• 2020 Series A; 0.63% to 2.18%, due 2021-2033	96,665	96,320
Total State Capital Project Bonds II, Taxable	476,665	476,320
Total Non-Housing Bonds	1,559,865	1,088,229
Direct Placement Bonds, Taxable:		
• 2014 Series C; Indexed Floating Rate**, 0.592% at June 30, 2021, due 2029	140,000	140,000
Total Direct Placement Bonds, Taxable	140,000	140,000
Total Bonds Payable	\$ 3,271,345	\$ 2,366,206

Note: Debt service payments on the above-mentioned bonds are semi-annual unless otherwise mentioned.

*Interest rates on the annotated variable-rate bonds are established by the Remarketing Agents on each Rate Determination Date.

**Interest rates on the indexed floating rate bonds are established monthly based on an index and a prescribed spread in the underlying bond documents.

Assets Pledged As Collateral for Debt

AHFC's bonds are secured by the general obligation of the Corporation and may also be secured with collateral from mortgages, investments and/or direct financing leases. See the table below (in thousands):

	Mortgages	Investments	Leases	Total
Housing	\$1,544,303	\$163,700	\$ -	\$1,708,003
Non-Housing	-	-	20,288	20,288
Total	\$1,544,303	\$163,700	\$ 20,288	\$1,728,291

Redemption Provisions

The bonds are generally subject to certain early-redemption provisions, both mandatory and at the option of the Corporation. The Corporation redeems debt pursuant to the terms of the related agreements governing such redemptions. For housing bonds, such agreements typically permit surplus revenues resulting primarily from mortgage loan prepayments to be used to retire housing obligations at par. With respect to non-housing and direct placement bonds, such agreements typically permit optional redemptions at par from any source of funds on or after a specified date.

The Corporation also issues new debt whose proceeds are used to redeem previously issued debt, called current refundings. The related discounts and costs of issuance of the old debt are classified as a deferred outflow of resources and amortized as interest expense. The Corporation may call some bonds at a premium using any monies once bonds reach a certain age and may also use a clean-up call to redeem certain bonds once the outstanding amount falls below 15% of the total issuance.

During the twelve months ended June 30, 2021, the Corporation made special redemptions in the amount of \$329,655,000.

Advance Refundings

In the twelve months ending June 30, 2021, the Corporation effected advanced refundings where the proceeds of the issued bonds or cash from the Corporation was used to defease outstanding debt of the Corporation.

A summary of all defeased debt, as of June 30, 2021, follows (in thousands):

	Date Defeased	June 30, 2021
State Capital Project Bonds II, 2012 Series A	December 2017	\$ 29,795
State Capital Project Bonds II, 2013 Series A	December 2017	16,345
State Capital Project Bonds II, 2012 Series A	October 2020	17,750
State Capital Project Bonds II, 2013 Series A	October 2020	33,745
State Capital Project Bonds II, 2014 Series A	October 2020	35,200
State Capital Project Bonds II, 2012 Series A	June 2021	7,290
State Capital Project Bonds II, 2013 Series A	June 2021	9,420
State Capital Project Bonds II, 2014 Series A	June 2021	18,250
State Capital Project Bonds II, 2014 Series B	June 2021	13,860
State Capital Project Bonds II, 2014 Series D	June 2021	39,980
State Capital Project Bonds II, 2015 Series A	June 2021	23,200
State Capital Project Bonds II, 2015 Series B	June 2021	21,495
State Capital Project Bonds II, 2015 Series C	June 2021	31,045
		<u>\$ 297,375</u>

Debt Service Requirements**

For all bonds in the preceding schedules, the Corporation's annual debt service requirements through 2026 and in five year increments thereafter to maturity are shown below (in thousands):

Year Ended June 30,	Housing Bond Debt Service			Non-Housing Bond Debt Service		
	Principal	Interest*	Total	Principal	Interest*	Total
2022	\$35,715	\$36,515	\$72,230	\$59,025	\$22,860	\$81,885
2023	38,040	35,561	73,601	47,205	20,110	67,315
2024	39,345	34,544	73,889	54,410	30,319	84,729
2025	40,730	33,457	74,187	52,660	19,270	71,930
2026	43,680	32,295	75,975	38,675	17,067	55,742
2027-2031	254,700	140,630	395,330	270,570	54,375	324,945
2032-2036	355,715	81,099	436,814	141,385	12,660	154,045
2037-2041	227,280	36,287	263,567	57,225	2,689	59,914
2042-2046	65,685	7,043	72,728	160,110	1,121	161,231
2047-2051	11,685	643	12,328	150,000	225	150,225
	<u>\$1,112,575</u>	<u>\$438,074</u>	<u>\$1,550,649</u>	<u>\$1,031,265</u>	<u>\$180,696</u>	<u>\$1,211,961</u>

Year Ended June 30,	Direct Placement Debt Service			Total Debt Service		
	Principal	Interest*	Total	Principal	Interest*	Total
2022	\$ -	\$4,573	\$4,573	\$94,740	\$63,949	\$158,689
2023	-	4,573	4,573	85,245	60,244	145,489
2024	-	4,586	4,586	93,755	69,449	163,204
2025	-	4,573	4,573	93,390	57,300	150,690
2026	-	4,574	4,574	82,355	53,936	136,291
2027-2031	140,000	16,026	156,026	665,270	211,031	876,301
2032-2036	-	-	-	497,100	93,759	590,859
2037-2041	-	-	-	284,505	38,976	323,481
2042-2046	-	-	-	225,795	8,164	233,959
2047-2051	-	-	-	161,685	868	162,553
	\$140,000	\$38,905	\$178,905	\$2,283,840	\$657,676	\$2,941,516

* Interest requirements have been computed for hedged variable rate bonds using the associated fixed swap rates and for unhedged variable rate bonds using interest rates in effect at June 30, 2021.

** Also see Note 11 – Derivatives.

Conduit Debt

From time to time, the Corporation has issued debt to assist private-sector entities in the acquisition or construction of facilities that help the Corporation fulfill its mission of making housing affordable for all Alaskans. The bonds are secured by the properties financed and are payable from rents, payments received on the underlying mortgage loans, as well as tax credits, grants and other subsidy funding. Neither the Corporation nor the State is obligated in any manner for repayment of the bonds. Accordingly, the bonds and any related assets are not reported as assets or liabilities in the accompanying financial statements.

A summary of all conduit debt as of June 30, 2021, follows (in thousands):

	Maximum Issue Amount	Balance as of June 30, 2021	Remaining Authority as of June 30, 2021
Revenue Bonds, 2021 (Spenard East Phase I Project)	\$ 7,500	\$ 50	\$ 7,450
Revenue Bonds, 2021 (Jewel Lake Apartments Project)	19,000	19,000	-
Revenue Bonds, 2020 (Old Mat Phase 1 Project)	3,800	50	3,750
Revenue Bonds, 2020 (West 32nd Avenue Project)	3,500	2,866	634
Revenue Bonds, 2020 (Spruce View Apartments Project)	9,500	6,837	2,663
Total	\$ 43,300	\$ 28,803	\$ 14,497

Events of Default

Significant finance-related events of default with respect to the Corporation's outstanding housing, non-housing, and direct placement bonds include a failure to repay principal at stated maturity or upon redemption (including sinking fund payments); a failure to pay interest when due; and a continued failure to comply with, or default in the performance or observance of, any of the covenants, agreements or conditions in the Indenture 45 days after having received written notice thereof.

11 DERIVATIVES

The Corporation entered into derivatives to reduce the overall cost of borrowing long-term capital and protect against the risk of rising interest rates. The Corporation's derivatives consist of interest rate swap agreements entered into in connection with its long-term variable rate bonds. The interest rate swaps are pay-fixed, receive-variable agreements, and were entered into at a cost less than what the Corporation would have paid to issue conventional fixed-rate debt.

The swaps are recorded and disclosed as either hedging derivatives or investment derivatives. The synthetic instrument method was used to determine whether or not the derivatives constitute effective hedges. The fair values of the hedgeable derivatives and investment derivatives are presented in the Statement of Net Position, either as a derivative liability (negative fair value amount) or as a derivative asset (positive fair value amount). If a swap changes from a hedgeable derivative to an investment derivative, the hedge is considered terminated and the accumulated change in fair value is no longer deferred but recognized as a revenue item.

AHFC categorizes its fair value measurements within the fair value hierarchy established by Generally Accepted Accounting Principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The fair value amounts, obtained from mark to market statements from the respective counterparties and reconciled to present value calculations done by the Corporation, represent mid-market valuations that approximate the current economic value using market averages, reference rates, and/or mathematical models. These measurements are Level 2 inputs. Actual trade prices may vary significantly from these estimates as a result of various factors, which may include (but are not limited to) portfolio composition, current trading intentions, prevailing credit spreads, market liquidity, hedging costs and risks, position size, transaction and financing costs, and the use of capital profit. The fair value represents the current price to settle swap assets or liabilities in the marketplace if a swap were to be terminated.

The Corporation's interest rate swaps require that if the ratings on the associated bonds fall to "BBB+/Baa1", the Corporation would have to post collateral of up to 100 percent of the swap's fair value. As of June 30, 2021, the Corporation had not posted any collateral and was not required to post any collateral.

Hedging Derivatives

The significant terms and credit ratings of the Corporation's hedging derivatives as of June 30, 2021, are shown below:

Related Bond Issue	Effective Date	Fixed Rate Paid	Variable Rate Received	Swap Termination Date	Counterparty Credit Rating ⁷
GP01A ¹	12/01/08	2.4530%	67% of 1M LIBOR ⁴	12/01/30	BBB+/A3
GP01B	08/02/01	4.1427%	67% of 1M LIBOR	12/01/30	AA/Aa3
E021A1 ²	10/09/08	2.9800%	70% of 3M LIBOR ⁵	06/01/32	AA-/Aa2
SC02C ³	12/05/02	4.3030%	SIFMA ⁶ +0.115%	07/01/22	A+/Aa1
E071AB	05/31/07	3.7345%	70% of 3M LIBOR	12/01/41	AA-/Aa2
E071BD	05/31/07	3.7200%	70% of 3M LIBOR	12/01/41	A+/Aa1
E091A	05/28/09	3.7610%	70% of 3M LIBOR	12/01/40	A+/Aa1
E091B	05/28/09	3.7610%	70% of 3M LIBOR	12/01/40	AA-/Aa2
E091ABD	05/28/09	3.7400%	70% of 3M LIBOR	12/01/40	A+/Aa1
SC14C	06/01/19	3.2220%	100% of 1M LIBOR	12/01/29	AA-/Aa2

1. Governmental Purpose Bonds

2. Home Mortgage Revenue Bonds

3. State Capital Project Bonds (I/II)

4. London Interbank Offered Rate ("LIBOR") 1 month

5. London Interbank Offered Rate 3 month

6. Securities Industry and Financial Markets Municipal Swap Index

7. Standard & Poor's/Moody's

The change in fair value and ending balance of the hedging derivatives as of June 30, 2021, is shown below (in thousands). The fair value is reported as a deferred outflow / inflow of resources in the Statement of Net Position.

Related Bond Issue	Notional Amounts	Present Values	Fair Values		Change in Fair Value
			June 30, 2021	June 30, 2020	
GP01A	\$ 34,935	\$ 38,115	\$ (3,180)	\$ (4,745)	\$ 1,565
GP01B	42,690	50,270	(7,580)	(10,355)	2,775
E021A1	30,690	34,598	(3,908)	(5,630)	1,722
SC02C	10,350	10,566	(216)	(695)	479
E071AB	128,964	166,739	(37,775)	(51,628)	13,853
E071AD	85,976	111,277	(25,301)	(34,198)	8,897
E091A	69,717	89,696	(19,979)	(27,363)	7,384
E091B	69,717	89,466	(19,749)	(26,920)	7,171
E091ABD	92,956	119,324	(26,368)	(35,591)	9,223
SC14C	140,000	163,038	(23,038)	(35,421)	12,383
	705,995	873,089	(167,094)	(232,546)	65,452
Investment Issue					
SC02B	14,555	15,711	(1,156)	(1,735)	579
Total	\$ 720,550	\$ 888,800	\$ (168,250)	\$ (234,281)	\$ 66,031

As of June 30, 2021, debt service requirements of the Corporation's outstanding variable-rate debt and net swap payments are displayed in the following schedule (in thousands). As interest rates vary, variable-rate bond interest payments and net swap payments will also vary.

Fiscal Year Ending June 30	VRDO Principal	VRDO Interest	Swap Net Payments	Total Payments
2022	\$29,230	\$987	\$24,275	\$54,492
2023	27,175	978	23,199	51,352
2024	24,750	971	22,296	48,017
2025	25,920	964	21,428	48,312
2026	27,115	956	20,519	48,590
2027-2031	291,010	3,412	80,834	375,256
2032-2036	125,585	320	40,987	166,892
2037-2041	146,970	124	16,007	163,101
2042-2046	8,240	2	149	8,391
	\$705,995	\$8,714	\$249,694	\$964,403

Credit Risk

As of June 30, 2021, the Corporation was not exposed to credit risk on any of the swaps because the swaps all have negative fair values. If interest rates rise and the fair value of the swaps becomes positive, the Corporation would be exposed to credit risk in the amount of the swaps' fair value. The swap agreements contain varying collateral agreements with the counterparties and require full collateralization of the fair value amount of the swap should the counterparty's rating fall to "BBB+/Baa1". The Corporation currently has swap agreements with six separate counterparties. Approximately 32.5% of the total notional amount of the swaps is held with one counterparty rated "AA-/Aa2". Another 26.8% of the total notional amount of the swaps is held with another counterparty rated "A+/Aa1" and 19.8% of the total notional amount of the swaps is held with another counterparty rated "AA-/Aa2." Of the remaining swaps, the counterparties are rated "A+/Aa1", "AA/Aa3", and "BBB+/A3", approximating 9.9%, 6.0%, and 4.9% respectively, of the total notional amount of the swaps.

Interest Rate Risk

The Corporation is exposed to interest rate risk on all of its interest rate swaps. As LIBOR or the SIFMA index decreases, the Corporation's net payment on the swaps increases.

Basis Risk

All of the Corporation's variable-rate bond interest payments related to interest rate swaps are based on the tax-exempt SIFMA index. Therefore, the Corporation is exposed to basis risk on swaps where the variable payment received on the swaps is based on a taxable LIBOR index and does not fully offset the variable rate paid on the bonds. The SC02C swap is based on the SIFMA index and thus is not exposed to any basis risk. As of June 30, 2021, SIFMA was 0.03% and 1-month LIBOR was 0.10%, resulting in a SIFMA/LIBOR ratio of 29.85%. The 3-month LIBOR was 0.15%, resulting in a SIFMA/LIBOR ratio of 20.58%. The SIFMA/LIBOR ratios have fluctuated since the agreements became effective but the anticipated cost savings from the swaps increases as the ratios decrease.

Termination Risk

Termination risk is the risk of an unscheduled termination of a swap prior to its planned maturity. If any of the swaps are terminated, the associated floating rate bonds would no longer carry synthetic fixed interest rates and the Corporation would be exposed to interest rate risk on the bond. This risk is mitigated by the fact that the termination payment could be used to enter into an identical swap at the termination date of the existing swap. Further, if any of the swaps have a negative fair value at termination, the Corporation would be liable to the counterparty for payments equal to the swaps' fair value. The Corporation or the counterparty may terminate any of the swaps if the other party fails to perform under the terms of the agreement, including downgrades and events of default.

Rollover Risk

Rollover risk occurs when there is a mismatch in the amortization of the swap versus the amortization of the floating rate bonds. The Corporation has structured the swaps to amortize at the same rate as scheduled or anticipated reductions in the associated floating rate bonds outstanding. The Home Mortgage Revenue Bonds, 2002 Series A swaps were set up in several tranches of various sizes that could be cancelled to parallel the redemption of debt from mortgage prepayments.

Investment Derivative

The State Capital Project Bonds, 2002 Series B, were fully redeemed in fiscal year 2009, so the associated interest rate swap is no longer a hedging derivative and is accounted for as an investment derivative.

The significant terms and credit ratings of the Corporation's investment derivative as of June 30, 2021, are shown below:

Related Bond Issue	Effective Date	Fixed Rate Paid	Variable Rate Received	Swap Termination Date	Counterparty Credit Rating
SC02B	12/05/02	3.77%	70% of 1M LIBOR	07/01/24	A+/Aa1

The change in fair value of the investment derivative as of June 30, 2021, is shown below (in thousands) and is presented on the net change of hedge termination line in the Statement of Revenues, Expenses, and Changes in Net Position.

Related Bond Issue	Notional Amounts	Present Values	Fair Value		Change in Fair Value
			June 30, 2021	June 30, 2020	
SC02B	\$14,555	\$15,711	\$(1,156)	\$(1,735)	\$579

Credit Risk

As of June 30, 2021, the Corporation was not exposed to credit risk on this outstanding swap because the swap had a negative fair value. If interest rates rise and the fair value of the swap becomes positive, the Corporation would be exposed to credit risk in the amount of the swaps' fair value. The swap agreement requires the counterparty to fully collateralize the fair value amount of the swap should the counterparty's rating fall to "BBB+/Baa1". The counterparty on this swap is rated "A+/Aa1".

12 OTHER LIABILITIES

Other Liabilities as of June 30, 2021, are composed of the accounts and balances as follows (in thousands):

Other Liabilities	2021
Accounts Payable	\$ 6,830
Accrued Payroll	5,656
Other Miscellaneous Liabilities	18
Security Deposits	800
Service Fees Payables	846
Unearned Grant Revenue	155,944
Total	<u>\$ 170,094</u>

13 LONG TERM LIABILITIES

The activity for the twelve months ended June 30, 2021, is summarized in the following schedule (in thousands):

	June 30, 2020	Additions	Reductions	June 30, 2021	Due Within One Year
Total bonds and notes payable	\$ 2,572,813	\$ 415,636	\$ (622,243)	\$ 2,366,206	\$ 94,740
Net Pension liability	35,960	1,204	-	37,164	-
Net OPEB liability	1,008	-	(956)	52	-
Compensated absences	4,732	2,803	(2,327)	5,208	2,088
Other liabilities	-	338	(338)	-	-
Total long-term liabilities	<u>\$ 2,614,513</u>	<u>\$ 419,981</u>	<u>\$ (625,864)</u>	<u>\$ 2,408,630</u>	<u>\$ 96,828</u>

14 SHORT TERM DEBT

The Corporation has a taxable commercial paper program. Commercial paper is used to refund certain tax-exempt debt until new debt replaces it. Individual maturities range up to 270 days from date of issuance. The maximum aggregate outstanding principal balance authorized by the Corporation's Board of Directors is \$150,000,000. The lowest yield during the twelve months ended June 30, 2021, was 0.09% and the highest, 0.72%.

Short term debt activity for the twelve months ended June 30, 2021, is summarized in the following schedule (in thousands).

