

Boulder Housing Partners

**Financial Report
with Supplemental Information
December 31, 2016**

Boulder Housing Partners

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Independent Auditor's Report

To the Board of Commissioners
Boulder Housing Partners

Report on the Financial Statements

We have audited the accompanying financial statements of the primary government business-type activities and the aggregate discretely presented component units of the Housing Authority of the City of Boulder, Colorado, a Colorado Housing Authority d/b/a Boulder Housing Partners (BHP), as of and for the years ended December 31, 2016 and 2015, and the related notes to the financial statements, which collectively comprise Boulder Housing Partners' 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 audits. We did not audit the financial statements of the discretely presented component units, which represents 100 percent of the assets and revenue of the aggregate discretely presented component units. Those financial statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component units, is based solely on the report of the other auditors. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement. The discretely presented component units were not audited under *Government Auditing Standards*.

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 entity'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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

To the Board of Commissioners
Boulder Housing Partners

Opinion

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the primary government business-type activities and the aggregate discretely presented component units of Boulder Housing Partners as of December 31, 2016 and 2015, and the respective changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of proportionate share of the net pension liability, and schedule of contributions, as identified in the table of contents, 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, which 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 supplemental 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 opinions on the financial statements that collectively comprise Boulder Housing Partners' basic financial statements. The financial data schedules are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

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

To the Board of Commissioners
Boulder Housing Partners

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 22, 2017 on our consideration of Boulder Housing Partners' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is 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 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 Boulder Housing Partners' internal control over financial reporting and compliance.

Plante & Moran, PLLC

May 22, 2017

Boulder Housing Partners

Management's Discussion and Analysis

As management of the Housing Authority of the City of Boulder, Colorado, d/b/a Boulder Housing Partners (BHP or the "Authority"), we offer readers of the BHP financial statements this narrative overview and analysis of the financial activities of BHP for the fiscal year ended December 31, 2016.

Management's discussion and analysis is designed to assist the reader in focusing on significant financial issues, to provide an overview of BHP's financial activity and position, and to identify financial trends and concerns. We encourage readers to consider the information presented here in conjunction with BHP's financial statements to obtain a full understanding of its financial position. This management's discussion and analysis is presented in accordance with the requirements of Governmental Accounting Standards Board Statement No. 34 (GASB No. 34).

Overview of the Financial Statements

The annual financial report consists of four parts:

- Management's discussion and analysis
- Financial statements
- Supplemental financial data schedules
- Schedule of expenditures of federal awards

BHP follows accounting principles generally accepted in the United States of America (GAAP) reporting; accordingly, the financial statements are presented under the full accrual basis of accounting. These statements are designed to be corporate-like in that all business-type activities are consolidated into one agency-wide total. While detailed sub-fund information is not presented in the audited statements, separate accounts are maintained for each program to control and manage money for particular purposes. The supplemental information section of the financial statements includes the financial data schedules which provide net position by program and revenue, expenses, and changes in net position by program. The program funds maintained by BHP are required by the Department of Housing and Urban Development (HUD).

In accordance with Governmental Accounting Standards Board Statement of Governmental Accounting Standards Statement No. 63, the financial statements include a statement of net position (similar to a balance sheet) which reports all financial and capital resources of BHP. Assets and liabilities are presented in order of liquidity. Assets are classified as "current" (convertible to cash within one year), "noncurrent," and "capital assets". Liabilities are classified as "current" (payable within one year) and "noncurrent" (payable with maturity beyond one year). Deferred outflow of resources represents the consumption of net assets that is applicable to a future reporting period. Deferred inflow of resources represents an acquisition of net assets that is applicable to a future reporting period.

The focus of the statement of net position is designed to represent the available assets, net of liabilities, for the entire organization. Net position is reported in three broad categories as applicable:

Boulder Housing Partners

Management's Discussion and Analysis (Continued)

Net Investment in Capital Assets - This component consists of all capital assets, reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Position - This component of net position consists of assets restricted when constraints are placed on use by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc.

Unrestricted Net Position - Unrestricted net position consists of net position that does not meet the definition of net investment in capital assets or restricted net position.

The financial statements also include a statement of activities (similar to an income statement). This statement includes operating revenue (tenant revenue, operating grants, management and developer fee income, and other income), operating expenses (housing assistance payments, administrative costs, utilities, maintenance, depreciation, and other tenant and general expenses), and nonoperating revenue and expenses (gain or loss on the sale of assets, interest income and interest expense, and capital grant contributions).

The focus of the statement of activities is the change in net position for the year, which is similar to net income or net loss.

A statement of cash flows is included, which discloses net cash provided by or used in operating activities, investing activities, and from capital and related financing activities. This statement also includes a reconciliation of the change in net position to net cash from operating activities.

Finally, the financial statements also include the notes to financial statements which provide additional information that is essential to a full understanding of the data provided in the Authority-wide statements.

To fully understand the activities and financial statements of Boulder Housing Partners, the following is a brief description of BHP's significant programs and services, which are provided to residents within the city of Boulder.

Moving to Work

In 2011, BHP was awarded the designation of a Moving to Work (MTW) agency by HUD. MTW agencies, of which there are 39 in the country, are accepted into the program on the strength of their long-range plan of how to use deregulation to further three federal goals: increase efficiency/reduce cost; increase housing choices; and leverage customers' ability to achieve self-sufficiency. MTW agencies write an annual plan in which they are invited to request a waiver of rules in the Code of Federal Regulations that impede their ability to pursue their MTW plan.

Boulder Housing Partners

Management's Discussion and Analysis (Continued)

The following programs are included in this designation:

- **Public Housing** - Under the public housing program, BHP rents units it owns to low-income households. This program operates under an annual contributions contract with HUD. An operating subsidy is provided by HUD to enable BHP to provide the housing at a rent that is based upon 30 percent of adjusted gross income of the tenant. The total number of public housing units under contract at the end of calendar year 2016 was 49.
- **Capital Fund Program** - Under this program, BHP receives funding from HUD for physical improvements to its units within the public housing program. The program is operating under an annual contributions contract with HUD.
- **MTW Housing Choice Voucher Program** - Pursuant to the Moving to Work contract with HUD, BHP receives funding to subsidize the rent of low-income families in the private market and earns an administrative fee to cover the program's operating costs. As of December 31, 2016, BHP received funding for 756 Housing Choice vouchers and 135 Rental Assistance Demonstration (RAD) vouchers included in the MTW program.

Other Programs:

Housing Choice Voucher Programs - In addition to the 891 MTW Housing Choice vouchers mentioned above, BHP receives funding through an annual contributions contract with HUD to subsidize the rent of additional low-income families in the private market and earns an administrative fee to cover the program's operating costs. As of December 31, 2016, BHP received funding for 232 vouchers through this version of the Housing Choice voucher and the Mainstream voucher programs.

Continuum of Care Program - BHP receives funding from HUD for 22 McKinney Vento vouchers administered in Boulder as the Housing First Program. BHP receives a separate grant that provides funding for the supportive services for these participants. In addition, BHP receives funding under a separate grant that provides supportive services for 31 units of permanently supportive housing for participants at its Lee Hill tax credit property.

Project-based Rental Assistance - Under multifamily contracts with HUD, BHP receives funding for two project-based housing contract facilities to provide subsidized rent for 116 low-income households. These two properties are Canyon Pointe and Glen Willow.

Owned Permanently Affordable Housing - BHP owns 211 units in 11 properties that are permanently affordable under covenants with the City of Boulder.

Market Rate Housing - BHP has a total of 139 market rate units. One property, which includes the Flats at 101 Canyon and Cornell house, has six units with no restriction on rents. BHP has two properties whereby some of the units have no restrictions on the rents. Bridgewalk, with a total of 123 units, has 111 units with no restriction on rents and 12 units that are included in the Owned Permanently Affordable Housing count above, and Foothills Community, with a total of 74 units, has 22 units with no restriction on rents and 52 units that are included in the Owned Permanently Affordable Housing count above.

Boulder Housing Partners

Management's Discussion and Analysis (Continued)

Market rate units provide valuable cash flow to pay for organization overhead and smooth the effects of uncertain HUD funding for the Public Housing portfolio and Housing Choice administrative fees.

Partnerships in Low-income Tax Credit Housing - BHP or its affiliate is the general partner in nine tax credit partnerships with a total of 596 units that are operating as of December 31, 2016: Boulder Communities, LLLP, Broadway East Community, LLLP, Broadway West Community, LLLP, High Mar Community, LLLP, Holiday Community, LLLP, Lee Hill Community, LLLP, Red Oak Park, LLLP, Vistoso Community, LLLP, and WestView Community, LLLP.

Major Program for 2016 Audit

For the current period ended December 31, 2016, one program deemed by our auditors, Plante & Moran, PLLC, to be a major program was Moving to Work (including MTW Section 8 Housing Choice Voucher Program, the Low Income Public Housing Operating Subsidy, and the Capital Fund Program).

Financial Highlights

During the years ended December 31, 2016 and 2015:

- In 2016, BHP completed renovation construction on 279 units of public housing that were converted to tax credit financing with project-based vouchers in 2015. This transaction closed on September 30, 2015 and included the sale of the properties from BHP to Boulder Communities, LLLP for \$40,900,000. The purchase price consisted of \$1,227,431 of cash, which was used to retire the Qualified Energy Conservation Bond that was collateralized by equipment on the properties, and various notes due to BHP in the amount of 39,672,569. The transaction resulted in a reduction of net fixed assets in 2015 in the amount of \$4,786,493 and a gain on sale for BHP of \$550,000 in 2016 and \$36,113,507 in 2015. BHP recognized a developer fee at construction completion in 2016 of \$7,021,014 and received a developer fee at closing in 2015 of \$1,003,000.

The transaction included two properties with 145 units that converted through Section 18 of the Housing Act of 1937 with tenant protection vouchers and 134 units that converted through the Rental Assistance Demonstration program (RAD). All 279 units will now have a Section 18 or RAD project-based voucher.

- Total assets increased by \$8,623,571 or 7.8 percent in 2016 primarily from the amount of developer fee recognized as a receivable at construction completion of Boulder Communities, LLLP and increased by \$38,179,384 or 53.1 percent in 2015 primarily as a result of the sale of public housing assets to Boulder Communities, LLLP.
- Deferred outflows increased by \$1,369,668 or 103.8 percent in 2016 due to the increase in unfunded pension collective related to the Colorado state defined benefit pension plan (PERA).
- Total liabilities increased by \$1,834,994 or 4.2 percent in 2016 primarily due to the increase in PERA net pension liability and increased by \$5,411,725 or 14.3 percent in 2015.

Boulder Housing Partners

Management's Discussion and Analysis (Continued)

- Deferred inflows of \$939,738 in 2016 consists of approximately \$96,000 related to PERA and \$844,000 of prefunded January housing assistance payments received from HUD in December. There was no balance in deferred inflows in 2015.
- The current ratio, current assets over current liabilities, as of December 31, 2016, and 2015 is 11.57 and 9.87, respectively. This ratio is unusually high in both years. The ratio at December 31, 2016 includes \$12,025,000 of cash restricted for payment on a loan to Boulder Communities, LLLP. The source of this cash was a payment on a note receivable from Boulder Communities, LLLP that was due on September 30, 2016 from the sale of public housing assets. The ratio adjusted for this one-time current asset at December 31, 2016 and 2015 is 6.10 and 3.95, respectively.
- The portfolio-wide debt coverage ratio as of December 31, 2016 and 2015 is 1.64 and 1.56, the workforce properties as a group are 1.71 and 1.71, and the project-based properties as a group are 1.43 and 1.48, respectively.
- Operating revenue in 2016 increased by \$6,428,654 as a result of (1) recognition of a one-time developer fee from Boulder Communities, LLLP of \$7,021,000.
- Operating revenue in 2015 increased by \$1,366,971 as a result of (1) an increase in Housing Choice Voucher assistance of \$785,000 and related administration fees of \$77,000 primarily as a result of new tenant protection vouchers issued for two public housing sites that converted to voucher assistance when the properties were approved for conversion by HUD, (2) insurance proceeds of \$396,000 received in 2015 for replacement of a housing at our Iris Hawthorne property that was destroyed in the 2013 Boulder flood, and (3) an increase in interest income of \$262,000 related to the new notes receivable from Boulder Communities, LLLP related to the sale of properties.
- Operating expenses in 2016 increased by \$1,143,889 primarily as a result of (1) a full year of RAD and tenant protection voucher expense for those vouchers issued to Boulder Communities, LLLP residents of \$1,440,000, (2) an increase in regular salary and benefits of \$445,000, and (3) an increase in net pension liability in accordance with GASB 68 of \$453,000, all offset by savings in predevelopment costs and costs previously incurred for the public housing properties that are now part of Boulder Communities, LLLP, which is reported as a component unit.
- Operating expenses in 2015 increased by \$2,086,537 related to (1) an increase of \$642,000 in salaries and benefits reflecting the cost of additional staffing and a \$205,000 adjustment to pension benefits resulting from the implementation of GASB 67 and 68 and (2) an increase of \$1,146,000 of Housing Choice Voucher Housing Assistance Payments (HAP) related to both a general increase in HAP cost per unit and additional costs related to new tenant protection vouchers for two of the properties converted from public housing to project-based voucher funding.

Boulder Housing Partners

Management's Discussion and Analysis (Continued)

- Capital grants income in 2016 consisted of (1) \$420,000 of local funds and \$296,834 of federal funds received for the acquisition of an existing apartment building, (2) \$484,635 of federal funds received for the acquisition of a parcel of land, (3) \$200,000 of CDBG funds for the renovation of a group home, (4) \$327,920 of CDBG funds for predevelopment work on a new 34-unit development, and (5) \$43,450 of local funds for the installation of a solar array on our main office building at 4800 Broadway.
- Capital grants income in 2015 consisted of (1) the receipt of a parcel of land from the City of Boulder for future development of affordable housing valued at \$2,000,000 and (2) the recognition of \$1,097,000 of Capital Fund grant revenue that was used primarily for predevelopment expenses for Boulder Communities, LLLP.
- In 2015, BHP received payments from High Mar for developer fees of \$406,000 from equity installments from the Limited Partners. The remaining \$468,000 will be paid from future annual cash flow payments from the property.
- In 2015, BHP received payment in full of \$1,788,361 on the construction loan for Lee Hill Community, LLLP. BHP also received payments from Lee Hill for developer fees of \$387,000 from equity installments from the limited partners. The remaining \$58,000 will be paid from future annual cash flow payments from the property.
- BHP was awarded Moving to Work status by HUD effective January 1, 2012. This designation affects all of the Public Housing Units and 756 of our 1145 Housing Choice Vouchers. Moving to Work (MTW) is a demonstration program for public housing authorities (PHAs) that provides the opportunity to design and test innovative, locally designed strategies that use federal dollars more efficiently, help residents find employment and become self-sufficient, and increase housing choices for low-income families. MTW gives PHAs exemptions from many existing public housing and voucher rules and more flexibility with how they use their federal funds. MTW PHAs are expected to use the opportunities presented by MTW to inform HUD about ways to better address local community needs. This award had limited impact to the audited financial results in 2016 and 2015.
- In 2016, BHP extended its existing line of credit through August 2018. In addition, we added additional collateral to increase the available line to \$8,112,000. Draws on the line must be repaid with one year of the date drawn. Interest is due on any outstanding balance at a rate of 2.0 percent. If the line is not used, there is a quarterly fee equal to .125 percent per annum.

Boulder Housing Partners

Management's Discussion and Analysis (Continued)

Condensed Comparative Financial Information

The following table reflects a summary of the statement of net position compared to the prior two years:

Summary Statement of Net Position

Assets	<u>2016</u>	<u>2015</u>	<u>2014</u>
Current assets	\$ 25,464,185	\$ 20,035,418	\$ 9,605,241
Noncurrent assets	49,972,176	46,200,644	17,552,292
Capital assets (net of depreciation)	<u>43,217,668</u>	<u>43,794,396</u>	<u>44,693,541</u>
Total Assets	118,654,029	110,030,458	71,851,074
Deferred outflows	<u>2,688,624</u>	<u>1,318,956</u>	<u>307,224</u>
Total Assets and Deferred Outflows	<u>\$ 121,342,653</u>	<u>\$ 111,349,414</u>	<u>\$ 72,158,298</u>
Liabilities			
Current liabilities	\$ 2,201,383	\$ 2,029,398	\$ 3,112,312
Long-term liabilities	<u>42,978,517</u>	<u>41,315,508</u>	<u>34,820,869</u>
Total Liabilities	45,179,900	43,344,906	37,933,181
Deferred inflows	<u>939,738</u>	<u>-</u>	<u>-</u>
Total Liabilities and Deferred Inflows	46,119,638	43,344,906	37,933,181
Net Position			
Unrestricted	55,022,183	60,551,976	24,603,216
Net investment in capital assets	6,827,209	7,168,630	8,993,150
Restricted	<u>13,373,623</u>	<u>283,902</u>	<u>628,751</u>
Total Net Position	<u>75,223,015</u>	<u>68,004,508</u>	<u>34,225,117</u>
Total Liabilities and Net Position	<u>\$ 121,342,653</u>	<u>\$ 111,349,414</u>	<u>\$ 72,158,298</u>

For more detailed information, see the statement of net position.

Major Factors Affecting the Statement of Net Position

The increase in current assets at December 31, 2016 relates to an increase in unrestricted cash from operations of \$919,000, an increase in restricted cash of \$1,000,000 relating to a deposit in escrow pending the closing of a property acquisition, and an increase in related party receivable primarily related to the current portion of developer fee earned at construction completion of Boulder Communities, LLLP of \$3,548,000.

The increase in current assets at December 31, 2015 relates to a note receivable recognized upon the sale of properties to Boulder Communities, LLLP in the amount of \$12,025,000 related to the sale of public housing assets that is due on September 30, 2016. This amount is offset by a reduction due to collection of notes receivable from Lee Hill Community, LLLP of \$1,788,000.

Boulder Housing Partners

Management's Discussion and Analysis (Continued)

The increase in noncurrent assets at December 31, 2016 relates to the noncurrent portion of developer fee earned at construction completion of Boulder Communities, LLLP of \$3,473,000 and an increase in accrued interest on outstanding cashflow notes from related parties of \$953,000.

The increase in noncurrent assets in at December 31, 2015 relates to the notes receivable recognized upon the sale of properties to Boulder Communities, LLLP in the amount of \$27,675,000 and an additional \$1,152,000 note for predevelopment expenses funded by BHP.

The increase in current liabilities at December 31, 2016 of \$171,985 is related to an increase in accrued liabilities through the normal course of business.

The decrease in current liabilities at December 31, 2015 of \$1,082,914 relates primarily to the use of \$726,000 of unearned grant revenue received in 2014 and spent on predevelopment expenses for Boulder Communities, LLLP in 2015. In addition there was a reduction in accrued interest, accrued PILOT, and the current portion of notes payable all related to the sale of the Boulder Communities, LLLP properties.

The increase in long-term liabilities at December 31, 2016 of \$6,494,711 relates to the increase in net pension liability recorded in accordance with GASB 68 offset by a normal amortization of mortgages payable.

The increase in long-term liabilities at December 31, 2015 of \$1,770,133 reflects an increase in notes payable to the City of Boulder of \$3,000,000, the proceeds of which were used to acquire a piece of land for future development as affordable housing. This was offset by a reduction in bonds payable by \$1,196,000 upon the sale of properties to Boulder Communities, LLLP and normal amortization of loans payable of \$827,000. In addition, there was an increase in net pension liability of \$800,000.

Operating Activities

BHP receives its operating revenue to support its operating expenditures from rental charges, federal government subsidies, and grants. BHP receives funding from HUD and the City of Boulder (the "City") for certain capital improvement expenditures. The following table summarizes and compares the changes related to BHP's operating and capital transactions between fiscal years 2016, 2015, and 2014:

Boulder Housing Partners

Management's Discussion and Analysis (Continued)

Summary Statement of Activities

	2016	2015	Variance	2014	Variance
Revenue					
Revenue - Tenant	\$ 6,031,679	\$ 6,668,220	\$ (636,541)	\$ 6,801,790	\$ (133,570)
Grant income	11,609,881	10,952,244	657,637	9,474,238	1,478,006
Management and developer fees	7,662,892	1,418,704	6,244,188	1,540,303	(121,599)
Other income	828,912	665,548	163,364	521,411	144,137
Total	26,133,363	19,704,716	6,428,648	18,337,742	1,366,973
Expenses					
Salaries and benefits	6,090,485	5,320,396	770,089	4,539,974	780,423
Utilities	448,138	668,798	(220,659)	679,528	(10,730)
Maintenance	1,052,235	1,304,794	(252,560)	1,420,522	(115,728)
General	1,297,368	1,693,701	(396,334)	1,400,607	293,094
Housing Assistance Payments	9,549,492	7,979,869	1,569,624	6,833,541	1,146,328
Depreciation and amortization	2,917,844	3,244,115	(326,271)	3,250,965	(6,850)
Total	21,355,562	20,211,673	1,143,889	18,125,137	2,086,536
Operating Income (Loss)	4,777,801	(506,957)	5,284,759	212,605	(719,563)
Other Income (Expense)					
Nonoperating income (loss)	598,749	35,426,517	(34,827,769)	(979,832)	36,406,350
Capital grants	1,841,956	3,156,153	(1,314,198)	2,262,324	893,829
Change in net position	\$ 7,218,505	\$ 38,075,713	\$ (30,857,208)	\$ 1,495,097	\$ 36,580,616

For more detailed information, see the statement of activities.

