



Financial Statements  
December 31, 2016

# Housing Authority of the City of Pueblo



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*By the Office of the State Auditor at 7:55 am, Sep 15, 2017*

# Housing Authority of the City of Pueblo

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December 31, 2016

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## Independent Auditor's Report

The Board of Commissioners  
Housing Authority of the City of Pueblo  
Pueblo, Colorado

### Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and the aggregate discretely presented component units of the Housing Authority of the City of Pueblo as of December 31, 2016 and for the period from April 1, 2015 through December 31, 2016, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the discretely presented component units were not audited in accordance with *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 opinions.

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of the Housing Authority of the City of Pueblo, as of December 31, 2016, and the respective changes in financial position and cash flows thereof for the period from April 1, 2015 through December 31, 2016 in accordance with accounting principles generally accepted in the United States of America.

## **Change in Reporting Entity**

As discussed in Notes 1 and 14, to the financial statements, the Authority's net position and the discretely presented component units' net position have been adjusted due to a change in reporting entity in the amount of \$3,073,557 and \$3,068,016, respectively. Our opinions are not modified with respect to that matter.

## **Other Matters**

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Other Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively compromise the Housing Authority of the City of Pueblo's financial statements. The accompanying supplementary schedules on pages 39 through 41 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not required as part of the financial statements.

The supplementary schedules on pages 39 through 41 and the schedule of expenditures of federal awards 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 audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated September 7, 2017 on our consideration of Housing Authority of the City of Pueblo's 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 the Housing Authority's internal control over financial reporting and compliance.

The image shows a handwritten signature in cursive script that reads "Eide Bailly LLP". The signature is written in black ink and is positioned above the typed address and date.

Bismarck, North Dakota  
September 7, 2017

The Housing Authority of the City of Pueblo (the Authority) offers readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended December 31, 2016. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements, which begin on page 11.

The Authority changed its fiscal year to December 31 at the end of 2016, therefore, the data presented for 2016 is for 21 months beginning April 1, 2015 and ending December 31, 2016.

## **Financial Highlights**

### **2016**

- The assets of the Authority exceeded its liabilities at the close of the most recent fiscal year by \$35,230,000, an increase of \$3,355,947 from March 31, 2015.
- As of the close of the current fiscal year, the Authority's funds had unrestricted net position of \$19,699,292 and \$24,121 in restricted net position, which represents HUD voucher funding.
- The Authority's unrestricted cash balance at December 31, 2016 was \$14,106,211, representing an increase of \$3,035,711 from March 31, 2015.
- The Authority had HUD operating funding of \$25,272,817, HUD capital grants of \$1,666,213, and tenant rents of \$5,870,934 for the year. The Authority paid out \$16,625,785 in housing assistance payments and \$15,229,362 in other operating expenses (excluding depreciation and amortization of \$1,881,946).

### **2015**

- The assets of the Authority exceeded its liabilities at the close of the most recent fiscal year by \$31,874,053, a decrease of \$34,432 from March 31, 2014.
- As of the close of the current fiscal year, the Authority's funds had unrestricted net position of \$18,077,410 and \$46,106 in restricted net position, which represents HUD voucher funding.
- The Authority's unrestricted cash balance at March 31, 2015 was \$11,070,500, representing a decrease of \$84,861 from March 31, 2014.
- The Authority had HUD operating funding of \$13,148,781, HUD capital grants of \$1,126,157, and tenant rents of \$2,935,793 for the year. The Authority paid out \$8,847,785 in housing assistance payments and \$7,649,811 in other operating expenses (excluding depreciation of \$1,579,501).
- The Authority obtained the limited partner's interest in Rood Candy Apartments, LLLP. Due to this change Rood Candy Apartments, LLLP is now a blended component unit as opposed to a discretely presented component unit as it was in 2014.

## Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements are comprised of: 1) fund financial statements and 2) notes to the financial statements. As required by HUD, this report also includes supplemental information such as:

- Reports on Compliance
- Schedule of Expenditures of Federal Awards
- Departmental Financial Statements
- Real Estate Assessment Center (REAC) reconciling report
- Schedule of Findings and Questionable Costs

## Financial Statements

The financial statements are designed to provide readers with a broad overview of the Authority's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the Authority's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The statement of activities presents information showing how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in past or future periods (e.g. depreciation and earned personal leave).

The statement of cash flows presents information showing the Authority's inflows and outflows of cash and cash equivalents during the most recent fiscal year. All changes in cash and cash equivalents are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related changes in net position. Thus, cash flows are reported in this statement for some items that will only result in revenue or expenses in past or future periods (e.g., purchase of assets, new loans, or payments on loans).

## Departmental Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Authority has only one fund type, namely enterprise funds.

## Supplemental Information

The supplemental information is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. The schedule of expenditures of federal awards can be found on page 42 of this report.

**Entity-Wide Financial Analysis**

**Statement of Net Position**

The following table reflects the condensed Statement of Net Position for the organization.

**Housing Authority of the City of Pueblo  
Authority-Wide Net Position as of December 31, 2016 and March 31, 2015  
(In thousands of dollars)**

	2016	2015
Current Assets	\$ 17,790	\$ 14,920
Other Assets	4,187	4,699
Net Capital Assets	22,448	21,195
 Total assets	\$ 44,425	\$ 40,814
 Current Liabilities	\$ 3,166	\$ 1,373
Long-Term Liabilities	6,029	7,567
Total liabilities	9,195	8,940
 Net Position		
Net investment in capital assets	15,507	13,751
Restricted	24	46
Unrestricted	19,699	18,077
Total net position	35,230	31,874
 Total Liabilities & Net Position	\$ 44,425	\$ 40,814

As noted earlier, net assets may serve, over time, as a useful indicator of a government's financial position. In the case of the Authority, assets exceeded liabilities by \$35,230,000 at the close of 2016.

A large portion of the Authority's net position (44%) reflects its investment in capital assets (e.g. buildings, machinery, and equipment). The Authority uses these capital assets to provide housing and services to low-income tenants: consequently, these assets are not available for future spending. The unrestricted net position (\$19,695,498) of the Authority is available for future use to provide program services.

A condensed Statement of Changes in Net Position for the 21 months ended December 31, 2016 and for the 12 months ended March 31, 2015 is shown in the table below.

**Housing Authority of the City of Pueblo  
Authority-Wide Change in Net Position  
(In thousands of dollars)**

	2016	2015
Revenues		
HUD PHA grants	\$ 25,273	\$ 13,149
HUD capital grants	1,666	1,126
Other grants	126	56
Rental income	5,871	2,936
Other	1,448	1,129
Total revenue	34,384	18,396
Expenses		
Housing assistance payments	16,626	8,849
Administrative salaries and benefits	4,201	2,319
Maintenance salaries and benefits	2,634	1,370
Other administrative	1,040	465
Regular and extraordinary maintenance	2,770	1,698
Depreciation	3,195	1,684
Utilities	1,882	1,042
Taxes and insurance	802	446
Payments in lieu of taxes	298	166
Other	654	391
Total expenses	34,102	18,430
Change in Net Position	282	(34)
Net Position-Beginning of Year	31,874	31,118
Adjustment for Change in Reporting Unit	3,074	790
Net Position, Beginning of year as restated	34,948	31,908
Net Position-End of Year	\$ 35,230	\$ 31,874

A large portion of the Authority's revenues are intergovernmental revenues received from the United States Department of Housing and Urban Development for cost reimbursement grants and operating expense subsidies. The Authority draws monies from the grant awards for allowable program and capital expenditures.

As noted earlier, the Authority uses departmental accounting to ensure and demonstrate compliance with finance-related legal requirements. Each of the departments has a specific objective and purpose to accomplish. The focus of the Authority's funds is to provide information on near-term inflows, outflows, and balances of spendable resources. During 2016, the Authority maintained eight departmental funds, although the major operations are described below:

1. **Public Housing:** Owns and operates 901 units of housing for rent to low-income families. The fund ended 2016 with net position of \$18,915,499 of which \$12,674,045 (67%) is invested in capital assets; and \$6,241,454 is available as operating reserves. The main sources of revenue are rents charged to tenants, HUD annual operating subsidy, and capital grants.
2. **Central Office Cost Center:** Provides administrative support for all funds and has outside management contracts for Ashwood Apartments (25 units), Santa Fe Crossing Apartments (30 units), and Oakshire II Villas (29 units). The COCC also provided support and management for Rood Candy Apartments (35 units), which was acquired by the COCC on January 1, 2015 and Oakshire Hills, LLP (50 units), which was acquired on December 31, 2016. The net position is \$8,205,898. The sources of revenues are management and administrative fees charged.
3. **Vouchers:** The Authority managed 1,462 Vouchers (HCV) and 280 Mod Rehab Vouchers at year-end December 2016. In addition, the Authority provides 70 Veterans Affairs Supportive Housing (VASH) vouchers. The revenue source for the HCV, Mod Rehab and VASH vouchers is HUD in the amount of \$18,530,642.