	June 30, 2020	Additions	Reductions	June 30, 2021
Commercial paper	\$ 115,417	\$ 860,712	\$ (845,417)	\$ 130,712
Unamortized discount	(51)	(255)	291	(15)
Commercial paper, net	\$ 115,366	\$860,457	\$(845,126)	\$ 130,697

15 DEFERRED INFLOWS OF RESOURCES

The Government Accounting Standards Board has defined deferred inflows of resources as the acquisition of resources that are applicable to a future period. AHFC's pension deferred inflows of resources at June 30, 2021, totaling \$363,000, represent the changes in proportion and differences between employer contributions in the State of Alaska's PERS Defined Benefit Retirement Plan. AHFC's OPEB deferred inflows of resources at June 30, 2021, represent \$295,000 difference between expected and actual experience, \$2,126,000 changes in assumptions, and \$15,000 changes in proportion and differences between employer contributions in the OPEB plan. The total of all OPEB deferred inflows of resources is \$2,436,000. Total deferred debt refunding inflows for the State Capital Project Bonds II 2012 A & B and State Capital Project Bonds II 2013 A & B were \$713,000. The combined total of all deferred inflows of resources is \$3,512,000.

16 TRANSFERS

Transfers for the twelve months ended June 30, 2021, are summarized in the following schedule (in thousands):

	From					Total
	Administrative Fund	Grant Programs	Mortgage or Bond Programs	Other Funds or Programs	Alaska Corporation for Affordable Housing	
T o	\$ -	\$ 648	\$ 839,258	\$ 15,608	\$ -	\$ 855,514
Administrative Fund	-	648	839,258	15,608	-	855,514
Grant Programs	15,429	-	-	-	-	15,429
Mortgage or Bond Programs	728,300	-	-	-	-	728,300
Other Funds or Programs	17,978	-	-	-	-	17,978
Alaska Corporation for Affordable Housing	618	-	-	-	-	618
Total	\$ 762,325	\$ 648	\$ 839,258	\$ 15,608	\$ -	\$1,617,839

Transfers are used to:

- (1) move cash between the Administrative Fund and the Mortgage or Bond Programs to subsidize debt service payments or satisfy bond indenture requirements;
- (2) move mortgages between the Administrative Fund and the Mortgage or Bond Programs;
- (3) record expenditures paid on behalf of the Grant Programs, the Mortgage or Bond Programs, and the Other Funds or Programs by the Administrative Fund;
- (4) move cash and mortgages between various Mortgage or Bond Programs; or
- (5) record any non-reimbursable expenditures paid by the Administrative Fund on behalf of ACAH and cash transferred between the Administrative Fund and ACAH.

17 OTHER CREDIT ARRANGEMENTS

The Corporation currently has certain outstanding debt obligations in relation to which it has entered into standby bond purchase agreements (“SBPAs”) to guarantee the payment of debt service in the event of unremarketed tenders. The Corporation also entered into a revolving credit agreement (“RCA”) in 2017 for up to \$300,000,000 of additional liquidity with respect to debt issued under its State Capital Project Bonds indenture, State Capital Project Bonds II indenture, and Commercial Paper Notes program.

At June 30, 2021, the Corporation had the following available unused credit lines (in thousands):

	Credit Type	Credit Exposure		Available Unused Lines of Credit
		S&P	Moody	
2002 Series A Home Mortgage Revenue Bonds	SBPA	AA+	Aaa	\$ 30,690
2007 Series A, B, D Home Mortgage Revenue Bonds	SBPA	AA+	Aaa	214,940
2009 Series A Home Mortgage Revenue Bonds	SBPA	A+	Aa1	77,465
2009 Series B Home Mortgage Revenue Bonds	SBPA	A+	Aa1	77,465
2009 Series D Home Mortgage Revenue Bonds	SBPA	AA+	Aaa	77,460
2001 Series A & B Governmental Purpose Bonds	SBPA	AA+	Aaa	77,625
State Capital Project Bonds (I & II) & Commercial Paper	RCA	A	A1	300,000
Total				<u>\$ 855,645</u>

18 YIELD RESTRICTION AND ARBITRAGE REBATE

Most mortgages purchased with the proceeds of tax-exempt mortgage revenue bonds issued by the Corporation are subject to interest-rate yield restrictions of 1.125% to 1.500% over the yield of the bonds. These restrictions are in effect over the lives of the bonds.

Non-mortgage investments made under the Corporation’s tax-exempt mortgage revenue bond programs are subject to rebate provisions or restricted as to yields. The rebate provisions require that a calculation be performed every five years and upon full retirement of the bonds to determine the amount, if any, of excess yield earned and owed to the Internal Revenue Service. As investment rates change over time, it is sometimes possible to recoup previous rebate payments. With respect to the Corporation’s Governmental Purpose Bonds, 2001 Series A and B, prior payments totaled \$1,451,000, but rebate liability as of June 30, 2021, was \$397,000, resulting in \$1,054,000 due to the Corporation.

19 STATE AUTHORIZATIONS AND COMMITMENTS

The Corporation uses its assets to fund certain housing and non-housing capital projects identified by the State. The aggregate amount expected to be funded by the Corporation was expressed by the following language of legislative intent included in the fiscal year 1996 capital appropriation bill, enacted in 1995.

“The Legislature intends to ensure the prudent management of the Alaska Housing Finance Corporation to protect its excellent debt rating by the nation’s financial community and to preserve its valuable assets of the State. To accomplish its goal, the sum of withdrawals for transfer to the general fund and for expenditure on corporate funded capital projects should not exceed the Corporation’s net income for the preceding fiscal year.”

The projected amounts stated in the legislative intent language were based on the Corporation’s financial operating plan and represent the total amount of anticipated State transfers and capital expenditures rather than projected “net income”. The following table shows the cumulative total of all dividends due and payable to the State since 1991, and the remaining commitment as of June 30, 2021, (in thousands).

	Dividend Due to State	Expenditures	Remaining Commitments
State General Fund Transfers	\$ 799,514	\$ (788,948)	\$ 10,566
State Capital Projects Debt Service	494,877	(482,877)	12,000
State of Alaska Capital Projects	294,915	(252,652)	42,263
AHFC Capital Projects	554,942	(506,102)	48,840
Total	<u>\$ 2,144,248</u>	<u>\$ (2,030,579)</u>	<u>\$ 113,669</u>

Transfer Plan with the State

The 1998 Legislature authorized the Corporation to finance state capital projects through the issuance of up to \$224,000,000 in bonds. Debt service payments on such bonds are categorized as transfers pursuant to the Transfer Plan. That legislation also extended the term of the Transfer Plan by stating the Legislature's intent that the Corporation transfer to the State (or expend on its behalf) an amount not to exceed \$103,000,000 in each fiscal year through fiscal year 2006, again stating that, to protect the Corporation and its bond rating, in no fiscal year should such amount exceed the Corporation's net income for the preceding fiscal year. The bond proceeds are allocated to agencies and municipalities subject to specific legislative appropriation.

The 2000 Legislature adopted legislation authorizing the issuance of bonds in sufficient amounts to fund the construction of various State capital projects, and extended the Transfer Plan (as described above) through fiscal year 2008. The 2002 Legislature authorized the issuance of capital project bonds for the renovation and deferred maintenance of the Corporation's Public Housing facilities. The 2004 Legislature adopted legislation authorizing the additional issuance of bonds in sufficient amounts to fund the construction of various State capital projects. The bond proceeds are allocated to agencies and municipalities subject to specific legislative appropriation.

The Corporation has issued \$196,345,000 principal amount of State Capital Project Bonds pursuant to the 1998 Act, \$74,535,000 principal amount of State Capital Project Bonds pursuant to the 2000 Act, \$60,250,000 principal amount of State Capital Project Bonds pursuant to the 2002 Act, and \$45,000,000 principal amount of bonds under the State Capital Project agreement pursuant to the 2004 Act, and has completed its issuance authority under the Acts. The payment of principal and interest on these bonds will be included in future capital budgets of the Corporation. Debt service payments on such bonds are categorized as transfers pursuant to the Transfer Plan.

The Twenty-Third Legislature in 2003 enacted SCS HB 256 (the "2003 Act") which added language to the Alaska Statutes to modify and incorporate the Transfer Plan. The Corporation and the State view the 2003 Act as an indefinite, sustainable continuation of the Transfer Plan. As approved and signed into law by the Governor and modified by the Twenty-Fourth Legislature in 2006 with SB 236, the 2003 Transfer Plan calls for annual transfers that will not exceed the lesser of 75% of the adjusted change in net position for the fiscal year two years prior to the current fiscal year or \$103,000,000 less debt service on certain State Capital Project Bonds, less any legislative appropriation of the Corporation's unrestricted, unencumbered funds other than appropriations of the Corporation's operating budget.

20 HOUSING GRANTS AND SUBSIDIES EXPENSES

The grant programs are funded from HUD, federal, State and Corporate proceeds. The Corporation paid grants to third parties for the following programs (in thousands):

	June 30, 2021
AMHTA Rural Capacity Expansion	\$ 11
Beneficiaries and Special Needs Housing	2,764
Competitive Grants for Public Housing	38
Continuum of Care Homeless Assistance	2,073
COVID-19 Consolidated Appropriation Act - Rental Assistance	59,896
COVID-19 Housing Relief Expansion	4,948
Alaska Housing Relief Program (AHR)	9,923
Denali Commission Program	272
Domestic Violence	1,669
Discharge Incentive grant	201
Drug Elimination	25
Emergency Shelter Grant (ESG)	1,086
Energy Efficiency Monitoring Research	362
Foster Youth to Independence	72
HOME Investment Partnership	3,611
Homeless Assistance Program (HAP)	5,831
Housing Choice Vouchers	30,280
Housing Choice Voucher - Mainstream	345
Housing Loan Program	1,590
Housing Opportunities for Persons with AIDS	665
Housing Trust Fund	2,364
Low Income Weatherization Assistance	5,274
Low Income Home Energy Assistance	1,108
Non-Elderly Disabled (NED)	229
Parolees (TBRA)	440
Section 811 Rental Housing Assistance	227
Section 8 Rehabilitation	519
Senior Citizen Housing Development Grant	2,038
Supplemental Housing Grant	3,018
Veterans Affairs Supportive Housing	2,087
Victims of Human Trafficking	36
Youth (TBRA)	127
Total Housing Grants and Subsidies Expenses	\$ 143,129

In addition to grant payments made, the Corporation had advanced grant funds of \$21,673,000 and committed to third parties a sum of \$110,363,000 in grant awards as of June 30, 2021.

21 PENSION AND POST-EMPLOYMENT HEALTHCARE PLANS

Description of Plans

As of June 30, 2021, all regular employees of the Corporation who work more than fifteen hours per week participate in the Alaska Public Employees' Retirement System ("PERS"). PERS administers the State of Alaska Public Employees' Retirement System Defined Benefit Retirement Plan, which includes both pension and post-employment healthcare plans for all employees hired prior to July 1, 2006. The defined benefit plan was an agent multiple-employer, statewide plan until July 1, 2008, when Senate Bill 125 converted the plan to a multiple-employer cost-sharing plan.

PERS also administers the State of Alaska Public Employees' Retirement System Defined Contribution Retirement Plan, which includes both pension and post-employment healthcare plans for all employees hired on or after July 1, 2006.

PERS is administered by the State. Benefits and contributions provisions are established by Chapter 35 of Alaska Statute Title 39, and may be amended only by state legislature. Amendments do not affect existing employees.

PERS audited financial statements are available at www.doa.alaska.gov/drb.

Defined Benefit (“DB”) Pension and Post-Employment Healthcare Plans (*Employees hired prior to July 1, 2006*)

Employee Benefits:

Employees hired prior to July 1, 1986, with five or more years of credited service are entitled to annual pension benefits beginning at normal retirement age 55 or early retirement age 50. The normal pension benefit is equal to 2% of the member's three-year highest average monthly compensation for the first ten years of service and for all service prior to July 1, 1986, 2¼% for the second ten years of service and 2½% for all remaining years of service. Employees with 30 or more years of credited service may retire at any age and receive a normal benefit. The plan pays the retiree medical plan premium and provides death and disability benefits.

Employees hired between July 1, 1986, and June 30, 1996, with five or more years of credited service are entitled to annual pension benefits beginning at normal retirement age 60 or early retirement age 55. The normal pension benefit is equal to 2% of the member's three-year highest average monthly compensation for the first ten years of service, 2¼% for the second ten years of service and 2½% for all remaining years of service. Employees with 30 or more years of credited service may retire at any age and receive a normal benefit. The plan does not pay the retiree medical plan premium for retirees under the age of 60 unless the retiree has 30 years of credited service. The employee may elect to pay the full premium cost for medical coverage.

Employees hired between July 1, 1996, and June 30, 2006, with five or more years of credited service are entitled to annual pension benefits beginning at normal retirement age 60 or early retirement age 55. The normal pension benefit is equal to 2% of the member's five-year highest average monthly compensation for the first ten years of service, 2¼% for the second ten years of service and 2½% for all remaining years of service. Employees with 30 or more years of credited service may retire at any age and receive a normal benefit. The plan does not pay the retiree medical plan premium for retirees with less than 10 years of service at age 60. The employee may elect to pay the full premium cost for medical coverage.

This plan was closed to new entrants as of June 30, 2006.

The Defined Benefit Pension and Post-Employment Healthcare Plan issues financial reports that are available to the public on the SOA website: alaska.gov/drb/employer/resources/gasb.html

Funding Policy:

Under State law, covered employees are required to contribute 6.75% of their annual covered salary to the pension plan and are not required to contribute to the post-employment healthcare plan.

Under State law, the Corporation is required to contribute 22.00% of annual covered salary. For fiscal year 2021, 14.57% of covered salary is for the pension plan and 7.43% is for the post-employment healthcare plan.

Under AS39.35.255, the State funds 8.85%, the difference between the actuarial required contribution of 30.85% for fiscal year 2021 and the employer rate of 22.00%.

The Corporation's contributions to the Defined Benefit pension plan for the twelve months ended June 30, 2021, totaled \$1,384,000.

Pension Liability:

For the year ended June 30, 2021, the Corporation reported a liability for its proportionate share of net pension liability of \$37,164,000. This amount reflected State pension support provided to the Corporation of \$15,376,000. The total net pension liability associated with the Corporation was \$52,540,000.

The net pension liability for the June 30, 2020 measurement date, and the total pension liability used to calculate the new pension liability was determined by an actuarial valuation as of June 30, 2019 and rolled forward to June 30, 2020.

Pension Expense:

For the year ended June 30, 2021, the Corporation recognized pension expense of \$4,432,000 and revenue of \$1,845,000 for support provided by the State.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

For the year ended June 30, 2021, the Corporation's deferred outflows of resources related to pension expense of \$3,911,000 were due to a difference between between expected and actual experience \$117,000, a difference between projected and actual investment earnings of \$1,513,000 and contributions to the pension plan subsequent to the measurement date of \$2,281,000. The Corporation's deferred inflows of resources related to pension of \$363,000 were due to a change in proportion and differences between employer contributions.

Contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending June 30, 2021. The amounts recognized as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows (in thousands):

Year Ended June 30,	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
2022	\$ 2,153	\$ (90)	\$ 2,063
2023	623	(91)	532
2024	653	(91)	562
2025	482	(91)	391
	<u>\$ 3,911</u>	<u>\$ (363)</u>	<u>\$ 3,548</u>

Pension Employer Contributions:

In 2021, the Corporation was credited with the following contributions to the PERS plan:

	Measurement Period Corporation FY20	Measurement Period Corporation FY19
Employer PERS contributions	\$ 2,572,000	\$ 2,616,000

Pension and OPEB Actuarial Assumptions:

The total pension and OPEB Liability for the fiscal year ending June 30, 2021, was determined by an actuarial valuation as of June 30, 2019, rolled forward to the measurement date of June 30, 2020. The valuation was prepared assuming an inflation rate of 2.50%. Salary increases were determined by grading by service to range from 6.75% to 2.75%. The investment rate of return was calculated at 7.38%, net of pension and OPEB plan investment expenses, based on an average inflation rate of 2.50% and a real return of 4.88%.

Mortality rates were based on 2013-2017 actual experience.

The long-term expected rate of return on pension and OPEB plans investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension and OPEB plans investment expense and inflation) are developed for each major asset class. These ranged are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return, excluding the inflation component of 2.50%, for each major asset class included in the and OPEB plans' target asset allocation are summarized in the following table:

Asset Class	Long-term Expected Real Rate of Return
Domestic Equity	6.24%
Global Equity (non-U.S.)	6.67%
Aggregate Bonds	(0.16)%
Opportunistic	3.01%
Real Assets	3.82%
Private Equity	10.00%
Cash Equivalents	(1.09)%

Pension Discount rate:

The discount rate used to measure the total pension liability was 7.38%. The projection of cash flows used to determine the discount rate assumed that the Corporation and non-employer State contributions will continue to follow the current funding policy, which meets State statutes. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Corporation's proportionate share of the net pension liability to changes in the discount rate:

The following presents the Corporation's proportionate share of the net pension liability using the discount rate of 7.38% and what it would be if the discount was 1% lower (6.38%) or 1% higher (8.38%), (in thousands).

	1% Decrease (6.38%)	Current Discount Rate (7.38%)	1% Increase (8.38%)
Corporation's proportionate share of the net pension liability	\$ 48,320	\$ 37,164	\$ 27,806

Defined Contribution (“DC”) Pension and Post-Employment Healthcare Plans (*Employees hired on or after July 1, 2006*):

Employee Benefits

Defined Contribution Pension Plan participants (PERS Tier IV) participate in the Occupational Death and Disability Plan (“ODD”), and the Retiree Medical Plan (“RM”). Information on these plans is included in the comprehensive annual financial report for the PERS Plan noted above. These plans provide for death, disability, and post-employment healthcare benefits.

There is no retirement age set, however taxes and penalties may apply if withdrawn prior to age 59 ½. Retirement benefits are equal to the Defined Contribution account balance plus interest. The employee may direct the investment of the account if so desired. The account balance is 100% of the employee’s contribution plus 25% of the Corporation’s contribution after two years of service, 50% of the Corporation’s contribution after three years of service, 75% of the Corporation’s contribution after four years of service, and 100% of the Corporation’s contribution after 5 years of service. The plan pays a portion of the retiree medical plan premium if the retiree retires directly from the plan and is eligible for Medicare. The portion of premium paid by the plan is determined by years of service.

Funding Policy

Under State law, covered employees are required to contribute 8% of their annual covered salary to the pension plan and are not required to contribute to the post-employment healthcare plan. Employer contribution rates for the fiscal year 2021 are as follows:

	Other Tier IV
Pension Employer Contribution	5.00%
Occupational Death and Disability Benefits (ODD)	0.31%
Retiree Medical	1.27%
Total OPEB	1.58%
Total Contribution Rates	6.58%

Under State law, the Corporation is required to contribute 22% of annual covered salary. For fiscal year 2021, 6.58% of covered salary is split between 5.00% for the pension plan and 1.58% for the post-employment healthcare plan. Then, to offset additional individual post-employment healthcare cost, an annual flat dollar amount of \$2,159, representing 3% of total annual covered compensation in the Plan for each full-time employee, and \$1.38 per hour for part-time employees, is deposited in a Health Reimbursement Arrangement (“HRA”) Account for each covered employee per AS 39.30.370.