Major Factors Affecting the Statement of Activities

Tenant revenue decreased in 2016 by \$636,541 primarily as a result of foregone rent from six public housing properties sold in 2015 to Boulder Communities, LLLP.

Tenant revenue decreased in 2015 by \$133,569 as a result of both vacancy created in advance of the sale of six public housing properties to Boulder Communities, LLLP effective September 30, 2015, and the rent forgone on these properties for the last three months of the year.

Operating grant income increased in 2016 by \$657,639 as a result of a full year of funding for the RAD and tenant protection vouchers received to replace the operating and capital funds for the six properties sold to Boulder Communities, LLLP.

Operating grant income increased in 2015 by \$1,478,005 primarily related to an increase in Housing Assistance Payments and administrative fees received for the tenant protection vouchers for two of the public housing properties converted under Section 18 to tax credit financing and a payment from FEMA to repair flood damage to public housing property.

Management and developer fees increased by \$6,244,188 in 2016 as a result of the recognition at the completion of construction of the remaining developer fee of \$7,021,014 for Boulder Communities, LLLP and an increase of \$14,527 in management fees from a full year of operations for Boulder Communities, LLLP.

Management and developer fees decreased by \$121,599 in 2015 resulting from a decrease in one-time developer fees of \$316,000 representing a fee in 2015 for Boulder Communities, LLLP of \$1,003,000 compared to fees of \$1,319,000 in 2014 from High Mar Community, LLLP and Lee Hill Community, LLLP, offset by increased management fees earned for a full year of fully leased properties at Lee Hill and High Mar and three months of fees from Boulder Communities, LLLP.

Boulder Housing Partners

Management's Discussion and Analysis (Continued)

Administrative salaries and benefits increased by \$770,089 or 14 percent in 2016 from (1) budgeted increases in salaries and benefits and (2) a \$452,566 adjustment to pension benefits resulting from the implementation of GASB 68.

Administrative salaries and benefits increased by \$1,019,145 or 17 percent in 2015 from (1) a planned increase in staff costs related to the growth in the portfolio, (2) increased benefit costs, and (3) a \$205,000 adjustment to pension benefits resulting from the implementation of GASB 68.

Utilities decreased by \$220,660 in 2016 reflecting a full year of savings from six Boulder Communities, LLLP properties converted to tax credit financing on September 30, 2015.

Utilities decreased in 2015 by \$10,730 reflecting three months of savings related to Boulder Communities, LLLP offset by small increases at other properties.

Maintenance costs decreased in 2016 by \$252,560 reflecting the full year savings on the six Boulder Communities, LLLP properties converted to tax credit financing on September 30, 2015.

Maintenance costs decreased in 2015 by \$115,728 reflecting the savings on the six properties converted to tax credit financing on September 30, 2015.

General expense decreased by \$396,334 in 2016 as a result of the large increase expenses in 2015 that were nonrecurring in 2016 related to predevelopment and legal costs. In addition, there was a reduction of \$56,136 in payment in lieu of property taxes related to the conversion of six Boulder Communities, LLLP properties to tax credit financing such that this payment by BHP is no longer required.

General expense increased by \$54,372 in 2015 related to \$199,000 of costs incurred as predevelopment expense for projects that were not able to be completed, including costs for one public housing site that was expected to be part of the conversion, but due to technicalities was pulled from the project, and \$67,000 increase in legal costs primarily for development projects.

Housing Assistance Payments increased by \$1,569,623 and \$1,146,328 in 2016 and 2015, respectively, as a direct result of the new vouchers that replaced the public housing funding for the six Boulder Communities, LLLP properties converted to vouchers and tax credit financing.

Depreciation and amortization expense decreased by \$326,271 in 2016 reflecting full year savings from the conversion of six properties to tax credits on September 30, 2015.

Depreciation and amortization expense decreased by only \$6,850 or 0.2 percent in 2015 reflecting the conversion of six properties to tax credits on September 30, 2015 offset by capital improvements at Foothills.

Boulder Housing Partners

Management's Discussion and Analysis (Continued)

Nonoperating income decreased by \$34,827,772 as a result of the gain on sale in 2015 of \$36,736,409 related to the conversion of six public housing properties to tax credit financing. BHP recorded an additional gain on sale of \$550,000 related to this transaction in 2016 following completion of construction when funds were available to be returned to BHP for expenses incurred prior to construction that had been written off in 2015. In addition, in 2016, BHP interest income increased by \$740,676 related to notes receivable from Boulder Communities, LLLP.

Nonoperating income in 2015 increased by \$36,406,349 as a result of the gain on sale of \$36,113,507 related to conversion of six public housing properties to tax credit financing.

Capital grants income in 2016 consisted of (1) \$420,000 of City of Boulder funds and \$296,834 of MTW funds received for the acquisition of six units at Hayden Place 2, (2) \$484,635 of MTW funds received to reimburse BHP for the acquisition of Orchard Grove land, (3) \$327,920 of CDBG funds for predevelopment activity for 34 units at Palo Park, and (4) \$200,000 of CDBG funds for renovation work at Orchard House.

Capital grants income in 2015 consisted of (1) the receipt of a parcel of land from the City of Boulder for future development of affordable housing valued at \$2,000,000 and (2) the recognition of \$1,097,000 of Capital Fund Grant revenue that was used primarily for predevelopment expenses for Boulder Communities, LLLP.

Capital Asset and Debt Administration

BHP's capital assets presented below include land, buildings and improvements, and equipment, net of depreciation, loan fees, net of amortization, and construction in progress at December 31, 2016, 2015, and 2014:

	Capital Assets				
	December 31, 2016	December 31, 2015	Change in Capital Assets	December 31, 2014	Change in Capital Assets
Land	\$ 17,184,114	\$ 16,630,778	\$ 553,336	\$ 12,023,774	\$ 4,607,004
Buildings	54,809,341	53,697,117	1,112,223	68,866,521	(15,169,404)
Equipment	554,270	482,951	71,319	413,199	69,752
Accum. depreciation	(30,255,380)	(27,337,536)	(2,917,845)	(37,203,901)	9,866,365
Subtotal	42,292,344	43,473,310	(1,180,967)	44,099,593	(626,283)
Loan fees, net	-	-	-	-	-
Construction in progress	925,324	321,087	604,238	593,946	(272,859)
Total capital assets	<u>\$ 43,217,669</u>	<u>\$ 43,794,397</u>	<u>\$ (576,729)</u>	<u>\$ 44,693,539</u>	<u>\$ (899,142)</u>

Boulder Housing Partners

Management's Discussion and Analysis (Continued)

During 2016, net capital assets decreased by \$576,728. The net decrease consisted of (1) an increase in land and building of \$553,336 and \$1,112,223, respectively, related to the acquisition of Hayden Place 2, a six-unit apartment building adjacent to BHP's Hayden Place property, (2) \$200,000 for renovation work at Orchard House, (3) \$76,000 of building improvements at BHP office at 4800 Broadway, (4) construction in progress including \$925,325 of predevelopment costs primarily related to Palo Park development and the planned acquisition of Tantra Lake Apartments, all offset by \$2,917,845 of depreciation expense.

During 2015, net capital assets decreased by \$899,143. The net decrease consisted of the conversion of six public housing sites to tax credit financing resulting in a reduction in land, building, and accumulated depreciation. This was offset by the addition of land valued at \$2,000,000 received from the City of Boulder for future development as affordable housing and the acquisition of a parcel of land for affordable housing for \$3,400,000.

BHP has debt, consisting of loans, bonds, and notes, totaling \$36,390,459, \$36,625,766, and \$35,700,389 (including the current portion) at December 31, 2016, 2015, and 2014, respectively.

In 2016, new debt in the amount of \$600,000 was issued in the form of a note payable secured by the Hayden Place 2 apartments.

In 2015, new debt in the amount of \$3,000,000 was issued in the form of a note payable to the City of Boulder, the proceeds of which were used to acquire a parcel of land for future development of affordable housing.

Economic Factors

Significant economic factors affecting BHP are as follows:

Moving to Work

In 2011, BHP was awarded the designation of a Moving to Work (MTW) agency by HUD. MTW agencies, of which there are 39 in the country, are accepted into the program on the strength of their long-range plan of how to use deregulation to further three federal goals: increase efficiency/reduce cost, increase housing choices, and leverage customers' ability to achieve self-sufficiency. MTW agencies write an annual plan in which they are invited to request a waiver of rules in the Code of Federal Regulations that impede their ability to pursue their MTW plan. MTW designation is a much-sought-after tool in a PHA tool box. In the context of this discussion, the flexibility provided by HUD to change the way we manage our funds and administer our programs will help ease the strain of the current, and anticipated, reductions in federal support for affordable housing programs.

MTW agencies operate under a contract with HUD. BHP's contract was extended in May 2016 through 2028.

Boulder Housing Partners

Management's Discussion and Analysis (Continued)

MTW designation is one of a long list of strategic initiatives BHP has pursued to minimize the impact of declining appropriations from HUD. BHP's diverse portfolio, with an increasing portfolio of market-rate units, allows us a source of internal subsidy that becomes increasingly important. We have intentionally been minimizing the percentage of underfunded HUD units compared to less restrictive units. We are, on the other hand, increasing our investment in the Housing Choice Voucher program. That program carries an economic risk that we find tolerable to manage.

The Authority began to implement the Moving to Work (MTW) program in 2012. The Authority's report for MTW 2016 activities was submitted to HUD on March 28, 2017.

Federal Funding

Congressional budget constraints established by the Budget Control Act of 2011, combined with the domestic agenda of a new administration, continue to be a significant issue for housing authorities across the country. The president's fiscal year 2018 budget proposes deep cuts in the HUD budget, reducing overall spending by 13.2 percent from enacted levels. The president's budget will be largely symbolic in what is expected to be a full year of budget negotiations. In addition to the balance that congress will provide, the Budget Control Act requires that both parties agree to change the spending level caps on defense and domestic spending. In the opinion of management, there is almost no likelihood that will happen. Federally appropriated funds for the administration of the Housing Choice Voucher program continue to hover below 80 percent of established need. In addition to insufficient funding, HUD is proposing to implement a new administrative fee funding model based on a 2013 study of the reasonable cost of managing the program. That study introduces yet another layer of uncertainty to our federal funding. BHP is in the best possible position to weather the impact given our MTW status. Nonetheless, we expect significant changes to program levels and continued strain on our reserves.

Economy

The economy for rental housing in Boulder continues to operate at extremely low vacancy rates. This provides several advantages to BHP. Low vacancy minimizes turn time. Market rents continue to move further away from our affordable rents, making our affordable rents more and more attractive. And the higher market rents support our market portfolio, particularly our units at Bridgewalk and 101 Canyon where we try to secure mid-to-top of the market rents. At the same time, the exceptionally low vacancy rates create difficulty for our HCV customers in finding a place to live.

Boulder continues to experience a record amount of residential development activity. This influx of high-end market rate rental product and the associated 20 percent affordable units that are required by Boulder's inclusionary housing ordinance has raised concerns among some citizen groups about the overall pace of growth. BHP has noticed a significant increase in requests to participate in projects in various ways as a public partner to private developers. This is resulting in an increase in opportunity for BHP to expand its portfolio. At the same time, many existing residents of Boulder are opposed to the increase in new development and are becoming more vocal objecting to every new project proposed regardless of location. This will be an ongoing challenge for BHP. We will need to continue to build bridges and find new community partners who support affordable housing.

Boulder Housing Partners

Management's Discussion and Analysis (Continued)

BHP Strategic Plan

Recognizing the significant market and economic drivers that affect Boulder's housing market, BHP adopted a new strategic plan in 2014. The plan charts a very sustainable future for us with a more diverse financial portfolio from an aggressive growth plan that envisions 2000 new units over 10 years including market rate, affordable, and new Housing Choice vouchers. The plan has five goals for the Authority as follows:

Goal 1 - Preserving and Increasing Affordable Housing

Ensure the promise of a diverse community by preserving existing affordable housing and increasing inventory and housing choice for Boulder residents.

Goal 2 - Partnerships and Community Engagement

Engage as a leader in housing policy discussions and pursue a wide range of partnerships and policy changes needed to increase housing choice and diversity in Boulder, reduce land cost per unit, and preserve the city's current affordable units.

Goal 3 - Resident Achievement and Quality of Life

Invest in focused service and educational programming to improve the economic futures of children in BHP households. Develop successful partnerships to provide service coordination to work-abled adults, seniors, and people living with disabilities in order to improve or preserve independence and quality of life.

Goal 4 - Maximizing Sustainability

Pursue consistent and innovative improvement of portfolio and practices regarding environmental impacts to the maximum extent that is economically feasible while not reducing the number of units that can be produced.

Goal 5 - Organizational Stewardship

Continuously improve BHP's organizational sustainability, structure, and strategic outreach¹ by stewarding a strong financial core, efficient internal operations, and active community outreach.

The complete plan can be found on our website at <https://boulderhousing.org/>

¹ Sustainability (Staffing, finances, effectiveness, evaluation, technology, assets); Structure (governance); Strategic Outreach (communications, image, visibility, public affairs, policy)

Boulder Housing Partners

Management's Discussion and Analysis (Continued)

Current Projects

- BHP completed renovation of virtually all of the balance of its public housing in 2016. This project included the transition of funding from operating subsidy to Housing Choice vouchers and tax credit and private activity bond financing.

The balance of the portfolio consists of 33 units at Madison, which is under discussion with HUD for a potential disposition under Section 18 of the Housing Act of 1937, and 14 units at Arapahoe Ct., which will remain as public housing pending action by the City of Boulder as part of the master plan downtown civic center.

- Construction of 34 units of affordable housing is underway at Palo Park. This tax credit and private activity bond-financed project will be completed in early 2018. The site will also include nine units of affordable-for-sale units developed in partnership with Habitat for Humanity.
- In March 2017, BHP closed on the acquisition of Tantra Lakes Apartments. This project includes 185 units of existing market rate apartments, of which 75 will be converted to affordable. This project was financed with equity created by a refinance of existing debt on Bridgewalk and grant income from the City of Boulder, in addition to tax-exempt debt financing.
- BHP is leading a national effort to increase the ability for housing programs and housing policy to positively affect the achievement gap for low-income children. This initiative, *Bringing School Home*, is based on two decades of experience BHP and its partner, the I Have a Dream Foundation, have in hosting an extended-year and extended-day classroom of BHP children at our public housing properties. The startling results from this program, in which 92 percent of BHP's public housing children are graduating from high school and 86 percent of them are continuing post-secondary education, is attracting national attention and giving rise to much inquiry about how housing organizations nationwide can best come to the table and be a partner in creating better outcomes for children. BHP is currently engaged in finding expanded funding in order to offer *Bringing School Home* to all of its 500+ children.
- Betsey Martens, BHP's executive director, will be retiring in June 2017. Betsey's 20 years of leadership will be missed. The board is conducting a national search for a replacement and expects to have the position filled prior to Betsey's departure.

Contacting BHP's Financial Management

The financial report is designed to provide a general overview of BHP's finances and to demonstrate BHP's accountability for the appropriations and grants that it receives. If you have any questions about this report or need additional financial information, contact Boulder Housing Partners, Finance Department, 4800 N. Broadway, Boulder, CO 80304.

Boulder Housing Partners

Statement of Net Position

	December 31, 2016		December 31, 2015	
	Primary Government (BHP)	Total Discrete Component Units	Primary Government (BHP)	Total Discrete Component Units
Assets and Deferred Outflows				
Current Assets				
Cash and cash equivalents - Unrestricted (Notes 2 and 12)	\$ 7,204,350	\$ 1,384,804	\$ 6,284,876	\$ 1,226,937
Cash and cash equivalents - Restricted (Notes 2 and 12)	13,360,499	1,893,269	283,902	1,822,511
Tenant security deposits - Restricted (Notes 2 and 12)	334,994	312,032	329,978	280,413
Accounts receivable:				
Tenant and fraud recovery receivables	46,720	16,500	23,156	16,674
Grants receivable	200,258	-	329,823	-
Related party (Note 3)	3,822,506	132,915	203,878	44
Notes receivable - Related party (Note 5)	230,993	-	12,322,990	-
Interest receivable - Related party notes (Note 5)	90,677	-	138,380	-
Interest receivable - Other (Note 6)	-	-	8,640	-
Inventory	5,035	-	2,356	-
Prepaid expenses	168,153	223,591	107,439	187,592
Total current assets	25,464,185	3,963,111	20,035,418	3,534,171
Noncurrent Assets				
Cash and cash equivalents - Restricted (Notes 2 and 12)	78,201	-	84,705	-
Investment in partnerships (Note 7)	399,113	-	399,530	-
Interest receivable - Related party notes (Note 5)	2,278,248	-	1,325,006	-
Notes receivable - Related party (Note 5)	47,216,614	-	43,947,841	-
Notes receivable (Note 6)	-	-	443,562	-
Other assets	-	75,000	-	801,131
Capital Assets - Nondepreciable (Notes 4 and 12)	18,109,439	14,734,923	16,951,865	21,189,499
Capital Assets - Net of depreciation (Notes 4 and 12)	25,108,229	117,176,239	26,842,531	76,807,570
Total assets	118,654,029	135,949,273	110,030,458	102,332,371
Deferred Outflows of Resources				
Excess consideration provided in acquisition	285,789	-	296,506	-
Deferred outflows - Pensions (Note 9)	2,402,835	-	1,022,450	-
Total assets and deferred outflows of resources	<u>\$ 121,342,653</u>	<u>\$ 135,949,273</u>	<u>\$ 111,349,414</u>	<u>\$ 102,332,371</u>

Boulder Housing Partners

Statement of Net Position (Continued)

	December 31, 2016		December 31, 2015	
	Primary	Total Discrete	Primary	Total Discrete
	Government (BHP)	Component Units	Government (BHP)	Component Units
Liabilities, Deferred Inflows of Resources, and Net Position				
Current Liabilities				
Accounts payable:				
Operating	\$ 212,245	\$ 127,828	\$ 188,938	\$ 423,390
Related party	-	112,413	-	86,844
Security deposits liability	338,009	312,988	330,466	280,277
Accrued liabilities and other:				
Miscellaneous agency accounts	78,201	-	84,705	-
Accrued PILOT	20,301	-	16,015	-
Accrued interest	63,224	-	56,119	-
Other current liabilities	151,499	77,047	50,157	203,383
Unearned revenue	32,813	17,279	39,589	20,714
Notes payable - Current portion (Notes 8 and 12)	877,697	49,636,060	833,916	12,631,592
Accrued wages/payroll taxes payable	142,954	13,569	186,633	7,264
Accrued compensated absences	284,440	8,934	242,860	4,000
Total current liabilities	2,201,383	50,306,118	2,029,398	13,657,464
Noncurrent Liabilities				
Notes payable - Net of current portion (Notes 8 and 12)	35,512,762	61,915,206	35,791,850	61,807,152
Accrued interest	-	2,395,260	-	1,325,005
Net pension liability (Note 9)	7,465,755	-	5,523,658	-
Total liabilities	45,179,900	114,616,584	43,344,906	76,789,621
Deferred Inflows of Resources	939,738	-	-	-
Net Position				
Net investment in capital assets	6,827,209	23,982,421	7,168,630	23,558,324
Restricted:				
Restricted for HAP equity	1,013,320	-	22,378	-
Restricted for required reserves and escrow deposits	12,360,303	1,893,269	261,524	1,822,511
Unrestricted	55,022,183	(4,543,001)	60,551,976	161,915
Total net position	75,223,015	21,332,689	68,004,508	25,542,750
Total liabilities, deferred inflows of resources, and net position	\$ 121,342,653	\$ 135,949,273	\$ 111,349,414	\$ 102,332,371

Boulder Housing Partners

Statement of Activities

	Year Ended December 31, 2016		Year Ended December 31, 2015	
	Primary Government (BHP)	Total Discrete Component Units	Primary Government (BHP)	Total Discrete Component Units
Operating Revenue				
Revenue - Tenant	\$ 6,031,680	\$ 6,028,628	\$ 6,668,221	\$ 4,098,975
HUD PHA operating grants	10,934,176	-	10,051,265	-
Other federal grants	609,215	-	847,693	-
State and local grants	66,491	-	53,285	-
Management and fee income	641,878	-	415,702	-
Developer fee income	7,021,014	-	1,003,002	-
Other income	828,913	38,328	665,545	11,429
Total operating revenue	26,133,367	6,066,956	19,704,713	4,110,404
Operating Expenses				
Housing assistance payments	9,549,492	-	7,979,869	-
Administrative salaries and benefits	6,090,485	664,745	5,320,396	336,866
Administrative operating	664,956	698,906	695,248	545,940
Tenant services	272,375	289,446	289,830	157,252
Utilities	448,138	627,629	668,798	349,115
Protective services	30,323	-	46,016	-
Maintenance	1,052,234	1,520,438	1,304,794	822,368
Insurance premiums	288,707	246,805	303,539	153,406
Other general expense	41,007	-	-	-
Financing expense	-	-	359,069	-
Depreciation and amortization	2,917,844	3,788,493	3,244,115	2,646,592
Total operating expenses	21,355,561	7,836,462	20,211,674	5,011,539
Operating Income (Loss)	4,777,806	(1,769,506)	(506,961)	(901,135)
Nonoperating Income (Expense)				
Gain on sale of capital asset	539,283	-	36,102,790	-
Interest income	1,403,071	1,620	676,580	1,607
Interest expense (Note 8)	(1,245,164)	(2,490,285)	(1,352,853)	(1,138,816)
Interest rate swap	-	54,401	-	18,457
Other	(7,085)	-	-	-
Debt forgiveness	(91,360)	-	-	-
Total nonoperating income (expense)	598,745	(2,434,264)	35,426,517	(1,118,752)
Gain (Loss) - Before contributions	5,376,551	(4,203,770)	34,919,556	(2,019,887)
Contributions				
Capital grants - Federal	1,378,506	-	1,156,153	-
State and local capital grants and donations	463,450	-	2,000,000	-
Partner contributions	-	-	-	9,520,517
Partner distributions	-	(6,291)	-	(6,245)
Total contributions	1,841,956	(6,291)	3,156,153	9,514,272
Change in Net Position	7,218,507	(4,210,061)	38,075,709	7,494,385
Net Position - Beginning of year - As restated for the year ended December 31, 2015	68,004,508	25,542,750	29,928,799	18,048,365
Net Position - End of year	\$ 75,223,015	\$ 21,332,689	\$ 68,004,508	\$ 25,542,750

The Notes to Financial Statements are an Integral Part of this Statement.