## Capital Asset and Debt Administration

### Capital Assets

#### 2016

As of December 31, 2016, the Authority's investment in capital assets was \$22,447,608 (net of accumulated depreciation). During 2016, the significant additions to capital assets consisted of the acquisition of Oakshire Hills, LLP of \$3,023,262.

#### 2015

As of March 31, 2015, the Authority's investment in capital assets was \$21,195,474 (net of accumulated depreciation). During 2015, significant additions to capital assets consisted of the following: approximately \$947,000 in building improvements; and approximately \$267,000 in site improvements.

Additional information on the Authority's capital assets can be found in Notes 1 and 5 of this report.

## **Long-Term Debt**

### **2016**

As of December 31, 2016, the Authority had long-term loans of \$5,845,981.

Loan activity during the current fiscal year is as follows:

- The principal payments on the loans in 2016 totaled \$1,448,357 for the Authority and 70,803 for the discretely presented component units.

### **2015**

As of March 31, 2015, the Authority had long-term loans of \$7,294,338.

Loan activity during the current fiscal year is as follows:

- The principal payments on the loans in 2015 totaled \$915,430 for the Authority and \$172,229 for the discretely presented component units.

Additional information on the Authority's debt can be found in Note 7 of this report.

## **Economic Outlook**

Over 80% of the Housing Authority of the City of Pueblo's funding comes from the federal dollars in the form of operating subsidies, capital fund grants, Section 8 housing assistance payments, and other smaller grants. HUD is controlling the Section 8 funding by limiting the renewal funding and capping the administrative fee. Portable Section 8 activities and full leasing are other issues that can affect funding. The Voucher Management System is used by HUD to disperse the funding based on current reporting of actual activity. The HUD rules for project based management has meant changes for HACP as we continue using the Asset Management Project (AMP) number system and staff has been reorganized into management and maintenance teams aligned by AMP. The Housing Authority of the City of Pueblo changed their fiscal year-end to follow a calendar year schedule beginning with the period ending on December 31, 2016. The HACP will be vigilant in complying with these new rules and intends to continue meeting HUD reporting requirements for our fiscal year December 31, 2016.

The Capital Fund for 2016 of \$1.056 million was approved by the U.S. Department of Housing and Urban Development (HUD). These funds go towards modernization and management improvements. Under modernization the Pueblo Housing Authority expends the Capital Fund to upgrade various physical needs on a project by project basis. The Authority is still planning on the demolition and replacement of 212 units at the Sangre de Cristo project in the near future with the use of the Rental Assistance Demonstration (RAD) program, capital funds, low income housing tax credits, Federal Home Loan Bank grants, and Home grants from the State of Colorado and the City of Pueblo. The RAD program will not be implemented until the Housing Authority receives notice from HUD that the RAD financing plan has been approved. HACP did receive notice from CHFA on September 1, 2016 advising HACP of a preliminary reservation of credits in the amount of \$1,235,124 for the Uplands Townhomes project.

In 2016 and 2015, we continued to upgrade units in all Asset Management Projects (AMP) 100, 200, 300, and 400. In addition to the modernization process, the Authority continues to provide day to day operating services to our tenants at a level that will sustain a living environment at the highest quality. On the average, the agency modernizes 50 to 80 units annually. We continue to maintain our properties at a high standard by contracting with general contractors who in turn utilize subcontractors. This action creates jobs and through a multiplier generates dollars which in turn benefits the community both in a financial and economic sense.

The Housing Authority has become very effective in providing a Family Self-Sufficiency (FSS) program to families in public housing and to those using Section 8 Housing Choice Vouchers. A primary focus is to provide opportunities for the participants to gain more education, job training, child care and gainful employment. Currently, there are 66 families active in the FSS program and there have been 183 graduates, many of them have become home owners.

We also provide home ownership opportunities to working families in the Housing Choice Voucher program. Our goal is to convert 5 such families annually from a renter status to becoming a home owner.

Mineral Palace Tower, a HUD Section 8 New Construction housing program for the elderly continues to be successful. Our tenants enjoy a well maintained facility and comfortable living environment.

The Farm Labor Housing Program, after review by Rural Development, received a high rating for the condition of the apartments and the common areas as well recognition for our highly organized files and accounting system. The development continues to maintain high occupancy level with units being filled within a month and minimal maintenance requirements. As the units begin to age there is planned replacement of major items that are showing wear.

### **Contact Information**

This financial report is designed to provide the reader with a general overview of the Housing Authority of the City of Pueblo's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Housing Authority of the City of Pueblo  
Ted Ortiviz  
Executive Director  
201 S. Victoria  
Pueblo, CO 81003

	Primary Government	Discretely Presented Component Units
Assets		
Current Assets		
Cash and cash equivalents	\$ 14,106,211	\$ 744,178
Restricted cash	715,557	332,562
Accounts receivable		
HUD	35,832	-
Tenants, net of allowance	38,013	1,727
Related party	2,232,397	-
Interest on notes receivable	197,410	-
Other	22,190	-
Note receivables - current portion	64,356	-
Inventory	139,975	-
Prepaid expenses	238,316	3,104
Total Current Assets	<u>17,790,257</u>	<u>1,081,571</u>
Notes Receivable - Net of Current Portion	<u>3,663,381</u>	-
Accounts Receivable, Related Party - Long Term	<u>130,191</u>	-
Other Assets	<u>392,971</u>	<u>44,244</u>
Capital Assets		
Non-depreciable	4,023,445	1,287,636
Depreciable, net	<u>18,424,163</u>	<u>10,860,470</u>
Total Capital Assets	<u>22,447,608</u>	<u>12,148,106</u>
Total Assets	<u>\$ 44,424,408</u>	<u>\$ 13,273,921</u>

See Notes to Financial Statements

Housing Authority of the City of Pueblo  
Statement of Net Position  
December 31, 2016

	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>
<b>Liabilities and Net Position</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 200,878	\$ 16,810
Accounts payable - HUD	-	-
Accounts payable - related party	-	2,105,868
Accrued wages payable	147,221	-
Accrued compensated absences	190,957	-
Accrued liabilities	155,740	131,227
Accrued interest payable	9,359	87,140
Unearned revenue	945,375	-
Tenants security deposits payable	289,137	69,884
Notes and mortgages payable - current	1,227,026	73,424
	<u>3,165,693</u>	<u>2,484,353</u>
<b>Total Current Liabilities</b>		
<b>Long-Term Liabilities</b>		
Accrued compensated absences	425,756	-
Accrued payments in lieu of taxes	984,004	-
Developer fee payable	-	130,191
Accrued interest payable - long term portion	-	802,306
Notes and mortgages payable - net of current portion	4,618,955	4,918,329
	<u>6,028,715</u>	<u>5,850,826</u>
<b>Total Long-Term Liabilities</b>		
<b>Total Liabilities</b>		
	<u>9,194,408</u>	<u>8,335,179</u>
<b>Net Position</b>		
Net investment in capital assets	15,506,587	7,026,162
Restricted	24,121	-
Unrestricted	19,699,292	(2,087,420)
	<u>35,230,000</u>	<u>4,938,742</u>
<b>Total Net Position</b>		
<b>Total Liabilities and Net Position</b>		
	<u><u>\$ 44,424,408</u></u>	<u><u>\$ 13,273,921</u></u>

Housing Authority of the City of Pueblo  
Statement of Revenues, Expenses and Changes in Net Position  
Period ending December 31, 2016