Additionally, if the total amount that the Corporation has contributed for the defined contribution pension and post-employment healthcare plans is less than 22% of covered payroll after the HRA contributions, the Corporation must pay that additional amount. This additional amount is used to reduce the defined benefit plan’s unfunded liability. For the twelve months ended June 30, 2021, the Corporation paid additional contributions of \$1,371,000. These contributions equal \$908,000 for the defined benefit pension as of June 30, 2021, and \$463,000 for the defined benefit post-employment healthcare plans as of June 30, 2021.

The contributions to the pension plan for the twelve months ended June 30, 2021, by the employees totaled \$900,000 and by the Corporation totaled \$551,000.

The contributions to Other Post-Employment Benefits (OPEB) plan by the Corporation for the twelve months ended June 30, 2021, totaled \$174,000.

The Corporation contributed \$365,000 to a Health Reimbursement Arrangement for the twelve months ended June 30, 2021.

The Defined Contribution Pension and Post Employment Healthcare Plan issues financial reports that are available to the public on the SOA website: alaska.gov/dr/employer/resources/gasb.html.

Other Post-Employment Benefits (“OPEB”) Defined Benefit and Defined Contribution Plans

The Corporation’s contributions to the defined benefit post-employment healthcare plan for the twelve months ended June 30, 2021, totaled \$706,000, and for the years ended June 30, 2020, and June 30, 2019, totaled \$669,000 and \$676,000, respectively.

OPEB Employer Contribution Rate:

In 2021, the Corporation was credited with the following contributions to the OPEB plan:

	Measurement Period Corporation FY20	Measurement Period Corporation FY19
Employer contributions DB	\$2,572,000	\$ 2,616,000
Employer contributions DC RM	133,000	82,000
Employer contributions DC ODD	26,000	23,000
Nonemployer contributions (on-behalf)	-	-
Total Contributions	\$2,731,000	\$ 2,721,000

Changes in Benefit Assumptions Since the Prior Valuation of OPEB:

For the DB and DC OPEB plans, in addition to the changes in assumptions due to the experience study displayed in the table “OPEB Actuarial Assumptions,” the following assumption changes have been made since the prior evaluation: a) per capita claims costs were updated to reflect recent experience. Retired member contribution trend rates were updated to reflect the ongoing shift in the population from pre-Medicare to Medicare-eligible and projection of the expected future retiree contributions, b) the Further Consolidated Appropriations Act, 2020 that was signed into law in December 2019 made several changes, including the repeal of the Cadillac tax, c) the amount included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid from plan assets.

OPEB healthcare cost trend rates:

Healthcare cost trend model has been adopted by the Society of Actuaries, and has been populated with assumptions that are specific to the State of Alaska. The table below shows the rate used by actuaries to project the cost from the shown fiscal year to the next fiscal year.

	Medical Pre-65	Medical Post-65	Prescription Drugs/ Employer Group Waiver Plan (EGWP)
FY20	7.0%	5.4%	8.0%
FY21	6.5%	5.4%	7.5%
FY22	6.3%	5.4%	7.1%
FY23	6.1%	5.4%	6.8%
FY24	5.9%	5.4%	6.4%
FY25	5.8%	5.4%	6.1%
FY26	5.6%	5.4%	5.7%
FY27-FY40	5.4%	5.4%	5.4%
FY41	5.3%	5.3%	5.3%
FY42	5.2%	5.2%	5.2%
FY43	5.1%	5.1%	5.1%
FY44	5.1%	5.1%	5.1%
FY45	5.0%	5.0%	5.0%
FY46	4.9%	4.9%	4.9%
FY47	4.8%	4.8%	4.8%
FY48	4.7%	4.7%	4.7%
FY49	4.6%	4.6%	4.6%
FY50+	4.5%	4.5%	4.5%

Key Elements of OPEB formula:

Liability and contributions shown in the report are computed using the Entry Age Normal Actuarial Cost Method. Projected pension and postemployment healthcare benefits were determined for all active members. Cost factors designed to produce annual costs as a constant percentage of each member's expected compensation in each year from the assumed entry age to the assumed retirement age were applied to the projected benefits to determine the normal cost (the portion of the total cost of the plan allocated to the current year under the method). The normal cost is determined by summing intermediate results for active members and determining an average normal cost rate, which is then related to the total payroll of active members. The actuarial accrued liability for active members (the portion of the total cost of the plan allocated to prior years under the method) was determined as the excess of the actuarial present value of projected benefits over the actuarial present value of future normal costs.

The actuarial accrued liability for retired members, their beneficiaries currently receiving benefits, terminated vested members and disabled members not yet receiving benefits was determined as the actuarial present value of the benefits expected to be paid. No future normal costs are payable for these members.

The actuarial accrued liability under this method at any point in time is the theoretical amount of the fund that would have been accumulated had annual contributions equal to the normal cost been made in prior years (it does not represent the liability for benefits accrued to the valuation date). The unfunded actuarial accrued liability is the excess of the actuarial accrued liability over the actuarial value of plan assets measured on the valuation date.

Post-employment healthcare benefits:

For DB plan major medical benefits are provided to retirees and their surviving spouses by PERS for all employees hired before July 1, 1986, (Tier 1) and disabled retirees. Employees hired after June 30, 1986, (Tier 2) and their surviving spouses with five years of credited service (or ten years of credited service for those first hired after June 30, 1996, (Tier 3)) must pay the full monthly premium if they are under age sixty and will receive benefits paid by PERS if they are over age sixty. Tier 3 Members with between five and ten years of credited service must pay the full monthly premium regardless of their age. Tier 2 and Tier 3 members with less than five years of credited service are not eligible for post-employment healthcare benefits. Tier 2 members, who are receiving a conditional benefit and are age eligible, are eligible for post-employment healthcare benefits. Employees and their surviving spouses with thirty years of membership service receive benefits paid by PERS, regardless of their age or date of hire.

Medical, prescription drug, dental, vision and audio coverage is provided through the AlaskaCare Retiree Health Plan. Health plan provisions do not vary by retirement tier or age, except for Medicare coordination. Surviving spouses continue coverage only if a pension payment form that provided survivor benefits was elected. Where premiums are required prior to age 60, the valuation bases this payment upon the age of the retiree.

Of those benefit recipients who are eligible for the COLA, 70% are assumed to remain in Alaska and receive COLA. 50%-75% of assumed inflation, or 1.25% and 1.875%, respectively, is valued for the annual automatic Post-Retirement Pension Adjustment (PRPA).

For DC RM and DC ODD retirement eligibility: must retire from the plan and have 30 years of service or be eligible for Medicare and have 10 years of service. Once member becomes eligible for Medicare, the required contribution follows a set plan schedule. The plan's coverage is supplemental to Medicare, referred to in the industry as exclusion coordination. Medicare payment is deducted from the Medicare allowable expense and plan parameters are applied to the remaining amount. Starting in 2019, the prescription drug coverage will be through a Medicare Part D Employer Group Waiver Plan (EGWP) arrangement. The premium for dependents who are not eligible for Medicare aligns with the member's subsidy. While a member is not Medicare-eligible, premiums are 100% of the estimated cost. Occupational Disability and Death benefit are 40% of salary at date of qualifying event. Medicare exclusion coordination applies to ODD benefits.

OPEB Asset and Liability:

For the year ended June 30, 2021, the total net OPEB Asset associated with the Corporation was \$3,015,000 and the total net OPEB Liability associated with the Corporation was \$52,000.

For the year ended June 30, 2021, the Corporation reported an asset for its proportionate share of the net OPEB Asset ("NOA") that reflected an increase for State OPEB support provided to the Corporation. The amount recognized by the Corporation for its proportional share, the related State proportion, and the total were as follows:

Corporation's proportionate share Net OPEB Liability:		2021
Corporation's proportionate share of NOL – DC RM	\$	52,000
State's proportionate share of the NOL associated with the Corporation		-
Total Net OPEB Liability		\$52,000

Corporation's proportionate share Net OPEB Asset:		2021
Corporation's proportionate share of NOA – DB	\$	2,851,000
Corporation's proportionate share of NOA – DC ODD		164,000
Total Net OPEB Asset	\$	3,015,000

The net OPEB liability was measured as of June 30, 2020, and the total pension liability used to calculate the new pension liability was determined by an actuarial valuation as of June 30, 2019, and rolled forward to June 30, 2020.

	June 30, 2019 Measurement Date Employer Proportion	June 30, 2020 Measurement Date Employer Proportion	Change
Corporation's proportionate share Net OPEB Liability:			
DB	0.65680%	0.62960%	-0.02720%
DC RM	0.69949%	0.74451%	0.04502%
DC ODD	0.55609%	0.60268%	0.04659%

Changes in Benefit Provisions Since Prior Valuation of OPEB:

For DC RM and DC ODD plans, there were no changes in benefit provisions.

OPEB Expense:

For the year ended June 30, 2021, the Corporation recognized a reduction of OPEB expense of \$1,577,000 and no support provided by the State.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:

For the year ended June 30, 2021, the Corporation reported deferred outflows of resources and deferred inflow of resources related to OPEB from the following sources (in thousands):

Year Ended June 30, 2021	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to the measurement date	\$ 2,157	\$ -
Difference between expected and actual experience	-	(295)
Difference between projected and actual investment earnings	1,173	-
Changes in assumptions	74	(2,126)
Changes in proportion and differences between employer contributions	154	(15)
Total Deferred Outflows and Deferred Inflows	\$ 3,558	\$ (2,436)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows (in thousands):

Year Ended June 30:	Total
2022	\$ 48
2023	400
2024	430
2025	300
2026	(16)
Thereafter	(40)
	\$ 1,122

OPEB Discount rate:

The discount rate used to measure the total OPEB liability was 7.38%. The projection of cash flows used to determine the discount rate assumed that the Corporation and non-employer State contributions will continue to follow the current funding policy, which meets State statutes. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability in accordance with the method prescribed by GASB Statement No. 74.

Sensitivity of the Corporation's proportionate share of the net OPEB liability to changes in the discount rate:

The following presents the Corporation's proportionate share of the net pension liability using the discount rate of 7.38% and what it would be if the discount was 1-percentage-point (6.38%) lower or 1-percentage-point higher (8.38%), (in thousands).

Corporation's proportionate share of the net OPEB Liability (asset):	Proportional Share	1% Decrease (6.38%)	Current Discount Rate (7.38%)	1% Increase (8.38%)
DB plan	0.62960	\$ 2,975	\$ (2,851)	\$ (7,677)
DC RM plan	0.74451	327	52	(155)
DC ODD plan	0.60268	(154)	(164)	(172)

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rate:

The following presents the Corporation's net OPEB liability using current healthcare cost trend rates and comparing to a 1% increase and a 1% decrease of current healthcare costs trend rates, (in thousands).

Corporation's proportionate share of the net OPEB Liability (asset):	Proportional Share	1% Decrease	Current Discount Rate	1% Increase
DB plan	0.62960	\$ (8,243)	\$ (2,851)	\$ 3,678
DC RM plan	0.74451	(185)	52	377
DC ODD plan	0.60268	n/a	(164)	n/a

OPEB plan's fiduciary net position:

All information regarding the Plan's assets, deferred outflow/inflow of resources, liabilities and fiduciary net position can be found in the PERS financial statements that are available to the public on the SOA website: <http://doa.alaska.gov/drb/employer/resources/gasb.html#.YMPxY6hKq2x>.

Annual Postemployment Healthcare Cost

For the year ended June 30, 2021, the Corporation recognized \$365,000 in DC OPEB costs. These amounts were recognized as expense.

22 OTHER COMMITMENTS AND CONTINGENCIES

Medical Self Insurance

During the fiscal year ended June 30, 1998, the Corporation began a program of self-insurance for employee medical benefits. Costs are billed directly to the Corporation by an Administrative Services Provider that processes all of the claims from the employees and their dependents. The Corporation has purchased a stop-loss policy that limits its liability to \$200,000 per employee per year. The Corporation has provided for an estimate of the Incurred but Not Reported ("IBNR") liability in the amount of \$1,931,000 as of June 30, 2021.

Lease Obligations

The Corporation leases the land at its Anchorage Family Investment Center located at 440 E. Benson Blvd., Anchorage, Alaska for \$7,000 per month. Lease expense for the twelve months ended June 30, 2021, totaled \$84,000.

Litigation

The Corporation, in the normal course of its activities, is involved in various claims and pending litigation, the outcome of which is not presently determinable. In the opinion of management, the disposition of these matters is not presently expected to have a material adverse effect on the Corporation's financial statements.

Contingent Liabilities

The Corporation participates in several federally assisted programs. These programs are subject to program compliance audits and adjustment by the grantor agencies or their representatives. Any disallowed claims, including

amounts already collected, would become a liability of the Administrative Fund. In management's opinion, disallowance, if any, will be immaterial.

23 RISK MANAGEMENT

The Corporation is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by various commercial insurance policies and contractual risk transfers. When the Corporation enters into agreements, contracts or grants, it requires insurance from the party with which the Corporation is doing business. This ensures that the party can adequately sustain any loss exposure, so the Corporation is not first in line in case of a loss. There have been no significant reductions in insurance coverage from the prior year, and settlements have not exceeded insurance coverage during the past three years.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of the Corporation's Proportionate Share of the Net Pension Liability (in thousands):

	2021	2020	2019	2018
The Corporation's proportion of the net pension liability (asset)	0.629770%	0.656900%	0.714740%	0.689820%
The Corporation's proportionate share of the net pension liability (asset)	\$ 37,164	\$ 35,960	\$ 35,515	\$ 35,660
State's proportionate share of the net pension liability (asset) associated with the Corporation	\$ 15,376	14,276	10,284	13,285
Total	<u>\$ 52,540</u>	<u>\$ 50,236</u>	<u>\$ 45,799</u>	<u>\$ 48,945</u>
The Corporation's covered employee payroll	\$ 10,681	\$11,680	\$12,583	\$ 13,817
The Corporation's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	347.94%	307.88%	282.24%	258.10%
Plan fiduciary net position as a percentage of the total pension liability	61.61%	63.42%	65.19%	63.37%
	2017	2016	2015	2014
The Corporation's proportion of the net pension liability (asset)	0.852380%	0.780600%	0.608214%	0.598696%
The Corporation's proportionate share of the net pension liability (asset)	\$ 47,645	\$ 37,859	\$ 28,368	\$ 31,440
State's proportionate share of the net pension liability (asset) associated with the Corporation	6,003	10,856	22,644	26,434
Total	<u>\$ 53,648</u>	<u>\$ 48,715</u>	<u>\$ 51,012</u>	<u>\$ 57,874</u>
The Corporation's covered employee payroll	\$ 15,252	\$ 16,314	\$ 17,189	\$ 17,815
The Corporation's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	312.39%	232.06%	165.04%	176.48%
Plan fiduciary net position as a percentage of the total pension liability	59.55%	63.96%	62.37%	56.04%

Information in this table is presented based on the Plan measurement date. For June 30, 2021, the plan measurement date is June 30, 2020.

This pension table is intended to present 10 years of information. Additional years will be added to the schedule as they become available.

The Plan is reporting no changes in benefit terms from the prior measurement period.

The Plan is reporting no changes in assumptions from the prior measurement period.

See accompanying independent auditor's report.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of the Corporation's Contributions to the Pension Plan (in thousands):

	2021	2020	2019	2018
Contractually required contributions	\$ 2,292	\$ 2,561	\$ 2,727	\$ 2,932
Contributions in relation to the contractually required contributions	2,292	2,561	2,727	2,932
Contribution deficiency (excess)	-	-	-	-
The Corporation's covered employee payroll	9,602	10,681	11,680	12,583
Contributions as a percentage of covered-employee payroll	23.87%	23.98%	23.35%	23.30%
	2017	2016	2015	2014
Contractually required contributions	\$ 2,679	\$ 2,475	\$ 2,403	\$ 2,128
Contributions in relation to the contractually required contributions	2,679	2,475	2,403	2,128
Contribution deficiency (excess)	-	-	-	-
The Corporation's covered employee payroll	13,817	15,252	16,314	17,189
Contributions as a percentage of covered-employee payroll	19.39%	16.23%	14.73%	12.38%

This table reports the Corporation's pension contributions to PERS during fiscal year 2021. These contributions are reported as a deferred outflow of resources on the June 30, 2021 basic financial statements.

This pension table is intended to present 10 years of information. Additional years will be added to the schedule as they become available.

The Plan is reporting no changes in benefit terms from the prior measurement period.

The Plan is reporting no changes in assumptions from the prior measurement period.

See accompanying independent auditor's report.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of the Corporation's Proportionate Share of the Net OPEB Liability (in thousands):

	2021	2020	2019	2018	2017
The Corporation's proportion of the net OPEB liability (asset) for Defined Benefit - Retiree Medical	0.62960%	0.65680%	0.71458%	0.68992%	0.85265%
The Corporation's proportion of the net OPEB liability (asset) for Defined Contribution Pension Plans - Retiree Medical Plan	0.74451%	0.69949%	0.71095%	0.70310%	0.66252%
The Corporation's proportion of the net OPEB liability (asset) for Defined Contribution Pension Plans - Occupational Death & Disability Plan	0.60268%	0.55609%	0.71095%	0.70310%	0.66252%
The Corporation's proportionate share of the net OPEB liability (asset)	\$ (2,963)	\$ 1,007	\$ 7,286	\$ 5,765	\$ 9,752
State's proportionate share of the net OPEB liability (asset) associated with the Corporation	(1,183)	388	2,129	2,173	-
Total	\$ (4,146)	\$ 1,395	\$ 9,415	\$ 7,939	\$ 9,752
The Corporation's covered employee payroll	\$ 20,850	\$ 20,890	\$ 20,629	\$ 21,133	\$ 21,629
The Corporation's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	(14.21%)	4.82%	35.32%	27.28%	45.09%
Defined Benefit - Retiree Medical Plan fiduciary net position as a percentage of the total OPEB liability	106.15%	98.13%	88.12%	89.68%	85.45%
Defined Contribution - Retiree Medical Plan fiduciary net position as a percentage of the total OPEB liability	95.23%	83.17%	88.71%	93.98%	86.82%
Defined Contribution - Occupational Death & Disability Plan fiduciary net position as a percentage of the total OPEB liability	283.80%	297.43%	270.62%	212.97%	245.29%

Information in this table is presented based on the Plan measurement date. For June 30, 2021, the plan measurement date is June 30, 2020.

This OPEB table is intended to present 10 years of information. Additional years will be added to the schedule as they become available.

Defined Benefit - Retiree Medical Plan is reporting no changes in benefit terms from the prior measurement period.

The Plan is reporting no changes in assumptions from the prior measurement period.

Defined Contribution Pension Plans (Retiree Medical Plan and Occupational Death & Disability Plan) are reporting the following changes in benefit terms from the prior measurement period:

- Updated non-Medicare eligible dependent coverage premiums to reflect subsidy when the member is Medicare-eligible.
- Updated factors used to adjust the defined benefit plan costs to reflect adopted Defined Contribution Retiree Medical plan design.