Boulder Housing Partners

Statement of Cash Flows

	Primary Government (BHP)	
	Year Ended December 31	
	2016	2015
Cash Flows from Operating Activities		
Cash received from HUD operating subsidies and grants	\$ 11,739,447	\$ 10,740,504
Cash received from tenants	6,008,116	6,670,471
Other receipts	4,873,177	3,522,428
Cash payments for housing assistance	(9,549,492)	(7,979,869)
Cash payments for administrative expenses	(4,987,415)	(5,705,870)
Cash payments for other operating expenses	(2,414,775)	(4,103,242)
Net cash provided by operating activities	5,669,058	3,144,422
Cash Flows from Investing Activities - Interest income	506,172	191,237
Cash Flows from Capital and Related Financing Activities		
Capital grants received	1,841,956	1,156,153
Proceeds from capital debt	597,672	3,000,000
Proceeds from sale of capital assets	532,198	-
Repayment of notes payable	(832,979)	(2,074,625)
Payments from notes receivable	12,740,275	2,056,292
Issuance of notes receivable	(3,473,489)	(526,349)
Purchase of property and equipment	(2,341,116)	(5,056,551)
Interest expense	(1,245,164)	(1,352,853)
Net cash provided by (used in) capital and related financing activities	7,819,353	(2,797,933)
Net Increase in Cash and Cash Equivalents	13,994,583	537,726
Cash and Cash Equivalents - Beginning of year	6,983,461	6,445,735
Cash and Cash Equivalents - End of year	\$ 20,978,044	\$ 6,983,461
Cash and Cash Equivalents Reconciliation		
Cash and cash equivalents	\$ 7,204,350	\$ 6,284,876
Restricted cash - Security deposits, current and noncurrent	13,773,694	698,585
Total cash and cash equivalents	\$ 20,978,044	\$ 6,983,461

Boulder Housing Partners

Statement of Cash Flows (Continued)

	Primary Government (BHP)	
	Year Ended December 31	
	2016	2015
Reconciliation of Operating Income (Loss) to Net Cash from Operating Activities		
Operating income (loss)	\$ 4,777,806	\$ (506,961)
Adjustments to reconcile operating income (loss) to net cash from operating activities:		
Depreciation	2,917,844	3,244,115
Bad debts	8,174	196
Deferred outflow	(347,219)	-
Gain on investment in partnerships	417	101
(Increase) decrease in operating assets:		
Receivables	(3,520,801)	1,228,494
Inventory	(2,679)	5,249
Prepaid expenses and other assets	(60,714)	5,645
Increase (decrease) in operating liabilities:		
Accounts payable and other accrued expenses	1,888,687	(742,249)
Security and other trust deposits	7,543	(90,168)
Net cash provided by operating activities	\$ 5,669,058	\$ 3,144,422

Noncash transactions:

During 2015, Boulder Housing Partners received donated land that had a fair market value of \$2,000,000 recognized as capital grant income.

During 2015, Boulder Housing Partners sold six public housing sites to a discretely presented component unit for \$40,900,000. In connection with the sale, Boulder Housing Partners issued \$40,825,088 in notes receivable to the discretely presented component unit.

Boulder Housing Partners

Combining Balance Sheet for Discretely Presented Component Units December 31, 2016

	Broadway East	Broadway West	Holiday Community	High Mar Community	Lee Hill Community	Red Oak Park	Vistoso Community	WestView Community	Boulder Communities	Total
Assets										
Cash and cash equivalents - Unrestricted	\$ 40,218	\$ 77,278	\$ 187,790	\$ 67,969	\$ 206,746	\$ 239,145	\$ 18,761	\$ 75,198	\$ 471,699	\$ 1,384,804
Cash and cash equivalents - Restricted	326,151	164,154	277,630	285,217	199,557	358,394	73,771	208,380	15	1,893,269
Tenant security deposits	42,873	23,069	41,199	22,037	-	53,120	12,146	30,083	87,505	312,032
Tenant and fraud recovery receivables	3,529	144	1,419	1,459	631	1,859	105	1,986	5,368	16,500
Related party receivable	-	-	44	-	-	-	-	-	132,871	132,915
Prepaid expenses	28,335	10,783	11,722	51,083	14,745	19,708	3,899	10,913	72,403	223,591
Capital assets - Nondepreciable	-	105,838	826,462	-	886,166	-	35,112	471,613	12,409,732	14,734,923
Capital assets - Depreciable	5,023,881	5,150,788	3,638,847	10,856,889	5,752,042	9,471,589	1,387,304	4,749,780	71,145,119	117,176,239
Other assets	-	-	-	10,000	65,000	-	-	-	-	75,000
Total assets	\$ 5,464,987	\$ 5,532,054	\$ 4,985,113	\$ 11,294,654	\$ 7,124,887	\$ 10,143,815	\$ 1,531,098	\$ 5,547,953	\$ 84,324,712	\$ 135,949,273

Boulder Housing Partners

Combining Balance Sheet for Discretely Presented Component Units (Continued) December 31, 2016

	Broadway East	Broadway West	Holiday Community	High Mar Community	Lee Hill Community	Red Oak Park	Vistoso Community	WestView Community	Boulder Communities	Total
Liabilities and Net Position										
Current Liabilities										
Trade accounts payable	\$ 8,848	\$ 7,992	\$ 17,064	\$ 8,046	\$ 6,102	\$ 19,170	\$ 2,017	\$ 13,218	\$ 45,371	\$ 127,828
Related party payable	7,903	4,866	5,293	11,782	8,380	10,965	1,779	4,158	3,604,812	3,659,938
Security deposits	42,872	23,068	42,163	22,037	-	53,118	12,146	30,082	87,502	312,988
Other current liabilities	3,255	4,855	3,255	5,555	7,115	12,809	30,743	2,955	6,505	77,047
Deferred revenue	1,729	1,200	3,339	1,383	568	4,143	151	1,252	3,514	17,279
Current portion of long-term debt	50,000	50,192	139,906	119,039	4,245	72,178	13,549	85,406	45,554,020	46,088,535
Accrued wages	1,002	592	1,116	1,343	706	1,343	341	774	6,352	13,569
Accrued compensated absences	1,666	882	1,862	185	164	2,229	563	131	1,252	8,934
Total current liabilities	117,275	93,647	213,998	169,370	27,280	175,955	61,289	137,976	49,309,328	50,306,118
Noncurrent Liabilities										
Notes payable - Net of current portion	4,630,115	3,369,183	2,301,124	7,252,994	3,771,091	3,315,914	809,932	4,317,684	32,147,169	61,915,206
Accrued interest	86,907	-	704,242	333,197	87,951	46,544	91,192	86,463	958,764	2,395,260
Total liabilities	4,834,297	3,462,830	3,219,364	7,755,561	3,886,322	3,538,413	962,413	4,542,123	82,415,261	114,616,584
Net Position										
Net investment in capital assets	343,766	1,837,251	2,024,279	3,494,856	2,927,871	6,083,497	598,936	818,303	5,853,662	23,982,421
Restricted	326,151	164,154	277,630	285,217	199,557	358,394	73,771	208,380	15	1,893,269
Unrestricted	(39,227)	67,819	(536,160)	(240,980)	111,137	163,511	(104,022)	(20,853)	(3,944,226)	(4,543,001)
Total net position	630,690	2,069,224	1,765,749	3,539,093	3,238,565	6,605,402	568,685	1,005,830	1,909,451	21,332,689
Total liabilities and net position	<u>\$ 5,464,987</u>	<u>\$ 5,532,054</u>	<u>\$ 4,985,113</u>	<u>\$ 11,294,654</u>	<u>\$ 7,124,887</u>	<u>\$ 10,143,815</u>	<u>\$ 1,531,098</u>	<u>\$ 5,547,953</u>	<u>\$ 84,324,712</u>	<u>\$ 135,949,273</u>

The Notes to Financial Statements are an Integral Part of this Statement.

Boulder Housing Partners

Combining Balance Sheet for Discretely Presented Component Units December 31, 2015

	Broadway East	Broadway West	Holiday Community	High Mar Community	Lee Hill Community	Red Oak Park	Vistoso Community	WestView Community	Boulder Communities	Total
Assets										
Current Assets										
Cash and cash equivalents - Unrestricted	\$ 87,623	\$ 79,522	\$ 193,809	\$ 67,216	\$ 195,441	\$ 265,587	\$ 14,971	\$ 113,056	\$ 209,712	\$ 1,226,937
Cash and cash equivalents - Restricted	321,048	155,434	283,864	269,410	187,750	338,430	67,531	197,985	1,059	1,822,511
Tenant security deposits	42,922	22,987	41,078	21,705	-	52,913	12,127	32,124	54,557	280,413
Tenant and fraud recovery receivables	165	163	3,416	74	3,574	1,798	123	1,099	6,262	16,674
Related party receivable	-	-	44	-	-	-	-	-	-	44
Prepaid expenses	27,587	9,152	9,703	50,287	23,773	16,534	3,282	9,026	38,248	187,592
Capital assets - Nondepreciable	-	105,838	817,533	-	885,045	-	-	471,613	18,909,470	21,189,499
Capital assets - Depreciable	5,322,170	5,407,292	3,886,219	11,324,501	6,008,942	9,940,248	1,476,219	4,953,343	28,488,636	76,807,570
Financing costs - Net	146,197	21,287	19,518	58,185	65,000	346,092	17,958	126,894	-	801,131
Total assets	\$ 5,947,712	\$ 5,801,675	\$ 5,255,184	\$ 11,791,378	\$ 7,369,525	\$ 10,961,602	\$ 1,592,211	\$ 5,905,140	\$ 47,707,944	\$ 102,332,371

The Notes to Financial Statements are an
Integral Part of this Statement.

Boulder Housing Partners

Combining Balance Sheet for Discretely Presented Component Units (Continued) December 31, 2015

	Broadway East	Broadway West	Holiday Community	High Mar Community	Lee Hill Community	Red Oak Park	Vistoso Community	WestView Community	Boulder Communities	Total
Liabilities and Net Position										
Current Liabilities										
Trade accounts payable	\$ 1,370	\$ 6,398	\$ 9,810	\$ 18,201	\$ 2,131	\$ 19,641	\$ 5,708	\$ 13,046	\$ 347,085	\$ 423,390
Related party payable	5,939	2,725	4,640	10,337	6,048	7,666	1,621	2,860	45,008	86,844
Security deposits	42,922	22,985	41,076	21,704	-	52,911	12,127	32,122	54,430	280,277
Other current liabilities	88,424	6,050	20,130	12,956	12,504	48,921	4,450	5,748	4,200	203,383
Deferred revenue	2,390	2,224	3,050	2,682	870	2,540	856	2,593	3,509	20,714
Current portion of long-term debt	50,000	51,711	160,761	106,021	2,006	105,052	12,922	118,119	12,025,000	12,631,592
Accrued wages	537	317	597	719	378	719	183	414	3,400	7,264
Accrued compensated absences	912	539	1,015	-	-	1,223	311	-	-	4,000
Total current liabilities	192,494	92,949	241,079	172,620	23,937	238,673	38,178	174,902	12,482,632	13,657,464
Noncurrent Liabilities										
Notes payable - Net of current portion	4,859,843	3,438,325	2,448,490	7,417,513	3,779,428	3,702,237	830,568	4,519,737	30,811,011	61,807,152
Accrued interest	13,469	-	600,366	235,743	59,200	-	82,737	64,044	269,446	1,325,005
Total liabilities	5,065,806	3,531,274	3,289,935	7,825,876	3,862,565	3,940,910	951,483	4,758,683	43,563,089	76,789,621
Net Position										
Net investment in capital assets	412,327	2,023,094	2,094,501	3,800,966	3,112,553	6,132,959	632,729	787,100	4,562,095	23,558,324
Restricted	321,048	155,434	283,864	269,410	187,750	338,430	67,531	197,985	1,059	1,822,511
Unrestricted	148,531	91,873	(413,116)	(104,874)	206,657	549,303	(59,532)	161,372	(418,299)	161,915
Total net position	881,906	2,270,401	1,965,249	3,965,502	3,506,960	7,020,692	640,728	1,146,457	4,144,855	25,542,750
Total liabilities and net position	\$ 5,947,712	\$ 5,801,675	\$ 5,255,184	\$ 11,791,378	\$ 7,369,525	\$ 10,961,602	\$ 1,592,211	\$ 5,905,140	\$ 47,707,944	\$ 102,332,371

The Notes to Financial Statements are an Integral Part of this Statement.

Boulder Housing Partners

Combining Statement of Activities for Discretely Presented Component Units Year Ended December 31, 2016

	Broadway East	Broadway West	Holiday Community	High Mar Community	Lee Hill Community	Red Oak Park	Vistoso Community	WestView Community	Boulder Communities	Total
Operating Revenue										
Revenue - Tenant	\$ 502,397	\$ 284,573	\$ 520,139	\$ 653,927	\$ 351,927	\$ 683,380	\$ 157,365	\$ 410,504	\$ 2,464,416	\$ 6,028,628
Other income	-	431	-	9,415	1,650	404	-	2,615	23,813	38,328
Total operating revenue	502,397	285,004	520,139	663,342	353,577	683,784	157,365	413,119	2,488,229	6,066,956
Operating Expenses										
Administrative salaries and benefits	41,563	31,892	34,234	51,164	104,960	52,641	14,295	29,866	304,130	664,745
Administrative operating	59,408	36,561	147,907	54,779	34,423	71,575	68,578	31,462	194,213	698,906
Tenant services	22,585	191	-	69,775	514	22,695	-	-	173,686	289,446
Utilities	49,290	30,814	5,651	66,897	38,292	73,699	2,713	31,959	328,314	627,629
Maintenance - Ordinary	126,760	68,011	56,577	104,287	138,135	118,764	14,354	71,452	822,098	1,520,438
Insurance premiums	15,012	13,120	15,834	27,419	20,179	25,601	5,314	14,160	110,166	246,805
Depreciation and amortization	307,222	256,505	254,761	467,612	256,901	468,659	91,255	203,562	1,482,016	3,788,493
Total operating expenses	621,840	437,094	514,964	841,933	593,404	833,634	196,509	382,461	3,414,623	7,836,462
Operating (Loss) Income	(119,443)	(152,090)	5,175	(178,591)	(239,827)	(149,850)	(39,144)	30,658	(926,394)	(1,769,506)
Nonoperating Income (Expense)										
Interest income	83	155	433	166	181	334	18	215	35	1,620
Interest expense	(186,257)	(49,242)	(198,817)	(247,984)	(28,749)	(265,774)	(32,917)	(171,500)	(1,309,045)	(2,490,285)
Net increase in the fair value of investments	54,401	-	-	-	-	-	-	-	-	54,401
Total nonoperating expense	(131,773)	(49,087)	(198,384)	(247,818)	(28,568)	(265,440)	(32,899)	(171,285)	(1,309,010)	(2,434,264)
Decrease in Net Position Before Capital Contributions and Distributions	(251,216)	(201,177)	(193,209)	(426,409)	(268,395)	(415,290)	(72,043)	(140,627)	(2,235,404)	(4,203,770)
Capital Contributions and Distributions										
- Partner distributions	-	-	(6,291)	-	-	-	-	-	-	(6,291)
Change in Net Position	(251,216)	(201,177)	(199,500)	(426,409)	(268,395)	(415,290)	(72,043)	(140,627)	(2,235,404)	(4,210,061)
Net Position - Beginning of year	881,906	2,270,401	1,965,249	3,965,502	3,506,960	7,020,692	640,728	1,146,457	4,144,855	25,542,750
Net Position - End of year	\$ 630,690	\$ 2,069,224	\$ 1,765,749	\$ 3,539,093	\$ 3,238,565	\$ 6,605,402	\$ 568,685	\$ 1,005,830	\$ 1,909,451	\$ 21,332,689

The Notes to Financial Statements are an Integral Part of this Statement.

Boulder Housing Partners

Combining Statement of Activities for Discretely Presented Component Units Year Ended December 31, 2015

	Broadway East	Broadway West	Holiday Community	High Mar Community	Lee Hill Community	Red Oak Park	Vistoso Community	WestView Community	Boulder Communities	Total
Operating Revenue										
Revenue - Tenant	\$ 501,216	\$ 283,936	\$ 515,192	\$ 637,080	\$ 351,791	\$ 671,441	\$ 153,530	\$ 399,322	\$ 585,467	\$ 4,098,975
Other income	232	1,136	338	8,200	36	23	12	84	1,368	11,429
Total operating revenue	501,448	285,072	515,530	645,280	351,827	671,464	153,542	399,406	586,835	4,110,404
Operating Expenses										
Administrative salaries and benefits	34,647	25,427	32,368	42,278	61,076	36,669	15,117	17,215	72,069	336,866
Administrative operating	59,315	35,298	139,145	56,012	36,649	71,844	76,069	27,026	44,582	545,940
Tenant services	22,176	-	-	68,215	611	22,656	-	-	43,594	157,252
Utilities	47,788	31,584	4,860	73,475	38,055	61,008	3,231	30,207	58,907	349,115
Maintenance - Ordinary	91,886	73,600	49,269	114,022	155,057	107,487	23,128	41,196	166,723	822,368
Insurance premiums	13,818	12,128	14,620	27,586	18,761	24,869	4,851	13,023	23,750	153,406
Depreciation and amortization	327,359	258,837	258,648	470,585	255,054	511,485	90,181	213,079	261,364	2,646,592
Total operating expenses	596,989	436,874	498,910	852,173	565,263	836,018	212,577	341,746	670,989	5,011,539
Operating (Loss) Income	(95,541)	(151,802)	16,620	(206,893)	(213,436)	(164,554)	(59,035)	57,660	(84,154)	(901,135)
Nonoperating Income (Expense)										
Interest income	80	167	520	138	113	323	27	233	6	1,607
Interest expense	(164,695)	(47,634)	(196,168)	(244,519)	(41,253)	(238,574)	(32,492)	(164,136)	(9,345)	(1,138,816)
Net increase in the fair value of investments	18,457	-	-	-	-	-	-	-	-	18,457
Total nonoperating expense	(146,158)	(47,467)	(195,648)	(244,381)	(41,140)	(238,251)	(32,465)	(163,903)	(9,339)	(1,118,752)
Decrease in Net Position Before Capital Contributions and Distributions	(241,699)	(199,269)	(179,028)	(451,274)	(254,576)	(402,805)	(91,500)	(106,243)	(93,493)	(2,019,887)
Capital Contributions and Distributions										
Partner contributions	-	-	-	2,459,360	2,822,809	-	-	-	4,238,348	9,520,517
Partner distributions	-	-	(6,245)	-	-	-	-	-	-	(6,245)
Change in Net Position	(241,699)	(199,269)	(185,273)	2,008,086	2,568,233	(402,805)	(91,500)	(106,243)	4,144,855	7,494,385
Net Position - Beginning of year	1,123,605	2,469,670	2,150,522	1,957,416	938,727	7,423,497	732,228	1,252,700	-	18,048,365
Net Position - End of year	<u>\$ 881,906</u>	<u>\$ 2,270,401</u>	<u>\$ 1,965,249</u>	<u>\$ 3,965,502</u>	<u>\$ 3,506,960</u>	<u>\$ 7,020,692</u>	<u>\$ 640,728</u>	<u>\$ 1,146,457</u>	<u>\$ 4,144,855</u>	<u>\$ 25,542,750</u>

The Notes to Financial Statements are an
Integral Part of this Statement.