	21 Months Ended 12/31/2016	12 Months Ended 12/31/2016
	Primary Government	Discretely Presented Component Units Year Ended Units
Operating Revenues		
HUD PHA grants	\$ 25,272,817	\$ -
Other grants	126,290	-
Rental income	5,870,934	676,789
Other	1,167,700	10,452
Total Operating Revenues	<u>32,437,741</u>	<u>687,241</u>
Operating Expenses		
Housing assistance payments	16,625,785	-
Administrative salaries and benefits	4,200,991	4,594
Maintenance salaries and benefits	2,634,142	-
Other administrative	1,039,845	85,516
Regular and extraordinary maintenance	2,769,636	104,174
Depreciation	3,194,872	569,306
Utilities	1,881,946	54,647
Taxes and insurance	802,288	44,809
Payments in lieu of taxes	297,958	-
Other	289,630	3,783
Total Operating Expenses	<u>33,737,093</u>	<u>866,829</u>
Operating Loss	<u>(1,299,352)</u>	<u>(179,588)</u>
Non-Operating Revenues (Expenses)		
Interest income	280,224	24
Interest expense	(365,695)	(226,656)
Other	1,000	(7,236)
Total Non-Operating Revenues (Expenses)	<u>(84,471)</u>	<u>(233,868)</u>
Loss Before Capital and Other Contributions	(1,383,823)	(413,456)
Capital and Other Contributions		
HUD capital grant	<u>1,666,213</u>	<u>-</u>
Change in Net Position	<u>282,390</u>	<u>(413,456)</u>
Net Position, Beginning of Period, as Originally Stated	31,874,053	8,420,214
Adjustment for Change in Reporting Entity	<u>3,073,557</u>	<u>(3,068,016)</u>
Net Position, Beginning of Period, as Restated	<u>34,947,610</u>	<u>5,352,198</u>
Net Position, End of Period	<u>\$ 35,230,000</u>	<u>\$ 4,938,742</u>

Housing Authority of the City of Pueblo  
Statement of Cash Flows  
Period ending December 31, 2016

	21 Months Ended 12/31/2016	12 Months Ended 12/31/2016
	Primary Government	Discretely Presented Component Units Year Ended Units
Operating Activities		
HUD PHA grants	\$ 25,236,985	\$ -
Other grants	126,290	-
Receipts from tenants	6,814,922	678,208
Other income	1,151,096	10,452
Housing assistance payments	(16,625,785)	-
Payments to employees	(6,820,290)	(4,594)
Payments to suppliers	(6,853,975)	(218,697)
Net Cash from Operating Activities	<u>3,029,243</u>	<u>465,369</u>
Capital and Related Financing Activities		
Principal payments on long-term debt	(1,448,357)	(70,803)
HUD capital contributions	1,666,213	-
Interest on long-term debt	(366,380)	(227,001)
Net receipts from (payments to) related parties	130,130	(43,217)
Developer fee payments	-	(70,534)
Acquisition of capital assets	(1,045,578)	-
Net Cash used for Capital and Related Financing Activities	<u>(1,063,972)</u>	<u>(411,555)</u>
Investing Activities		
Investments in future developments	(251,809)	-
Receipts on notes receivable	28,722	-
Receipts on notes receivable - related party	70,609	-
Interest income	183,016	24
Payment of partnership fees	-	(7,236)
Net Cash from (used for) Investing Activities	<u>30,538</u>	<u>(7,212)</u>
Net Change in Cash and Cash Equivalents	1,995,809	46,602
Cash and Cash Equivalents, Beginning of Period	<u>12,825,959</u>	<u>1,030,138</u>
Cash and Cash Equivalents, End of Period	<u>\$ 14,821,768</u>	<u>\$ 1,076,740</u>

Housing Authority of the City of Pueblo  
Statement of Cash Flows  
Period ending December 31, 2016

	21 Months Ended 12/31/2016	12 Months Ended 12/31/2016
	Primary Government	Discretely Presented Component Units Year Ended Units
Reconciliation of Cash and Cash Equivalents		
Cash	\$ 14,106,211	\$ 744,178
Restricted Cash	715,557	332,562
	<u>\$ 14,821,768</u>	<u>\$ 1,076,740</u>
Total Cash and Cash Equivalents		
Reconciliation of Operating Loss to Net Cash From Operating Activities		
Operating loss	\$ (1,299,352)	\$ (179,588)
Adjustments to reconcile operating loss to net cash from operating activities		
Depreciation	3,194,872	569,306
Share of (earnings) losses from investments in tax credit projects	49	-
Changes in assets and liabilities		
(Increase) decrease in assets:		
Receivables	(62,625)	1,419
Inventory	(10,076)	-
Prepaid expenses	(2,105)	(2,116)
Other assets	-	3,783
Increase (decrease) in liabilities:		
Accounts payable	172,635	(4,581)
Tenant security deposits payable	28,368	(1,020)
Accrued compensation	25,267	-
Accrued liabilities	56,450	78,166
Unearned revenue	925,760	-
	<u>\$ 3,029,243</u>	<u>\$ 465,369</u>
Cash Flows from Operating Activities		

Housing Authority of the City of Pueblo  
Combining Statement of Net Position – Discretely Presented Component Units  
December 31, 2016

	<u>Ashwood Apartments</u>	<u>Santa Fe Crossing</u>	<u>Oakshire Hills</u>	<u>Oakshire Hills II</u>	<u>Total</u>
Assets					
Current Assets					
Cash and cash equivalents	\$ 56,568	\$ 210,033	\$ -	\$ 477,577	\$ 744,178
Restricted cash	94,155	72,017	-	166,390	332,562
Accounts receivable			-		
Tenants	12	818	-	897	1,727
Prepaid expenses	705	1,611	-	788	3,104
Total Current Assets	<u>151,440</u>	<u>284,479</u>	<u>-</u>	<u>645,652</u>	<u>1,081,571</u>
Other Assets	<u>18,248</u>	<u>-</u>	<u>-</u>	<u>25,996</u>	<u>44,244</u>
Capital Assets					
Non-depreciable	125,798	651,838	-	510,000	1,287,636
Depreciable, net	2,434,639	4,200,659	-	4,225,172	10,860,470
Total Capital Assets	<u>2,560,437</u>	<u>4,852,497</u>	<u>-</u>	<u>4,735,172</u>	<u>12,148,106</u>
Total Assets	<u>\$ 2,730,125</u>	<u>\$ 5,136,976</u>	<u>\$ -</u>	<u>\$ 5,406,820</u>	<u>\$ 13,273,921</u>

Housing Authority of the City of Pueblo  
Combining Statement of Net Position – Discretely Presented Component Units  
December 31, 2016

	Ashwood Apartments	Santa Fe Crossing	Oakshire Hills	Oakshire Hills II	Total
<b>Liabilities and Net Position</b>					
<b>Current Liabilities</b>					
Accounts payable	\$ 5,402	\$ 7,669	\$ -	\$ 3,739	\$ 16,810
Accounts payable - related party	-	2,105,868	-	-	2,105,868
Accrued liabilities	-	131,227	-	-	131,227
Accrued interest payable	3,599	-	-	83,541	87,140
Tenants security deposits payable	9,015	21,919	-	38,950	69,884
Notes and mortgages payable-current	52,688	-	-	20,736	73,424
<b>Total Current Liabilities</b>	<b>70,704</b>	<b>2,266,683</b>	<b>-</b>	<b>146,966</b>	<b>2,484,353</b>
<b>Long-Term Liabilities</b>					
Developer fee payable	-	-	-	130,191	130,191
Accrued interest payable - long term portion	-	802,306	-	-	802,306
Notes and mortgages payable - net of current portion	676,258	2,515,544	-	1,726,527	4,918,329
<b>Total Long-Term Liabilities</b>	<b>676,258</b>	<b>3,317,850</b>	<b>-</b>	<b>1,856,718</b>	<b>5,850,826</b>
<b>Total Liabilities</b>	<b>746,962</b>	<b>5,584,533</b>	<b>-</b>	<b>2,003,684</b>	<b>8,335,179</b>
<b>Net Position</b>					
Net investment in capital assets	1,831,491	2,336,953	-	2,857,718	7,026,162
Unrestricted	151,672	(2,784,510)	-	545,418	(2,087,420)
<b>Total Net Position</b>	<b>1,983,163</b>	<b>(447,557)</b>	<b>-</b>	<b>3,403,136</b>	<b>4,938,742</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 2,730,125</b>	<b>\$ 5,136,976</b>	<b>\$ -</b>	<b>\$ 5,406,820</b>	<b>\$ 13,273,921</b>

Housing Authority of the City of Pueblo  
Combining Statement of Revenues, Expenses, and Changes in Net Position – Discretely Presented Component Units  
Period from January 1, 2016 through December 31, 2016