See accompanying independent auditor's report.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of the Corporation's Contributions to the OPEB Plan (in thousands):

	2021	2020	2019	2018	2017
Contractually required contributions	\$ 1,712	\$ 1,520	\$ 1,434	\$ 1,287	\$ 1,689
Contributions in relation to the contractually required contributions	1,712	1,520	1,434	1,287	1,689
Contribution deficiency (excess)	-	-	-	-	-
The Corporation's covered employee payroll	20,850	20,890	20,775	20,629	21,133
Contributions as a percentage of covered-employee payroll	8.21%	7.28%	6.90%	6.24%	7.99%

This table reports the Corporation's OPEB contributions to SOA during fiscal year 2021. These contributions are reported as a deferred outflow of resources on the June 30, 2021 basic financial statements.

This OPEB table is intended to present 10 years of information. Additional years will be added to the schedule as they become available.

Defined Benefit - Retiree Medical Plan is reporting no changes in benefit terms from the prior measurement period.

Defined Contribution Pension Plans (Retiree Medical Plan and Occupational Death & Disability Plan) are reporting the following changes in benefit terms from the prior measurement period:

- Updated non-Medicare eligible dependent coverage premiums to reflect subsidy when the member is Medicare-eligible.
- Updated factors used to adjust the defined benefit plan costs to reflect adopted Defined Contribution Retiree Medical plan design

See accompanying independent auditor's report.

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ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF NET POSITION

COMBINED - ALL FUNDS

As of June 30, 2021

(in thousands of dollars)

	Administrative Fund	Combined Home Mortgage Revenue Bonds	Combined General Mortgage Revenue Bonds
ASSETS			
Current			
Cash	\$ 38,508	\$ -	\$ -
Investments	719,819	58,357	66,400
Accrued interest receivable	4,269	2,498	1,746
Inter-fund due (to)/from	(158,934)	15,656	10,579
Mortgage loans, notes and other loans	6,391	21,636	18,071
Net investment in direct financing lease	-	-	-
Other assets	2,765	-	-
Intergovernmental receivable	72	-	-
Total Current	612,890	98,147	96,796
Non Current			
Investments	256	-	-
Inter-fund due (to)/from	-	-	-
Mortgage loans, notes and other loans	191,058	699,523	550,715
Net investment in direct financing lease	-	-	-
Capital assets - non-depreciable	2,483	-	-
Capital assets - depreciable, net	12,468	-	-
Other assets	1,261	-	-
OPEB asset	3,015	-	-
Total Non Current	210,541	699,523	550,715
Total Assets	823,431	797,670	647,511
DEFERRED OUTFLOW OF RESOURCES	7,469	139,164	-
LIABILITIES			
Current			
Bonds payable	-	13,470	12,925
Short term debt	130,697	-	-
Accrued interest payable	-	1,483	1,233
Other liabilities	15,605	241	166
Intergovernmental payable	-	-	-
Total Current	146,302	15,194	14,324
Non Current			
Bonds payable	-	463,170	513,356
Other liabilities	3,120	-	-
Derivative instrument - interest rate swaps	-	133,080	-
Pension liability	37,216	-	-
Total Non Current	40,336	596,250	513,356
Total Liabilities	186,638	611,444	527,680
DEFERRED INFLOW OF RESOURCES	2,799	-	-
NET POSITION			
Net investment in capital assets	14,951	-	-
Restricted by bond resolutions	-	325,390	119,831
Restricted by contractual or statutory agreements	125,697	-	-
Unrestricted or (deficit)	500,815	-	-
Total Net Position	\$ 641,463	\$ 325,390	\$ 119,831

See accompanying notes to the financial statements.

Combined Mortgage Revenue Bonds	Combined Collateralized Veterans Mortgage Bonds	Combined Governmental Purpose Bonds	Combined State Capital Project Bonds	Combined Other Programs	Total June 30, 2021
\$ -	\$ -	\$ -	\$ 116	\$ 70,145	\$ 108,769
-	11,830	27,249	149,060	94	1,032,809
-	282	470	5,382	203	14,850
-	1,867	4,229	28,456	98,147	-
-	2,511	5,515	35,377	1,454	90,955
-	-	-	2,238	-	2,238
-	-	-	-	23,714	26,479
-	-	-	-	6,628	6,700
-	16,490	37,463	220,629	200,385	1,282,800
-	-	-	-	-	256
-	-	-	-	-	-
-	81,196	178,326	1,143,860	59,928	2,904,606
-	-	-	18,049	-	18,049
-	-	-	-	18,376	20,859
-	-	-	-	47,850	60,318
-	-	1,054	-	1	2,316
-	-	-	-	-	3,015
-	81,196	179,380	1,161,909	126,155	3,009,419
-	97,686	216,843	1,382,538	326,540	4,292,219
-	-	10,760	52,862	-	210,255
-	2,465	6,855	59,025	-	94,740
-	-	-	-	-	130,697
-	136	217	3,612	-	6,681
-	26	46	306	153,704	170,094
-	-	-	116	384	500
-	2,627	7,118	63,059	154,088	402,712
-	57,732	68,007	1,169,201	-	2,271,466
-	-	-	-	267	3,387
-	-	10,760	24,410	-	168,250
-	-	-	-	-	37,216
-	57,732	78,767	1,193,611	267	2,480,319
-	60,359	85,885	1,256,670	154,355	2,883,031
-	-	-	713	-	3,512
-	-	-	-	66,226	81,177
-	37,327	141,718	-	-	624,266
-	-	-	-	111,630	237,327
-	-	-	178,017	(5,671)	673,161
\$ -	\$ 37,327	\$ 141,718	\$ 178,017	\$ 172,185	\$ 1,615,931

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF NET POSITION

ADMINISTRATIVE FUND

As of June 30, 2021

(in thousands of dollars)

	<u>Administrative Fund</u>
ASSETS	
Current	
Cash	\$ 38,508
Investments	719,819
Accrued interest receivable	4,269
Inter-fund due (to)/from	(158,934)
Mortgage loans, notes and other loans	6,391
Net investment in direct financing lease	-
Other assets	2,765
Intergovernmental receivable	72
Total Current	<u>612,890</u>
Non Current	
Investments	256
Inter-fund due (to)/from	-
Mortgage loans, notes and other loans	191,058
Net investment in direct financing lease	-
Capital assets - non-depreciable	2,483
Capital assets - depreciable, net	12,468
Other assets	1,261
OPEB asset	3,015
Total Non Current	<u>210,541</u>
Total Assets	<u>823,431</u>
DEFERRED OUTFLOW OF RESOURCES	<u>7,469</u>
LIABILITIES	
Current	
Bonds payable	-
Short term debt	130,697
Accrued interest payable	-
Other liabilities	15,605
Intergovernmental payable	-
Total Current	<u>146,302</u>
Non Current	
Bonds payable	-
Other liabilities	3,120
Derivative instrument - interest rate swaps	-
Pension liability	37,216
Total Non Current	<u>40,336</u>
Total Liabilities	<u>186,638</u>
DEFERRED INFLOW OF RESOURCES	<u>2,799</u>
NET POSITION	
Net investment in capital assets	14,951
Restricted by bond resolutions	-
Restricted by contractual or statutory agreements	125,697
Unrestricted or (deficit)	500,815
Total Net Position	<u>\$ 641,463</u>

See accompanying notes to the financial statements.

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ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF NET POSITION

HOME MORTGAGE REVENUE BONDS

As of June 30, 2021

(in thousands of dollars)

	Home Mortgage Revenue Bonds 2002 A	Home Mortgage Revenue Bonds 2007 A	Home Mortgage Revenue Bonds 2007 B	Home Mortgage Revenue Bonds 2007 D	Home Mortgage Revenue Bonds 2009 A
ASSETS					
Current					
Cash	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	4,993	6,906	7,525	8,665	9,933
Accrued interest receivable	273	273	322	325	429
Inter-fund due (to)/from	1,089	2,162	748	2,887	2,523
Mortgage loans, notes and other loans	2,160	2,415	2,323	3,151	3,564
Net investment in direct financing lease	-	-	-	-	-
Other assets	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-
Total Current	8,515	11,756	10,918	15,028	16,449
Non Current					
Investments	-	-	-	-	-
Inter-fund due (to)/from	-	-	-	-	-
Mortgage loans, notes and other loans	69,825	78,085	75,111	101,870	115,228
Net investment in direct financing lease	-	-	-	-	-
Capital assets - non-depreciable	-	-	-	-	-
Capital assets - depreciable, net	-	-	-	-	-
Other assets	-	-	-	-	-
OPEB asset	-	-	-	-	-
Total Non Current	69,825	78,085	75,111	101,870	115,228
Total Assets	78,340	89,841	86,029	116,898	131,677
DEFERRED OUTFLOW OF RESOURCES	3,908	20,796	20,804	24,923	23,067
LIABILITIES					
Current					
Bonds payable	-	1,945	1,945	2,320	2,420
Short term debt	-	-	-	-	-
Accrued interest payable	77	211	211	252	244
Other liabilities	27	27	30	32	41
Intergovernmental payable	-	-	-	-	-
Total Current	104	2,183	2,186	2,604	2,705
Non Current					
Bonds payable	29,310	65,405	65,405	77,920	75,045
Other liabilities	-	-	-	-	-
Derivative instrument - interest rate swaps	3,908	19,728	19,735	23,613	22,177
Pension liability	-	-	-	-	-
Total Non Current	33,218	85,133	85,140	101,533	97,222
Total Liabilities	33,322	87,316	87,326	104,137	99,927
DEFERRED INFLOW OF RESOURCES	-	-	-	-	-
NET POSITION					
Net investment in capital assets	-	-	-	-	-
Restricted by bond resolutions	48,926	23,321	19,507	37,684	54,817
Restricted by contractual or statutory agreements	-	-	-	-	-
Unrestricted or (deficit)	-	-	-	-	-
Total Net Position	\$ 48,926	\$ 23,321	\$ 19,507	\$ 37,684	\$ 54,817

See accompanying notes to the financial statements.

Home Mortgage Revenue Bonds 2009 B	Home Mortgage Revenue Bonds 2009 D	Total June 30, 2021
\$ -	\$ -	\$ -
10,397	9,938	58,357
438	438	2,498
2,314	3,933	15,656
3,857	4,166	21,636
-	-	-
-	-	-
-	-	-
17,006	18,475	98,147
-	-	-
-	-	-
124,696	134,708	699,523
-	-	-
-	-	-
-	-	-
-	-	-
124,696	134,708	699,523
141,702	153,183	797,670
22,837	22,829	139,164
2,420	2,420	13,470
-	-	-
244	244	1,483
43	41	241
-	-	-
2,707	2,705	15,194
75,045	75,040	463,170
-	-	-
21,947	21,972	133,080
-	-	-
96,992	97,012	596,250
99,699	99,717	611,444
-	-	-
-	-	-
64,840	76,295	325,390
-	-	-
-	-	-
\$ 64,840	\$ 76,295	\$ 325,390

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF NET POSITION

GENERAL MORTGAGE REVENUE BONDS

As of June 30, 2021

(in thousands of dollars)

	General Mortgage Revenue Bonds II 2012 A & B	General Mortgage Revenue Bonds II 2016 A	General Mortgage Revenue Bonds II 2018 A & B	General Mortgage Revenue Bonds II 2019 A & B	General Mortgage Revenue Bonds II 2020 A & B
ASSETS					
Current					
Cash	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	1,645	3,073	10,686	8,931	42,065
Accrued interest receivable	-	211	434	446	655
Inter-fund due (to)/from	108	1,002	2,356	2,860	4,253
Mortgage loans, notes and other loans	1,948	2,190	3,579	4,161	6,193
Net investment in direct financing lease	-	-	-	-	-
Other assets	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-
Total Current	3,701	6,476	17,055	16,398	53,166
Non Current					
Investments	-	-	-	-	-
Inter-fund due (to)/from	-	-	-	-	-
Mortgage loans, notes and other loans	29,417	70,799	115,713	134,554	200,232
Net investment in direct financing lease	-	-	-	-	-
Capital assets - non-depreciable	-	-	-	-	-
Capital assets - depreciable, net	-	-	-	-	-
Other assets	-	-	-	-	-
OPEB asset	-	-	-	-	-
Total Non Current	29,417	70,799	115,713	134,554	200,232
Total Assets	33,118	77,275	132,768	150,952	253,398
DEFERRED OUTFLOW OF RESOURCES					
	-	-	-	-	-
LIABILITIES					
Current					
Bonds payable	-	4,305	1,815	3,120	3,685
Short term debt	-	-	-	-	-
Accrued interest payable	-	125	321	323	464
Other liabilities	-	23	38	42	63
Intergovernmental payable	-	-	-	-	-
Total Current	-	4,453	2,174	3,485	4,212
Non Current					
Bonds payable	-	55,827	102,454	136,891	218,184
Other liabilities	-	-	-	-	-
Derivative instrument - interest rate swaps	-	-	-	-	-
Pension liability	-	-	-	-	-
Total Non Current	-	55,827	102,454	136,891	218,184
Total Liabilities	-	60,280	104,628	140,376	222,396
DEFERRED INFLOW OF RESOURCES					
	-	-	-	-	-
NET POSITION					
Net investment in capital assets	-	-	-	-	-
Restricted by bond resolutions	33,118	16,995	28,140	10,576	31,002
Restricted by contractual or statutory agreements	-	-	-	-	-
Unrestricted or (deficit)	-	-	-	-	-
Total Net Position	\$ 33,118	\$ 16,995	\$ 28,140	\$ 10,576	\$ 31,002

See accompanying notes to the financial statements.

**Total
June 30,
2021**

\$ -
66,400
1,746
10,579
18,071
-
-
-

96,796

-
-
550,715
-
-
-
-
-

550,715

647,511

-

12,925
-
1,233
166
-

14,324

513,356
-
-
-

513,356

527,680

-

-
119,831
-
-

\$ 119,831

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF NET POSITION

MORTGAGE REVENUE BONDS

As of June 30, 2021

(in thousands of dollars)

	Mortgage Revenue Bonds 2009 A-2, 2011 A & B
ASSETS	
Current	
Cash	\$ -
Investments	-
Accrued interest receivable	-
Inter-fund due (to)/from	-
Mortgage loans, notes and other loans	-
Net investment in direct financing lease	-
Other assets	-
Intergovernmental receivable	-
Total Current	-
Non Current	
Investments	-
Inter-fund due (to)/from	-
Mortgage loans, notes and other loans	-
Net investment in direct financing lease	-
Capital assets - non-depreciable	-
Capital assets - depreciable, net	-
Other assets	-
OPEB asset	-
Total Non Current	-
Total Assets	-
DEFERRED OUTFLOW OF RESOURCES	-
LIABILITIES	
Current	
Bonds payable	-
Short term debt	-
Accrued interest payable	-
Other liabilities	-
Intergovernmental payable	-
Total Current	-
Non Current	
Bonds payable	-
Other liabilities	-
Derivative instrument - interest rate swaps	-
Pension liability	-
Total Non Current	-
Total Liabilities	-
DEFERRED INFLOW OF RESOURCES	-
NET POSITION	
Net investment in capital assets	-
Restricted by bond resolutions	-
Restricted by contractual or statutory agreements	-
Unrestricted or (deficit)	-
Total Net Position	\$ -

See accompanying notes to the financial statements.

ALASKA HOUSING FINANCE CORPORATION

Schedule 6

(A Component Unit of the State of Alaska)

STATEMENT OF NET POSITION

COLLATERALIZED VETERANS MORTGAGE BONDS

As of June 30, 2021

(in thousands of dollars)

	Collateralized Bonds, 2016 1st & 2nd Series	Collateralized Bonds, 2019 1st & 2nd Series	Total June 30, 2021
ASSETS			
Current			
Cash	\$ -	\$ -	\$ -
Investments	6,109	5,721	11,830
Accrued interest receivable	144	138	282
Inter-fund due (to)/from	1,123	744	1,867
Mortgage loans, notes and other loans	1,312	1,199	2,511
Net investment in direct financing lease	-	-	-
Other assets	-	-	-
Intergovernmental receivable	-	-	-
Total Current	8,688	7,802	16,490
Non Current			
Investments	-	-	-
Inter-fund due (to)/from	-	-	-
Mortgage loans, notes and other loans	42,433	38,763	81,196
Net investment in direct financing lease	-	-	-
Capital assets - non-depreciable	-	-	-
Capital assets - depreciable, net	-	-	-
Other assets	-	-	-
OPEB asset	-	-	-
Total Non Current	42,433	38,763	81,196
Total Assets	51,121	46,565	97,686
DEFERRED OUTFLOW OF RESOURCES			
	-	-	-
LIABILITIES			
Current			
Bonds payable	1,650	815	2,465
Short term debt	-	-	-
Accrued interest payable	68	68	136
Other liabilities	13	13	26
Intergovernmental payable	-	-	-
Total Current	1,731	896	2,627
Non Current			
Bonds payable	32,380	25,352	57,732
Other liabilities	-	-	-
Derivative instrument - interest rate swaps	-	-	-
Pension liability	-	-	-
Total Non Current	32,380	25,352	57,732
Total Liabilities	34,111	26,248	60,359
DEFERRED INFLOW OF RESOURCES			
	-	-	-
NET POSITION			
Net investment in capital assets	-	-	-
Restricted by bond resolutions	17,010	20,317	37,327
Restricted by contractual or statutory agreements	-	-	-
Unrestricted or (deficit)	-	-	-
Total Net Position	\$ 17,010	\$ 20,317	\$ 37,327

See accompanying notes to the financial statements.

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF NET POSITION

GOVERNMENTAL PURPOSE BONDS

As of June 30, 2021

(in thousands of dollars)

	Governmental Purpose Bonds 2001 A & B
ASSETS	
Current	
Cash	\$ -
Investments	27,249
Accrued interest receivable	470
Inter-fund due (to)/from	4,229
Mortgage loans, notes and other loans	5,515
Net investment in direct financing lease	-
Other assets	-
Intergovernmental receivable	-
Total Current	<u>37,463</u>
Non Current	
Investments	-
Inter-fund due (to)/from	-
Mortgage loans, notes and other loans	178,326
Net investment in direct financing lease	-
Capital assets - non-depreciable	-
Capital assets - depreciable, net	-
Other assets	1,054
OPEB asset	-
Total Non Current	<u>179,380</u>
Total Assets	<u>216,843</u>
DEFERRED OUTFLOW OF RESOURCES	<u>10,760</u>
LIABILITIES	
Current	
Bonds payable	6,855
Short term debt	-
Accrued interest payable	217
Other liabilities	46
Intergovernmental payable	-
Total Current	<u>7,118</u>
Non Current	
Bonds payable	68,007
Other liabilities	-
Derivative instrument - interest rate swaps	10,760
Pension liability	-
Total Non Current	<u>78,767</u>
Total Liabilities	<u>85,885</u>
DEFERRED INFLOW OF RESOURCES	<u>-</u>
NET POSITION	
Net investment in capital assets	-
Restricted by bond resolutions	141,718
Restricted by contractual or statutory agreements	-
Unrestricted or (deficit)	-
Total Net Position	<u>\$ 141,718</u>

See accompanying notes to the financial statements.