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note 1 - Nature of Business and Significant Accounting Policies

Organization and Reporting Entity - Boulder Housing Partners (BHP or the "Authority") was created under the laws of the State of Colorado in 1966 as the Housing Authority of the City of Boulder to provide safe and adequate housing for low-income program participants. The Authority owns and provides subsidy and operating support for housing units located throughout the Boulder area. BHP's assets, liabilities, net position, and changes in net position are included in its primary government fund and include all AMPs, COCC, business activities, and programs of the Authority. The Authority receives and administers funds from the U.S. Department of Housing and Urban Development (HUD). The Authority is responsible for the administration of Section 8 and low-income federal programs as well as other federal, state, and local programs. An annual contributions contract (ACC) was signed by BHP and the U.S. Department of Housing and Urban Development (HUD) under the provisions of the ACC and all applicable provisions of the United States Housing Act of 1937 (42 U.S.C. 1437 Section 1.1).

The nucleus of the financial reporting entity as defined by Governmental Accounting Standards Board (GASB) Statement No. 14, as amended, is the primary government. A fundamental characteristic of a primary government is that it is a fiscally independent entity. In evaluation of how to define the financial reporting entity, management has considered all potential component units. A component unit is a legally separate entity for which the primary government is financially accountable. The criteria of financial accountability is the appointment of a voting majority plus the ability of the primary government to impose its will upon the potential component unit. These criteria were considered in determining the reporting entity.

Blended Component Units - Some component units, despite being legally separate, are so integrated with the primary government that they are, in substance, part of the primary government. The Authority includes the following component units, which are controlled by BHP and for which it is financially accountable:

The Authority has included as blended component units in business activities the operations of Woodland Communities, LLC, Red Oak Park, LLC, 1175 Lee Hill, LLC, BHP Ventures, LLC, High Mar Ventures, LLC, WestView Ventures, LLC, and Foothills, LLC.

Woodland Communities, LLC was established in accordance with the plan of conversion of Boulder Woodlands, LP effective July 6, 2009. This wholly owned LLC of the Authority owns and operates an affordable housing property.

Red Oak Park, LLC is a wholly owned LLC of the Authority. Red Oak Park, LLC is the general partner of Red Oak Park, LLLP, a tax credit partnership.

1175 Lee Hill, LLC is a wholly owned LLC of the Authority. 1175 Lee Hill, LLC is the general partner of Lee Hill Community, LLLP, a tax credit partnership.

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

High Mar Ventures, LLC is a wholly owned LLC of the Authority. High Mar Ventures, LLC is the general partner of High Mar Community, LLLP, a tax credit partnership.

WestView Ventures, LLC is a wholly owned LLC of the Authority. WestView Ventures, LLC is the general partner of WestView Community, LLLP, a tax credit partnership.

Foothills, LLC is a wholly owned subsidiary of the Authority.

BHP Ventures, LLC is a wholly owned subsidiary of the Authority.

Discretely Presented Component Units - The component unit columns in the combined financial statements include the financial data of the Authority's nine discretely presented component units. The units are reported in separate columns to emphasize that they are legally separate from the Authority. Complete financial reports can be obtained at their administrative offices at 4800 N. Broadway St., Boulder, CO 80304.

Broadway East Community, LLLP - The general partner of this partnership is BHP, which has an ownership percentage of .01 percent. As the general partner and property manager, BHP has the responsibility of the establishment of the budget and the day-to-day operational responsibility of the partnership. BHP is entitled to the majority of the cash flow from the component units through repayment of debt.

Broadway West Community, LLLP - The general partner of this partnership is BHP, which has an ownership percentage of .01 percent. As the general partner and property manager, BHP has the responsibility of the establishment of the budget and the day-to-day operational responsibility of the partnership. BHP is entitled to the majority of the cash flow from the component units through repayment of debt.

High Mar Community, LLLP - The general partner of this partnership, High Mar Ventures, LLC, is wholly owned by BHP. High Mar Ventures, LLC has an ownership percentage of .01 percent. As owner of the general partner and as the property manager, BHP has the responsibility of the establishment of the budget and the day-to-day operational responsibility of the partnership. BHP is entitled to the majority of the cash flow from the component units through repayment of debt.

Holiday Community, LLLP - The general partner of this partnership is BHP, which has an ownership percentage of .01 percent. As the general partner and property manager, BHP has the responsibility of the establishment of the budget and the day-to-day operational responsibility of the partnership. BHP is entitled to the majority of the cash flow from the component units through repayment of debt.

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

Lee Hill Community, LLLP - The general partner of this partnership, 1175 Lee Hill, LLC, is wholly owned by BHP. 1175 Lee Hill, LLC has an ownership percentage of .01 percent. As owner of the general partner and as the property manager, BHP has the responsibility of the establishment of the budget and the day-to-day operational responsibility of the partnership. BHP is entitled to the majority of the cash flow from the component units through repayment of debt.

Red Oak Park Community, LLLP - The general partner of this partnership, Red Oak Park, LLC, is wholly owned by BHP. Red Oak Park, LLC has an ownership percentage of .01 percent. As owner of the general partner and as the property manager, BHP has the responsibility of the establishment of the budget and the day-to-day operational responsibility of the partnership. BHP is entitled to the majority of the cash flow from the component units through repayment of debt.

Vistoso Community, LLLP - The general partner of this partnership is BHP, which has an ownership percentage of .01 percent. As the general partner and property manager, BHP has the responsibility of the establishment of the budget and the day-to-day operational responsibility of the partnership. BHP is entitled to the majority of the cash flow from the component units through repayment of debt.

WestView Community, LLLP - The general partner of this partnership, WestView Ventures, LLC, is wholly owned by BHP. WestView Ventures, LLC has an ownership percentage of .01 percent. As owner of the general partner and as the property manager, BHP has the responsibility of the establishment of the budget and the day-to-day operational responsibility of the partnership. BHP is entitled to the majority of the cash flow from the component units through repayment of debt.

Boulder Communities, LLLP - The general partner of this partnership, BCGP, LLC, is wholly owned by BHP. BCGP, LLC has an ownership percentage of .01 percent. As owner of the general partner and as the property manager, BHP has the responsibility of the establishment of the budget and the day-to-day operational responsibility of the partnership. BHP is entitled to the majority of the cash flow from the component units through repayment of debt.

These entities follow all applicable FASB standards. Since they do not follow governmental accounting, for presentation purposes, certain transactions may be reflected differently in these financial statements than in the separately issued discrete component unit financial statements in order for them to conform to the presentation of the primary government.

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

Significant accounting policies for the Authority are as follows:

Basis of Accounting and Presentation

The basic financial statements of the Authority have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The Authority follows the business-type activities reporting requirements of GASB Statement No. 34, which provides a comprehensive one-line look at the Authority's financial activities. The Authority reports all of its operations as a single business activity in a single Enterprise Fund. The Enterprise Fund is a proprietary fund, which distinguishes operating revenue and expenses from nonoperating items. The operating revenue of the Authority consists primarily of rental charges to tenants, operating grants from HUD, and other operating revenue that offsets operating expenses. Operating expenses include the cost of administrative, tenant services, utilities, maintenance, protective services, general operations, depreciation, and housing assistance payments.

As a proprietary fund, revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. The Authority's financial activities operate in a manner similar to private business enterprises and are financed through fees and charges assessed primarily to the users of the services. For financial reporting purposes, the Authority considers its grants associated with operations as operating revenue because these funds more closely represent revenue generated from operating activities rather than nonoperating activities. Grants associated with capital acquisition and improvements are considered capital contributions and are presented after nonoperating activity as capital contributions on the accompanying statement of activities.

Cash - Cash and cash equivalents consist of cash on hand and all highly liquid investments purchased with an original maturity of three months or less.

Tenant Receivables - Recognition of Bad Debts - Tenant accounts receivable are stated at net rent amounts. Tenant accounts generally are collectible as long as the tenant is occupying the unit; however, the Authority has specifically reserved \$2,016 and \$1,051 as potentially uncollectible as of December 31, 2016 and 2015, respectively.

Inventories - Inventories and materials are stated at the lower of cost or market, using a first-in, first-out method (FIFO).

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note I - Nature of Business and Significant Accounting Policies (Continued)

Property and Equipment - Property and equipment are recorded at cost. Costs in excess of \$5,000 that materially add to the productive capacity and extend the life of an asset longer than one year are capitalized, while maintenance and repair costs are expensed as incurred. Contributed assets are valued at acquisition value on the date of donation. During 2015, the Authority received donated assets from the City of Boulder which have a fair market value of \$2,000,000 and are recorded in state and local capital grants on the statement of activities. Property and equipment are depreciated using the straight-line method over the following useful lives:

Property and Equipment	Years
Buildings and improvements	10-30
Site improvements	10
Furniture and fixtures, equipment, and moving vehicles	5

If an indicator of impairment is identified and the decline in service utility was unexpected and significant, an impairment loss is calculated in consideration of whether the capital asset will continue to be used by the Authority. An impairment loss is generally measured by identifying the historical cost of the service utility of the capital asset that cannot be used due to the impairment event or circumstance.

Impaired capital assets that will no longer be used by the Authority are reported at the lower of carrying value or fair value, or written off entirely. During 2016 and 2015, no impairments were recorded.

Work in Progress - Work in progress consists of capital projects in progress funded primarily by capital contributions and debt.

Restricted Cash - Restricted cash represents amounts held in FSS escrow, Section 8 funds, construction debt proceeds, tenants' escrows, other escrows, and replacement reserves. Restrictions for use in operations and approval are governed by HUD, lender requirements, or other outside parties.

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

Deferred Outflows of Resources - In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense) until then. The Authority has two items that qualify for reporting in this category. One is the deferred charge on the acquisition of Foothills Community LLC in which it is the difference in the carrying value of property and its acquisition price. The deemed purchase price exceeded the acquisition value of the acquisition, which created a deferred outflow at December 31, 2016 and 2015 of \$285,789 and \$296,506, respectively. This amount is deferred and amortized over the life of the building of 30 years. The second represents changes in the difference between expected and actual experience and employer contributions to the pension plan subsequent to the measurement date as discussed in Note 9.

Deferred Inflows of Resources - In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Authority has two items that qualify for reporting in this category. One is in the amount of \$843,995 that is for deferred grant revenue. This is deferred and recognized as an inflow of resources in the period that the amount becomes available. The second represents the changes in expected and actual experience related to the pension plan as discussed in Note 9.

Pensions - For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Colorado Public Employees' Retirement Association (PERA) and additions to/deductions from PERA fiduciary net position have been determined on the same basis as they are reported by PERA. PERA uses the economic resources measurement focus and the full accrual basis of accounting. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments (including refunds of employee contributions) are recognized as expense when due and payable in accordance with the benefit terms. Related plan investments are reported at fair value.

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note I - Nature of Business and Significant Accounting Policies (Continued)

Compensated Absences - The Authority allows employees to accumulate earned but unused sick and vacation pay benefits. The Authority accrues all vacation pay as it is earned and the sick pay is accrued as it is used plus an additional amount is accrued in the event the sick pay is expected to be paid out. Full-time employees receive annual vacation leave with pay. Part-time employees receive vacation leave on a prorated basis. No more than 35 days may be accumulated at any point in time. Additionally, an employee who has completed 10 years of service may, at his or her option, give up 40 hours of accrued vacation once each year in return for 40 hours of pay at their regular, straight-time hourly rate. BHP's sick leave policy permits the accumulation of 4.31 hours per pay period. Part-time employees receive sick leave on a prorated basis. An employee with six consecutive months without tardiness or absence other than vacation may convert up to 16 hours of sick time, in excess of his or her accumulated 120 sick time hours, at the rate of one hour sick time to one hour vacation. However, the employee's vacation balance resulting from such conversion may not exceed 35 days. Vacation accrued through the last complete pay period immediately preceding the date of separation from employment shall be paid to the employee who retires or terminates with two weeks' notice. The Authority had a program whereby employees who accumulated sick hours in excess of 640 hours would receive a payout at separation equal to half the hours in excess of the 640 sick hours. This program was terminated in 2014. At the time of transition, the employees who were eligible and had an existing balance were offered an option to receive 85 percent of the amount due as payment in full in January 2014 or wait and receive the full balance at separation. The vast majority elected to receive a reduced payment in January 2014.

Net Position - Net position is composed of three categories: (1) net investment in capital assets, (2) restricted, and (3) unrestricted. The Authority's positive value of unrestricted net position in the primary government may be used to meet ongoing obligations. When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, the Authority's policy is to first apply restricted resources. Each component of net assets is reported separately on the statement of net position, as follows:

- i. *Net investment in capital assets* - This category consists of capital assets (including restricted capital assets), net of accumulated depreciation and reduced by any outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, and improvements of those assets.
- ii. *Restricted* - This category equals the restricted cash or receivable of the Authority and consists of net assets restricted in their use by (1) external groups such as grantors, creditors, or laws and regulations of other governments or (2) law through constitutional provisions or enabling legislation.

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note I - Nature of Business and Significant Accounting Policies (Continued)

iii. *Unrestricted* - This category includes all of the remaining net assets that do not meet the definition of the other two categories.

Revenue Recognition - The Authority receives funds from certain federal and other agencies under various grant programs. Receivables are recorded based upon amounts expended for the various programs for which funds have not been received, to the extent grant limits have not been exceeded.

The Authority leases properties to tenants under various rental arrangements. Payments from tenants are recognized as revenue in the period during which the associated use of premises occurred.

Operating Revenue and Expenses - The Authority's operating revenue includes HUD funding and other amounts received from tenants for rent and other charges for services provided. Operating expenses are costs incurred during the operation of its primary housing activities. Such revenue and expenses are reported when earned or incurred, respectively.

Capital Grants - The Authority records grants received for capital outlay as contributions of capital grants.

Nonoperating Revenue and Expenses - Nonoperating revenue and expenses are derived from transactions other than those associated with the Authority's primary housing operations and are reported as incurred, including investment activity.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ.

Subsequent Events - The financial statements and related disclosures include evaluation of events through and including May 22, 2017, which is the date the financial statements were available to be issued.

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note 2 - Deposits and Investments

The Authority's deposits are included at their carrying values on the statement of net position under the following classifications for the primary government:

	<u>2016</u>	<u>2015</u>
Cash and cash equivalents - Unrestricted (current)	\$ 7,204,350	\$ 6,284,876
Cash and cash equivalents - Restricted (current)	13,360,499	283,902
Tenant security deposits	334,994	329,978
Cash and cash equivalents - Restricted (noncurrent)	<u>78,201</u>	<u>84,705</u>
Total	<u>\$ 20,978,044</u>	<u>\$ 6,983,461</u>

The above amounts are classified into the following categories for the primary government:

	<u>2016</u>	<u>2015</u>
Bank deposits (checking accounts and savings accounts)	\$ 20,977,844	\$ 6,983,261
Petty cash	<u>200</u>	<u>200</u>
Total	<u>\$ 20,978,044</u>	<u>\$ 6,983,461</u>

Deposits - Protection of the Authority's deposits is provided by the Federal Deposit Insurance Corporation (FDIC) by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the treasurer by the financial institution, or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral determined by the PDPA. The institution is allowed to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The fair value of the collateral must be at least equal to 102 percent of the uninsured deposits. The general depository agreement required by the annual contract with HUD has additional collateral requirements.

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note 2 - Deposits and Investments (Continued)

Restricted Cash - Primary Government	2016	2015
Security deposits - Restricted (current)	\$ 334,994	\$ 329,978
HAP equity (current)	195	22,378
Funded reserves (current)	-	261,524
Escrow deposit	1,000,001	-
Restricted for note receivable	12,360,303	-
FSS escrow (noncurrent)	78,201	84,705
Total restricted	<u>\$ 13,773,694</u>	<u>\$ 698,585</u>

Note 3 - Related Party Transactions

Included in current related party accounts receivable are advances made to, or expenses paid by, the Authority on behalf of the related tax credit operating partnerships totaling \$274,981 and \$203,878 at December 31, 2016 and 2015, respectively. Amounts are due on demand and are noninterest bearing.

Also, included in related party accounts receivable are the developer fees receivable related to Boulder Communities, LLLP. At December 31, 2016, this receivable was \$3,547,525 and will be received per scheduled limited partner equity payments during 2017.

Note 4 - Capital Assets

A summary of property and equipment by class is as follows:

	Balance January 1, 2016	Additions and Transfers In	Reductions and Transfers Out	Balance December 31, 2016
Capital assets not being depreciated:				
Land	\$ 16,630,778	\$ 553,336	\$ -	\$ 17,184,114
Work in progress	321,087	889,086	(284,848)	925,325
Total nondepreciable assets	16,951,865	1,442,422	(284,848)	18,109,439
Capital assets being depreciated:				
Building and improvements	53,697,117	1,112,223	-	54,809,340
Furniture and equipment	482,951	71,319	-	554,270
Total depreciable capital assets	54,180,068	1,183,542	-	55,363,610
Accumulated depreciation	(27,337,537)	(2,917,844)	-	(30,255,381)
Net capital assets being depreciated	26,842,531	(1,734,302)	-	25,108,229
Net capital assets	<u>\$ 43,794,396</u>	<u>\$ (291,880)</u>	<u>\$ (284,848)</u>	<u>\$ 43,217,668</u>

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note 4 - Capital Assets (Continued)

	Balance January 1, 2015	Additions and Transfers In	Reductions and Transfers Out	Balance December 31, 2015
Capital assets not being depreciated:				
Land	\$ 12,023,774	\$ 5,502,884	\$ (895,880)	\$ 16,630,778
Work in progress	593,946	1,458,293	(1,731,152)	321,087
Total nondepreciable assets	12,617,720	6,961,177	(2,627,032)	16,951,865
Capital assets being depreciated:				
Building and improvements	68,866,522	290,044	(15,459,449)	53,697,117
Furniture and equipment	413,200	127,976	(58,225)	482,951
Total depreciable capital assets	69,279,722	418,020	(15,517,674)	54,180,068
Accumulated depreciation	(37,203,902)	(3,244,115)	13,110,480	(27,337,537)
Net capital assets being depreciated	32,075,821	(2,826,096)	(2,407,194)	26,842,531
Net capital assets	\$ 44,693,541	\$ 4,135,081	\$ (5,034,226)	\$ 43,794,396

Depreciation expense for the years ended December 31, 2016 and 2015 was \$2,917,844 and \$3,244,115, respectively.

During 2015, the Authority sold six public housing sites to Boulder Communities, LLLP, a discretely presented component unit of the Authority, as part of the conversion to a low-income housing tax credit partnership. This transaction resulted in a reduction in land, building, and accumulated depreciation. The sale price was \$40,900,000 and resulted in a gain of \$36,113,507. This amount is included in the gain on sale of capital asset on the statement of activities.