	Ashwood Apartments	Santa Fe Crossing	Oakshire Hills	Oakshire Hills II	Total
Operating Revenues					
Rental income	\$ 150,313	\$ 282,701	\$ -	\$ 243,775	\$ 676,789
Other	1,571	6,128	-	2,753	10,452
Total Operating Revenues	<u>151,884</u>	<u>288,829</u>	<u>-</u>	<u>246,528</u>	<u>687,241</u>
Operating Expenses					
Administrative salaries and benefits	2,350	-	-	2,244	4,594
Other administrative	21,047	34,435	-	30,034	85,516
Regular and extraordinary maintenance	25,273	63,246	-	15,655	104,174
Depreciation	94,016	237,848	-	237,442	569,306
Utilities	12,431	35,889	-	6,327	54,647
Taxes and insurance	5,342	29,079	-	10,388	44,809
Other	1,441	-	-	2,342	3,783
Total Operating Expenses	<u>161,900</u>	<u>400,497</u>	<u>-</u>	<u>304,432</u>	<u>866,829</u>
Operating Loss	<u>(10,016)</u>	<u>(111,668)</u>	<u>-</u>	<u>(57,904)</u>	<u>(179,588)</u>
Non-Operating Revenues (Expenses)					
Interest income	-	24	-	-	24
Interest expense	(24,898)	(109,578)	-	(92,180)	(226,656)
Other	(2,728)	(2,000)	-	(2,508)	(7,236)
Total Non-Operating Revenues (Expenses)	<u>(27,626)</u>	<u>(111,554)</u>	<u>-</u>	<u>(94,688)</u>	<u>(233,868)</u>
Change in Net Position	<u>(37,642)</u>	<u>(223,222)</u>	<u>-</u>	<u>(152,592)</u>	<u>(413,456)</u>
Net Position, Beginning of Year, as Originally Stated	2,020,805	(224,335)	3,068,016	3,555,728	8,420,214
Adjustment for Change in Reporting Entity	-	-	(3,068,016)	-	(3,068,016)
Net Position, Beginning of Year, as Restated	<u>2,020,805</u>	<u>(224,335)</u>	<u>-</u>	<u>3,555,728</u>	<u>5,352,198</u>
Net Position, End of Year	<u>\$ 1,983,163</u>	<u>\$ (447,557)</u>	<u>\$ -</u>	<u>\$ 3,403,136</u>	<u>\$ 4,938,742</u>

See Notes to Financial Statements

Housing Authority of the City of Pueblo  
Combining Statement of Cash Flows – Discretely Presented Component Units  
Period from January 1, 2016 through December 31, 2016

	Ashwood Apartments	Santa Fe Crossing	Oakshire Hills	Oakshire Hills II	Total
Operating Activities					
Receipts from tenants	\$ 150,733	\$ 283,581	\$ -	\$ 243,894	\$ 678,208
Other income	1,571	6,128	-	2,753	10,452
Payments to employees	(2,350)	-	-	(2,244)	(4,594)
Payments to suppliers	(67,559)	(99,785)	-	(51,353)	(218,697)
Net Cash from Operating Activities	<u>82,395</u>	<u>189,924</u>	<u>-</u>	<u>193,050</u>	<u>465,369</u>
Capital and Related Financing Activities					
Principal payments on long-term debt	(52,566)	-	-	(18,237)	(70,803)
Interest on long-term debt	(32,221)	(109,577)	-	(85,203)	(227,001)
Payments to from related parties	-	(43,217)	-	-	(43,217)
Developer fee payments	-	-	-	(70,534)	(70,534)
Net Cash used for Capital and Related Financing Activities	<u>(84,787)</u>	<u>(152,794)</u>	<u>-</u>	<u>(173,974)</u>	<u>(411,555)</u>
Investing Activities					
Interest income	-	24	-	-	24
Payment of partnership fees	(2,728)	(2,000)	-	(2,508)	(7,236)
Net Cash used for investing activities	<u>(2,728)</u>	<u>(1,976)</u>	<u>-</u>	<u>(2,508)</u>	<u>(7,212)</u>
Net Change in Cash and Cash Equivalents	(5,120)	35,154	-	16,568	46,602
Cash and Cash Equivalents, Beginning of Year	<u>155,843</u>	<u>246,896</u>	<u>-</u>	<u>627,399</u>	<u>1,030,138</u>
Cash and Cash Equivalents, End of Year	<u>\$ 150,723</u>	<u>\$ 282,050</u>	<u>\$ -</u>	<u>\$ 643,967</u>	<u>\$ 1,076,740</u>

Housing Authority of the City of Pueblo  
Combining Statement of Cash Flows – Discretely Presented Component Units  
Period from January 1, 2016 through December 31, 2016

	Ashwood Apartments	Santa Fe Crossing	Oakshire Hills	Oakshire Hills II	Total
Reconciliation of Cash and Cash Equivalents					
Cash and cash equivalents	\$ 56,568	\$ 210,033	\$ -	\$ 477,577	\$ 744,178
Restricted cash	94,155	72,017	-	166,390	332,562
Total Cash and Cash Equivalents	<u>\$ 150,723</u>	<u>\$ 282,050</u>	<u>\$ -</u>	<u>\$ 643,967</u>	<u>\$ 1,076,740</u>
Reconciliation of Operating Income (Loss) to Net Cash From Operating Activities					
Operating income (loss)	\$ (10,016)	\$ (111,668)	\$ -	\$ (57,904)	\$ (179,588)
Adjustments to reconcile operating income (loss) to net cash from operating activities					
Depreciation	94,016	237,848	-	237,442	569,306
Changes in assets and liabilities					
(Increase) decrease in assets:					
Receivables	420	880	-	119	1,419
Prepaid expenses	(280)	(1,190)	-	(646)	(2,116)
Other assets	1,441	-	-	2,342	3,783
Increase (decrease) in liabilities:					
Accounts payable	(59)	(6,044)	-	1,522	(4,581)
Accrued expenses	(2,475)	70,466	-	10,175	78,166
Tenant security deposits payable	(652)	(368)	-	-	(1,020)
Net Cash from Operating Activities	<u>\$ 82,395</u>	<u>\$ 189,924</u>	<u>\$ -</u>	<u>\$ 193,050</u>	<u>\$ 465,369</u>

## **Note 1 - Nature of Organization and Summary of Significant Accounting Policies**

### **Nature of Organization**

The Housing Authority of the City of Pueblo (Authority) is a corporate body created in 1951 and uses available federal, state, and local resources to serve the residents of Pueblo, Colorado by upgrading and maintaining the existing housing stock, encouraging the construction of new housing affordable to low and moderate income households, and providing low and moderate income families and senior households with decent, safe, and affordable rental housing opportunities. The Authority owns and operates 901 units of family housing and administers 1,540 Section 8 housing choice vouchers, 280 Mod Rehab Section 8 Vouchers, and 70 Section 8 VASH Vouchers.

The Authority is governed by a five-member Board of Commissioners, which is appointed by the City of Pueblo, Colorado. The Authority is not financially accountable to the City of Pueblo and thus, is not a component unit of the City of Pueblo.

### **Reporting Entity**

The Authority's financial statements include the accounts of all Authority operations. The criteria for including organizations as component units within the Authority reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board's (GASB) Codification of Government Accounting and Financial Reporting Standards, include whether:

- The organization is legally separated (can sue and be sued in their own name).
- The Authority holds the corporate powers of the organization.
- The Authority appoints a voting majority of the organization's board.
- The Authority is able to impose its will on the organization.
- The organization has the potential to impose a financial benefit/burden on the Authority.
- There is fiscal dependency by the organization on the Authority.

The Authority has changed its fiscal year-end to December 31. The current period financial statements include financial information for the period of April 1, 2015 through December 31, 2016.

### **Blended Component Units**

Included within the financial reporting entity of the Authority as blended component units are Pueblo Fenix, Inc., El Centro Pueblo Development Corporation, Inc., Historic Renovations of Pueblo, Inc., and El Pueblo Learning & Technology Services, Inc., which are non-profit organizations controlled by the Authority.

Also included in the financial reporting entity of the Authority as blended component units are Rood Candy Apartments, LLLP, Ashwood Development LLC, and Oakshire Hills, LLLP, which are wholly owned entities of the Authority. Separate financial statements for Rood Candy Apartments, LLLP and Ashwood Development LLC are not issued. As discussed in Note 14, Oakshire Hills, LLLP, which had been previously reported as a discretely presented component unit, became a blended component unit when the limited partner's interest was acquired on December 31, 2016. Separate financial statements of Oakshire Hills, LLLP as of December 31, 2016 have been issued.