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ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF NET POSITION

STATE CAPITAL PROJECT BONDS

As of June 30, 2021

(in thousands of dollars)

	State Capital Project Bonds 2002 A, B, C	State Capital Project Bonds 2011 A	State Capital Project Bonds II 2012 A & B	State Capital Project Bonds II 2013 A & B	State Capital Project Bonds II 2014 A, B, C & D
ASSETS					
Current					
Cash	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	3,926	-	270	20	25,020
Accrued interest receivable	94	-	75	49	853
Inter-fund due (to)/from	470	-	53	39	5,042
Mortgage loans, notes and other loans	420	-	178	209	5,706
Net investment in direct financing lease	-	-	-	-	-
Other assets	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-
Total Current	4,910	-	576	317	36,621
Non Current					
Investments	-	-	-	-	-
Inter-fund due (to)/from	-	-	-	-	-
Mortgage loans, notes and other loans	13,575	-	5,763	6,761	184,489
Net investment in direct financing lease	-	-	-	-	-
Capital assets - non-depreciable	-	-	-	-	-
Capital assets - depreciable, net	-	-	-	-	-
Other assets	-	-	-	-	-
OPEB asset	-	-	-	-	-
Total Non Current	13,575	-	5,763	6,761	184,489
Total Assets	18,485	-	6,339	7,078	221,110
DEFERRED OUTFLOW OF RESOURCES	216	-	-	-	29,028
LIABILITIES					
Current					
Bonds payable	6,825	-	5,250	6,140	14,575
Short term debt	-	-	-	-	-
Accrued interest payable	213	-	22	26	639
Other liabilities	7	-	4	2	63
Intergovernmental payable	-	-	-	-	-
Total Current	7,045	-	5,276	6,168	15,277
Non Current					
Bonds payable	3,525	-	85	113	173,811
Other liabilities	-	-	-	-	-
Derivative instrument - interest rate swaps	1,372	-	-	-	23,038
Pension liability	-	-	-	-	-
Total Non Current	4,897	-	85	113	196,849
Total Liabilities	11,942	-	5,361	6,281	212,126
DEFERRED INFLOW OF RESOURCES	-	-	290	423	-
NET POSITION					
Net investment in capital assets	-	-	-	-	-
Restricted by bond resolutions	-	-	-	-	-
Restricted by contractual or statutory agreements	-	-	-	-	-
Unrestricted or (deficit)	6,759	-	688	374	38,012
Total Net Position	\$ 6,759	\$ -	\$ 688	\$ 374	\$ 38,012

See accompanying notes to the financial statements.

State Capital Project Bonds II 2015 A, B & C	State Capital Project Bonds II 2017 A, B & C	State Capital Project Bonds II 2018 A & B	State Capital Project Bonds II 2019 A & B	State Capital Project Bonds II 2020 A & B	State Capital Project Bonds II 2021 A & B	Total June 30, 2021
\$ -	\$ 116	\$ -	\$ -	\$ -	\$ -	\$ 116
45,331	18,004	12,116	12,101	28,894	3,378	149,060
717	1,407	389	787	377	634	5,382
4,503	4,498	3,396	5,238	1,775	3,442	28,456
4,392	9,782	3,632	5,319	2,445	3,294	35,377
-	2,238	-	-	-	-	2,238
-	-	-	-	-	-	-
-	-	-	-	-	-	-
54,943	36,045	19,533	23,445	33,491	10,748	220,629
-	-	-	-	-	-	-
-	-	-	-	-	-	-
142,006	316,298	117,447	171,967	79,063	106,491	1,143,860
-	18,049	-	-	-	-	18,049
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
142,006	334,347	117,447	171,967	79,063	106,491	1,161,909
196,949	370,392	136,980	195,412	112,554	117,239	1,382,538
13,710	4,653	-	-	5,255	-	52,862
14,115	7,755	1,225	1,970	1,170	-	59,025
-	-	-	-	-	-	-
489	719	407	234	146	717	3,612
49	47	32	43	26	33	306
-	116	-	-	-	-	116
14,653	8,637	1,664	2,247	1,342	750	63,059
123,605	334,221	124,547	203,813	95,150	110,331	1,169,201
-	-	-	-	-	-	-
-	-	-	-	-	-	24,410
-	-	-	-	-	-	-
123,605	334,221	124,547	203,813	95,150	110,331	1,193,611
138,258	342,858	126,211	206,060	96,492	111,081	1,256,670
-	-	-	-	-	-	713
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
72,401	32,187	10,769	(10,648)	21,317	6,158	178,017
\$ 72,401	\$ 32,187	\$ 10,769	\$ (10,648)	\$ 21,317	\$ 6,158	\$ 178,017

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF NET POSITION

OTHER PROGRAM FUNDS

As of June 30, 2021

(in thousands of dollars)

	Low Rent Program	Market Rate Rental Housing Program	Home Ownership Fund	Senior Housing Revolving Loan Fund	Other Funds or Programs Subtotal
ASSETS					
Current					
Cash	\$ 15,111	\$ 14,537	\$ -	\$ 3	\$ 29,651
Investments	-	-	94	-	94
Accrued interest receivable	-	-	27	109	136
Inter-fund due (to)/from	(1,378)	(1,238)	57	610	(1,949)
Mortgage loans, notes and other loans	-	-	389	1,033	1,422
Net investment in direct financing lease	-	-	-	-	-
Other assets	1,277	93	-	-	1,370
Intergovernmental receivable	249	863	-	-	1,112
Total Current	15,259	14,255	567	1,755	31,836
Non Current					
Investments	-	-	-	-	-
Inter-fund due (to)/from	-	-	-	-	-
Mortgage loans, notes and other loans	-	-	12,575	33,410	45,985
Net investment in direct financing lease	-	-	-	-	-
Capital assets - non-depreciable	12,506	1,130	-	-	13,636
Capital assets - depreciable, net	35,559	12,256	-	-	47,815
Other assets	-	-	-	-	-
OPEB asset	-	-	-	-	-
Total Non Current	48,065	13,386	12,575	33,410	107,436
Total Assets	63,324	27,641	13,142	35,165	139,272
DEFERRED OUTFLOW OF RESOURCES					
	-	-	-	-	-
LIABILITIES					
Current					
Bonds payable	-	-	-	-	-
Short term debt	-	-	-	-	-
Accrued interest payable	-	-	-	-	-
Other liabilities	1,002	246	3	9	1,260
Intergovernmental payable	383	1	-	-	384
Total Current	1,385	247	3	9	1,644
Non Current					
Bonds payable	-	-	-	-	-
Other liabilities	-	-	-	-	-
Derivative instrument - interest rate swaps	-	-	-	-	-
Pension liability	-	-	-	-	-
Total Non Current	-	-	-	-	-
Total Liabilities	1,385	247	3	9	1,644
DEFERRED INFLOW OF RESOURCES					
	-	-	-	-	-
NET POSITION					
Net investment in capital assets	48,065	13,386	-	-	61,451
Restricted by bond resolutions	-	-	-	-	-
Restricted by contractual or statutory agreements	14,575	14,008	13,139	35,156	76,878
Unrestricted or (deficit)	(701)	-	-	-	(701)
Total Net Position	\$ 61,939	\$ 27,394	\$ 13,139	\$ 35,156	\$ 137,628

See accompanying notes to the financial statements.

Energy Programs	Section 8 Voucher Programs	Other Grants	COVID-19 Grants	Grant Programs Subtotal	Alaska Corporation for Affordable Housing	Total June 30, 2021
\$ 979	\$ 5,470	\$ 3	\$ 25,382	\$ 31,834	\$ 8,660	\$ 70,145
-	-	-	-	-	-	94
-	-	-	-	-	67	203
(78)	(1,732)	(3,825)	105,828	100,193	(97)	98,147
-	-	32	-	32	-	1,454
-	-	-	-	-	-	-
307	535	3,400	17,966	22,208	136	23,714
1,620	38	3,858	-	5,516	-	6,628
2,828	4,311	3,468	149,176	159,783	8,766	200,385
-	-	-	-	-	-	-
-	-	1,423	-	1,423	(1,423)	-
-	-	1,054	-	1,054	12,889	59,928
-	-	-	-	-	-	-
-	-	-	-	-	4,740	18,376
-	35	-	-	35	-	47,850
-	-	-	-	-	1	1
-	-	-	-	-	-	-
-	35	2,477	-	2,512	16,207	126,155
2,828	4,346	5,945	149,176	162,295	24,973	326,540
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	3,267	3	149,171	152,441	3	153,704
-	-	-	-	-	-	384
-	3,267	3	149,171	152,441	3	154,088
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	267	267
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	267	267
-	3,267	3	149,171	152,441	270	154,355
-	-	-	-	-	-	-
-	35	-	-	35	4,740	66,226
-	-	-	-	-	-	-
4,306	3,636	6,796	5	14,743	20,009	111,630
(1,478)	(2,592)	(854)	-	(4,924)	(46)	(5,671)
\$ 2,828	\$ 1,079	\$ 5,942	\$ 5	\$ 9,854	\$ 24,703	\$ 172,185

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF ACTIVITIES

COMBINED - ALL FUNDS

For the Year Ended June 30, 2021

(in thousands of dollars)

	Administrative Fund	Combined Home Mortgage Revenue Bonds	Combined General Mortgage Revenue Bonds	Combined Mortgage Revenue Bonds	Combined Collateralized Veterans Mortgage Bonds
OPERATING REVENUES					
Mortgage and loan revenue	\$ 8,057	\$ 26,656	\$ 23,818	\$ 1,392	\$ 3,895
Investment interest	3,246	386	155	11	42
Net change in the fair value of investments	(1,943)	(93)	(18)	(2)	(13)
Net change of hedge termination	-	-	-	-	-
Total Investment Revenue	1,303	293	137	9	29
Grant revenue	-	-	-	-	-
Housing rental subsidies	-	-	-	-	-
Rental revenue	9	-	-	-	-
Gain (Loss) on Disposal of Capital Assets	14	-	-	-	-
Other revenue	3,118	-	-	-	-
Total Operating Revenues	12,501	26,949	23,955	1,401	3,924
OPERATING EXPENSES					
Interest	217	18,209	14,804	657	2,134
Mortgage and loan costs	1,565	2,527	2,265	137	356
Bond financing expenses	1,069	2,147	1,333	10	9
Provision for loan loss	168	418	295	(1,150)	(211)
Operations and administration	17,112	1,241	1,210	57	129
Rental housing operating expenses	-	-	-	-	-
Grant expense	-	-	-	-	-
Total Operating Expenses	20,131	24,542	19,907	(289)	2,417
Operating Income (Loss)	(7,630)	2,407	4,048	1,690	1,507
NON-OPERATING EXPENSES AND TRANSFERS					
Contributions to State of Alaska or State agencies	(1,011)	-	-	-	-
Interfund receipts (payments) for operations	93,189	293	1,357	(52,584)	2,586
Change in Net Position	84,548	2,700	5,405	(50,894)	4,093
Net position at beginning of year	556,915	322,690	114,426	50,894	33,234
Net Position at End of Period	\$ 641,463	\$ 325,390	\$ 119,831	\$ -	\$ 37,327

See accompanying notes to the financial statements.

Combined Governmental Purpose Bonds	Combined State Capital Project Bonds	Combined Other Programs	Total June 30, 2021
\$ 5,324	\$ 61,734	\$ 1,382	\$ 132,258
109	1,643	77	5,669
(6)	(83)	-	(2,158)
-	579	-	579
103	2,139	77	4,090
-	-	142,101	142,101
-	-	11,922	11,922
-	-	11,210	11,219
-	-	20	34
326	-	1,012	4,456
5,753	63,873	167,724	306,080
3,316	31,650	-	70,987
500	3,880	112	11,342
303	1,162	-	6,033
20	(2,388)	87	(2,761)
262	1,690	28,659	50,360
-	-	17,012	17,012
-	-	143,129	143,129
4,401	35,994	188,999	296,102
1,352	27,879	(21,275)	9,978
-	-	-	(1,011)
765	(63,375)	17,769	-
2,117	(35,496)	(3,506)	8,967
139,601	213,513	175,691	1,606,964
\$ 141,718	\$ 178,017	\$ 172,185	\$ 1,615,931

ALASKA HOUSING FINANCE CORPORATION

Schedule 11

(A Component Unit of the State of Alaska)

STATEMENT OF ACTIVITIES**ADMINISTRATIVE FUND**

For the Year Ended June 30, 2021

(in thousands of dollars)

	Administrative Fund
OPERATING REVENUES	
Mortgage and loan revenue	\$ 8,057
Investment interest	3,246
Net change in the fair value of investments	(1,943)
Net change of hedge termination	-
Total Investment Revenue	<u>1,303</u>
Grant revenue	-
Housing rental subsidies	-
Rental revenue	9
Gain (Loss) on Disposal of Capital Assets	14
Other revenue	3,118
Total Operating Revenues	<u>12,501</u>
OPERATING EXPENSES	
Interest	217
Mortgage and loan costs	1,565
Bond financing expenses	1,069
Provision for loan loss	168
Operations and administration	17,112
Rental housing operating expenses	-
Grant expense	-
Total Operating Expenses	<u>20,131</u>
Operating Income (Loss)	<u>(7,630)</u>
NON-OPERATING EXPENSES AND TRANSFERS	
Contributions to State of Alaska or State agencies	(1,011)
Interfund receipts (payments) for operations	93,189
Change in Net Position	<u>84,548</u>
Net position at beginning of year	<u>556,915</u>
Net Position at End of Period	<u>\$ 641,463</u>

See accompanying notes to the financial statements.

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ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF ACTIVITIES

HOME MORTGAGE REVENUE BONDS

For the Year Ended June 30, 2021

(in thousands of dollars)

	Home Mortgage Revenue Bonds 2002 A	Home Mortgage Revenue Bonds 2007 A	Home Mortgage Revenue Bonds 2007 B	Home Mortgage Revenue Bonds 2007 D	Home Mortgage Revenue Bonds 2009 A
OPERATING REVENUES					
Mortgage and loan revenue	\$ 3,024	\$ 3,052	\$ 3,013	\$ 3,993	\$ 4,117
Investment interest	34	47	39	55	67
Net change in the fair value of investments	(9)	(11)	(9)	(12)	(16)
Net change of hedge termination	-	-	-	-	-
Total Investment Revenue	<u>25</u>	<u>36</u>	<u>30</u>	<u>43</u>	<u>51</u>
Grant revenue	-	-	-	-	-
Housing rental subsidies	-	-	-	-	-
Rental revenue	-	-	-	-	-
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-
Other revenue	-	-	-	-	-
Total Operating Revenues	<u>3,049</u>	<u>3,088</u>	<u>3,043</u>	<u>4,036</u>	<u>4,168</u>
OPERATING EXPENSES					
Interest	1,143	2,575	2,572	3,067	2,951
Mortgage and loan costs	295	304	287	370	385
Bond financing expenses	114	301	291	376	366
Provision for loan loss	32	53	41	58	67
Operations and administration	195	153	133	176	175
Rental housing operating expenses	-	-	-	-	-
Grant expense	-	-	-	-	-
Total Operating Expenses	<u>1,779</u>	<u>3,386</u>	<u>3,324</u>	<u>4,047</u>	<u>3,944</u>
Operating Income (Loss)	<u>1,270</u>	<u>(298)</u>	<u>(281)</u>	<u>(11)</u>	<u>224</u>
NON-OPERATING EXPENSES AND TRANSFERS					
Contributions to State of Alaska or State agencies	-	-	-	-	-
Interfund receipts (payments) for operations	(2,116)	1,089	231	(3)	(366)
Change in Net Position	<u>(846)</u>	<u>791</u>	<u>(50)</u>	<u>(14)</u>	<u>(142)</u>
Net position at beginning of year	<u>49,772</u>	<u>22,530</u>	<u>19,557</u>	<u>37,698</u>	<u>54,959</u>
Net Position at End of Period	<u>\$ 48,926</u>	<u>\$ 23,321</u>	<u>\$ 19,507</u>	<u>\$ 37,684</u>	<u>\$ 54,817</u>

See accompanying notes to the financial statements.

Home Mortgage Revenue Bonds 2009 B	Home Mortgage Revenue Bonds 2009 D	Total June 30, 2021
\$ 4,472	\$ 4,985	\$ 26,656
72	72	386
(18)	(18)	(93)
-	-	-
<u>54</u>	<u>54</u>	<u>293</u>
-	-	-
-	-	-
-	-	-
-	-	-
<u>4,526</u>	<u>5,039</u>	<u>26,949</u>
2,951	2,950	18,209
420	466	2,527
367	332	2,147
67	100	418
193	216	1,241
-	-	-
-	-	-
<u>3,998</u>	<u>4,064</u>	<u>24,542</u>
<u>528</u>	<u>975</u>	<u>2,407</u>
-	-	-
<u>(366)</u>	<u>1,824</u>	<u>293</u>
162	2,799	2,700
<u>64,678</u>	<u>73,496</u>	<u>322,690</u>
<u>\$ 64,840</u>	<u>\$ 76,295</u>	<u>\$ 325,390</u>

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF ACTIVITIES

GENERAL MORTGAGE REVENUE BONDS

For the Year Ended June 30, 2021

(in thousands of dollars)

	General Mortgage Revenue Bonds II 2012 A & B	General Mortgage Revenue Bonds II 2016 A	General Mortgage Revenue Bonds II 2018 A & B	General Mortgage Revenue Bonds II 2019 A & B	General Mortgage Revenue Bonds II 2020 A & B
OPERATING REVENUES					
Mortgage and loan revenue	\$ 3,391	\$ 2,683	\$ 5,890	\$ 5,696	\$ 6,158
Investment interest	15	14	32	41	53
Net change in the fair value of investments	(2)	(1)	(2)	(5)	(8)
Net change of hedge termination	-	-	-	-	-
Total Investment Revenue	13	13	30	36	45
Grant revenue	-	-	-	-	-
Housing rental subsidies	-	-	-	-	-
Rental revenue	-	-	-	-	-
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-
Other revenue	-	-	-	-	-
Total Operating Revenues	3,404	2,696	5,920	5,732	6,203
OPERATING EXPENSES					
Interest	2,382	1,715	4,034	3,615	3,058
Mortgage and loan costs	295	283	540	542	605
Bond financing expenses	4	5	10	12	1,302
Provision for loan loss	(1,165)	(96)	(443)	(86)	2,085
Operations and administration	98	156	261	292	403
Rental housing operating expenses	-	-	-	-	-
Grant expense	-	-	-	-	-
Total Operating Expenses	1,614	2,063	4,402	4,375	7,453
Operating Income (Loss)	1,790	633	1,518	1,357	(1,250)
NON-OPERATING EXPENSES AND TRANSFERS					
Contributions to State of Alaska or State agencies	-	-	-	-	-
Interfund receipts (payments) for operations	(50,879)	11,483	3,901	4,600	32,252
Change in Net Position	(49,089)	12,116	5,419	5,957	31,002
Net position at beginning of year	82,207	4,879	22,721	4,619	-
Net Position at End of Period	\$ 33,118	\$ 16,995	\$ 28,140	\$ 10,576	\$ 31,002

See accompanying notes to the financial statements.