Note 5 - Related Party Notes Receivable

The Authority has the following related party notes receivable as of December 31:

	2016	2015
The Authority has two notes receivable in the original amount of \$340,000 in total from Vistoso Community, LLLP (Vistoso), a tax credit project. The notes bear interest annually at 2.0 percent and are due in full with the accrued interest on December 31, 2022. Payments are required when Vistoso generates positive cash flow. At December 31, 2016 and 2015, the Authority had \$91,182 and \$82,737, respectively, of accrued interest receivable. The notes are collateralized by deeds of trust	\$ 340,000	\$ 340,000

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note 5 - Related Party Notes Receivable (Continued)

	2016	2015
<p>The Authority has two notes receivable in the original amount of \$717,500, in total, from Holiday Community, LLLP (Holiday), a tax credit project. The notes bear interest annually at 9.0 percent and are due in full with the accrued interest on December 31, 2021. Payments are required when Holiday generates positive cash flow. At December 31, 2016 and 2015, the Authority had \$704,242 and \$616,045, respectively, of accrued interest receivable. The notes are collateralized by deeds of trust</p>	\$ 510,039	\$ 599,462
<p>The Authority has a note receivable in the original amount of \$1,253,531 from Broadway East Community, LLLP (Broadway East), a tax credit project. The note bears interest at 5.15 percent compounded annually and is required to be repaid when Broadway East generates positive cash flow. At December 31, 2016 and 2015, the Authority had \$80,592 and \$91,599, respectively, of accrued interest receivable. The note is collateralized by a deed of trust and is due in full with the accrued interest by December 31, 2047</p>	1,253,531	1,253,531
<p>The Authority has two notes receivable in the original amount of \$1,498,338 in total from Broadway East. The notes are noninterest bearing and are due in full by December 31, 2047. Payments are required when Broadway East generates positive cash flow. The notes are collateralized by deeds of trust</p>	1,458,378	1,458,378
<p>The Authority has a note receivable in the original amount of \$1,802,205 from Broadway West Community, LLLP (Broadway West). The note is noninterest bearing and is due in full by December 31, 2058. Payments are required when Broadway West generates positive cash flow. The note is collateralized by a deed of trust</p>	1,587,957	1,622,480

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note 5 - Related Party Notes Receivable (Continued)

	2016	2015
<p>The Authority has a note receivable in the original amount of \$1,100,000 from Red Oak Park, LLLP (Red Oak Park). The note bears interest at 5 percent compounded annually and is due in full with the accrued interest on December 31, 2040. Payments are required when Red Oak Park generates positive cash flow. At December 31, 2016 and 2015, the Authority had \$23,191 and \$35,567, respectively, of accrued interest receivable. The note is collateralized by a deed of trust</p>	\$ 908,900	\$ 948,612
<p>The Authority has two notes receivable in the original amount of \$1,568,813 in total from WestView Community, LLLP (WestView), a tax credit project. The notes bear interest compounded annually at 1.25 percent and are due in full with accrued interest on December 31, 2042. Payments are required when WestView generates positive cash flow. At December 31, 2016 and 2015, the Authority had \$84,455 and \$64,044, respectively, of accrued interest receivable. The notes are collateralized by deeds of trust</p>	1,568,813	1,568,813
<p>The Authority has two notes receivable in the original amount of \$650,000 from WestView Community, LLLP (WestView). The notes bear interest at 1.25 percent compounded annually and are due in full with the accrued interest on October 17, 2025. Payments are required when WestView generates positive cash flow. At December 31, 2016 and 2015, the Authority had \$2,008 and \$2,198, respectively, of accrued interest receivable. The notes are collateralized by a deed of trust</p>	160,249	227,357

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note 5 - Related Party Notes Receivable (Continued)

	2016	2015
<p>The Authority has two notes receivable in the original amount of \$3,177,611, in total, from High Mar Community, LLLP (High Mar), a tax credit project. The notes bear interest annually at 2.5 percent and are due in full with the accrued interest on December 31, 2043. Payments are required when High Mar generates positive cash flow. At December 31, 2016 and 2015, the Authority had \$321,077 and \$235,743, respectively, of accrued interest receivable. The notes are collateralized by deeds of trust</p>	\$ 3,177,611	\$ 3,177,611
<p>The Authority has a note receivable in the original amount of \$625,000 from Lee Hill Community, LLLP (Lee Hill). The note bears interest at 4.0 percent compounded annually and is due in full with the accrued interest on August 31, 2043. Payments are required when Lee Hill generates positive cash flow. At December 31, 2016 and 2015, the Authority had \$86,565 and \$59,201, respectively, of accrued interest receivable. The note is collateralized by a deed of trust</p>	625,000	625,000
<p>The Authority has three notes receivable in the original amount of \$3,098,150, in total, from Lee Hill Community, LLLP (Lee Hill), a tax credit project. The notes are noninterest bearing and are due in full by August 31, 2043. Payments are required when Lee Hill generates positive cash flow. The notes are collateralized by deeds of trust</p>	3,098,150	3,098,150
<p>During 2015, the Authority entered into a note receivable in the original amount of \$12,025,000 from Boulder Communities, LLLP, a tax credit property. The note, bearing interest at 2.64 percent, was due and paid in full on September 30, 2016. At December 31, 2016 and 2015, the Authority had \$0 and \$79,365, respectively, of accrued interest receivable. The note was collateralized by a deed of trust</p>	-	12,025,000

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note 5 - Related Party Notes Receivable (Continued)

	2016	2015
<p>During 2015, the Authority entered into three notes receivable in the original amount of \$28,800,088 from Boulder Communities, LLLP, a tax credit property. The notes bear interest at 2.64 percent and are due in full on September 30, 2055. Payments are required when Boulder Communities, LLLP generates positive cash flow. At December 31, 2016 and 2015, the Authority had \$955,421 and \$190,081, respectively, of accrued interest receivable on the notes. The notes are collateralized by deeds of trust</p>	\$ 28,800,088	\$ 28,800,088
<p>During 2016, the Authority earned a developer fee of \$7,021,014 related to the renovation of Boulder Communities, LLLP. Per the Limited Partnership Agreement of Boulder Communities, LLLP, once the final equity installment is received by Boulder Communities, LLLP, the remaining developer fee payable will convert into a note receivable in the amount of \$3,473,489 and be referred to as the deferred developer fee. The deferred developer fee note will bear interest at 1.0 percent, is payable based on annual cash flow, and is due in full on December 31, 2030, including accrued interest</p>	3,473,489	-
<p>During 2015, the Authority entered into a note receivable in the original amount of \$874,259 from High Mar Community, LLLP (High Mar), a tax credit project. The note bears interest at 2.70 percent compounded annually and is due in full with the accrued interest on February 7, 2026. Payments are required when High Mar generates positive cash flow. At December 31, 2016 and 2015, the Authority had \$12,120 and \$6,206, respectively, of accrued interest receivable on the notes</p>	433,217	468,066

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note 5 - Related Party Notes Receivable (Continued)

	<u>2016</u>	<u>2015</u>
During 2015, the Authority entered into a note receivable in the original amount of \$58,283 from Lee Hill Community, LLLP (Lee Hill), a tax credit project. The note bears interest at 2.47 percent compounded annually and is due in full with the accrued interest on December 31, 2025. Payments are required when Lee Hill generates positive cash flow. At December 31, 2016 and 2015, the Authority had \$1,386 and \$600, respectively, of accrued interest receivable on the notes	\$ 52,185	\$ 58,283
Total	47,447,607	56,270,831
Less current portion	<u>230,993</u>	<u>12,322,990</u>
Long-term portion	<u>\$ 47,216,614</u>	<u>\$ 43,947,841</u>

Note 6 - Notes Receivable

The Authority had a note receivable from the Thistle Group, Inc., an unrelated party. This note had an original balance of \$443,562 and a maturity date of July 15, 2019. The amount outstanding as of December 31, 2015 was \$443,562. The accrued interest receivable at December 31, 2015 was \$8,640. The parties to the note agreed to retire the debt pursuant to a short payment in the amount of \$352,202 on December 16, 2016, resulting in debt forgiveness loss to the Authority of \$91,360. The note was collateralized by a deed of trust.

Note 7 - Investment in Partnerships - Joint Ventures

The Authority or a subsidy thereof is a 0.01 percent general partner in each of the following operating partnerships (the "Partnerships"), which were formed to acquire, rehabilitate, or construct, own, and operate low-income residential rental housing projects.

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note 7 - Investment in Partnerships - Joint Ventures (Continued)

The investments are recorded under the equity method as joint ventures. These joint ventures are also discretely presented component units of the Authority. The Authority recognizes contributions, distributions, and net income or loss on its ownership share of the activity of the Partnerships on an annual basis. The total loss recognized by the Authority as part of miscellaneous expense during the years ended December 31, 2016 and 2015 was \$419 and \$101, respectively. The investments in the Partnerships at December 31 were as follows:

	<u>2016</u>	<u>2015</u>
Partnership name:		
Boulder Communities, LLLP	\$ (130)	\$ 91
Broadway East Community, LLLP	(79)	(54)
Broadway West Community, LLLP	(62)	(42)
High Mar, LLLP	(22)	22
Holiday Community, LLLP	399,718	399,737
Lee Hill, LLLP	41	67
Red Oak Park, LLLP	(225)	(184)
Vistoso Community, LLLP	(78)	(71)
WestView Community, LLLP	(50)	(36)
Total	<u>\$ 399,113</u>	<u>\$ 399,530</u>

Unrelated investor limited partners own the remaining 99.99 percent interest in each of the Partnerships.

Note 8 - Long-term Debt

Long-term debt at December 31 is as follows:

	<u>2016</u>	<u>2015</u>
Note payable to a bank under the Affordable Housing FHLB loan program. Principal of \$5,833 is forgiven annually on the loan anniversary date, with the final forgiveness on September 25, 2027. The note is secured by a deed of trust	\$ 64,173	\$ 70,006

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note 8 - Long-term Debt (Continued)

	<u>2016</u>	<u>2015</u>
Mortgage payable to a bank in monthly installments of \$23,653, including interest at 3.25 percent. The note is secured by a deed of trust on Canyon Pointe. Final payment is due on December 1, 2018	\$ 3,703,576	\$ 3,862,165
Mortgage payable to HUD in an original amount of \$1,252,059 with interest accruing at a rate of 1 percent. Payments will be made in annual installments equal to 50 percent of surplus cash generated by the property. Measurement of surplus cash commenced on the first day of the fiscal year following completion of improvements under the Retrofit Funding Agreement. Final payment is due on July 31, 2045. The note is secured by a second deed of trust on the Canyon Pointe property	1,166,547	1,166,547
Mortgage payable to a bank in monthly installments of \$18,440 including interest at 3.50 percent. Final payment is due on April 1, 2021. The note is secured by a deed of trust on each of the following properties: Arapahoe East, Dakota Ridge, Sanitas Place, and Twin Pines. Final payment is due on April 1, 2021	3,094,378	3,203,431
Bond payable to a bank in an original amount of \$14,000,000 with interest accruing at a rate of 4.25 percent. Payments are made in monthly installments of \$70,678. The final installment is due on July 27, 2026. The bond is secured by a deed of trust on the Bridgewalk property	12,923,449	13,215,553
Mortgage payable to a bank in monthly installments of \$30,612, including interest at a rate of 3.25 percent. Final payment is due on September 1, 2028. The note is secured by a deed of trust on the Foothills property	6,523,857	6,672,942
Mortgage payable to a bank in monthly installments of \$27,414, including interest at 3.85 percent. Final payment is due on July 1, 2027. The note is secured by a deed of trust on each of the following properties: Hayden Place, Woodlands, Whittier, and 101 Canyon	5,316,807	5,435,122

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note 8 - Long-term Debt (Continued)

	<u>2016</u>	<u>2015</u>
Note payable to a bank in monthly installments of \$2,957, including interest at a rate of 4.2 percent. Final payment is due on July 1, 2027. The note is secured by a deed of trust on the Hayden Place 2 property	\$ 597,672	\$ -
Note payable to the City of Boulder under the Affordable Housing Fund. The proceeds of the note were used to acquire a parcel of land in the City of Boulder. The note is secured by a deed of trust and an interim affordability covenant on the land limiting the use of the property to affordable residential units. The note will be forgiven and replaced with a new note and deed of trust in the amount of \$100 upon recording of a permanent covenant restricting the property. The permanent covenant will more specifically restrict the new development residential units to low-income residents. The permanent covenant will be recorded at the financial closing of the development which has not yet occurred. The note becomes due and payable in the event a development strategy is not approved or extended by the City by July 17, 2020; the property is sold without the consent of the City or in the event of bankruptcy or dissolution of the Authority. The amount due will be based on a pro-rata share of the value of the land at the time, adjusted for any capital improvements that have been made. At the time the note was issued, the proceeds represented 87 percent of the value of the land	<u>3,000,000</u>	<u>3,000,000</u>
Total	36,390,459	36,625,766
Less current portion	<u>877,697</u>	<u>833,916</u>
Long-term portion	<u>\$ 35,512,762</u>	<u>\$ 35,791,850</u>

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note 8 - Long-term Debt (Continued)

Future minimum principal and interest payments on long-term debt to maturity for the years ending December 31 are as follows:

	Principal	Interest	Total Payments
2017	\$ 877,697	\$ 1,207,389	\$ 2,085,086
2018	4,276,966	1,174,019	5,450,985
2019	768,485	1,032,772	1,801,257
2020	797,206	1,004,051	1,801,257
2021	3,307,205	912,078	4,219,283
2022-2026	13,135,699	3,883,304	17,019,003
2027-2031	8,996,481	417,855	9,414,336
2032-2046	1,166,547	158,456	1,325,003
Total	<u>\$ 33,326,286</u>	<u>\$ 9,789,924</u>	<u>\$ 43,116,210</u>

The future minimum principal payments do not include \$64,173 of debt under the Affordable Housing FHLB loan program that is forgiven annually.

Future minimum principal payments also do not include \$3,000,000 of debt to the City of Boulder under the Affordable Housing Fund note described above. The note becomes due and payable only in the event a development strategy is not approved or the term extended by the City by July 17, 2020 or in the event of bankruptcy or dissolution of the Authority.

Changes in long-term debt for the year ended December 31, 2016 are presented below:

	Balance January 1, 2016	Additions	Deletions	Balance December 31, 2016
Notes and mortgage payable	\$ 36,625,766	\$ 597,672	\$ (832,979)	\$ 36,390,459

Changes in long-term debt for the year ended December 31, 2015 are presented below:

	Balance January 1, 2015	Additions	Deletions	Balance December 31, 2015
Notes and mortgage payable	\$ 35,700,391	\$ 3,000,000	\$ (2,074,625)	\$ 36,625,766

Interest expense for the years ended December 31, 2016 and 2015 was \$1,252,246 and \$1,352,853, respectively.

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note 8 - Long-term Debt (Continued)

Tax-exempt Bond Issuance - BHP has issued tax-exempt revenue bonds to provide debt financing for six legally separate entities. Upon bond issuance, all financial activity is assumed by the paying agent, and BHP is not obligated for the repayment of these bonds. As conduit, no obligation for financing, the bonds are not reflected in the Authority's financial statements. Information regarding the status of each bond issue, including possible default, must be obtained from the paying agent or other knowledgeable source. The entities and the original issue amounts are as follows: The Center for People with Disabilities (\$750,000), Thistle Housing (\$3,740,000), Broadway East Community, LLLP (a related party) (\$3,750,000), WestView Community, LLLP (a related party) (\$3,167,000), High Mar Community, LLLP (a related party) (\$7,206,000), and Boulder Housing Communities, LLLP (a related party) (\$45,778,678). The total amount outstanding on the bonds at December 31, 2016 and 2015 is approximately \$57,000,000 and \$14,000,000, respectively.

Note 9 - Cost-sharing Defined Benefit Pension Plan

Plan Description - The Authority participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing, multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA). The LGDTF provides retirement and disability, postretirement annual increases, and death benefits for members or their beneficiaries. All employees of the Authority are members of the LGDTF. Title 24, Article 51 of the Colorado Revised Statutes (CRS), as amended, assigns the Authority to establish benefit provisions to the state legislature. PERA issues a publicly available annual financial report that includes financial statements and required supplemental information for the LGDTF. The Authority also contributes to the Health Care Trust Fund (HCTF), a cost-sharing, multiple-employer healthcare trust administered by PERA. The HCTF provides a healthcare premium subsidy to PERA participating benefit recipients and their eligible beneficiaries. Title 24, Article 51, Part 12 of the CRS, as amended, assigns the Authority to establish the HCTF benefit provisions to the state legislature.

PERA issues a publicly available annual financial report that includes financial statements and required supplemental information for the HCTF. These reports may be obtained online at www.copera.org or by writing to Colorado PERA, 1301 Pennsylvania Street, Denver, Colorado 80203, or by calling PERA at 303-832-9550 or 1-800-759-PERA (7372).

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note 9 - Cost-sharing Defined Benefit Pension Plan (Continued)

Contributions - The Authority is required to contribute member and employer contributions to PERA at a rate set by statute. The contribution requirements of plan members and the Authority are established under Title 24, Article 51, Part 4 of the CRS, as amended. The contribution rate for members is 8.0 percent and for the Authority is 13.7 percent of covered salary. A portion of the Authority's contribution (1.02 percent of covered salary) is allocated to the Health Care Trust Fund. The Authority is also required to pay an amortization equalization disbursement (AED) equal to 2.20 percent of the total payroll for calendar years 2016 and 2015. Additionally, the Authority is required to pay a supplemental amortization equalization disbursement (SAED) equal to 1.50 percent of the total payroll for calendar years 2016 and 2015. For the years ended December 31, 2016 and 2015, the Authority's employer contributions to the LGDTF were equal to its required contributions of \$575,312 and \$527,311, respectively.

Net Pension Liability, Deferrals, and Pension Expense

At December 31, 2016 and 2015, the Authority reported a liability of \$7,465,755 and \$5,523,658, respectively, for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2015 for the year ended December 31, 2016, and December 31, 2014 for the year ended December 31, 2015. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2014 for the year ended December 31, 2016, and December 31, 2013 for the year ended December 31, 2015, which used update procedures to roll forward the estimated liability to December 31, 2016 and 2015, respectively. The Authority's proportion of the net pension liability was based on the Authority's contributions as a percentage of total employer contributions during the measurement period. At December 31, 2015 and 2014, the Authority's proportion was 0.6777309287 and 0.6162671447 percent, respectively.

For the year ended December 31, 2016, the Authority recognized pension expense of \$657,455. At December 31, 2016, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,827,524	\$ 95,743
Employer contributions to the plan subsequent to the measurement date	575,311	-
Total	<u>\$ 2,402,835</u>	<u>\$ 95,743</u>

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note 9 - Cost-sharing Defined Benefit Pension Plan (Continued)

For the year ended December 31, 2015, the Authority recognized pension expense of \$527,311. At December 31, 2015, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 495,139	\$ -
Employer contributions to the plan subsequent to the measurement date	<u>527,311</u>	<u>-</u>
Total	<u>\$ 1,022,450</u>	<u>\$ -</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as indicated in the table below. These amounts are exclusive of the employer contributions to the plan made subsequent to the measurement date (\$575,312), which will impact net pension liability in fiscal year 2017, rather than pension expense:

Years Ending June 30	Amount
2017	\$ 322,762
2018	322,762
2019	355,247
2020	365,505
2021	<u>365,505</u>
Total	<u>\$ 1,731,781</u>

Actuarial Assumptions - The total pension liability as of December 31, 2015 and 2014 is based on results of an actuarial valuation date of December 31, 2014 and 2013, respectively, and rolled forward, and was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.80 %
Salary increases	3.90-10.85% Average, including inflation
Investment rate of return	7.50 % Net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Mortality Table for males or females, as appropriate, with adjustments for mortality improvements based on a projection of Scale AA to 2020 with males set back one year, and females set back two years.

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note 9 - Cost-sharing Defined Benefit Pension Plan (Continued)

The actuarial assumptions used in the December 31, 2014 and 2013 valuation were based on the results of an actuarial experience study for the period from January 1, 2008 through December 31, 2011, adopted by PERA's board on November 13, 2012, and an economic assumption study, adopted by PERA's board on November 15, 2013 and January 17, 2014.

Discount Rate - The discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the fixed statutory rates specified in law.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected return, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges 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. The target allocation and best estimates of arithmetic real rates of return as of November 15, 2013 for each major asset class are summarized in the following table:

Asset Class	Target Allocation (%)	Long-term Expected Real Rate of Return
U.S. equity - Large cap	27.00 %	5.00 %
U.S. equity - Small cap	4.00	5.19
Non-U.S. equity - Developed	22.00	5.29
Non-U.S. equity - Emerging	6.00	6.76
Core fixed income	24.00	0.98
High yield	2.00	3.00
Long-duration government/credit	1.00	2.00
Emerging market bonds	-	3.00
Real estate	7.00	5.09
Cash or cash equivalents	7.00	7.15

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the net pension liability of the Authority, calculated using the discount rate of 7.5 percent, as well as what the Authority's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.5 percent) or 1 percentage point higher (8.5 percent) than the current rate for both December 31, 2016 and 2015, respectively:

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note 9 - Cost-sharing Defined Benefit Pension Plan (Continued)

	1 Percent Decrease (6.5%)	Current Discount Rate (7.5%)	1 Percent Increase (8.5%)
Net pension liability - December 31, 2016	\$ 11,445,760	\$ 7,465,755	\$ 4,165,000
	1 Percent Decrease (6.5%)	Current Discount Rate (7.5%)	1 Percent Increase (8.5%)
Net pension liability - December 31, 2015	\$ 9,020,739	\$ 5,523,658	\$ 2,608,116

Pension Plan Fiduciary Net Position - Detailed information about the plan's fiduciary net position is available in a separately issued PERA financial report.

Note 10 - Nonexchange Financial Guarantees

General Partner Operating Deficit Guarantees - In relation to the performance of the tax credit partnerships for which the Authority is the general partner, the Authority has agreed to provide certain levels of funding in the event of partnership operating deficits that exceed operating reserves. The maximum amount required to fund the excess operating deficits ranges by partnership from zero to the total amount of the excess operating deficit for a single partnership. The guarantees are in place until specific milestones specifically defined in the partnership agreement are met. If the Authority is required to fund a deficit under this guarantee, the advance would be structured as a loan to the partnership. These loans would be repayable, without interest in accordance with available cash flow. As of December 31, 2016 and 2015, there were no additional liabilities relating to excess operating deficits for any of the partnerships.

General Partner Guarantees of Debt - The Authority has provided payment guarantees to a lender of a portion of the outstanding debt for Red Oak Park, LLLP, WestView Community, LLLP, High Mar Community, LLLP, and Boulder Communities, LLLP. The amount of the debt that was guaranteed was \$54,969,283 and \$11,589,143 as of December 31, 2016 and 2015, respectively. The debt has various maturity dates ranging from April 1, 2019 through February 1, 2023. In the event that any of these partnerships is unable to make a payment when due, the Authority will be required to make that payment.

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note 11 - Discretely Presented Component Units

The following entities are considered discrete component units of the Authority and are presented in accordance with GASB Statement No. 61. Certain items may have changed for presentation purposes from the separately issued audited financial statements to conform to the Authority's presentation. The discrete component units disclosures included are those required under GASB Statement No. 61 that are deemed essential to fair presentation of the financial entity's general purpose financial statements. The following disclosures are those that are material to the Authority and are not meant to be a full representation of each component unit's financial position and required disclosures. A copy of each component unit's separately issued financial statements can be obtained from the commission's management. See Note 1 for detail on accounting policy and the for-profit entities that are considered discretely presented component units.

Each of the discrete component units was formed as limited partnerships or limited liability companies for the purpose of owning, developing, and operating affordable housing projects.

The significant activity of the entities consists of residential rental operations and the primary assets are the land, buildings, improvements, furniture, fixtures, and equipment. Debt is primarily long term in nature and is collateralized by the property. Equity is contributed by the general partner and the investor limited partners.