Pueblo Fenix, Inc. is the general partner in Ashwood Apartments, LLLP, El Centro Pueblo Development Corporation, Inc. is the general partner in Oakshire Hills II (Villas), LLLP, and Historic Renovations of Pueblo, Inc. is the general partner in Santa Fe Crossing, LLLP, which are discretely presented component units and are described below.

### **Discretely Presented Component Units**

The component unit columns in the combined financial statements include the financial data of the Authority's three discretely presented component units as of December 31, 2016. These units are reported in separate columns to emphasize that they are legally separate from the Authority.

Ashwood Apartments, LLLP – the general partner of this partnership, Pueblo Fenix, Inc., is a non-profit organization controlled by the Housing Authority of the City of Pueblo. Pueblo Fenix, Inc. has an ownership percentage of 0.01%. As the general partner, the Authority has the day to day management responsibilities of the partnership.

Santa Fe Crossing, LLLP – the general partner of this partnership, Historic Renovations of Pueblo, Inc., is a non-profit organization controlled by the Housing Authority of the City of Pueblo. Historic Renovations of Pueblo, Inc. has an ownership percentage of .01%. As the general partner, the Authority has the day to day management responsibilities of the partnership.

Oakshire Hills II (Villas), LLLP – the general partner of this partnership, El Centro Pueblo Development Corporation, Inc., is a non-profit organization controlled by the Housing Authority of the City of Pueblo. El Centro Pueblo Development Corporation, Inc. has an ownership percentage of .005%. As the general partner, the Authority has the day to day management responsibilities of the partnership.

The financial statements of the discretely presented component units are presented in the Authority's basic financial statements. Complete financial statements of the individual component units can be obtained from the Chief Financial Officer, Housing Authority of the City of Pueblo, 201 S. Victoria Avenue, Pueblo, CO 81003.

### **Basis of Accounting and Measurement Focus**

The Department of Housing and Urban Development Real Estate Assessment Center (REAC) assesses the financial condition of Public Housing Authorities (PHA's). To uniformly and consistently assess the PHA's, REAC requires that PHA's financial statements conform to Generally Accepted Accounting Principles (GAAP).

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All proprietary funds are accounted for using the economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the statement of Net Position. Net position is segregated into invested in capital assets, restricted and unrestricted components. The statements of revenues, expenses and changes in fund net position present increases (e.g., revenues) and decreases (e.g., expenses) in total net position. The statements of cash flows present the cash flows for operating activities, investing activities, capital and related financing activities and non-capital financing activities.

### **Program Accounting**

The accounts of the Authority are organized on the basis of programs, each of which is considered a separate accounting entity. The operations of each program are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, net position, revenues, and expenses. The Authority classifies its programs as proprietary.

### **Cash and Cash Equivalents**

The Authority's cash deposits can only be invested in HUD approved investments: direct obligations of the Federal Government backed by the full faith and credit of the United States, obligations of government agencies, securities of government sponsored agencies, demand and savings deposits, time deposits, repurchase agreements, and other securities approved by HUD.

For the purpose of the statement of cash flows, the Authority considers cash deposits and highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Certificates of deposit are also considered to be cash equivalents due to their highly liquid nature and insignificant risk of change in value due to changes in interest rates. The Authority uses the certificate of deposits as part of the entity's cash management.

### **Accounts Receivable**

Revenues are recorded when earned and are reported as accounts receivable until collected. Accounts receivable are expensed as bad debts at the time they are determined to be uncollectible. Management has established an allowance for doubtful accounts for amounts that may not be collectible in the future. Receivables are reported net of the related allowance of \$0 at December 31, 2016.

### **Notes and Other Receivables**

Notes and other receivables are carried at amounts advanced, net of a reserve for uncollectible accounts, if any. As of December 31, 2016, the Authority considered all notes and other receivables to be fully collectible, thus no allowance has been recorded at December 31, 2016.

### **Inventory**

Inventories are valued at the lower of cost or market using the first-in/first-out method.

**Capital Assets**

Land, buildings and improvements, and equipment are recorded at cost, including indirect development costs. The Authority uses a capitalization threshold of \$5,000. Donated fixed assets are valued at their estimated fair value on the date donated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend lives are not capitalized.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets as follows:

Buildings	40 years
Land improvements	15 years
Leasehold improvements	10-20 years
Equipment and furnishings	5 years

**Other Assets**

Other assets consist of investments in tax credit partnerships and projects in development.

Investments in tax credit partnerships are accounted for under the equity method. Investments are stated at cost, plus (minus) the Authority's equity in net earnings (losses) since acquisition, less any distributions received.

Investments in projects in development represents costs incurred by the Authority for future developments and are recorded at cost until a project is established. If a potential project is no longer deemed to be feasible, the costs are charged to expense in the year the project is abandoned.

**Fraud Recovery**

HUD requires the Authority to account for monies recovered from tenants who committed fraud or misrepresentation in the application process for rent calculations and now owe additional rent for prior periods or retroactive rent as fraud recovery. The monies recovered are shared by HUD and the local authority.

**Operating Revenues and Expenses**

The Authority considers all revenues and expenses (including HUD intergovernmental revenues and expenses) as operating items with the exception of interest expense, interest income, and gain/loss on disposal of capital assets which are considered non-operating for financial reporting purposes.

**Restricted and Unrestricted Resources**

The Authority applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

### **Accumulated Unpaid Vacation and Sick Leave**

Accumulated unpaid vacation leave is accrued in the period incurred. Employees are permitted to accumulate a limited amount of vacation benefits. Upon separation or termination from the Authority, an employee will be paid for all accrued vacation hours.

Sick leave accumulated for employees hired prior to February 20, 2003 is paid up to 120 days (960 hours) for employees at regular rate of pay. For employees hired after February 20, 2003 accrued sick leave in excess of 75 days (600 hours) will be paid at regular rate not to exceed 45 days (360 hours) of compensation. The liability for accumulated sick leave is accrued in the period earned.

### **Unearned Revenues**

As of December 31, 2016, unearned revenue of \$945,375 consists of assistance payments received from HUD in advance totaling \$928,638, for multiple programs. The remaining balance consists of advance rental payments received.

### **Components of Net Position**

Components of net position include the following:

- Net Investment in Capital Assets – Consists of capital assets, net of accumulated depreciation and reduced by outstanding balances of debt, including developer fees payable, issued to finance the acquisition, improvement, or construction of those assets.
- Restricted Net Position – Consists of net position less related liabilities reported in the basic statement of net position that are subject to restraints on their use by HUD.
- Unrestricted Net Position – Consists of net position less related liabilities reported in the basic statement of net position that are not subject to restraints on their use.

### **Business and Credit Risk**

The Authority provides housing on account to tenants which are located primarily in Pueblo, Colorado.

### **Budgetary**

The Authority's annual budgets are approved by the Board of Commissioners. The annual budgets for the Capital Fund Program, Low Rent Public Housing, and Housing Choice Vouchers are submitted annually to HUD. The annual budget for the Farm Labor program is submitted annually to Rural Development. No budget to actual statements are presented in this report, as housing authorities are not legally required to adopt a budget under the Local Government Budget Law of Colorado.

### **Accounting Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

## **Note 2 - Deposits and Investments**

### **Primary Government**

#### **Deposits**

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 as 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 market value of the collateral must be at equal to 102% of the uninsured deposits. The general depository agreement required by annual contract with HUD has additional collateral requirements, which the Authority met in 2016.

#### **Custodial Credit Risk**

Custodial credit risk is the risk that, in the event of a bank failure, the Authority's deposits may not be returned to it. At December 31, 2016, the Authority's carrying amount of deposits was \$14,821,768 and the bank balance was \$13,520,351. Of the bank balances, \$605,564 was covered by Federal Depository Insurance, \$14,216,204 was properly collateralized with securities held by a pledging financial institution's agent in the government's name.

#### **Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates of certificates of deposit will adversely affect the fair value of investments. The risk as addressed by ensuring that all certificates of deposit held by the Authority as of December 31, 2016 mature within 1 year.