Total June 30, 2021
<u>\$ 23,818</u>
155
(18)
-
<u>137</u>
-
-
-
-
<u>23,955</u>
14,804
2,265
1,333
295
1,210
-
-
<u>19,907</u>
4,048
-
<u>1,357</u>
5,405
114,426
<u>\$ 119,831</u>

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)

STATEMENT OF ACTIVITIES

MORTGAGE REVENUE BONDS
For the Year Ended June 30, 2021
(in thousands of dollars)

	Mortgage Revenue Bonds 2009 A-2, 2011 A & B
	<u> </u>
OPERATING REVENUES	
Mortgage and loan revenue	\$ 1,392
	<u> </u>
Investment interest	11
Net change in the fair value of investments	(2)
Net change of hedge termination	-
Total Investment Revenue	<u>9</u>
	<u> </u>
Grant revenue	-
Housing rental subsidies	-
Rental revenue	-
Gain (Loss) on Disposal of Capital Assets	-
Other revenue	-
Total Operating Revenues	<u>1,401</u>
OPERATING EXPENSES	
Interest	657
Mortgage and loan costs	137
Bond financing expenses	10
Provision for loan loss	(1,150)
Operations and administration	57
Rental housing operating expenses	-
Grant expense	-
Total Operating Expenses	<u>(289)</u>
Operating Income (Loss)	<u>1,690</u>
NON-OPERATING EXPENSES AND TRANSFERS	
Contributions to State of Alaska or State agencies	-
Interfund receipts (payments) for operations	(52,584)
Change in Net Position	<u>(50,894)</u>
	<u> </u>
Net position at beginning of year	50,894
	<u> </u>
Net Position at End of Period	<u>\$ -</u>

See accompanying notes to the financial statements.

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF ACTIVITIES

COLLATERALIZED VETERANS MORTGAGE BONDS

For the Year Ended June 30, 2021

(in thousands of dollars)

	Collateralized Bonds, 2016 1st & 2nd Series	Collateralized Bonds, 2019 1st & 2nd Series	Total June 30, 2021
OPERATING REVENUES			
Mortgage and loan revenue	\$ 1,901	\$ 1,994	\$ 3,895
Investment interest	26	16	42
Net change in the fair value of investments	(10)	(3)	(13)
Net change of hedge termination	-	-	-
Total Investment Revenue	<u>16</u>	<u>13</u>	<u>29</u>
Grant revenue	-	-	-
Housing rental subsidies	-	-	-
Rental revenue	-	-	-
Gain (Loss) on Disposal of Capital Assets	-	-	-
Other revenue	-	-	-
Total Operating Revenues	<u>1,917</u>	<u>2,007</u>	<u>3,924</u>
OPERATING EXPENSES			
Interest	1,053	1,081	2,134
Mortgage and loan costs	170	186	356
Bond financing expenses	4	5	9
Provision for loan loss	(44)	(167)	(211)
Operations and administration	69	60	129
Rental housing operating expenses	-	-	-
Grant expense	-	-	-
Total Operating Expenses	<u>1,252</u>	<u>1,165</u>	<u>2,417</u>
Operating Income (Loss)	665	842	1,507
NON-OPERATING EXPENSES AND TRANSFERS			
Contributions to State of Alaska or State agencies	-	-	-
Interfund receipts (payments) for operations	1,172	1,414	2,586
Change in Net Position	<u>1,837</u>	<u>2,256</u>	<u>4,093</u>
Net position at beginning of year	<u>15,173</u>	<u>18,061</u>	<u>33,234</u>
Net Position at End of Period	<u>\$ 17,010</u>	<u>\$ 20,317</u>	<u>\$ 37,327</u>

See accompanying notes to the financial statements.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)

STATEMENT OF ACTIVITIES
GOVERNMENTAL PURPOSE BONDS
For the Year Ended June 30, 2021
(in thousands of dollars)

	Governmental Purpose Bonds 2001 A & B
OPERATING REVENUES	
Mortgage and loan revenue	\$ 5,324
Investment interest	109
Net change in the fair value of investments	(6)
Net change of hedge termination	-
Total Investment Revenue	<u>103</u>
Grant revenue	-
Housing rental subsidies	-
Rental revenue	-
Gain (Loss) on Disposal of Capital Assets	-
Other revenue	326
Total Operating Revenues	<u>5,753</u>
OPERATING EXPENSES	
Interest	3,316
Mortgage and loan costs	500
Bond financing expenses	303
Provision for loan loss	20
Operations and administration	262
Rental housing operating expenses	-
Grant expense	-
Total Operating Expenses	<u>4,401</u>
Operating Income (Loss)	<u>1,352</u>
NON-OPERATING EXPENSES AND TRANSFERS	
Contributions to State of Alaska or State agencies	-
Interfund receipts (payments) for operations	765
Change in Net Position	<u>2,117</u>
Net position at beginning of year	<u>139,601</u>
Net Position at End of Period	<u>\$ 141,718</u>

See accompanying notes to the financial statements.

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ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF ACTIVITIES

STATE CAPITAL PROJECT BONDS

For the Year Ended June 30, 2021

(in thousands of dollars)

	State Capital Project Bonds 2002 A, B, C	State Capital Project Bonds 2011 A	State Capital Project Bonds II 2012 A & B	State Capital Project Bonds II 2013 A & B	State Capital Project Bonds II 2014 A, B, C & D
OPERATING REVENUES					
Mortgage and loan revenue	\$ 822	\$ 169	\$ 1,345	\$ 1,574	\$ 12,869
Investment interest	3	-	6	32	139
Net change in the fair value of investments	(1)	-	(1)	(5)	(19)
Net change of hedge termination	579	-	-	-	-
Total Investment Revenue	581	0	5	27	120
Grant revenue	-	-	-	-	-
Housing rental subsidies	-	-	-	-	-
Rental revenue	-	-	-	-	-
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-
Other revenue	-	-	-	-	-
Total Operating Revenues	1,403	169	1,350	1,601	12,989
OPERATING EXPENSES					
Interest	1,263	54	692	954	10,161
Mortgage and loan costs	66	7	69	84	998
Bond financing expenses	11	2	2	2	20
Provision for loan loss	(44)	(45)	(345)	(523)	(1,537)
Operations and administration	57	6	22	25	434
Rental housing operating expenses	-	-	-	-	-
Grant expense	-	-	-	-	-
Total Operating Expenses	1,353	24	440	542	10,076
Operating Income (Loss)	50	145	910	1,059	2,913
NON-OPERATING EXPENSES AND TRANSFERS					
Contributions to State of Alaska or State agencies	-	-	-	-	-
Interfund receipts (payments) for operations	1,936	(2,043)	(7,521)	(9,923)	(15,525)
Change in Net Position	1,986	(1,898)	(6,611)	(8,864)	(12,612)
Net position at beginning of year	4,773	1,898	7,299	9,238	50,624
Net Position at End of Period	\$ 6,759	\$ -	\$ 688	\$ 374	\$ 38,012

See accompanying notes to the financial statements.

State Capital Project Bonds II 2015 A, B & C	State Capital Project Bonds II 2017 A, B & C	State Capital Project Bonds II 2018 A & B	State Capital Project Bonds II 2019 A & B	State Capital Project Bonds II 2020 A & B	State Capital Project Bonds II 2021 A & B	Total June 30, 2021
\$ 10,479	\$ 17,779	\$ 5,316	\$ 7,965	\$ 3,273	\$ 143	\$ 61,734
147	1,201	33	56	22	4	1,643
(31)	(9)	(2)	(14)	(1)	-	(83)
-	-	-	-	-	-	579
116	1,192	31	42	21	4	2,139
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
10,595	18,971	5,347	8,007	3,294	147	63,873
7,819	5,782	1,313	1,883	1,566	163	31,650
705	683	437	614	210	7	3,880
16	140	53	91	453	372	1,162
(960)	(417)	(210)	(239)	823	1,109	(2,388)
378	272	146	217	85	48	1,690
-	-	-	-	-	-	-
-	-	-	-	-	-	-
7,958	6,460	1,739	2,566	3,137	1,699	35,994
2,637	12,511	3,608	5,441	157	(1,552)	27,879
-	-	-	-	-	-	-
31,608	(35,719)	(14,969)	(40,089)	21,160	7,710	(63,375)
34,245	(23,208)	(11,361)	(34,648)	21,317	6,158	(35,496)
38,156	55,395	22,130	24,000	-	-	213,513
\$ 72,401	\$ 32,187	\$ 10,769	\$ (10,648)	\$ 21,317	\$ 6,158	\$ 178,017

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF ACTIVITIES

OTHER PROGRAM FUNDS

For the Year Ended June 30, 2021

(in thousands of dollars)

	Low Rent Program	Market Rate Rental Housing Program	Home Ownership Fund	Senior Housing Revolving Loan Fund	Other Funds or Programs Subtotal
OPERATING REVENUES					
Mortgage and loan revenue	\$ -	\$ -	\$ 222	\$ 1,021	\$ 1,243
Investment interest	23	23	2	9	57
Net change in the fair value of investments	-	-	-	-	-
Net change of hedge termination	-	-	-	-	-
Total Investment Revenue	<u>23</u>	<u>23</u>	<u>2</u>	<u>9</u>	<u>57</u>
Grant revenue	1,492	982	-	-	2,474
Housing rental subsidies	9,523	2,399	-	-	11,922
Rental revenue	8,641	2,370	-	-	11,011
Gain (Loss) on Disposal of Capital Assets	20	-	-	-	20
Other revenue	-	-	-	-	-
Total Operating Revenues	<u>19,699</u>	<u>5,774</u>	<u>224</u>	<u>1,030</u>	<u>26,727</u>
OPERATING EXPENSES					
Interest	-	-	-	-	-
Mortgage and loan costs	-	-	21	91	112
Bond financing expenses	-	-	-	-	-
Provision for loan loss	-	-	4	43	47
Operations and administration	12,723	3,144	14	45	15,926
Rental housing operating expenses	13,447	3,526	-	-	16,973
Grant expense	-	-	-	-	-
Total Operating Expenses	<u>26,170</u>	<u>6,670</u>	<u>39</u>	<u>179</u>	<u>33,058</u>
Operating Income (Loss)	<u>(6,471)</u>	<u>(896)</u>	<u>185</u>	<u>851</u>	<u>(6,331)</u>
NON-OPERATING EXPENSES AND TRANSFERS					
Contributions to State of Alaska or State agencies	-	-	-	-	-
Interfund receipts (payments) for operations	2,047	466	21	(164)	2,370
Change in Net Position	(4,424)	(430)	206	687	(3,961)
Net position at beginning of year	<u>66,363</u>	<u>27,824</u>	<u>12,933</u>	<u>34,469</u>	<u>141,589</u>
Net Position at End of Period	<u>\$ 61,939</u>	<u>\$ 27,394</u>	<u>\$ 13,139</u>	<u>\$ 35,156</u>	<u>\$ 137,628</u>

See accompanying notes to the financial statements.

Energy Programs	Section 8 Voucher Programs	Other Grants	COVID-19 Grants	Grant Programs Subtotal	Alaska Corporation for Affordable Housing	Total June 30, 2021
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 139	\$ 1,382
1	4	-	5	10	10	77
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1	4	-	5	10	10	77
6,936	41,281	15,325	76,085	139,627	-	142,101
-	-	-	-	-	-	11,922
-	-	-	-	-	199	11,210
-	-	-	-	-	-	20
-	6	967	-	973	39	1,012
6,937	41,291	16,292	76,090	140,610	387	167,724
-	-	-	-	-	-	-
-	-	-	-	-	-	112
-	-	-	-	-	-	-
-	-	29	-	29	11	87
2,263	5,766	3,007	1,318	12,354	379	28,659
-	34	-	-	34	5	17,012
6,743	35,768	25,851	74,767	143,129	-	143,129
9,006	41,568	28,887	76,085	155,546	395	188,999
(2,069)	(277)	(12,595)	5	(14,936)	(8)	(21,275)
-	-	-	-	-	-	-
2,070	285	12,426	-	14,781	618	17,769
1	8	(169)	5	(155)	610	(3,506)
2,827	1,071	6,111	-	10,009	24,093	175,691
\$ 2,828	\$ 1,079	\$ 5,942	\$ 5	\$ 9,854	\$ 24,703	\$ 172,185

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS

COMBINED - ALL FUNDS

For the Year Ended June 30, 2021

(in thousands of dollars)

	Administrative Fund	Combined Home Mortgage Revenue Bonds	Combined General Mortgage Revenue Bonds	Combined Mortgage Revenue Bonds	Combined Collateralized Veterans Mortgage Bonds
CASH FLOWS					
Operating Activities					
Interest income on mortgages and loans	\$ 7,721	24,937	\$ 22,042	\$ 1,299	\$ 3,715
Principal receipts on mortgages and loans	13,496	208,858	155,953	10,067	38,807
Disbursements to fund mortgages and loans	(587,867)	-	-	-	-
Receipts (payments) for interfund loan transfers	530,038	(238,780)	(110,823)	-	(16,572)
Mortgage and loan proceeds receipts	977,867	-	-	-	-
Mortgage and loan proceeds paid to trust funds	(994,621)	-	-	-	-
Payroll-related disbursements	(22,029)	-	-	-	-
Payments for goods and services	(7,200)	-	-	-	-
Receipts from externally funded programs	-	-	-	-	-
Receipts from Federal HAP subsidies	-	-	-	-	-
Payments for Federal HAP subsidies	-	-	-	-	-
Interfund receipts (payments)	(133,655)	-	-	-	-
Grant payments to other agencies	-	-	-	-	-
Other operating cash receipts (payments)	3,737	-	-	-	-
Net Cash Receipts (Disbursements)	(212,513)	(4,985)	67,172	11,366	25,950
Non-Capital Financing Activities					
Proceeds from bond issuance	-	-	228,549	-	-
Principal paid on bonds	-	(14,640)	(172,615)	(76,400)	(34,785)
Payments to defease bonds	-	-	-	-	-
Payment of bond issuance costs	(1,477)	-	(636)	-	-
Interest paid on bonds	-	(17,620)	(16,738)	(822)	(2,323)
Proceeds from short-term debt issuance	860,531	-	-	-	-
Payment of short term debt	(845,417)	-	-	-	-
Contributions to State of Alaska or State agencies	(1,011)	-	-	-	-
Transfers from (to) other funds	380,150	(11,853)	(95,320)	57,063	2,392
Net Cash Receipts (Disbursements)	392,776	(44,113)	(56,760)	(20,159)	(34,716)
Capital Financing Activities					
Acquisition of capital assets	(85)	-	-	-	-
Proceeds from the disposal of capital assets	14	-	-	-	-
Principal paid on capital notes	-	-	-	-	-
Interest paid on capital notes	-	-	-	-	-
Proceeds from direct financing leases	-	-	-	-	-
Net Cash Receipts (Disbursements)	(71)	-	-	-	-
Investing Activities					
Purchase of investments	(4,404,854)	(489,873)	(326,972)	(11,380)	(56,361)
Proceeds from maturity of investments	4,231,834	538,565	316,389	20,159	65,080
Interest received from investments	3,298	406	171	14	47
Net Cash Receipts (Disbursements)	(169,722)	49,098	(10,412)	8,793	8,766
Net Increase (decrease) in cash	10,470	-	-	-	-
Cash at beginning of year	28,038	-	-	-	-
Cash at end of period	\$ 38,508	\$ -	\$ -	\$ -	\$ -

Combined Governmental Purpose Bonds	Combined State Capital Project Bonds	Combined Other Programs	Total June 30, 2021
\$ 5,085	60,244	\$ 1,153	\$ 126,196
58,428	372,914	10,314	868,837
-	-	-	(587,867)
(57,977)	(105,903)	17	-
-	-	-	977,867
-	-	-	(994,621)
-	-	(15,164)	(37,193)
-	-	(17,457)	(24,657)
-	-	38,908	38,908
-	-	33,811	33,811
-	-	(34,762)	(34,762)
-	-	133,655	-
-	-	(126,232)	(126,232)
-	(75)	12,036	15,698
5,536	327,180	36,279	255,985
-	208,376	-	436,925
(6,600)	(49,756)	-	(354,796)
-	(96,665)	-	(96,665)
-	(820)	-	(2,933)
(2,784)	(38,555)	-	(78,842)
-	-	-	860,531
-	-	-	(845,417)
-	-	-	(1,011)
-	(316,808)	(15,624)	-
(9,384)	(294,228)	(15,624)	(82,208)
-	-	(281)	(366)
-	-	20	34
-	(6,477)	-	(6,477)
-	(1,115)	-	(1,115)
-	3,303	-	3,303
-	(4,289)	(261)	(4,621)
(155,381)	(1,003,107)	(15,720)	(6,463,648)
159,111	973,823	19,851	6,324,812
118	548	75	4,677
3,848	(28,736)	4,206	(134,159)
-	(73)	24,600	34,997
-	189	45,545	73,772
\$ -	\$ 116	\$ 70,145	\$ 108,769

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS

COMBINED - ALL FUNDS

For the Year Ended June 30, 2021

(in thousands of dollars)

	Administrative Fund	Combined Home Mortgage Revenue Bonds	Combined General Mortgage Revenue Bonds	Combined Mortgage Revenue Bonds	Combined Collateralized Veterans Mortgage Bonds
RECONCILIATION					
Operating Income (Loss) to Net Cash					
Operating income (loss)	\$ (7,630)	\$ 2,407	\$ 4,048	\$ 1,690	\$ 1,507
<i>Adjustments:</i>					
Depreciation expense	987	-	-	-	-
Provision for loan loss	168	418	295	(1,150)	(211)
Net change in the fair value of investments	1,943	93	18	2	13
Interfund receipts (payments) for operations	93,189	293	1,357	(52,584)	2,586
Interest received from investments	(3,298)	(406)	(171)	(14)	(47)
Interest paid on bonds and capital notes	-	17,620	16,738	822	2,323
<i>Change in assets, liabilities and deferred resources:</i>					
Net (increase) decrease in mortgages and loans	(26,131)	(41,477)	(48,815)	113,867	20,895
Net increase (decrease) in assets, liabilities, and deferred resources	(271,741)	16,067	93,702	(51,267)	(1,116)
Net Operating Cash Receipts (Disbursements)	\$ (212,513)	\$ (4,985)	\$ 67,172	\$ 11,366	\$ 25,950

See accompanying notes to the financial statements.