The discretely presented component units' deposits are included at their carrying values on the statement of net position under the following classifications:

	2016	2015
Cash and cash equivalents - Unrestricted (current)	\$ 1,384,804	\$ 1,226,937
Cash and cash equivalents - Restricted (current)	1,893,269	1,822,511
Tenant security deposits	312,032	280,415
Total	<u>\$ 3,590,105</u>	<u>\$ 3,329,863</u>

All of the discretely presented component units' cash is held in bank deposits, checking accounts, and savings accounts.

The restricted cash balances of the discretely presented component units are made up of \$312,032 and \$280,413 of security deposits and \$1,893,269 and \$1,822,511 of funded reserves for the years ended December 31, 2016 and 2015, respectively.

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note 11 - Discretely Presented Component Units (Continued)

A summary of the capital assets of the discrete component units is as follows:

Schedule of Component Unit Capital Assets December 31, 2016	Nondepreciable		Depreciable		Accumulated Depreciation	2016 Net Capital Assets
	Land	Tax Credit Fees	Buildings and Improvements	Furniture, Fixtures, and Equipment		
	Boulder Communities, LLLP	\$ 12,331,149	\$ 78,583	\$ 71,819,829		
Broadway East Community, LLLP	-	-	7,496,741	60,010	(2,532,870)	5,023,881
Broadway West Community, LLLP	105,838	-	6,944,930	19,417	(1,813,559)	5,256,626
Holiday Community, LLLP	817,533	-	6,751,686	26,388	(3,139,227)	4,456,380
High Mar Community, LLLP	-	-	12,023,117	39,121	(1,205,349)	10,856,889
Lee Hill Community, LLLP	885,045	-	6,208,505	95,686	(552,149)	6,637,087
Red Oak Park Community, LLLP	-	-	11,944,902	186,390	(2,659,703)	9,471,589
Vistoso Community, LLLP	-	35,112	2,394,886	16,636	(1,024,218)	1,422,416
WestView Community, LLLP	470,000	-	5,597,584	-	(847,804)	5,219,780
Total fixed assets placed in service	14,609,565	113,695	131,182,180	1,512,317	(15,518,258)	131,899,499
Holiday Community, LLLP - Construction in progress	-	-	8,929	-	-	8,929
Lee Hill Community, LLLP - Construction in progress	-	-	1,121	-	-	1,121
WestView Community, LLLP - Construction in progress	-	-	1,613	-	-	1,613
Total discrete component unit net capital assets	\$ 14,609,565	\$ 113,695	\$ 131,193,843	\$ 1,512,317	\$ (15,518,258)	\$ 131,911,162

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note 11 - Discretely Presented Component Units (Continued)

Schedule of Component Unit Capital Assets December 31, 2015	Nondepreciable			Depreciable			Accumulated Depreciation	2015 Net Capital Assets
	Land	Buildings and Improvements	Furniture, Fixtures, and Equipment					
Boulder Communities, LLLP	\$ 12,150,000	\$ 28,750,000	\$ -	\$ (261,364)	\$ 40,638,636			
Broadway East Community, LLLP	-	7,487,807	60,010	(2,225,647)	5,322,170			
Broadway West Community, LLLP	105,838	6,944,930	19,417	(1,557,054)	5,513,131			
Holiday Community, LLLP	817,533	6,744,297	26,388	(2,884,466)	4,703,752			
High Mar Community, LLLP	-	12,023,116	39,120	(737,737)	11,324,499			
Lee Hill Community, LLLP	885,045	6,208,504	95,686	(295,248)	6,893,987			
Red Oak Park Community, LLLP	-	11,944,903	186,390	(2,191,044)	9,940,249			
Vistoso Community, LLLP	-	2,394,886	16,636	(935,303)	1,476,219			
WestView Community, LLLP	470,000	5,597,585	-	(644,242)	5,423,343			
Total fixed assets placed in service	14,428,416	88,096,028	443,647	(11,732,105)	91,235,986			
Boulder Communities, LLLP - Construction in progress	-	6,759,470	-	-	6,759,470			
WestView Community, LLLP - Construction in progress	-	1,613	-	-	1,613			
Total discrete component unit net capital assets	\$ 14,428,416	\$ 94,857,111	\$ 443,647	\$ (11,732,105)	\$ 97,997,069			

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note 11 - Discretely Presented Component Units (Continued)

A summary of the changes to the capital assets of the discrete component units is as follows:

	Beginning Balance January 1, 2016	Capital Additions and Other Adjustments	Depreciation	End of Year Balance December 31, 2016
Boulder Communities, LLLP	\$ 40,638,636	\$ 44,398,231	\$ (1,482,016)	\$ 83,554,851
Broadway East Community, LLLP	5,322,170	8,933	(307,222)	5,023,881
Broadway West Community, LLLP	5,513,131	-	(256,505)	5,256,626
Holiday Community, LLLP	4,703,752	7,389	(254,761)	4,456,380
High Mar Community, LLLP	11,324,501	-	(467,612)	10,856,889
Lee Hill Community, LLLP	6,893,988	-	(256,901)	6,637,087
Red Oak Park Community, LLLP	9,940,247	-	(468,658)	9,471,589
Vistoso Community, LLLP	1,476,219	35,112	(88,915)	1,422,416
WestView Community, LLLP	5,423,343	-	(203,563)	5,219,780
Total fixed assets placed in service	91,235,987	44,449,665	(3,786,153)	131,899,499
Boulder Communities, LLLP - Construction in progress	6,759,470	(6,759,470)	-	-
Holiday Community, LLLP - Construction in progress	-	8,929	-	8,929
Lee Hill Community, LLLP - Construction in progress	-	1,121	-	1,121
WestView Community, LLLP - Construction in progress	1,613	-	-	1,613
Total discrete component unit net capital assets	\$ 97,997,070	\$ 37,700,245	\$ (3,786,153)	\$ 131,911,162

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note 11 - Discretely Presented Component Units (Continued)

	Beginning Balance January 1, 2015	Capital Additions and Other Adjustments	Depreciation	End of Year Balance December 31, 2015
Boulder Communities, LLLP	\$ -	\$ 40,900,000	\$ (261,364)	\$ 40,638,636
Broadway East Community, LLLP	5,621,189	7,470	(306,489)	5,322,170
Broadway West Community, LLLP	5,769,636	-	(256,506)	5,513,130
Holiday Community, LLLP	4,958,020	-	(254,268)	4,703,752
High Mar Community, LLLP	11,768,989	22,454	(466,942)	11,324,501
Lee Hill Community, LLLP	6,924,510	224,531	(255,054)	6,893,987
Red Oak Park Community, LLLP	10,420,021	-	(479,773)	9,940,248
Vistoso Community, LLLP	1,534,516	28,687	(86,984)	1,476,219
WestView Community, LLLP	5,626,905	-	(203,562)	5,423,343
Total fixed assets placed in service	52,623,786	41,183,142	(2,570,942)	91,235,986
Boulder Communities, LLLP - Construction in progress	-	6,759,470	-	6,759,470
WestView Community, LLLP - Construction in progress	-	1,613	-	1,613
Total discrete component unit net capital assets	\$ 52,623,786	\$ 47,944,225	\$ (2,570,942)	\$ 97,997,069

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note 11 - Discretely Presented Component Units (Continued)

A summary of the discrete component units' debt outstanding and maturity dates is as follows:

Schedule of Component Unit Debt December 31, 2016	Lender	Interest Rate	Maturity Date	Balance - Beginning of Year	Additions (Payments)	Balance - End of Year	Principal Due Within One Year
Boulder Communities, LLLP	First Bank of Boulder	3.98%	2033	\$ 2,010,925	\$ 43,543,095	\$ 45,554,020	\$ 45,554,020
	Boulder Housing Partners	2.64%	2055	1,152,519	-	1,152,519	-
	Boulder Housing Partners	2.64%	2055	12,025,000	(12,025,000)	-	-
	Boulder Housing Partners	2.64%	2055	7,647,569	-	7,647,569	-
	Boulder Housing Partners	2.64%	2055	20,000,000	-	20,000,000	-
Boulder Housing Partners	1.00%	2030	-	3,473,489	3,473,489	-	
Broadway East Community, LLLP	U.S. Bank	Variable	2024	2,197,934	(104,401)	2,093,533	50,000
	Boulder Housing Partners	0.00%	2047	1,458,378	-	1,458,378	-
	Boulder Housing Partners	5.15%	2047	1,253,531	-	1,253,531	-
Broadway West Community, LLLP	First Bank of Boulder	5.00%	2025	931,258	(17,183)	914,075	18,292
	Colorado Housing Finance Agency	0.00%	2041	936,298	-	936,298	-
	Boulder Housing Partners	0.00%	2058	1,622,480	(34,523)	1,587,957	31,900
Holiday Community, LLLP	First Bank of Boulder	4.50%	2021	2,009,789	(63,660)	1,946,129	68,488
	Boulder Housing Partners	9.00%	2021	249,462	(89,423)	160,039	71,418
	Boulder Housing Partners	9.00%	2021	350,000	-	350,000	-
High Mar Community, LLLP	Wells Fargo	Variable	2015	3,877,858	(70,936)	3,806,922	74,116
	Boulder Housing Partners	2.50%	2043	2,587,611	-	2,587,611	-
	Boulder Housing Partners	2.50%	2043	590,000	-	590,000	-
	Boulder Housing Partners	2.70%	2025	468,066	(34,850)	433,216	44,923
Lee Hill Community, LLLP	Boulder Housing Partners	4.00%	2043	625,000	-	625,000	-
	Boulder Housing Partners	0.00%	2043	3,098,150	-	3,098,150	-
	Boulder Housing Partners	2.00%	2015	58,283	(6,097)	52,186	4,245
Red Oak Park Community, LLLP	Keybank National Association	6.50%	2027	2,858,676	(41,742)	2,816,934	48,997
	Boulder Housing Partners	5.00%	2040	948,612	(63,075)	885,537	23,181
Vistoso Community, LLLP	Colorado Housing Finance Agency	4.75%	2025	503,490	(12,872)	490,618	13,549
	Boulder Housing Partners	2.00%	2022	220,000	-	220,000	-
	Boulder Housing Partners	2.00%	2022	120,000	-	120,000	-
WestView Community, LLLP	First Bank of Boulder	4.85%	2019	2,841,686	(50,281)	2,791,405	53,443
	Boulder Housing Partners	1.25%	2042	1,796,170	(67,108)	1,729,062	31,963
Totals				<u>\$ 74,438,745</u>	<u>\$ 34,335,433</u>	<u>108,774,178</u>	<u>\$ 46,088,535</u>
	Less debt issuance costs					<u>(770,437)</u>	
	Total debt					<u>\$ 108,003,741</u>	

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note 11 - Discretely Presented Component Units (Continued)

Schedule of Component Unit Debt December 31, 2015	Lender	Interest Rate	Maturity Date	Balance - Beginning of Year	Additions (Payments)	Balance - End of Year	Principal Due Within One Year
Boulder Communities, LLLP	First Bank of Boulder	3.98%	2033	\$ -	\$ 2,010,925	\$ 2,010,925	\$ -
	Boulder Housing Partners	2.64%	2055	-	1,152,519	1,152,519	-
	Boulder Housing Partners	2.64%	2055	-	12,025,000	12,025,000	12,025,000
	Boulder Housing Partners	2.64%	2055	-	7,647,569	7,647,569	-
	Boulder Housing Partners	2.64%	2055	-	20,000,000	20,000,000	-
Broadway East Community, LLLP	U.S. Bank	Variable	2024	2,261,391	(63,457)	2,197,934	50,000
	Boulder Housing Partners	0.00%	2047	1,458,378	-	1,458,378	-
	Boulder Housing Partners	5.15%	2047	1,253,531	-	1,253,531	-
Broadway West Community, LLLP	First Bank of Boulder	5.00%	2025	947,722	(16,464)	931,258	17,188
	Colorado Housing Finance Agency	0.00%	2041	936,298	-	936,298	-
	Boulder Housing Partners	0.00%	2058	1,674,170	(51,690)	1,622,480	34,523
Holiday Community, LLLP	First Bank of Boulder	4.50%	2021	2,071,068	(61,279)	2,009,789	65,047
	Boulder Housing Partners	9.00%	2021	300,068	(50,606)	249,462	95,714
	Boulder Housing Partners	9.00%	2021	350,000	-	350,000	-
High Mar Community, LLLP	Wells Fargo	Variable	2015	5,549,269	(1,671,411)	3,877,858	71,171
	Boulder Housing Partners	2.50%	2043	2,587,611	-	2,587,611	-
	Boulder Housing Partners	2.50%	2043	590,000	-	590,000	-
	Boulder Housing Partners	2.70%	2026	-	468,066	468,066	34,850
Lee Hill Community, LLLP	Boulder Housing Partners	4.00%	2043	625,000	-	625,000	-
	Boulder Housing Partners	0.00%	2043	3,098,150	-	3,098,150	-
	Boulder Housing Partners	2.00%	2015	1,788,361	(1,788,631)	-	-
	Boulder Housing Partners	2.00%	2025	-	58,283	58,283	2,006
Red Oak Park Community, LLLP	Keybank National Association	6.50%	2027	2,898,270	(39,594)	2,858,676	41,978
	Boulder Housing Partners	5.00%	2040	1,020,416	(71,804)	948,612	63,074
Vistoso Community, LLLP	Colorado Housing Finance Agency	4.75%	2025	515,765	(12,275)	503,490	12,922
	Boulder Housing Partners	2.00%	2022	220,000	-	220,000	-
	Boulder Housing Partners	2.00%	2022	120,000	-	120,000	-
WestView Community, LLLP	First Bank of Boulder	4.85%	2019	2,889,935	(48,249)	2,841,686	50,295
	Boulder Housing Partners	1.25%	2042	1,852,842	(56,672)	1,796,170	67,824
Totals				\$ 35,008,245	\$ 39,430,230	\$ 74,438,745	\$ 12,631,592

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note 12 - Commitments and Contingencies

The Authority received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with the terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the Authority. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the Authority at December 31, 2016 and 2015.

Note 13 - Blended Component Units

Condensed combining information for the Authority's blended component units is presented as follows:

Condensed Statement of Net Position December 31, 2016 and 2015

	December 31, 2016			December 31, 2015		
	Woodlands Communities, LLC	Foothill Communities, LLC	Total	Woodlands Communities, LLC	Foothill Communities, LLC	Total
Assets						
Current assets	\$ 602,699	\$ 348,533	\$ 951,232	\$ 595,230	\$ 384,321	\$ 979,551
Capital assets	1,941,491	10,535,608	12,477,099	2,206,166	10,917,091	13,123,257
Total assets	<u>\$ 2,544,190</u>	<u>\$ 10,884,141</u>	<u>\$ 13,428,331</u>	<u>\$ 2,801,396</u>	<u>\$ 11,301,412</u>	<u>\$ 14,102,808</u>
Liabilities						
Current liabilities	\$ 119,871	\$ 262,219	\$ 382,090	\$ 126,862	\$ 260,563	\$ 387,425
Noncurrent liabilities	2,818,286	6,369,150	9,187,436	2,885,064	6,523,839	9,408,903
Total liabilities	2,938,157	6,631,369	9,569,526	3,011,926	6,784,402	9,796,328
Net Position						
Net investment in capital assets	(876,795)	4,166,458	3,289,663	(678,898)	4,393,253	3,714,355
Restricted	447,558	99,431	546,989	454,285	102,366	556,651
Unrestricted	35,270	(13,117)	22,153	14,083	21,391	35,474
Total net position	<u>(393,967)</u>	<u>4,252,772</u>	<u>3,858,805</u>	<u>(210,530)</u>	<u>4,517,010</u>	<u>4,306,480</u>
Total liabilities and net position	<u>\$ 2,544,190</u>	<u>\$ 10,884,141</u>	<u>\$ 13,428,331</u>	<u>\$ 2,801,396</u>	<u>\$ 11,301,412</u>	<u>\$ 14,102,808</u>

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note 13 - Blended Component Units (Continued)

Condensed Statement of Revenue, Expenses, and Changes in Net Position Years Ended December 31, 2016 and 2015

	December 31, 2016			December 31, 2015		
	Woodlands	Foothill	Total	Woodlands	Foothill	Total
	Communities, LLC	Communities, LLC		Communities, LLC	Communities, LLC	
Operating Revenue						
Rent - Net	\$ 469,950	\$ 992,946	\$ 1,462,896	\$ 489,442	\$ 1,009,790	\$ 1,499,232
Other	5,279	35,202	40,481	5,422	16,903	22,325
Total operating revenue	475,229	1,028,148	1,503,377	494,864	1,026,693	1,521,557
Operating Expenses						
Operating expenses	280,451	678,528	958,979	566,511	634,430	1,200,941
Depreciation	264,675	396,015	660,690	264,675	394,366	659,041
Total operating expenses	545,126	1,074,543	1,619,669	831,186	1,028,796	1,859,982
Nonoperating Expense -						
Interest expense	(113,540)	(217,843)	(331,383)	(115,679)	(222,085)	(337,764)
Change in net position	(183,437)	(264,238)	(447,675)	(452,001)	(224,188)	(676,189)
Net Position - Beginning of year	(210,530)	4,517,010	4,306,480	241,471	4,741,198	4,982,669
Net Position - End of year	\$ (393,967)	\$ 4,252,772	\$ 3,858,805	\$ (210,530)	\$ 4,517,010	\$ 4,306,480

Condensed Statement of Cash Flows Years Ended December 31, 2016 and 2015

	December 31, 2016			December 31, 2015		
	Woodlands	Foothill	Total	Woodlands	Foothill	Total
	Communities, LLC	Communities, LLC		Communities, LLC	Communities, LLC	
Net cash provided by (used in) operating activities	\$ 57,421	\$ 213,245	\$ 270,666	\$ (194,086)	\$ 176,513	\$ (17,573)
Net cash used in investing activities	-	(25,248)	(25,248)	-	(22,123)	(22,123)
Net cash used in financing activities	(63,890)	(149,085)	(212,975)	(61,758)	(144,855)	(206,613)
Net (decrease) increase in cash	(6,469)	38,912	32,443	(255,844)	9,535	(246,309)
Cash - Beginning of year	582,111	363,730	945,841	837,955	354,195	1,192,150
Cash - End of year	\$ 575,642	\$ 402,642	\$ 978,284	\$ 582,111	\$ 363,730	\$ 945,841

Boulder Housing Partners

Notes to Financial Statements December 31, 2016 and 2015

Note 14 - Upcoming Accounting Pronouncements

In January 2016, the Governmental Accounting Standards Board issued GASB Statement No. 80, *Blending Requirements for Certain Component Units*. The requirements of this statement enhance the comparability of financial statements among governments by clarifying the financial statement presentation requirements for certain component units. GASB Statement No. 80 is required to be adopted for years beginning after June 15, 2016. Upon adoption, there will be additional disclosures in the Authority's financial statements.

Note 15 - Subsequent Events

The Authority acquired a 185-unit rental property, Tantra Lakes Apartments, on March 24, 2017 for \$45,700,000. The source of funds included \$10,432,859 from a refinance of a mortgage loan on the Bridgewalk property, \$7,350,000 from the City of Boulder in return for an affordability covenant restricting rents on 75 units to 60 percent of area median income, and a mortgage on the property of \$29,705,000.

Boulder Housing Partners funded a promissory note in the amount of \$12,025,000 from Boulder Communities, LLLP on February 1, 2017. BHP is a .01 percent general partner of Boulder Communities, LLLP. The note bears a 2.64 percent annual interest rate and will be paid annually from available cash flow. The note matures on September 30, 2055.