#### **Investments**

The Authority's investment policy allows for investments to be solely in securities approved by HUD. Authorized investment instruments are as follows:

- Obligations of the United States and certain U.S. government agency securities
- Insured Money Market Deposit Accounts
- Municipal Depository Fund
- Super NOW Accounts
- Certificates of Deposit
- Repurchase Agreements
- Sweep Accounts
- Separate Trading of Registered Interest and Principal of Securities (STRIPS)
- Mutual Funds that meet HUD criteria

The Authority's deposit and investment policy specifies that all investments are to be adequately collateralized if deposits and investments exceed federal insurance limits. The policy does not formally address credit risk, interest rate risk, or foreign currency risk associated with investments.

**Discretely Presented Component Units**

**Custodial Credit Risk**

Custodial credit risk is the risk that, in the event of a bank failure, the discretely presented component units' deposits may not be returned. At December 31, 2016, the discretely presented component units' carrying amount of deposits was \$1,076,740 and the bank balance was \$1,076,740. Of the bank balances, \$426,017 was covered by Federal Depository Insurance. The remaining balance of \$650,723 was not insured and is exposed to custodial credit risk. Management does not believe that the deposits are exposed to a significant level of risk.

**Note 3 - Restricted Cash**

**Primary Government**

Restricted cash consists of \$289,137 in tenant security deposits, \$53,122 in replacement reserves, \$84,420 in operating reserves, \$178,910 in unspent insurance proceeds, \$24,121 in excess HAP funds for the Housing Choice Voucher and VASH programs (Note 8), and \$85,847 in FSS escrow accounts.

**Discretely Presented Component Units**

Restricted cash consists of \$69,884 in tenant security deposits, \$125,156 in replacement reserve accounts, and \$137,522 in an operating deficit reserve.

**Note 4 - Notes Receivable**

Notes Receivable from Tax Credit Projects (Note 10)

Ashwood Apartments, LLLP

1% note receivable, yearly payments to the extent of available cash flow with entire balance due December 2038	\$ 132,636
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Ashwood Apartments, LLLP

1% note receivable, yearly payments to the extent of available cash flow with entire balance due December 2038	240,000
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Ashwood Apartments, LLLP

5.75% note receivable, due in monthly installments of \$2,334, including interest, due January 2030	356,310
	728,946

Housing Authority of the City of Pueblo

Notes to Financial Statements

December 31, 2016

Santa Fe Crossing, LLLP	
0% note receivable, yearly payments to the extent of available cash flow with entire balance due December 2019	503,211
6.49% note receivable, due in monthly installments of \$6,064, including interest, due December 2021	339,724
6.49% note receivable, due in monthly installments of \$8,132, including interest, due December 2021	647,609
0% note receivable, due in monthly installments of \$3,826, including interest, due December 2018	375,000
	<u>1,865,544</u>
Oakshire Hills II, LLLP - Villas	
2.64% City Home mortgage note receivable due in annual payments from available cash flow, balance due June 2032	250,000
2.64% Division of Housing mortgage note receivable, due in annual payments from available cash flow, balance due June 2032	250,000
4% note receivable, due in annual payments of \$25,507 on March 1st, due June 2027	494,058
	<u>994,058</u>
Total Notes Receivable from Tax Credit Projects	<u>3,588,548</u>
Other Notes Receivable	
Lucky Star Limited Partnership, LLLP	120,000
Individual Loan Programs	19,189
	<u>139,189</u>
	3,727,737
Less current portion	<u>(64,356)</u>
	<u>\$ 3,663,381</u>

**Note 5 - Capital Assets**

**Primary Government**

The following is a summary of property, structures, and equipment for the period from April 1, 2015 through December 31, 2016:

	Balance 03/31/15	Additions	Deletions	Balance 12/31/16
Non-Depreciable				
Land	\$ 4,023,445	\$ -	\$ -	\$ 4,023,445
Total non-depreciable capital assets	<u>4,023,445</u>	<u>-</u>	<u>-</u>	<u>4,023,445</u>
Depreciable				
Buildings and improvements	58,115,204	304,261	33,895	58,385,570
Furniture, equipment and machinery - dwelling	780,855	-	67,663	713,192
Furniture, equipment and machinery - administrative	1,531,028	53,338	148,118	1,436,248
Leasehold improvements	6,861,010	687,979	-	7,548,989
Total depreciable capital assets	<u>67,288,097</u>	<u>1,045,578</u>	<u>249,676</u>	<u>68,083,999</u>
Less accumulated depreciation for:				
Buildings and improvements	(40,529,729)	(2,451,134)	(33,895)	(42,946,968)
Furniture, equipment and machinery - dwellings	(554,749)	(111,555)	(67,663)	(598,641)
Furniture, equipment and machinery - administrative	(1,384,068)	(127,828)	(148,118)	(1,363,778)
Leasehold improvements	(4,246,094)	(504,355)	-	(4,750,449)
Total accumulated depreciation	<u>(46,714,640)</u>	<u>(3,194,872)</u>	<u>(249,676)</u>	<u>(49,659,836)</u>
Net Depreciable Capital Assets	<u>20,573,457</u>	<u>(2,149,294)</u>	<u>-</u>	<u>18,424,163</u>
Total	<u>\$ 24,596,902</u>	<u>\$ (2,149,294)</u>	<u>\$ -</u>	<u>\$ 22,447,608</u>

**Discretely Presented Component Units**

The following is a summary of property, structures, and equipment for the period from January 1, 2016 through December 31, 2016:

	Balance 12/31/15	Additions	Deletions	Balance 12/31/16
Non-Depreciable				
Land	\$ 1,287,636	\$ -	\$ -	\$ 1,287,636
Total	<u>1,287,636</u>	<u>-</u>	<u>-</u>	<u>1,287,636</u>
Depreciable				
Buildings and improvements	15,096,075	-	-	15,096,075
Furniture and equipment	<u>276,271</u>	<u>-</u>	<u>-</u>	<u>276,271</u>
Total depreciable capital assets	<u>15,372,346</u>	<u>-</u>	<u>-</u>	<u>15,372,346</u>
Less: Accumulated Depreciation	<u>(3,942,570)</u>	<u>(569,306)</u>	<u>-</u>	<u>(4,511,876)</u>
Net Depreciable Capital Assets	<u>11,429,776</u>	<u>(569,306)</u>	<u>-</u>	<u>10,860,470</u>
Total	<u>\$ 12,717,412</u>	<u>\$ (569,306)</u>	<u>\$ -</u>	<u>\$ 12,148,106</u>

**Note 6 - PILOT Agreement**

The Authority has entered into an agreement with the City of Pueblo, Colorado where the Authority may retain all payments in lieu of taxes required to be paid to the City and instead be used for certain allowable expenditures, as defined in the agreement. As of December 31, 2016, the Authority has recorded a payable in the amount of \$984,004 for payments in lieu of taxes withheld by the Authority and not incurred for allowable expenditures under the agreement.

**Note 7 - Long-Term Debt**

**Primary Government**

For the period from April 1, 2015 through December 31, 2016, the following changes occurred in long-term debt:

	Balance 3/31/15	Increases	Decreases	Balance 12/31/16	Due Within One Year
Notes Payable	<u>\$ 7,294,338</u>	<u>\$ -</u>	<u>\$ (1,448,357)</u>	<u>\$ 5,845,981</u>	<u>\$ 1,227,026</u>

**Discretely Presented Component Units**

For the period from January 1, 2016 through December 31, 2016, the following changes occurred in long-term debt:

	Balance 12/31/15	Increases	Decreases	Balance 12/31/16	Due Within One Year
Notes Payable	\$ 5,182,067	\$ -	\$ (70,803)	\$ 4,991,753	\$ 73,424

**Primary Government**

Notes payable as of December 31, 2016, consisted of the following:

Variable rate bond payable to Wells Fargo Bank (0.47% as of December 31, 2016), due in monthly installments of \$34,600, including interest, unpaid principal and interest due December 2018, secured by a Deed of Trust on various properties - see (a)	\$ 435,000
4.04% bond payable to Wells Fargo Bank, due in monthly installments of \$18,851, including interest, unpaid principal and interest due July 2018, secured by a Deed of Trust on various properties - see (a)	1,331,465
1% note payable to the U.S. Department of Agriculture, due in monthly installments of \$1,312, including interest, unpaid principal and interest due due June 2029, secured by a Deed of Trust	183,770
3.3% note payable to Sunflower Bank, due in monthly installments of 28,495, including interest, unpaid principal and interest due May 2029, secured by a cost savings guaranty bond and assignment of contract and contractual rights	3,464,657
6.5% mortgage note payable to Vectra Bank Colorado, due in monthly installments of \$4,875 including interest, to April 2013, thereafter adjusted to the 5-year Libor rate plus 2.35% until October 2017, secured by a deed of trust on Oakshire Hills - see (b)	431,089
	\$ 5,845,981

(a) - The bond documents require that the Authority maintain a letter of credit in the amount of the bond, supporting payment of the principal of, purchase price for, and up to 45 days' accrued interest on the bonds. The Authority maintains an irrevocable letter of credit with Wells Fargo Bank and the letter of credit fees are paid monthly. The letter of credit expires in December 2018. The bond indenture also requires a bond fund to be established. The bond fund is to be used for the payment of the principal of, the purchase price of, the redemption premium, if any, on and the interest on the bonds, and under certain circumstances for the repayment of money owed by the Authority to Wells Fargo Bank pursuant to the reimbursement agreement. The bond indenture also contains certain restrictions and covenants. Under these covenants, the Authority must maintain certain financial covenants (debt service coverage ratio and various liquidity ratios).