Combined Governmental Purpose Bonds	Combined State Capital Project Bonds	Combined Other Programs	Total June 30, 2021
\$ 1,352	\$ 27,879	\$ (21,275)	\$ 9,978
-	-	5,414	6,401
20	(2,388)	87	(2,761)
6	83	-	2,158
765	(63,375)	17,769	-
(118)	(548)	(75)	(4,677)
2,784	39,670	-	79,957
(1,941)	249,111	(4,780)	260,729
2,668	76,748	39,139	(95,800)
\$ 5,536	\$ 327,180	\$ 36,279	\$ 255,985

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS

ADMINISTRATIVE FUND

For the Year Ended June 30, 2021

(in thousands of dollars)

	Administrative Fund
CASH FLOWS	
Operating Activities	
Interest income on mortgages and loans	\$ 7,721
Principal receipts on mortgages and loans	13,496
Disbursements to fund mortgages and loans	(587,867)
Receipts (payments) for interfund loan transfers	530,038
Mortgage and loan proceeds receipts	977,867
Mortgage and loan proceeds paid to trust funds	(994,621)
Payroll-related disbursements	(22,029)
Payments for goods and services	(7,200)
Receipts from externally funded programs	-
Receipts from Federal HAP subsidies	-
Payments for Federal HAP subsidies	-
Interfund receipts (payments)	(133,655)
Grant payments to other agencies	-
Other operating cash receipts (payments)	3,737
Net Cash Receipts (Disbursements)	(212,513)
Non-Capital Financing Activities	
Proceeds from bond issuance	-
Principal paid on bonds	-
Payments to defease bonds	-
Payment of bond issuance costs	(1,477)
Interest paid on bonds	-
Proceeds from short-term debt issuance	860,531
Payment of short term debt	(845,417)
Contributions to State of Alaska or State agencies	(1,011)
Transfers from (to) other funds	380,150
Net Cash Receipts (Disbursements)	392,776
Capital Financing Activities	
Acquisition of capital assets	(85)
Proceeds from the disposal of capital assets	14
Principal paid on capital notes	-
Interest paid on capital notes	-
Proceeds from direct financing leases	-
Net Cash Receipts (Disbursements)	(71)
Investing Activities	
Purchase of investments	(4,404,854)
Proceeds from maturity of investments	4,231,834
Interest received from investments	3,298
Net Cash Receipts (Disbursements)	(169,722)
Net Increase (decrease) in cash	10,470
Cash at beginning of year	28,038
Cash at end of period	\$ 38,508

	<u>Administrative Fund</u>
RECONCILIATION	
Operating Income (Loss) to Net Cash	
Operating income (loss)	\$ (7,630)
<i>Adjustments:</i>	
Depreciation expense	987
Provision for loan loss	168
Net change in the fair value of investments	1,943
Interfund receipts (payments) for operations	93,189
Interest received from investments	(3,298)
Interest paid on bonds and capital notes	-
<i>Change in assets, liabilities and deferred resources:</i>	
Net (increase) decrease in mortgages and loans	(26,131)
Net increase (decrease) in assets, liabilities, and deferred resources	(271,741)
Net Operating Cash Receipts (Disbursements)	<u><u>\$ (212,513)</u></u>

See accompanying notes to the financial statements.

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS

HOME MORTGAGE REVENUE BONDS

For the Year Ended June 30, 2021

(in thousands of dollars)

	Home Mortgage Revenue Bonds 2002 A	Home Mortgage Revenue Bonds 2007 A	Home Mortgage Revenue Bonds 2007 B	Home Mortgage Revenue Bonds 2007 D	Home Mortgage Revenue Bonds 2009 A
CASH FLOWS					
Operating Activities					
Interest income on mortgages and loans	\$ 2,807	\$ 2,844	\$ 2,814	\$ 3,793	\$ 3,862
Principal receipts on mortgages and loans	19,294	21,415	23,655	33,653	36,152
Disbursements to fund mortgages and loans	-	-	-	-	-
Receipts (payments) for interfund loan transfers	(20,768)	(26,024)	(25,342)	(38,487)	(40,000)
Mortgage and loan proceeds receipts	-	-	-	-	-
Mortgage and loan proceeds paid to trust funds	-	-	-	-	-
Payroll-related disbursements	-	-	-	-	-
Payments for goods and services	-	-	-	-	-
Receipts from externally funded programs	-	-	-	-	-
Receipts from Federal HAP subsidies	-	-	-	-	-
Payments for Federal HAP subsidies	-	-	-	-	-
Interfund receipts (payments)	-	-	-	-	-
Grant payments to other agencies	-	-	-	-	-
Other operating cash receipts (payments)	-	-	-	-	-
Net Cash Receipts (Disbursements)	1,333	(1,765)	1,127	(1,041)	14
Non-Capital Financing Activities					
Proceeds from bond issuance	-	-	-	-	-
Principal paid on bonds	(1,825)	(1,850)	(1,850)	(2,200)	(2,305)
Payments to defease bonds	-	-	-	-	-
Payment of bond issuance costs	-	-	-	-	-
Interest paid on bonds	(929)	(2,505)	(2,503)	(2,979)	(2,902)
Proceeds from short-term debt issuance	-	-	-	-	-
Payment of short term debt	-	-	-	-	-
Contributions to State of Alaska or State agencies	-	-	-	-	-
Transfers from (to) other funds	(3,131)	23	(974)	(935)	(3,037)
Net Cash Receipts (Disbursements)	(5,885)	(4,332)	(5,327)	(6,114)	(8,244)
Capital Financing Activities					
Acquisition of capital assets	-	-	-	-	-
Proceeds from the disposal of capital assets	-	-	-	-	-
Principal paid on capital notes	-	-	-	-	-
Interest paid on capital notes	-	-	-	-	-
Proceeds from direct financing leases	-	-	-	-	-
Net Cash Receipts (Disbursements)	-	-	-	-	-
Investing Activities					
Purchase of investments	(44,580)	(60,319)	(51,777)	(70,812)	(84,463)
Proceeds from maturity of investments	49,096	66,367	55,935	77,908	92,623
Interest received from investments	36	49	42	59	70
Net Cash Receipts (Disbursements)	4,552	6,097	4,200	7,155	8,230
Net Increase (decrease) in cash	-	-	-	-	-
Cash at beginning of year	-	-	-	-	-
Cash at end of period	\$ -	\$ -	\$ -	\$ -	\$ -

Home Mortgage Revenue Bonds 2009 B	Home Mortgage Revenue Bonds 2009 D	Total June 30, 2021
\$ 4,164	\$ 4,653	\$ 24,937
37,933	36,756	208,858
-	-	-
(43,414)	(44,745)	(238,780)
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
(1,317)	(3,336)	(4,985)
-	-	-
(2,305)	(2,305)	(14,640)
-	-	-
-	-	-
(2,901)	(2,901)	(17,620)
-	-	-
-	-	-
(1,803)	(1,996)	(11,853)
(7,009)	(7,202)	(44,113)
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
(92,301)	(85,621)	(489,873)
100,552	96,084	538,565
75	75	406
8,326	10,538	49,098
-	-	-
-	-	-
\$ -	\$ -	\$ -

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS

HOME MORTGAGE REVENUE BONDS

For the Year Ended June 30, 2021

(in thousands of dollars)

	Home Mortgage Revenue Bonds 2002 A	Home Mortgage Revenue Bonds 2007 A	Home Mortgage Revenue Bonds 2007 B	Home Mortgage Revenue Bonds 2007 D	Home Mortgage Revenue Bonds 2009 A
RECONCILIATION					
Operating Income (Loss) to Net Cash					
Operating income (loss)	\$ 1,270	\$ (298)	\$ (281)	\$ (11)	\$ 224
<i>Adjustments:</i>					
Depreciation expense	-	-	-	-	-
Provision for loan loss	32	53	41	58	67
Net change in the fair value of investments	9	11	9	12	16
Interfund receipts (payments) for operations	(2,116)	1,089	231	(3)	(366)
Interest received from investments	(36)	(49)	(42)	(59)	(70)
Interest paid on bonds and capital notes	929	2,505	2,503	2,979	2,902
<i>Change in assets, liabilities and deferred resources:</i>					
Net (increase) decrease in mortgages and loans	(3,193)	(5,215)	(4,088)	(5,745)	(6,661)
Net increase (decrease) in assets, liabilities, and deferred resources	4,438	139	2,754	1,728	3,902
Net Operating Cash Receipts (Disbursements)	\$ 1,333	\$ (1,765)	\$ 1,127	\$ (1,041)	\$ 14

See accompanying notes to the financial statements.

Home Mortgage Revenue Bonds 2009 B	Home Mortgage Revenue Bonds 2009 D	Total June 30, 2021
\$ 528	\$ 975	\$ 2,407
-	-	-
67	100	418
18	18	93
(366)	1,824	293
(75)	(75)	(406)
2,901	2,901	17,620
(6,666)	(9,909)	(41,477)
2,276	830	16,067
<u>\$ (1,317)</u>	<u>\$ (3,336)</u>	<u>\$ (4,985)</u>

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS

GENERAL MORTGAGE REVENUE BONDS

For the Year Ended June 30, 2021

(in thousands of dollars)

	General Mortgage Revenue Bonds II 2012 A & B	General Mortgage Revenue Bonds II 2016 A	General Mortgage Revenue Bonds II 2018 A & B	General Mortgage Revenue Bonds II 2019 A & B	General Mortgage Revenue Bonds II 2020 A & B
CASH FLOWS					
Operating Activities					
Interest income on mortgages and loans	\$ 3,297	\$ 2,446	\$ 5,541	\$ 5,289	\$ 5,469
Principal receipts on mortgages and loans	24,485	14,643	45,269	30,815	40,741
Disbursements to fund mortgages and loans	-	-	-	-	-
Receipts (payments) for interfund loan transfers	-	(4,718)	475	(22,708)	(83,872)
Mortgage and loan proceeds receipts	-	-	-	-	-
Mortgage and loan proceeds paid to trust funds	-	-	-	-	-
Payroll-related disbursements	-	-	-	-	-
Payments for goods and services	-	-	-	-	-
Receipts from externally funded programs	-	-	-	-	-
Receipts from Federal HAP subsidies	-	-	-	-	-
Payments for Federal HAP subsidies	-	-	-	-	-
Interfund receipts (payments)	-	-	-	-	-
Grant payments to other agencies	-	-	-	-	-
Other operating cash receipts (payments)	-	-	-	-	-
Net Cash Receipts (Disbursements)	27,782	12,371	51,285	13,396	(37,662)
Non-Capital Financing Activities					
Proceeds from bond issuance	-	-	-	-	228,549
Principal paid on bonds	(64,740)	(22,195)	(55,875)	(24,595)	(5,210)
Payments to defease bonds	-	-	-	-	-
Payment of bond issuance costs	-	-	-	-	(636)
Interest paid on bonds	(1,421)	(1,915)	(4,906)	(4,430)	(4,066)
Proceeds from short-term debt issuance	-	-	-	-	-
Payment of short term debt	-	-	-	-	-
Contributions to State of Alaska or State agencies	-	-	-	-	-
Transfers from (to) other funds	27,683	11,310	3,629	4,214	(142,156)
Net Cash Receipts (Disbursements)	(38,478)	(12,800)	(57,152)	(24,811)	76,481
Capital Financing Activities					
Acquisition of capital assets	-	-	-	-	-
Proceeds from the disposal of capital assets	-	-	-	-	-
Principal paid on capital notes	-	-	-	-	-
Interest paid on capital notes	-	-	-	-	-
Proceeds from direct financing leases	-	-	-	-	-
Net Cash Receipts (Disbursements)	-	-	-	-	-
Investing Activities					
Purchase of investments	(32,918)	(20,672)	(58,152)	(48,977)	(166,253)
Proceeds from maturity of investments	43,593	21,086	63,981	60,346	127,383
Interest received from investments	21	15	38	46	51
Net Cash Receipts (Disbursements)	10,696	429	5,867	11,415	(38,819)
Net Increase (decrease) in cash	-	-	-	-	-
Cash at beginning of year	-	-	-	-	-
Cash at end of period	\$ -	\$ -	\$ -	\$ -	\$ -

**Total
June 30,
2021**

\$ 22,042
155,953
-
(110,823)
-
-
-
-
-
-
-
-
67,172

228,549
(172,615)
-
(636)
(16,738)
-
-
(95,320)
(56,760)

-
-
-
-
-

(326,972)
316,389
171
(10,412)

\$ -

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS

GENERAL MORTGAGE REVENUE BONDS

For the Year Ended June 30, 2021

(in thousands of dollars)

	General Mortgage Revenue Bonds II 2012 A & B	General Mortgage Revenue Bonds II 2016 A	General Mortgage Revenue Bonds II 2018 A & B	General Mortgage Revenue Bonds II 2019 A & B	General Mortgage Revenue Bonds II 2020 A & B
RECONCILIATION					
Operating Income (Loss) to Net Cash					
Operating income (loss)	\$ 1,790	\$ 633	\$ 1,518	\$ 1,357	\$ (1,250)
<i>Adjustments:</i>					
Depreciation expense	-	-	-	-	-
Provision for loan loss	(1,165)	(96)	(443)	(86)	2,085
Net change in the fair value of investments	2	1	2	5	8
Interfund receipts (payments) for operations	(50,879)	11,483	3,901	4,600	32,252
Interest received from investments	(21)	(15)	(38)	(46)	(51)
Interest paid on bonds and capital notes	1,421	1,915	4,906	4,430	4,066
<i>Change in assets, liabilities and deferred resources:</i>					
Net (increase) decrease in mortgages and loans	95,700	9,483	43,885	8,542	(206,425)
Net increase (decrease) in assets, liabilities, and deferred resources	(19,066)	(11,033)	(2,446)	(5,406)	131,653
Net Operating Cash Receipts (Disbursements)	\$ 27,782	\$ 12,371	\$ 51,285	\$ 13,396	\$ (37,662)

See accompanying notes to the financial statements.

**Total
June 30,
2021**

\$ 4,048

-

295

18

1,357

(171)

16,738

(48,815)

93,702

\$ 67,172

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS

MORTGAGE REVENUE BONDS

For the Year Ended June 30, 2021

(in thousands of dollars)

	Mortgage Revenue Bonds 2009 A-2, 2011 A & B
CASH FLOWS	
Operating Activities	
Interest income on mortgages and loans	\$ 1,299
Principal receipts on mortgages and loans	10,067
Disbursements to fund mortgages and loans	-
Receipts (payments) for interfund loan transfers	-
Mortgage and loan proceeds receipts	-
Mortgage and loan proceeds paid to trust funds	-
Payroll-related disbursements	-
Payments for goods and services	-
Receipts from externally funded programs	-
Receipts from Federal HAP subsidies	-
Payments for Federal HAP subsidies	-
Interfund receipts (payments)	-
Grant payments to other agencies	-
Other operating cash receipts (payments)	-
Net Cash Receipts (Disbursements)	11,366
Non-Capital Financing Activities	
Proceeds from bond issuance	-
Principal paid on bonds	(76,400)
Payments to defease bonds	-
Payment of bond issuance costs	-
Interest paid on bonds	(822)
Proceeds from short-term debt issuance	-
Payment of short term debt	-
Contributions to State of Alaska or State agencies	-
Transfers from (to) other funds	57,063
Net Cash Receipts (Disbursements)	(20,159)
Capital Financing Activities	
Acquisition of capital assets	-
Proceeds from the disposal of capital assets	-
Principal paid on capital notes	-
Interest paid on capital notes	-
Proceeds from direct financing leases	-
Net Cash Receipts (Disbursements)	-
Investing Activities	
Purchase of investments	(11,380)
Proceeds from maturity of investments	20,159
Interest received from investments	14
Net Cash Receipts (Disbursements)	8,793
Net Increase (decrease) in cash	-
Cash at beginning of year	-
Cash at end of period	\$ -

	Mortgage Revenue Bonds 2009 A-2, 2011 A & B
RECONCILIATION	
Operating Income (Loss) to Net Cash	
Operating income (loss)	\$ 1,690
<i>Adjustments:</i>	
Depreciation expense	-
Provision for loan loss	(1,150)
Net change in the fair value of investments	2
Interfund receipts (payments) for operations	(52,584)
Interest received from investments	(14)
Interest paid on bonds and capital notes	822
<i>Change in assets, liabilities and deferred resources:</i>	
Net (increase) decrease in mortgages and loans	113,867
Net increase (decrease) in assets, liabilities, and deferred resources	(51,267)
Net Operating Cash Receipts (Disbursements)	<u><u>\$ 11,366</u></u>

See accompanying notes to the financial statements.

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS

COLLATERALIZED VETERANS MORTGAGE BONDS

For the Year Ended June 30, 2021

(in thousands of dollars)

	Collateralized Bonds, 2016 1st & 2nd Series	Collateralized Bonds, 2019 1st & 2nd Series	Total June 30, 2021
CASH FLOWS			
Operating Activities			
Interest income on mortgages and loans	\$ 1,787	\$ 1,928	\$ 3,715
Principal receipts on mortgages and loans	17,237	21,570	38,807
Disbursements to fund mortgages and loans	-	-	-
Receipts (payments) for interfund loan transfers	(13,270)	(3,302)	(16,572)
Mortgage and loan proceeds receipts	-	-	-
Mortgage and loan proceeds paid to trust funds	-	-	-
Payroll-related disbursements	-	-	-
Payments for goods and services	-	-	-
Receipts from externally funded programs	-	-	-
Receipts from Federal HAP subsidies	-	-	-
Payments for Federal HAP subsidies	-	-	-
Interfund receipts (payments)	-	-	-
Grant payments to other agencies	-	-	-
Other operating cash receipts (payments)	-	-	-
Net Cash Receipts (Disbursements)	5,754	20,196	25,950
Non-Capital Financing Activities			
Proceeds from bond issuance	-	-	-
Principal paid on bonds	(11,530)	(23,255)	(34,785)
Payments to defease bonds	-	-	-
Payment of bond issuance costs	-	-	-
Interest paid on bonds	(1,081)	(1,242)	(2,323)
Proceeds from short-term debt issuance	-	-	-
Payment of short term debt	-	-	-
Contributions to State of Alaska or State agencies	-	-	-
Transfers from (to) other funds	1,053	1,339	2,392
Net Cash Receipts (Disbursements)	(11,558)	(23,158)	(34,716)
Capital Financing Activities			
Acquisition of capital assets	-	-	-
Proceeds from the disposal of capital assets	-	-	-
Principal paid on capital notes	-	-	-
Interest paid on capital notes	-	-	-
Proceeds from direct financing leases	-	-	-
Net Cash Receipts (Disbursements)	-	-	-
Investing Activities			
Purchase of investments	(29,711)	(26,650)	(56,361)
Proceeds from maturity of investments	35,487	29,593	65,080
Interest received from investments	28	19	47
Net Cash Receipts (Disbursements)	5,804	2,962	8,766
Net Increase (decrease) in cash	-	-	-
Cash at beginning of year	-	-	-
Cash at end of period	\$ -	\$ -	\$ -

	Collateralized Bonds, 2016 1st & 2nd Series	Collateralized Bonds, 2019 1st & 2nd Series	Total June 30, 2021
RECONCILIATION			
Operating Income (Loss) to Net Cash			
Operating income (loss)	\$ 665	\$ 842	\$ 1,507
<i>Adjustments:</i>			
Depreciation expense	-	-	-
Provision for loan loss	(44)	(167)	(211)
Net change in the fair value of investments	10	3	13
Interfund receipts (payments) for operations	1,172	1,414	2,586
Interest received from investments	(28)	(19)	(47)
Interest paid on bonds and capital notes	1,081	1,242	2,323
<i>Change in assets, liabilities and deferred resources:</i>			
Net (increase) decrease in mortgages and loans	4,345	16,550	20,895
Net increase (decrease) in assets, liabilities, and deferred resources	(1,447)	331	(1,116)
Net Operating Cash Receipts (Disbursements)	\$ 5,754	\$ 20,196	\$ 25,950

See accompanying notes to the financial statements.