Required Supplemental Information

Boulder Housing Partners

**Required Supplemental Information
Schedule of Boulder Housing Partners' Proportionate Share of the
Net Pension Liability
Colorado Public Employees' Retirement Association - Local
Governmental Division Trust Fund
Determined as of the Plan Years Ended
December 31, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
Authority's proportion of the net pension liability	0.67773093 %	0.61626714 %
Authority's proportionate share of the net pension liability	\$ 7,465,755	\$ 5,523,658
Authority's covered employee payroll	\$ 6,090,485	\$ 5,059,089
Authority's proportionate share of the net pension liability as a percentage of its covered employee payroll	122.6 %	109.2 %
Plan fiduciary net position as a percentage of total pension liability	- %	- %

Boulder Housing Partners

**Required Supplemental Information
Schedule of Boulder Housing Partners' Contributions
Colorado Public Employees' Retirement Association - Local
Governmental Division Trust Fund
Determined as of the Years Ended
December 31, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 575,312	\$ 527,311
Contributions in relation to the contractually required contribution	<u>575,312</u>	<u>527,311</u>
Contribution deficiency	<u>\$ -</u>	<u>\$ -</u>
Authority's covered employee payroll	\$ 6,090,485	\$ 5,059,089
Contributions as a percentage of covered employee payroll	9.4 %	10.4 %

Supplemental Information

Boulder Housing Partners

Financial Data Schedules

	Public Housing Project Total	14.881 MTW	14.CFP Capital Fund	14.HCV Section 8 HCV	14.OPS Low Rent	14.871 Housing Choice Vouchers	14.182 N/C S/R Section 8 Programs - Canyon Pointe	14.235 Supportive Housing Program	14.870 Resident Opportunity and Supportive Services	14.218 Community Development Block Grants/Entitlement Grants
Balance Sheet										
Assets										
111	Cash - Unrestricted	\$95,165	\$1,448,486		\$800,777	\$0	\$198	\$58,455	\$0	\$6,148
112	Cash - Restricted - Modernization and Development					\$0				
113	Cash - Other Restricted		\$78,201			\$0		\$176,280		
114	Cash - Tenant Security Deposits	\$13,321				\$0		\$32,807		
115	Cash - Restricted for Payment of Current Liabilities					\$0				
100	Total Cash	\$108,486	\$1,526,687	\$0	\$800,777	\$0	\$198	\$267,542	\$0	\$6,148
121	Accounts Receivable - PHA Projects					\$0				
122	Accounts Receivable - HUD Other Projects					\$0				
124	Accounts Receivable - Other Government	\$105,583				\$0		\$0	\$2,916	
125	Accounts Receivable - Miscellaneous		\$93,343			\$0				
126	Accounts Receivable - Tenants	\$788				\$0	\$2,133			
126	Allowance for Doubtful Accounts - Tenants	-\$5				\$0	-\$141			
126	Allowance for Doubtful Accounts - Other	\$0	\$0			\$0		\$0	\$0	
127	Notes, Loans, & Mortgages Receivable - Current					\$0				
128	Fraud Recovery		\$12,929			\$0	\$195			
128	Allowance for Doubtful Accounts - Fraud		\$0			\$0	\$0			
129	Accrued Interest Receivable					\$0				
120	Total Receivables, Net of Allowances for Doubtful Accounts	\$106,366	\$106,272	\$0	\$0	\$0	\$195	\$1,992	\$0	\$2,916
131	Investments - Unrestricted					\$0				
132	Investments - Restricted					\$0				
135	Investments - Restricted for Payment of Current Liability					\$0				
142	Prepaid Expenses and Other Assets	\$13,545	\$2,103			\$0	\$14,838			
143	Inventories					\$0				
143	Allowance for Obsolete Inventories					\$0				
144	Inter Program Due From					\$0		\$0		
145	Assets Held for Sale					\$0				
150	Total Current Assets	\$228,397	\$1,635,062	\$0	\$800,777	\$0	\$393	\$284,372	\$0	\$9,064

Boulder Housing Partners

Financial Data Schedules (Continued)

		14.149 Rent Supplements - Rental Housing for Lower Income Families - Glen Willows	14.181 Supportive Housing for Persons with Disabilities (MS50)	14.267 Continuum of Care Program	97.039 FEMA	Business Activities	Central Office Cost Center	Subtotal	ELIM	Total	6.1 Component Unit - Discretely Presented
Balance Sheet											
Assets											
111	Cash - Unrestricted	\$192,427	\$44,747	\$25,347		\$3,601,579	\$931,023	\$7,204,352		\$7,204,352	\$1,384,805
112	Cash - Restricted - Modernization and Development					\$0		\$0		\$0	
113	Cash - Other Restricted	\$82,741				\$1,073,052	\$12,028,426	\$13,438,700		\$13,438,700	\$1,893,270
114	Cash - Tenant Security Deposits	\$14,780				\$274,086		\$334,994		\$334,994	\$312,032
115	Cash - Restricted for Payment of Current Liabilities					\$0		\$0		\$0	
100	Total Cash	\$289,948	\$44,747	\$25,347	\$0	\$4,948,717	\$12,959,449	\$20,978,046	\$0	\$20,978,046	\$3,590,107
121	Accounts Receivable - PHA Projects					\$0		\$0		\$0	
122	Accounts Receivable - HUD Other Projects					\$0		\$0		\$0	
124	Accounts Receivable - Other Government			\$42,428		\$10,000	\$39,330	\$200,257		\$200,257	
125	Accounts Receivable - Miscellaneous					\$3,548,881	\$180,284	\$3,822,508		\$3,822,508	\$132,915
126	Accounts Receivable - Tenants	\$8,469				\$24,223		\$35,613		\$35,613	\$16,500
126	Allowance for Doubtful Accounts - Tenants	-\$876				-\$993	\$0	-\$2,015		-\$2,015	\$0
126	Allowance for Doubtful Accounts - Other			\$0		\$0	\$0	\$0		\$0	\$0
127	Notes, Loans, & Mortgages Receivable - Current					\$81,131	\$149,862	\$230,993		\$230,993	
128	Fraud Recovery					\$0		\$13,124		\$13,124	
128	Allowance for Doubtful Accounts - Fraud					\$0		\$0		\$0	
129	Accrued Interest Receivable					\$18,856	\$71,821	\$90,677		\$90,677	
120	Total Receivables, Net of Allowances for Doubtful Accounts	\$7,593	\$0	\$42,428	\$0	\$3,682,098	\$441,297	\$4,391,157	\$0	\$4,391,157	\$149,415
131	Investments - Unrestricted					\$0		\$0		\$0	
132	Investments - Restricted					\$0		\$0		\$0	
135	Investments - Restricted for Payment of Current Liability					\$0		\$0		\$0	
142	Prepaid Expenses and Other Assets	\$18,214				\$81,596	\$37,852	\$168,148		\$168,148	\$223,590
143	Inventories					\$0	\$5,035	\$5,035		\$5,035	
143	Allowance for Obsolete Inventories					\$0	\$0	\$0		\$0	
144	Inter Program Due From			\$22,148			\$51,967	\$74,115	-\$74,115	\$0	
145	Assets Held for Sale					\$0		\$0		\$0	
150	Total Current Assets	\$315,755	\$44,747	\$89,923	\$0	\$8,712,411	\$13,495,600	\$25,616,501	-\$74,115	\$25,542,386	\$3,963,112

Boulder Housing Partners

Financial Data Schedules (Continued)

		Public Housing Project Total	14.881 MTW	14.CFP Capital Fund	14.HCV Section 8 HCV	14.OPS Low Rent	14.871 Housing Choice Vouchers	14.182 N/C S/R Section 8 Programs - Canyon Pointe	14.235 Supportive Housing Program	14.870 Resident Opportunity and Supportive Services	14.218 Community Development Block Grants/Entitlement Grants
161	Land	\$175,006				\$0		\$386,348			
162	Buildings	\$2,478,844				\$0		\$4,519,520			
163	Furniture, Equipment & Machinery - Dwellings					\$0		\$19,920			
164	Furniture, Equipment & Machinery - Administration					\$0		\$0			
165	Leasehold Improvements					\$0		\$0			
166	Accumulated Depreciation	-\$2,185,415				\$0		-\$3,794,423			
167	Construction in Progress	\$2,547				\$0					
168	Infrastructure					\$0					
160	Total Capital Assets, Net of Accumulated Depreciation	\$470,982	\$0	\$0	\$0	\$0	\$0	\$1,131,365	\$0	\$0	\$0
171	Notes, Loans and Mortgages Receivable - Noncurrent					\$0					
172	Notes, Loans, & Mortgages Receivable - Noncurrent - Past Due					\$0					
173	Grants Receivable - Noncurrent					\$0					
174	Other Assets					\$0					
176	Investments in Joint Ventures					\$0					
180	Total Noncurrent Assets	\$470,982	\$0	\$0	\$0	\$0	\$0	\$1,131,365	\$0	\$0	\$0
190	Total Assets	\$699,379	\$1,635,062	\$0	\$800,777	\$0	\$393	\$1,415,737	\$0	\$9,064	\$0
200	Deferred Outflow of Resources					\$0					
290	Total Assets and Deferred Outflow of Resources	\$699,379	\$1,635,062	\$0	\$800,777	\$0	\$393	\$1,415,737	\$0	\$9,064	\$0

Boulder Housing Partners

Financial Data Schedules (Continued)

		14.149 Rent Supplements - Rental Housing for Lower Income Families - Glen Willows	14.181 Supportive Housing for Persons with Disabilities (MS50)	14.267 Continuum of Care Program	97.039 FEMA	Business Activities	Central Office Cost Center	Subtotal	ELIM	Total	6.1 Component Unit - Discretely Presented
161	Land	\$163,393				\$15,518,993	\$940,376	\$17,184,116		\$17,184,116	\$14,609,566
162	Buildings	\$889,855				\$43,142,677	\$3,691,861	\$54,722,757		\$54,722,757	\$131,255,064
163	Furniture, Equipment, & Machinery - Dwellings	\$14,882				\$11,248		\$46,050		\$46,050	\$216,058
164	Furniture, Equipment, & Machinery - Administration					\$14,387	\$493,833	\$508,220		\$508,220	\$1,296,258
165	Leasehold Improvements					\$86,584		\$86,584		\$86,584	\$40,810
166	Accumulated Depreciation	-\$851,957				-\$21,219,684	-\$2,203,904	-\$30,255,383		-\$30,255,383	-\$15,518,257
167	Construction in Progress					\$855,765	\$67,013	\$925,325		\$925,325	\$11,662
168	Infrastructure					\$0		\$0		\$0	
160	Total Capital Assets, Net of Accumulated Depreciation	\$216,173	\$0	\$0	\$0	\$38,409,970	\$2,989,179	\$43,217,669	\$0	\$43,217,669	\$131,911,161
171	Notes, Loans, and Mortgages Receivable - Noncurrent					\$4,041,025	\$45,453,512	\$49,494,537		\$49,494,537	
172	Notes, Loans, & Mortgages Receivable - Noncurrent - Past Due					\$0		\$0		\$0	
173	Grants Receivable - Noncurrent					\$0		\$0		\$0	\$75,000
174	Other Assets					\$0		\$0		\$0	
176	Investments in Joint Ventures					\$0	\$399,437	\$399,437		\$399,437	
180	Total Noncurrent Assets	\$216,173	\$0	\$0	\$0	\$42,450,995	\$48,842,128	\$93,111,643	\$0	\$93,111,643	\$131,986,161
190	Total Assets	\$531,928	\$44,747	\$89,923	\$0	\$51,163,406	\$62,337,728	\$118,728,144	-\$74,115	\$118,654,029	\$135,949,273
200	Deferred Outflow of Resources					\$285,790	\$2,402,836	\$2,688,626		\$2,688,626	
290	Total Assets and Deferred Outflow of Resources	\$531,928	\$44,747	\$89,923	\$0	\$51,449,196	\$64,740,564	\$121,416,770	-\$74,115	\$121,342,655	\$135,949,273

Boulder Housing Partners

Financial Data Schedules (Continued)

	Public Housing Project Total	14.881 MTW	14.CFP Capital Fund	14.HCV Section 8 HCV	14.OPS Low Rent	14.871 Housing Choice Vouchers	14.182 N/C S/R Section 8 Programs - Canyon Pointe	14.235 Supportive Housing Program	14.870 Resident Opportunity and Supportive Services	14.218 Community Development Block Grants/Entitlement Grants
Liabilities										
311	Bank Overdraft				\$0					
312	Accounts Payable <= 90 Days	\$5,618	\$11,077		\$0		\$20,178			
313	Accounts Payable >90 Days Past Due				\$0					
321	Accrued Wage/Payroll Taxes Payable	\$1,070	\$11,262		\$0		\$1,867			
322	Accrued Compensated Absences - Current Portion	\$8,044	\$17,535		\$0		\$3,110			
324	Accrued Contingency Liability				\$0					
325	Accrued Interest Payable				\$0		\$32,624			
331	Accounts Payable - HUD PHA Programs				\$0					
332	Account Payable - PHA Projects				\$0					
333	Accounts Payable - Other Government	\$20,301			\$0					
341	Tenant Security Deposits	\$13,241			\$0		\$32,806			
342	Unearned Revenue	\$2,107			\$0		\$808			
343	Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	\$0			\$0		\$166,099			
344	Current Portion of Long-term Debt - Operating Borrowings				\$0					
345	Other Current Liabilities		\$78,201		\$0					
346	Accrued Liabilities - Other	\$5,506	\$4,965		\$0				\$4,264	
347	Inter Program - Due To	\$4,569	\$48,771		\$0	\$198	\$6,443			
348	Loan Liability - Current				\$0					
310	Total Current Liabilities	\$60,456	\$171,811	\$0	\$0	\$198	\$263,935	\$0	\$4,264	\$0
351	Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	\$0			\$0		\$4,704,025			
352	Long-term Debt, Net of Current - Operating Borrowings				\$0		\$0			
353	Non-current Liabilities - Other				\$0					
354	Accrued Compensated Absences - Noncurrent				\$0					
355	Loan Liability - Noncurrent				\$0					
356	FASB 5 Liabilities				\$0					
357	Accrued Pension and OPEB Liabilities				\$0					
350	Total Noncurrent Liabilities	\$0	\$0	\$0	\$0	\$0	\$4,704,025	\$0	\$0	\$0
300	Total Liabilities	\$60,456	\$171,811	\$0	\$0	\$198	\$4,967,960	\$0	\$4,264	\$0
400	Deferred Inflow of Resources				\$800,777	\$0				
Equity										
508	Net Investment in Capital Assets	\$470,982		\$0	\$0	\$0	-\$3,738,759		\$0	\$0
511	Restricted Net Position	\$0	\$12,929	\$0	\$0	\$195	\$176,280			\$0
512	Unrestricted Net Position	\$167,941	\$1,450,322	\$0	\$0	\$0	\$10,256	\$0	\$4,800	\$0
513	Total Equity - Net Assets / Position	\$638,923	\$1,463,251	\$0	\$0	\$195	-\$3,552,223	\$0	\$4,800	\$0
600	Total Liabilities, Deferred Inflows of Resources, and Equity - Net	\$699,379	\$1,635,062	\$0	\$800,777	\$0	\$1,415,737	\$0	\$9,064	\$0

Boulder Housing Partners

Financial Data Schedules (Continued)

	14.149 Rent Supplements - Rental Housing for Lower Income Families - Glen Willows	14.181 Supportive Housing for Persons with Disabilities (MS50)	14.267 Continuum of Care Program	97.039 FEMA	Business Activities	Central Office Cost Center	Subtotal	ELIM	Total	6.1 Component Unit - Discretely Presented
Liabilities										
311					\$0		\$0		\$0	
312	\$11,709				\$106,866	\$56,796	\$212,244		\$212,244	
313					\$0		\$0		\$0	
321	\$774				\$23,160	\$104,820	\$142,953		\$142,953	\$13,568
322	\$1,612				\$41,797	\$212,342	\$284,440		\$284,440	\$8,934
324					\$0		\$0		\$0	
325					\$30,600		\$63,224		\$63,224	\$2,395,260
331					\$0		\$0		\$0	
332					\$0		\$0		\$0	
333					\$0		\$20,301		\$20,301	
341	\$14,779				\$277,183		\$338,009		\$338,009	\$312,988
342	\$1,343				\$28,555		\$32,813		\$32,813	\$17,278
343	\$0				\$711,598		\$877,697		\$877,697	\$49,636,060
344					\$0		\$0		\$0	
345					\$0		\$78,201		\$78,201	\$267,728
346			\$19,442		\$26,672	\$90,650	\$151,499		\$151,499	\$49,560
347	\$2,897	\$53			\$7,378	\$3,805	\$74,114	-\$74,115	-\$1	
348					\$0		\$0		\$0	\$0
310	\$33,114	\$53	\$19,442	\$0	\$1,253,809	\$468,413	\$2,275,495	-\$74,115	\$2,201,380	\$52,701,376
351	\$0				\$30,808,737		\$35,512,762		\$35,512,762	\$61,915,208
352					\$0		\$0		\$0	
353	\$0				\$0		\$0		\$0	
354					\$0		\$0		\$0	
355					\$0		\$0		\$0	
356					\$0		\$0		\$0	
357					\$0	\$7,465,755	\$7,465,755		\$7,465,755	
350	\$0	\$0	\$0	\$0	\$30,808,737	\$7,465,755	\$42,978,517	\$0	\$42,978,517	\$61,915,208
300	\$33,114	\$53	\$19,442	\$0	\$32,062,546	\$7,934,168	\$45,254,012	-\$74,115	\$45,179,897	\$114,616,584
400		\$43,218			\$0	\$95,744	\$939,739		\$939,739	
Equity										
508	\$216,173	\$0			\$6,889,635	\$2,989,178	\$6,827,209		\$6,827,209	\$23,982,419
511	\$82,741	\$0	\$0		\$1,073,052	\$12,028,426	\$13,373,623		\$13,373,623	\$1,893,270
512	\$199,900	\$1,476	\$70,481	\$0	\$11,423,963	\$41,693,048	\$55,022,187		\$55,022,187	-\$4,543,000
513	\$498,814	\$1,476	\$70,481	\$0	\$19,386,650	\$56,710,652	\$75,223,019	\$0	\$75,223,019	\$21,332,689
600	\$531,928	\$44,747	\$89,923	\$0	\$51,449,196	\$64,740,564	\$121,416,770	-\$74,115	\$121,342,655	\$135,949,273

Boulder Housing Partners

Financial Data Schedules (Continued)

	Public Housing Project Total	14.881 MTW	14.CFP Capital Fund	14.HCV Section 8 HCV	14.OPS Low Rent	14.871 Housing Choice Vouchers	14.182 N/C S/R Section 8 Programs - Canyon Pointe	14.235 Supportive Housing Program	14.870 Resident Opportunity and Supportive Services	14.218 Community Development Block Grants/Entitlement Grants
Income Statement										
Revenue										
70300 Net Tenant Rental Revenue	\$247,194				\$0		\$308,641			
70400 Tenant Revenue - Other	\$7,830				\$0		\$8,172			
70500 Total Tenant Revenue	\$255,024	\$0	\$0	\$0	\$0	\$0	\$316,813	\$0	\$0	\$0
70600 HUD PHA Operating Grants		\$355,369		\$7,020,648	\$561,519	\$1,726,036	\$558,631		\$82,017	
70610 Capital Grants			\$69,116	\$781,469	\$0					\$527,921
70710 Management Fee										
70720 Asset Management Fee										
70730 Book Keeping Fee										
70740 Front Line Service Fee										
70750 Other Fees										
70700 Total Fee Revenue										
70800 Other Government Grants	\$9,158				\$0					
71100 Investment Income - Unrestricted	\$47	\$1,285			\$0		\$186			
71200 Mortgage Interest Income					\$0					
71300 Proceeds from Disposition of Assets Held for Sale					\$0					
71310 Cost of Sale of Assets					\$0					
71400 Fraud Recovery		\$18,770			\$0					
71500 Other Revenue	\$4,141	\$3,282			\$0		\$2,100			
71600 Gain or Loss on Sale of Capital Assets					\$0					
72000 Investment Income - Restricted					\$0					
70000 Total Revenue	\$268,370	\$378,706	\$69,116	\$7,802,117	\$561,519	\$1,726,036	\$877,730	\$0	\$82,017	\$527,921

Boulder Housing Partners

Financial Data Schedules (Continued)

		14.149 Rent Supplements - Rental Housing for Lower Income Families - Glen Willows	14.181 Supportive Housing for Persons with Disabilities (MS50)	14.267 Continuum of Care Program	97.039 FEMA	Business Activities	Central Office Cost Center	Subtotal	ELIM	Total	6.1 Component Unit - Discretely Presented
	Income Statement										
	Revenue										
70300	Net Tenant Rental Revenue	\$182,102				\$5,124,464		\$5,862,401		\$5,862,401	\$5,903,915
70400	Tenant Revenue - Other	\$8,806				\$144,470		\$169,278		\$169,278	\$119,312
70500	Total Tenant Revenue	\$190,908	\$0	\$0	\$0	\$5,268,934	\$0	\$6,031,679	\$0	\$6,031,679	\$6,023,227
70600	HUD PHA Operating Grants	\$211,577	\$500,396	\$517,692		\$0		\$11,533,885		\$11,533,885	
70610	Capital Grants					\$0		\$1,378,506		\$1,378,506	
70710	Management Fee						\$988,245	\$988,245	-\$618,400	\$369,845	
70720	Asset Management Fee					\$61,460		\$61,460	-\$61,460	\$0	
70730	Book Keeping Fee					\$46,035		\$46,035	-\$46,035	\$0	
70740	Front Line Service Fee										
70750	Other Fees					\$0		\$0		\$0	
70700	Total Fee Revenue	\$200,577	\$500,396	\$517,692	\$0	\$0	\$1,095,740	\$1,095,740	-\$725,895	\$369,845	\$0
70800	Other Government Grants			\$20,000	\$9,506	\$467,414	\$33,450	\$539,528		\$539,528	
71100	Investment Income - Unrestricted	\$82				\$1,354	\$4,448	\$7,402		\$7,402	\$56,020
71200	Mortgage Interest Income					\$19,396	\$1,376,274	\$1,395,670		\$1,395,670	
71300	Proceeds from Disposition of Assets Held for Sale					\$0		\$0		\$0	
71310	Cost of Sale of Assets					\$0		\$0		\$0	
71400	Fraud Recovery					\$0		\$18,770		\$18,770	
71500	Other Revenue	\$359				\$7,069,012	\$1,898,894	\$8,977,788	-\$874,681	\$8,103,107	\$43,728
71600	Gain or Loss on Sale of Capital Assets					\$0		\$0		\$0	
72000	Investment Income - Restricted					\$0		\$0		\$0	
70000	Total Revenue	\$402,926	\$500,396	\$537,692	\$9,506	\$12,826,110	\$4,408,806	\$30,978,968	-\$1,600,576	\$29,378,392	\$6,122,975