The bonds were issued with a 20 year amortization ending July 2023; however, the initial term of the bonds is 15 years, maturing July 2018. Upon the initial maturity date, the Authority has the option to repay the balance, negotiate a 5 year renewal, or refinance the debt with another lender.

(b) – Subsequent to December 31, 2016, the Authority paid the full balance of the mortgage note payable, including all accrued interest.

**Discretely Presented Component Units**

Notes payable as of December 31, 2016, consisted of the following:

**Ashwood Apartments**

1% Division of Housing mortgage note payable to the Housing Authority of the City of Pueblo (HACP), due in annual payments from available cash flow, to December 31, 2038, secured by a mortgage on the property and an assignment of rents	\$ 132,636
1% HOME loan to HACP, due in annual payments from available cash flow, to December 31, 2038, secured by mortgage on property the and an assignment of rents	240,000
5.75% mortgage note payable to HACP, due in monthly installments of \$2,334, including interest beginning in January 2010, to January 2030, secured by a mortgage on the property and an assignment of rents	356,310
	<u>\$ 728,946</u>

**Santa Fe Crossing**

7% mortgage note payable to the City of Pueblo, principal and interest due December 31, 2019, secured by a deed of trust	\$ 650,000
6.49% mortgage note payable to HACP, due in monthly installments, from available cash flow, of \$6,064, including interest, to December 2021, secured by a deed of trust	339,724
6.49% mortgage note payable to HACP, due in monthly installments, from available cash flow, of \$8,132, including interest, to December 2021, secured by a deed of trust	647,609
0% mortgage note payable to HACP, due in monthly installments, from available cash flow, of \$3,826, to December 2018, secured by a deed of trust	375,000
0% mortgage note payable to HACP, principal due December 2019, secured by a deed of trust	503,211
	<u>\$ 2,515,544</u>

**Oakshire Hills II**

4% Land note payable to HACP, due in annual payments of \$25,507 on March 1st, due June 2027, secured by a second deed of trust	\$ 494,058
2.64% Division of Housing mortgage note payable to HACP, due in annual payments from available cash flow, balance due June 2032, secured by a second deed of trust	250,000
2.64% City Home mortgage note payable to HACP, due in annual payments from available cash flow, balance due June 2032, secured by a second deed of trust	250,000
5.598% Construction loan payable to Sunflower Bank, due in monthly installments of \$5,212 beginning May 2013, through April 2028, secured by a deed of trust on all property and equipment, a security agreement and an assignment of rents and leases	753,205
	\$ 1,747,263

**Primary Government**

The estimated debt requirements to maturity as of December 31, 2016 are as follows:

	Principal	Interest	Total
2017	\$ 1,227,026	\$ 165,006	\$ 1,392,032
2018	1,466,914	131,351	1,598,265
2019	260,347	97,341	357,688
2020	268,812	88,877	357,689
2021	277,560	80,129	357,689
2022 - 2026	1,529,594	258,850	1,788,444
2027 - 2030	815,728	32,170	847,898
	\$ 5,845,981	\$ 853,724	\$ 6,699,705
Total			

**Discretely Presented Component Units**

The estimated debt requirements to maturity as of December 31, 2016 are as follows:

	Principal	Interest	Total
2017	\$ 73,424	\$ 130,909	\$ 204,333
2018	452,243	129,575	581,818
2019	1,224,530	128,163	1,352,693
2020	32,662	126,671	159,333
2021	1,021,574	125,091	1,146,665
2022 - 2026	198,295	400,658	598,953
2027 - 2031	1,215,872	161,164	1,377,036
2032 - 2036	500,000	18,630	518,630
2037 - 2039	273,153	7,452	280,605
	<u>\$ 4,991,753</u>	<u>\$ 1,228,313</u>	<u>\$ 6,220,066</u>
Total			

**Note 8 - Restricted Net Position**

As of December 31, 2016 restricted net position consisted of \$24,121 in housing assistance payments received from HUD but not yet paid to eligible individuals.

**Note 9 - Annual Contributions Contract**

The Authority has an annual contributions contract for Section 8 HAP and adjustments vary based on requirements. The maximum contract was \$9,350,095 for the year ended December 31, 2016.

**Note 10 - Related Party Transactions**

**Investment in Tax Credit Projects**

As mentioned in Note 1, included within the financial reporting entity of the Authority are Pueblo Fenix, Inc., El Centro Pueblo Development Corporation, Inc., Historic Renovations of Pueblo, Inc., and El Pueblo Learning & Technology Services, Inc., which are non-profit organizations controlled by the Authority.

Pueblo Fenix, Inc. is the general partner in Ashwood Apartments, LLLP, a 25 unit low income housing tax credit project. El Centro Pueblo Development Corporation, Inc. is the general partner in Oakshire Hills II (Villas), LLLP, a 29 unit low income housing tax credit project. Historic Renovations of Pueblo, Inc. is the general partner in Santa Fe Crossing, LLLP, a 30 unit low income housing tax credit project.

As the general partner in the tax credit projects, the non-profit organizations manage the day to day operations of the projects; however, any significant changes to the operations must be approved by the limited partners. Under the partnership agreements, the Authority and the non-profit organizations have certain rights and obligations, including guarantees relating to operating and construction deficits. Total investment in tax credit projects was \$141,162 as of December 31, 2016.

### **Accounts Receivable, Notes Receivable, and Developer Fee Receivable**

The Authority has receivables from the tax credit projects mentioned above for developer fees, construction advances, and operating advances. As of December 31, 2016 the Authority was owed \$2,356,625 from the three tax credit projects.

As disclosed in Note 4, the Authority is owed \$3,588,548 on various notes receivable from the three tax credit projects mentioned above. As of December 31, 2016, the Authority was owed \$197,420 in accrued interest on the notes receivable.

### **Management Fees and Reimbursement of Expenses**

The Authority provides management services to the tax credit projects mentioned above. Under the management agreements, the Authority is to be paid management fees totaling 8% of gross receipts on Ashwood Apartments, LLLP, 8.5% of gross receipts on Santa Fe Crossing LLLP, and 9% of rental income for Oakshire Hills II LLLP. During 2016, the Authority received \$58,667 in property management fees from the three tax credit projects.

In addition, the Authority is reimbursed for various office expenses, caretaker payroll and benefits, and other maintenance costs incidental to the operations of the six tax credit projects. During 2016, the Authority was reimbursed \$125,900 from the three tax credit projects for these expenses.

### **Note 11 - Defined Contribution Money Purchase Pension Plan**

The Authority contributes to a single employer defined contribution money purchase pension plan on behalf of its employees. The Authority contributes seven percent of each participating employee's compensation. The employee's matching seven percent is paid by the Authority as compensation under an existing agreement. Employees are eligible to participate in the Plan after six months of service as an employee, and become fully vested after five years of service. Employer matching contributions were \$198,798, \$198,624, and \$212,713 for the years ended December 31, 2016, 2015, and 2014, respectively. All of the plan's investments at December 31, 2016 of \$6,837,792 are managed by Principal Financial Group.

### **Note 12 - Management Services**

As mentioned in Note 10, the Authority provides management services for Ashwood Apartments, LLLP, Central Apartments LLLP, Santa Fe Crossing LLLP, and Oakshire Hills II LLLP. In addition, the Authority provides management services for Union Plaza and Richmond Apartments. Union Plaza and Richmond apartments pay for all direct charges and then reimburse the Authority through a management fee agreement for the salaries, employee benefits, and other overhead items.