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS

GOVERNMENTAL PURPOSE BONDS

For the Year Ended June 30, 2021

(in thousands of dollars)

	Governmental Purpose Bonds 2001 A & B
CASH FLOWS	
Operating Activities	
Interest income on mortgages and loans	\$ 5,085
Principal receipts on mortgages and loans	58,428
Disbursements to fund mortgages and loans	-
Receipts (payments) for interfund loan transfers	(57,977)
Mortgage and loan proceeds receipts	-
Mortgage and loan proceeds paid to trust funds	-
Payroll-related disbursements	-
Payments for goods and services	-
Receipts from externally funded programs	-
Receipts from Federal HAP subsidies	-
Payments for Federal HAP subsidies	-
Interfund receipts (payments)	-
Grant payments to other agencies	-
Other operating cash receipts (payments)	-
Net Cash Receipts (Disbursements)	5,536
Non-Capital Financing Activities	
Proceeds from bond issuance	-
Principal paid on bonds	(6,600)
Payments to defease bonds	-
Payment of bond issuance costs	-
Interest paid on bonds	(2,784)
Proceeds from short-term debt issuance	-
Payment of short term debt	-
Contributions to State of Alaska or State agencies	-
Transfers from (to) other funds	-
Net Cash Receipts (Disbursements)	(9,384)
Capital Financing Activities	
Acquisition of capital assets	-
Proceeds from the disposal of capital assets	-
Principal paid on capital notes	-
Interest paid on capital notes	-
Proceeds from direct financing leases	-
Net Cash Receipts (Disbursements)	-
Investing Activities	
Purchase of investments	(155,381)
Proceeds from maturity of investments	159,111
Interest received from investments	118
Net Cash Receipts (Disbursements)	3,848
Net Increase (decrease) in cash	-
Cash at beginning of year	-
Cash at end of period	\$ -

	Governmental Purpose Bonds 2001 A & B
RECONCILIATION	
Operating Income (Loss) to Net Cash	
Operating income (loss)	\$ 1,352
<i>Adjustments:</i>	
Depreciation expense	-
Provision for loan loss	20
Net change in the fair value of investments	6
Interfund receipts (payments) for operations	765
Interest received from investments	(118)
Interest paid on bonds and capital notes	2,784
<i>Change in assets, liabilities and deferred resources:</i>	
Net (increase) decrease in mortgages and loans	(1,941)
Net increase (decrease) in assets, liabilities, and deferred resources	2,668
Net Operating Cash Receipts (Disbursements)	<u>\$ 5,536</u>

See accompanying notes to the financial statements.

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS

STATE CAPITAL PROJECT BONDS

For the Year Ended June 30, 2021

(in thousands of dollars)

	State Capital Project Bonds 2002 A, B, C	State Capital Project Bonds 2011 A	State Capital Project Bonds II 2012 A & B	State Capital Project Bonds II 2013 A & B	State Capital Project Bonds II 2014 A, B, C & D
CASH FLOWS					
Operating Activities					
Interest income on mortgages and loans	\$ 780	\$ 169	\$ 1,430	\$ 1,848	\$ 12,422
Principal receipts on mortgages and loans	5,134	251	3,933	10,160	85,164
Disbursements to fund mortgages and loans	-	-	-	-	-
Receipts (payments) for interfund loan transfers	-	-	-	-	(29,998)
Mortgage and loan proceeds receipts	-	-	-	-	-
Mortgage and loan proceeds paid to trust funds	-	-	-	-	-
Payroll-related disbursements	-	-	-	-	-
Payments for goods and services	-	-	-	-	-
Receipts from externally funded programs	-	-	-	-	-
Receipts from Federal HAP subsidies	-	-	-	-	-
Payments for Federal HAP subsidies	-	-	-	-	-
Interfund receipts (payments)	-	-	-	-	-
Grant payments to other agencies	-	-	-	-	-
Other operating cash receipts (payments)	-	-	-	-	-
Net Cash Receipts (Disbursements)	5,914	420	5,363	12,008	67,588
Non-Capital Financing Activities					
Proceeds from bond issuance	-	-	-	-	-
Principal paid on bonds	(458)	(2,645)	(5,030)	(5,810)	(13,870)
Payments to defease bonds	-	-	-	-	-
Payment of bond issuance costs	-	-	-	-	-
Interest paid on bonds	(83)	(66)	(779)	(996)	(11,653)
Proceeds from short-term debt issuance	-	-	-	-	-
Payment of short term debt	-	-	-	-	-
Contributions to State of Alaska or State agencies	-	-	-	-	-
Transfers from (to) other funds	1,868	2,286	(1,881)	(15,400)	(47,600)
Net Cash Receipts (Disbursements)	1,327	(425)	(7,690)	(22,206)	(73,123)
Capital Financing Activities					
Acquisition of capital assets	-	-	-	-	-
Proceeds from the disposal of capital assets	-	-	-	-	-
Principal paid on capital notes	(6,082)	(395)	-	-	-
Interest paid on capital notes	(1,105)	(10)	-	-	-
Proceeds from direct financing leases	-	-	-	-	-
Net Cash Receipts (Disbursements)	(7,187)	(405)	-	-	-
Investing Activities					
Purchase of investments	(12,232)	(421)	(9,100)	(25,709)	(181,226)
Proceeds from maturity of investments	12,174	830	11,419	35,874	186,615
Interest received from investments	4	1	8	33	146
Net Cash Receipts (Disbursements)	(54)	410	2,327	10,198	5,535
Net Increase (decrease) in cash	-	-	-	-	-
Cash at beginning of year	-	-	-	-	-
Cash at end of period	\$ -	\$ -	\$ -	\$ -	\$ -

State Capital Project Bonds II 2015 A, B & C	State Capital Project Bonds II 2017 A, B & C	State Capital Project Bonds II 2018 A & B	State Capital Project Bonds II 2019 A & B	State Capital Project Bonds II 2020 A & B	State Capital Project Bonds II 2021 A & B	Total June 30, 2021
\$ 10,300	\$ 17,597	\$ 5,111	\$ 7,653	\$ 2,934	\$ -	\$ 60,244
72,279	64,218	45,294	69,469	17,012	-	372,914
-	-	-	-	-	-	-
-	(22,996)	(21,998)	(30,911)	-	-	(105,903)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	(75)	-	-	-	-	(75)
82,579	58,744	28,407	46,211	19,946	-	327,180
-	-	-	-	97,119	111,257	208,376
(12,845)	(5,690)	(1,168)	(1,895)	(345)	-	(49,756)
-	-	-	-	(96,665)	-	(96,665)
-	-	-	-	(448)	(372)	(820)
(10,176)	(8,962)	(1,756)	(2,970)	(1,114)	-	(38,555)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(46,000)	(47,063)	(19,000)	(46,887)	10,381	(107,512)	(316,808)
(69,021)	(61,715)	(21,924)	(51,752)	8,928	3,373	(294,228)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	(6,477)
-	-	-	-	-	-	(1,115)
-	3,303	-	-	-	-	3,303
-	3,303	-	-	-	-	(4,289)
(201,561)	(153,352)	(78,555)	(120,955)	(107,645)	(112,351)	(1,003,107)
187,852	152,864	72,036	126,433	78,751	108,975	973,823
151	83	36	63	20	3	548
(13,558)	(405)	(6,483)	5,541	(28,874)	(3,373)	(28,736)
-	(73)	-	-	-	-	(73)
-	189	-	-	-	-	189
\$ -	\$ 116	\$ -	\$ -	\$ -	\$ -	\$ 116

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS

STATE CAPITAL PROJECT BONDS

For the Year Ended June 30, 2021

(in thousands of dollars)

	State Capital Project Bonds 2002 A, B, C	State Capital Project Bonds 2011 A	State Capital Project Bonds II 2012 A & B	State Capital Project Bonds II 2013 A & B	State Capital Project Bonds II 2014 A, B, C & D
RECONCILIATION					
Operating Income (Loss) to Net Cash					
Operating income (loss)	\$ 50	\$ 145	\$ 910	\$ 1,059	\$ 2,913
<i>Adjustments:</i>					
Depreciation expense	-	-	-	-	-
Provision for loan loss	(44)	(45)	(345)	(523)	(1,537)
Net change in the fair value of investments	1	-	1	5	19
Interfund receipts (payments) for operations	1,936	(2,043)	(7,521)	(9,923)	(15,525)
Interest received from investments	(4)	(1)	(8)	(33)	(146)
Interest paid on bonds and capital notes	1,188	76	779	996	11,653
<i>Change in assets, liabilities and deferred resources:</i>					
Net (increase) decrease in mortgages and loans	4,337	4,473	34,108	51,758	152,188
Net increase (decrease) in assets, liabilities, and deferred resources	(1,550)	(2,185)	(22,561)	(31,331)	(81,977)
Net Operating Cash Receipts (Disbursements)	\$ 5,914	\$ 420	\$ 5,363	\$ 12,008	\$ 67,588

See accompanying notes to the financial statements.

State Capital Project Bonds II 2015 A, B & C	State Capital Project Bonds II 2017 A, B & C	State Capital Project Bonds II 2018 A & B	State Capital Project Bonds II 2019 A & B	State Capital Project Bonds II 2020 A & B	State Capital Project Bonds II 2021 A & B	Total June 30, 2021
\$ 2,637	\$ 12,511	\$ 3,608	\$ 5,441	\$ 157	\$ (1,552)	\$ 27,879
-	-	-	-	-	-	-
(960)	(417)	(210)	(239)	823	1,109	(2,388)
31	9	2	14	1	-	83
31,608	(35,719)	(14,969)	(40,089)	21,160	7,710	(63,375)
(151)	(83)	(36)	(63)	(20)	(3)	(548)
10,176	8,962	1,756	2,970	1,114	-	39,670
95,053	38,008	22,644	37,835	(81,508)	(109,785)	249,111
(55,815)	35,473	15,612	40,342	78,219	102,521	76,748
\$ 82,579	\$ 58,744	\$ 28,407	\$ 46,211	\$ 19,946	\$ -	\$ 327,180

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS

OTHER PROGRAM FUNDS

For the Year Ended June 30, 2021

(in thousands of dollars)

	Low Rent Program	Market Rate Rental Housing Program	Home Ownership Fund	Senior Housing Revolving Loan Fund	Other Funds or Programs Subtotal
CASH FLOWS					
Operating Activities					
Interest income on mortgages and loans	\$ -	\$ -	\$ 202	\$ 951	\$ 1,153
Principal receipts on mortgages and loans	-	-	2,890	7,424	10,314
Disbursements to fund mortgages and loans	-	-	-	-	-
Receipts (payments) for interfund loan transfers	-	-	17	-	17
Mortgage and loan proceeds receipts	-	-	-	-	-
Mortgage and loan proceeds paid to trust funds	-	-	-	-	-
Payroll-related disbursements	(7,931)	(1,713)	-	-	(9,644)
Payments for goods and services	(11,487)	(3,245)	-	-	(14,732)
Receipts from externally funded programs	10,595	2,398	-	-	12,993
Receipts from Federal HAP subsidies	-	-	-	-	-
Payments for Federal HAP subsidies	-	-	-	-	-
Interfund receipts (payments)	819	983	-	-	1,802
Grant payments to other agencies	-	-	-	-	-
Other operating cash receipts (payments)	8,023	2,314	-	-	10,337
Net Cash Receipts (Disbursements)	19	737	3,109	8,375	12,240
Non-Capital Financing Activities					
Proceeds from bond issuance	-	-	-	-	-
Principal paid on bonds	-	-	-	-	-
Payments to defease bonds	-	-	-	-	-
Payment of bond issuance costs	-	-	-	-	-
Interest paid on bonds	-	-	-	-	-
Proceeds from short-term debt issuance	-	-	-	-	-
Payment of short term debt	-	-	-	-	-
Contributions to State of Alaska or State agencies	-	-	-	-	-
Transfers from (to) other funds	-	-	(3,310)	(12,314)	(15,624)
Net Cash Receipts (Disbursements)	-	-	(3,310)	(12,314)	(15,624)
Capital Financing Activities					
Acquisition of capital assets	(281)	-	-	-	(281)
Proceeds from the disposal of capital assets	20	-	-	-	20
Principal paid on capital notes	-	-	-	-	-
Interest paid on capital notes	-	-	-	-	-
Proceeds from direct financing leases	-	-	-	-	-
Net Cash Receipts (Disbursements)	(261)	-	-	-	(261)
Investing Activities					
Purchase of investments	-	-	(3,404)	(12,316)	(15,720)
Proceeds from maturity of investments	-	-	3,603	16,248	19,851
Interest received from investments	23	21	2	9	55
Net Cash Receipts (Disbursements)	23	21	201	3,941	4,186
Net Increase (decrease) in cash	(219)	758	-	2	541
Cash at beginning of year	15,330	13,779	-	1	29,110
Cash at end of period	\$ 15,111	\$ 14,537	\$ -	\$ 3	\$ 29,651

Energy Programs	Section 8 Voucher Programs	Other Grants	COVID-19 Grants	Grant Programs Subtotal	Alaska Corporation for Affordable Housing	Total June 30, 2021
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,153
-	-	-	-	-	-	10,314
-	-	-	-	-	-	-
-	-	-	-	-	-	17
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(189)	(4,134)	(858)	(65)	(5,246)	(274)	(15,164)
(364)	(379)	(619)	(1,253)	(2,615)	(110)	(17,457)
6,270	5,556	14,089	-	25,915	-	38,908
-	33,811	-	-	33,811	-	33,811
-	(34,762)	-	-	(34,762)	-	(34,762)
552	(951)	10,183	121,275	131,059	794	133,655
(6,269)	(929)	(24,454)	(94,580)	(126,232)	-	(126,232)
-	-	1,659	-	1,659	40	12,036
-	(1,788)	-	25,377	23,589	450	36,279
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	(15,624)
-	-	-	-	-	-	(15,624)
-	-	-	-	-	-	(281)
-	-	-	-	-	-	20
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	(261)
-	-	-	-	-	-	(15,720)
-	-	-	-	-	-	19,851
1	4	-	5	10	10	75
1	4	-	5	10	10	4,206
1	(1,784)	-	25,382	23,599	460	24,600
978	7,254	3	-	8,235	8,200	45,545
\$ 979	\$ 5,470	\$ 3	\$ 25,382	\$ 31,834	\$ 8,660	\$ 70,145

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS

OTHER PROGRAM FUNDS

For the Year Ended June 30, 2021

(in thousands of dollars)

	Low Rent Program	Market Rate Rental Housing Program	Home Ownership Fund	Senior Housing Revolving Loan Fund	Other Funds or Programs Subtotal
RECONCILIATION					
Operating Income (Loss) to Net Cash					
Operating income (loss)	\$ (6,471)	\$ (896)	\$ 185	\$ 851	\$ (6,331)
<i>Adjustments:</i>					
Depreciation expense	4,192	1,207	-	-	5,399
Provision for loan loss	-	-	4	43	47
Net change in the fair value of investments	-	-	-	-	-
Interfund receipts (payments) for operations	2,047	466	21	(164)	2,370
Interest received from investments	(23)	(21)	(2)	(9)	(55)
Interest paid on bonds and capital notes	-	-	-	-	-
<i>Change in assets, liabilities and deferred resources:</i>					
Net (increase) decrease in mortgages and loans	-	-	(441)	(4,240)	(4,681)
Net increase (decrease) in assets, liabilities, and deferred resources	274	(19)	3,342	11,894	15,491
Net Operating Cash Receipts (Disbursements)	\$ 19	\$ 737	\$ 3,109	\$ 8,375	\$ 12,240

See accompanying notes to the financial statements.

Energy Programs	Section 8 Voucher Programs	Other Grants	COVID-19 Grants	Grant Programs Subtotal	Alaska Corporation for Affordable Housing	Total June 30, 2021
\$ (2,069)	\$ (277)	\$ (12,595)	\$ 5	\$ (14,936)	\$ (8)	\$ (21,275)
-	15	-	-	15	-	5,414
-	-	29	-	29	11	87
-	-	-	-	-	-	-
2,070	285	12,426	-	14,781	618	17,769
(1)	(4)	-	(5)	(10)	(10)	(75)
-	-	-	-	-	-	-
-	-	29	-	29	(128)	(4,780)
-	(1,807)	111	25,377	23,681	(33)	39,139
\$ -	\$ (1,788)	\$ -	\$ 25,377	\$ 23,589	\$ 450	\$ 36,279

Five Year Financial Information

Entity-wide amounts at year-end are presented below for informational purposes (in thousands):

	2021	2020	June 30, 2019	2018	2017
Assets					
Cash	\$ 108,769	\$ 73,772	\$ 74,259	\$ 69,609	\$ 66,343
Investments	1,033,065	871,387	562,671	596,133	618,544
Accrued interest receivable	14,850	16,183	15,831	14,115	12,771
Mortgage loans, notes and other loans	2,995,561	3,256,290	3,342,961	3,132,437	2,910,332
Net investment in direct financing lease	20,287	22,468	24,780	27,003	29,142
Capital assets, net	81,177	87,061	94,036	100,472	106,762
Other assets	38,510	21,455	21,255	28,684	23,171
Total Assets	4,292,219	4,348,616	4,135,793	3,968,453	3,767,065
Deferred Outflow of Resources					
	210,255	261,327	186,739	133,107	172,676
Liabilities					
Bonds and notes payable	2,366,206	2,572,813	2,461,125	2,328,487	2,124,637
Short term debt	130,697	115,366	49,469	53,269	82,526
Accrued interest payable	6,681	7,257	8,388	9,984	9,622
Other liabilities	211,197	70,401	70,059	58,868	63,894
Derivative instrument - interest rate swaps	168,250	234,281	158,349	104,674	144,903
Total Liabilities	2,883,031	3,000,118	2,747,390	2,555,282	2,425,582
Deferred Inflow of Resources					
	3,512	2,861	3,719	7,582	531
Total Net Position	\$ 1,615,931	\$ 1,606,964	\$ 1,571,423	\$ 1,538,696	\$ 1,513,628
Operating Revenues					
Mortgage and loans revenue	\$ 132,258	\$ 147,068	\$ 146,042	\$ 135,055	\$ 130,538
Investment interest	5,669	13,031	17,404	6,273	4,727
Net change in fair value of investments	(2,158)	1,922	(838)	2,967	1,899
Net change of hedge termination	579	(177)	(278)	760	1,028
Total Investment Revenue	4,090	14,776	16,288	10,000	7,654
Externally funded programs	154,023	76,113	77,143	86,844	96,081
Rental	11,219	11,512	11,926	11,305	11,155
Other	4,490	1,607	4,634	3,076	4,051
Total Operating Revenues	306,080	251,076	256,033	246,280	249,479
Operating Expenses					
Interest	70,987	81,137	76,831	71,246	69,890
Mortgage and loan costs	11,342	14,763	12,034	11,452	10,843
Operations and administration	50,360	40,958	44,781	46,127	56,867
Financing expenses	6,033	5,163	6,054	5,027	4,512
Provision for loan loss	(2,761)	(6,639)	(5,740)	(4,560)	(5,584)
Housing grants and subsidies	143,129	63,800	72,198	68,314	84,310
Rental housing operating expenses	17,012	16,353	15,042	15,091	14,296
Total Operating Expenses	296,102	215,535	221,200	212,697	235,134
Operating Income (Loss)	9,978	35,541	34,833	33,583	14,345
Non-Operating & Special Item					
Contribution to State or State agency	(1,011)	-	(2,106)	(125)	(250)
Change in Net Position	\$ 8,967	\$ 35,541	\$ 32,727	\$ 33,458	\$ 14,095

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