Boulder Housing Partners

Financial Data Schedules (Continued)

	Public Housing Project Total	14.881 MTW	14.CFP Capital Fund	14.HCV Section 8 HCV	14.OPS Low Rent	14.871 Housing Choice Vouchers	14.182 N/C S/R Section 8 Programs - Canyon Pointe	14.235 Supportive Housing Program	14.870 Resident Opportunity and Supportive Services	14.218 Community Development Block Grants/Entitlement Grants
Expenses										
91100 Administrative Salaries	\$34,151	\$281,439			\$0	\$78,524	\$75,172			
91200 Auditing Fees	\$3,579	\$7,740			\$0	\$2,376	\$6,444			
91300 Management Fee	\$29,043	\$201,815				\$31,008	\$57,879			
91310 Bookkeeping Fee	\$4,170	\$0			\$0	\$15,960	\$7,380			
91400 Advertising and Marketing		\$333			\$0		\$0			
91500 Employee Benefit contributions - Administrative	\$10,159	\$96,625			\$0	\$27,439	\$22,330			
91600 Office Expenses	\$6,508	\$2,287			\$0		\$13,084			
91700 Legal Expense	\$20	\$8,366			\$0		\$1,709			
91800 Travel	\$561	\$11,720			\$0		\$160			
91810 Allocated Overhead		\$0			\$0		\$0			
91900 Other	\$90	\$68,087			\$0		\$361			
91000 Total Operating - Administrative	\$88,281	\$678,412	\$0	\$0	\$0	\$155,307	\$184,519	\$0	\$0	\$0
92000 Asset Management Fee	\$5,640				\$0		\$9,840			
92100 Tenant Services - Salaries					\$0					
92200 Relocation Costs					\$0					
92300 Employee Benefit Contributions - Tenant Services					\$0					
92400 Tenant Services - Other	\$23,485				\$0		\$51,525		\$82,017	
92500 Total Tenant Services	\$23,485	\$0	\$0	\$0	\$0	\$0	\$51,525	\$0	\$82,017	\$0
93100 Water	\$8,407				\$0		\$7,539			
93200 Electricity	\$18,546				\$0		\$31,450			
93300 Gas	\$12,869				\$0		\$9,958			
93400 Fuel					\$0		\$0			
93500 Labor					\$0		\$0			
93600 Sewer	\$13,576				\$0		\$9,156			
93700 Employee Benefit Contributions - Utilities					\$0		\$0			
93800 Other Utilities Expense					\$0					
93000 Total Utilities	\$53,398	\$0	\$0	\$0	\$0	\$0	\$58,103	\$0	\$0	\$0
94100 Ordinary Maintenance and Operations - Labor	\$64,683	\$7,500			\$0		\$85,158			
94200 Ordinary Maintenance and Operations - Materials and Other	\$8,554				\$0		\$21,345			
94300 Ordinary Maintenance and Operations Contracts	\$60,793						\$68,568			
94500 Employee Benefit Contributions - Ordinary Maintenance					\$0					
94000 Total Maintenance	\$134,030	\$7,500	\$0	\$0	\$0	\$0	\$175,071	\$0	\$0	\$0

Boulder Housing Partners

Financial Data Schedules (Continued)

	14.149 Rent Supplements - Rental Housing for Lower Income Families - Glen Willows	14.181 Supportive Housing for Persons with Disabilities (MS50)	14.267 Continuum of Care Program	97.039 FEMA	Business Activities	Central Office Cost Center	Subtotal	ELIM	Total	6.1 Component Unit - Discretely Presented	
Expenses											
91100	Administrative Salaries	\$43,201	\$21,877	\$42,246	\$824,248	\$2,648,656	\$4,049,514		\$4,049,514	\$495,086	
91200	Auditing Fees	\$2,589	\$648		\$26,587	\$10,237	\$60,200		\$60,200	\$38,762	
91300	Management Fee	\$23,999	\$12,241		\$246,456		\$602,441	-\$618,400	-\$15,959	\$369,845	
91310	Bookkeeping Fee	\$3,060			\$31,425		\$61,995	-\$46,035	\$15,960		
91400	Advertising and Marketing				\$630	\$26,428	\$27,391		\$27,391	\$2,455	
91500	Employee Benefit contributions - Administrative	\$13,088	\$7,657	\$10,908	\$226,342	\$1,412,821	\$1,827,369		\$1,827,369	\$145,727	
91600	Office Expenses	\$3,096			\$49,467	\$291,591	\$366,033	-\$40,000	\$326,033	\$51,594	
91700	Legal Expense	\$45			\$7,356	\$8,010	\$25,506		\$25,506	\$4,878	
91800	Travel	\$71			\$16,937	\$96,481	\$125,930		\$125,930	\$2,701	
91810	Allocated Overhead				\$0		\$0		\$0		
91900	Other	\$150			\$19,495	\$182,078	\$270,261		\$270,261	\$47,465	
91000	Total Operating - Administrative	\$89,299	\$42,423	\$53,154	\$0	\$1,448,943	\$4,676,302	\$7,416,640	-\$704,435	\$6,712,205	\$1,158,513
92000	Asset Management Fee	\$4,080			\$41,900		\$61,460	-\$61,460	\$0		
92100	Tenant Services - Salaries				\$0		\$0		\$0		
92200	Relocation Costs				\$0		\$0		\$0		
92300	Employee Benefit Contributions - Tenant Services				\$0		\$0		\$0		
92400	Tenant Services - Other	\$16,830		\$120,695	\$21,358	\$23,186	\$339,096	-\$186,065	\$153,031	\$289,448	
92500	Total Tenant Services	\$16,830	\$0	\$120,695	\$0	\$21,358	\$23,186	-\$186,065	\$153,031	\$289,448	
93100	Water	\$7,050			\$72,532	\$1,438	\$96,966		\$96,966	\$106,850	
93200	Electricity	\$14,244			\$25,808	\$17,288	\$107,336		\$107,336	\$186,681	
93300	Gas	\$6,416			\$67,026	\$4,897	\$101,166		\$101,166	\$74,520	
93400	Fuel				\$0		\$0		\$0		
93500	Labor				\$0		\$0		\$0		
93600	Sewer	\$9,734			\$86,734	\$1,989	\$121,189		\$121,189	\$109,922	
93700	Employee Benefit Contributions - Utilities				\$0		\$0		\$0		
93800	Other Utilities Expense				\$21,483		\$21,483		\$21,483		
93000	Total Utilities	\$37,444	\$0	\$0	\$0	\$273,583	\$25,612	\$448,140	\$0	\$448,140	\$477,973
94100	Ordinary Maintenance and Operations - Labor	\$36,945			\$408,145	\$41,835	\$644,266	-\$644,265	\$1	\$745,330	
94200	Ordinary Maintenance and Operations - Materials and Other	\$5,568			\$95,602	\$103,269	\$234,338		\$234,338	\$118,442	
94300	Ordinary Maintenance and Operations Contracts	\$55,881			\$533,911	\$47,529	\$766,682		\$766,682	\$699,678	
94500	Employee Benefit Contributions - Ordinary Maintenance				\$0		\$0		\$0		
94000	Total Maintenance	\$98,394	\$0	\$0	\$0	\$1,037,658	\$192,633	\$1,645,286	-\$644,265	\$1,001,021	\$1,563,450

Boulder Housing Partners

Financial Data Schedules (Continued)

	Public Housing Project Total	14.881 MTW	14.CFP Capital Fund	14.HCV Section 8 HCV	14.OPS Low Rent	14.871 Housing Choice Vouchers	14.182 N/C S/R Section 8 Programs - Canyon Pointe	14.235 Supportive Housing Program	14.870 Resident Opportunity and Supportive Services	14.218 Community Development Block Grants/Entitlement Grants
95100 Protective Services - Labor					\$0					
95200 Protective Services - Other Contract Costs	\$6,720				\$0		\$4,908			
95300 Protective Services - Other					\$0					
95500 Employee Benefit Contributions - Protective Services					\$0					
95000 Total Protective Services	\$6,720	\$0	\$0	\$0	\$0	\$0	\$4,908	\$0	\$0	\$0
96110 Property Insurance	\$19,147				\$0		\$22,035			
96120 Liability Insurance	\$1,559	\$3,172			\$0		\$3,175			
96130 Workmen's Compensation	\$485	\$4,922			\$0		\$1,078			
96140 All Other Insurance					\$0					
96100 Total insurance Premiums	\$21,191	\$8,094	\$0	\$0	\$0	\$0	\$26,288	\$0	\$0	\$0
96200 Other General Expenses	\$14	\$2,585			\$0		\$33			
96210 Compensated Absences	\$480	\$326			\$0		\$831			
96300 Payments in Lieu of Taxes	\$20,301				\$0					
96400 Bad debt - Tenant Rents					\$0		\$141			
96500 Bad debt - Mortgages					\$0					
96600 Bad debt - Other					\$0					
96800 Severance Expense					\$0					
96000 Total Other General Expenses	\$20,795	\$2,911	\$0	\$0	\$0	\$0	\$1,005	\$0	\$0	\$0
96710 Interest of Mortgage (or Bonds) Payable					\$0		\$136,462			
96720 Interest on Notes Payable (Short and Long Term)					\$0		\$0			
96730 Amortization of Bond Issue Costs					\$0					
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$136,462	\$0	\$0	\$0
96900 Total Operating Expenses	\$353,540	\$696,917	\$0	\$0	\$0	\$155,307	\$647,721	\$0	\$82,017	\$0
97000 Excess of Operating Revenue over Operating Expenses	-\$85,170	-\$318,211	\$69,116	\$7,802,117	\$561,519	\$1,570,729	\$230,009	\$0	\$0	\$527,921
97100 Extraordinary Maintenance					\$0					
97200 Casualty Losses - Non-capitalized					\$0					
97300 Housing Assistance Payments		\$7,163,158			\$0	\$1,664,635				
97350 HAP Portability-In					\$0	\$0				
97400 Depreciation Expense	\$64,828				\$0	\$0	\$162,112			
97500 Fraud Losses					\$0					
97600 Capital Outlays - Governmental Funds					\$0					
97700 Debt Principal Payment - Governmental Funds					\$0					
97800 Dwelling Units Rent Expense					\$0					
90000 Total Expenses	\$418,368	\$7,860,075	\$0	\$0	\$0	\$1,819,942	\$809,833	\$0	\$82,017	\$0

Boulder Housing Partners

Financial Data Schedules (Continued)

		14.149 Rent Supplements - Rental Housing for Lower Income Families - Glen Willows	14.181 Supportive Housing for Persons with Disabilities (MS50)	14.267 Continuum of Care Program	97.039 FEMA	Business Activities	Central Office Cost Center	Subtotal	ELIM	Total	6.1 Component Unit - Discretely Presented
95100	Protective Services - Labor					\$0		\$0		\$0	
95200	Protective Services - Other Contract Costs	\$4,679				\$12,768	\$1,248	\$30,323		\$30,323	\$87,414
95300	Protective Services - Other					\$0		\$0		\$0	
95500	Employee Benefit Contributions - Protective Services					\$0		\$0		\$0	
95000	Total Protective Services	\$4,679	\$0	\$0	\$0	\$12,768	\$1,248	\$30,323	\$0	\$30,323	\$87,414
96110	Property Insurance	\$23,379				\$96,347	\$10,450	\$171,358		\$171,358	
96120	Liability Insurance	\$1,063				\$18,099	\$1,878	\$28,946		\$28,946	
96130	Workmen's Compensation	\$613				\$9,826	\$36,527	\$53,451		\$53,451	\$6,306
96140	All Other Insurance	\$0				\$0	\$34,951	\$34,951		\$34,951	\$246,804
96100	Total insurance Premiums	\$25,055	\$0	\$0	\$0	\$124,272	\$83,806	\$288,706	\$0	\$288,706	\$253,110
96200	Other General Expenses	\$16				\$8,322	\$24	\$10,994		\$10,994	\$182,420
96210	Compensated Absences	\$345				\$13,191	\$29,663	\$44,836		\$44,836	\$6,069
96300	Payments in Lieu of Taxes	\$0				\$0		\$20,301		\$20,301	
96400	Bad debt - Tenant Rents	\$641				\$7,716		\$8,498		\$8,498	\$10,847
96500	Bad debt - Mortgages					\$0		\$0		\$0	
96600	Bad debt - Other					\$0		\$0		\$0	
96800	Severance Expense					\$0		\$0		\$0	
96000	Total Other General Expenses	\$1,002	\$0	\$0	\$0	\$29,229	\$29,687	\$84,629	\$0	\$84,629	\$199,336
96710	Interest of Mortgage (or Bonds) Payable					\$1,108,312		\$1,244,774		\$1,244,774	\$1,389,291
96720	Interest on Notes Payable (Short and Long Term)					\$0		\$0		\$0	\$1,100,482
96730	Amortization of Bond Issue Costs					\$17,799		\$17,799		\$17,799	\$2,341
96700	Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$1,126,111	\$0	\$1,262,573	\$0	\$1,262,573	\$2,492,114
96900	Total Operating Expenses	\$276,783	\$42,423	\$173,849	\$0	\$4,115,822	\$5,032,474	\$11,576,853	-\$1,596,225	\$9,980,628	\$6,521,358
97000	Excess of Operating Revenue over Operating Expenses	\$126,143	\$457,973	\$363,843	\$9,506	\$8,710,288	-\$623,668	\$19,402,115	-\$4,351	\$19,397,764	-\$398,383
97100	Extraordinary Maintenance					\$51,215		\$51,215		\$51,215	\$19,235
97200	Casualty Losses - Non-capitalized					\$0		\$0		\$0	
97300	Housing Assistance Payments		\$480,350	\$365,045		\$0		\$9,673,188	-\$4,351	\$9,668,837	
97350	HAP Portability-In					\$0		\$0		\$0	
97400	Depreciation Expense	\$16,409				\$2,497,216	\$177,280	\$2,917,845		\$2,917,845	\$3,786,151
97500	Fraud Losses					\$0		\$0		\$0	
97600	Capital Outlays - Governmental Funds										
97700	Debt Principal Payment - Governmental Funds										
97800	Dwelling Units Rent Expense					\$0		\$0		\$0	
90000	Total Expenses	\$293,192	\$522,773	\$538,894	\$0	\$6,664,253	\$5,209,754	\$24,219,101	-\$1,600,576	\$22,618,525	\$10,326,744

Boulder Housing Partners

Financial Data Schedules (Continued)

	Public Housing Project Total	14.881 MTW	14.CFP Capital Fund	14.HCV Section 8 HCV	14.OPS Low Rent	14.871 Housing Choice Vouchers	14.182 N/C S/R Section 8 Programs - Canyon Pointe	14.235 Supportive Housing Program	14.870 Resident Opportunity and Supportive Services	14.218 Community Development Block Grants/Entitlement Grants
10010 Operating Transfer In	\$67,085	\$8,432,752			\$0	\$92,591				
10020 Operating transfer Out		-\$983,766	-\$69,116	-\$7,802,117	-\$561,519					-\$527,921
10030 Operating Transfers from/to Primary Government					\$0					
10040 Operating Transfers from/to Component Unit					\$0					
10050 Proceeds from Notes, Loans, and Bonds										
10060 Proceeds from Property Sales										
10070 Extraordinary Items, Net Gain/Loss					\$0					
10080 Special Items (Net Gain/Loss)		\$550,000			\$0					
10091 Inter Project Excess Cash Transfer In										
10092 Inter Project Excess Cash Transfer Out										
10093 Transfers between Program and Project - In					\$0					
10094 Transfers between Project and Program - Out					\$0					
10100 Total Other financing Sources (Uses)	\$67,085	\$7,998,986	-\$69,116	-\$7,802,117	-\$561,519	\$92,591	\$0	\$0	\$0	-\$527,921
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$82,913	\$517,617	\$0	\$0	\$0	-\$1,315	\$67,897	\$0	\$0	\$0
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$158,596	\$0	\$0	\$0
11030 Beginning Equity	\$721,836	\$945,634	\$0	\$0	\$0	\$1,510	-\$3,614,959	\$70,196	\$4,800	\$0
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0						-\$5,161	-\$70,196		
11050 Changes in Compensated Absence Balance										
11060 Changes in Contingent Liability Balance										
11070 Changes in Unrecognized Pension Transition Liability										
11080 Changes in Special Term/Severance Benefits Liability										
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents										
11100 Changes in Allowance for Doubtful Accounts - Other										
11170 Administrative Fee Equity						\$0				
11180 Housing Assistance Payments Equity						\$195				
11190 Unit Months Available	\$564	\$10,692			\$0	\$2,172	\$984			
11210 Number of Unit Months Leased	\$556	\$10,955			\$0	\$2,149	\$954			
11270 Excess Cash	\$124,935									
11610 Land Purchases	\$0									
11620 Building Purchases	\$0									
11630 Furniture & Equipment - Dwelling Purchases	\$0									
11640 Furniture & Equipment - Administrative Purchases	\$0									
11650 Leasehold Improvements Purchases	\$20,626									
11660 Infrastructure Purchases	\$0									
13510 CFFP Debt Service Payments	\$0									
13901 Replacement Housing Factor Funds	\$0									

Boulder Housing Partners

Financial Data Schedules (Continued)

	14.149 Rent Supplements - Rental Housing for Lower Income Families - Glen Willows	14.181 Supportive Housing for Persons with Disabilities (MS50)	14.267 Continuum of Care Program	97.039 FEMA	Business Activities	Central Office Cost Center	Subtotal	ELIM	Total	6.1 Component Unit - Discretely Presented
10010	Operating Transfer In		\$1,487		\$1,309,471	\$69,116	\$9,972,502		\$9,972,502	
10020	Operating transfer Out		\$0	-\$9,506	\$0	-\$18,557	-\$9,972,502		-\$9,972,502	
10030	Operating Transfers from/to Primary Government		\$0		\$0		\$0		\$0	
10040	Operating Transfers from/to Component Unit				\$0		\$0		\$0	
10050	Proceeds from Notes, Loans and Bonds									
10060	Proceeds from Property Sales									
10070	Extraordinary Items, Net Gain/Loss				\$0	-\$91,360	-\$91,360		-\$91,360	
10080	Special Items (Net Gain/Loss)				\$0		\$550,000		\$550,000	
10091	Inter Project Excess Cash Transfer In									
10092	Inter Project Excess Cash Transfer Out									
10093	Transfers between Program and Project - In				\$0		\$0		\$0	
10094	Transfers between Project and Program - Out				\$0		\$0		\$0	
10100	Total Other financing Sources (Uses)	\$0	\$0	\$1,487	-\$9,506	\$1,309,471	-\$40,801	\$458,640	\$0	\$458,640
10000	Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$109,734	-\$22,377	\$285	\$7,471,328	-\$841,749	\$7,218,507	\$0	\$7,218,507	-\$4,203,769
11020	Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$676,503	\$0	\$835,099	\$835,099	\$306,784
11030	Beginning Equity	\$389,080	\$23,853	\$0	\$0	\$12,565,322	\$56,897,240	\$68,004,512	\$68,004,512	\$25,542,750
11040	Prior Period Adjustments, Equity Transfers and Correction of Errors			\$70,196		-\$650,000	\$655,161	\$0	\$0	-\$6,292
11050	Changes in Compensated Absence Balance									
11060	Changes in Contingent Liability Balance									
11070	Changes in Unrecognized Pension Transition Liability									
11080	Changes in Special Term/Severance Benefits Liability									
11090	Changes in Allowance for Doubtful Accounts - Dwelling Rents									
11100	Changes in Allowance for Doubtful Accounts - Other									
11170	Administrative Fee Equity						\$0		\$0	
11180	Housing Assistance Payments Equity						\$195		\$195	
11190	Unit Months Available	\$408	\$600	\$272	\$4,128		\$19,820	\$0	\$19,820	\$7,152
11210	Number of Unit Months Leased	\$390	\$595	\$272	\$3,938		\$19,809	\$0	\$19,809	\$6,359
11270	Excess Cash						\$124,935		\$124,935	
11610	Land Purchases					\$0	\$0		\$0	
11620	Building Purchases					\$143,643	\$143,643		\$143,643	
11630	Furniture & Equipment - Dwelling Purchases					\$0	\$0		\$0	
11640	Furniture & Equipment - Administrative Purchases					\$60,072	\$60,072		\$60,072	
11650	Leasehold Improvements Purchases					\$0	\$20,626		\$20,626	
11660	Infrastructure Purchases					\$0	\$0		\$0	
13510	CFFP Debt Service Payments					\$0	\$0		\$0	
13901	Replacement Housing Factor Funds					\$0	\$0		\$0	

Boulder Housing Partners

REAC Supplemental Information Requirement

As required by HUD for REAC reporting purposes, the Authority prepares its financial data schedules in accordance with HUD requirements in a prescribed format. The HUD-prescribed format differs from the required classification of several balances under accounting principles generally accepted in the United States of America, as follows: (1) depreciation expense and housing assistance payments are excluded from operating activities; (2) investment revenue is included in operating activities; (3) tenant revenue and bad debt expense are reflected separately; (4) the blended component unit activities are presented in the business-type activities column, which is included in total programs; and (5) the total column includes the discretely presented component units and primary government.