**Note 13 - Risk Management**

The Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The Authority carries commercial insurance for the risks of loss, including worker's compensation and employee accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. Limits of insurance coverage have been adjusted annually.

**Note 14 - Change in Reporting Entity**

On December 31, 2016, the Authority increased its ownership in Oakshire Hills, LLLP from 0.00% to 99.99% by purchasing the limited partner's share of the property, thereby gaining control of the entity. As such, Oakshire Hills, LLLP became a blended component unit and is reported as such as of December 31, 2016. Prior to this date, Oakshire Hills, LLLP was reported as a discretely presented component unit. Net position for the primary government as of April 1, 2015 has been increased by \$3,073,557 for the change in reporting entity. Net position for the discretely presented component units has been reduced by \$3,068,016 as of January 1, 2016 for the change in reporting entity.

The adjustment to beginning net position due to the change in reporting entity is as follows:

	Primary Government at April 1, 2015	Discretely Presented Component Units at January 1, 2016
Net position - beginning of year, as previously reported	\$ 31,874,053	\$ 8,420,214
Adjustment for effect of change in reporting entity	3,073,557	(3,068,016)
Net Position - beginning of year, as restated	\$ 34,947,610	\$ 5,352,198

**Note 15 - Condensed Component Unit Information**

As described in Note 1 to the financial statements, included within the financial reporting entity of the Authority as blended component units are Pueblo Fenix, Inc., El Centro Pueblo Development Corporation, Inc., Historic Renovations of Pueblo, Inc., and El Pueblo Learning & Technology Services, Inc., which are non-profit organizations controlled by the Authority.

Also included in the financial reporting entity of the Authority as blended component units are Rood Candy Apartments, LLLP, Ashwood Development LLC, and Oakshire Hills, LLLP, which are wholly owned entities of the Authority.

The Authority does not consider any of the blended component units to be major component units. Condensed component unit information for the Authority's blended component units as of December 31, 2016 and for the period from April 1, 2015 through December 31, 2016, are as follows:

**Condensed Statement of Net Position**

Assets	
Current assets	\$ 1,429,743
Capital assets	4,560,584
Notes receivable	436,240
Other assets	<u>161,787</u>
Total assets	<u><u>\$ 6,588,354</u></u>
Liabilities	
Current liabilities	\$ 986,340
Noncurrent liabilities	<u>1,256,827</u>
Total liabilities	2,243,167
Net Position	<u>4,345,187</u>
Total liabilities and net position	<u><u>\$ 6,588,354</u></u>

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

Operating Revenues		
Tenant rent		\$ 1,010,972
Management fees		26,250
Other		26,844
		1,064,066
Total operating revenues		1,064,066
Operating Expenses		
Maintenance salaries and benefits		66,650
Other administrative		277,684
Regular and extraordinary maintenance		139,721
Depreciation		617,844
Utilities		109,870
Taxes and insurance		61,040
Other		8,231
		1,281,040
Total operating expenses		1,281,040
Operating Loss		(216,974)
Nonoperating Income (Expenses)		
Interest income		8,905
Interest expense		(79,867)
		(70,962)
Total nonoperating expense		(70,962)
Change in Net Position		(287,936)
Net Position, Beginning of Year		1,538,941
Net Position, Beginning of Period, as Originally Stated		1,538,941
Adjustment for Change in Reporting Entity		3,094,182
Net Position, Beginning of Period, as Restated		4,633,123
Net Position, End of Period		\$ 4,345,187

**Condensed Statement of Cash Flows**

Net Cash Provided by	
Operating activities	\$ 172,772
Capital and related financing activities	(211,314)
Investing activities	<u>7,133</u>
Net increase in cash and cash equivalents	(31,409)
Cash and Cash Equivalents, Beginning of Period	<u>1,245,465</u>
Cash and Cash Equivalents, End of Period	<u><u>\$ 1,214,056</u></u>



Supplementary Information  
December 31, 2016

# Housing Authority of the City of Pueblo

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	Low Rent Public Housing	Section 8 Rental Voucher Program	Section 8 Mod Rehab Program	COCC Fund Program
<b>Assets</b>				
<b>Current Assets</b>				
Cash and cash equivalents	\$ 7,373,967	\$ 2,030,988	\$ 590,753	\$ 1,860,961
Restricted cash	375,461	109,968	-	-
Accounts receivable				
HUD	-	35,832	-	-
Tenants, net of allowance	33,163	-	-	-
Related party - current portion	873	-	-	983,524
Interest on note receivables	-	-	-	410,069
Other	-	-	2,178	20,012
Notes receivable - current portion	-	-	-	64,356
Interfund balances	-	-	158,057	312,922
Inventory	41,585	-	-	93,023
Prepaid expenses	-	-	-	223,761
	<u>7,825,049</u>	<u>2,176,788</u>	<u>750,988</u>	<u>3,968,628</u>
Notes receivable, net of current portion	-	-	-	4,483,968
Accounts receivable, related party - long term	-	-	-	130,191
Investment in tax credit projects	-	-	-	-
Investments in projects in development	-	-	-	251,809
Non-depreciable capital assets	3,310,198	-	-	241,683
Depreciable capital assets, net	12,828,504	1,037	-	118,309
	<u>23,963,751</u>	<u>2,177,825</u>	<u>750,988</u>	<u>9,194,588</u>
<b>Total Assets</b>				
<b>Liabilities and Net Position</b>				
<b>Current Liabilities</b>				
Accounts payable	\$ 96,191	\$ 7,519	\$ -	\$ 77,847
Accounts payable - HUD	-	-	-	-
Accounts payable - related party	-	-	-	-
Accrued wages payable	30,858	-	2,380	111,896
Accrued compensated absences	77,946	19,119	-	93,892
Accrued liabilities	39,493	100,053	11,053	2,458
Accrued interest payable	6,191	-	-	275
Interfund balances	17,522	169,217	-	-
Unearned revenue	10,019	801,223	127,415	-
Tenants security deposits payable	196,551	-	-	-
Notes and mortgages payable - current	230,271	-	-	375,000
Total current liabilities	<u>705,042</u>	<u>1,097,131</u>	<u>140,848</u>	<u>661,368</u>
Accrued compensated absences	124,820	21,246	-	267,322
Accrued payments in lieu of taxes	984,004	-	-	-
Notes and mortgages - net of current portion	3,234,386	-	-	60,000
<b>Total Liabilities</b>	<u>5,048,252</u>	<u>1,118,377</u>	<u>140,848</u>	<u>988,690</u>
<b>Net Position</b>				
Net investment in capital assets	12,674,045	1,037	-	(75,008)
Restricted	-	24,121	-	-
Unrestricted	<u>6,241,454</u>	<u>1,034,290</u>	<u>610,140</u>	<u>8,280,906</u>
<b>Total Net Position</b>	<u>18,915,499</u>	<u>1,059,448</u>	<u>610,140</u>	<u>8,205,898</u>
<b>Total Liabilities and Net Position</b>	<u>\$ 23,963,751</u>	<u>\$ 2,177,825</u>	<u>\$ 750,988</u>	<u>\$ 9,194,588</u>

Housing Authority of the City of Pueblo  
Combining Statement of Net Position  
December 31, 2016

Farm Worker Housing	Mineral Palace Tower	Family Self Sufficiency	Blended Component Units	Eliminations	Total
\$ 222,265	\$ 813,221	\$ -	\$ 1,214,056	\$ -	\$ 14,106,211
8,100	35,451	-	186,577	-	715,557
-	-	-	-	-	35,832
-	2,062	-	2,788	-	38,013
-	1,243,000	-	5,000	-	2,232,397
-	-	-	19,096	(231,755)	197,410
-	-	-	-	-	22,190
-	-	-	-	-	64,356
-	-	5,857	-	(476,836)	-
2,010	1,131	-	2,226	-	139,975
-	14,555	-	-	-	238,316
<u>232,375</u>	<u>2,109,420</u>	<u>5,857</u>	<u>1,429,743</u>	<u>(708,591)</u>	<u>17,790,257</u>
-	-	-	436,240	(1,256,827)	3,663,381
-	-	-	-	-	130,191
-	-	-	161,787	(20,625)	141,162
-	-	-	-	-	251,809
66,700	134,819	-	270,045	-	4,023,445
480,840	704,934	-	4,290,539	-	18,424,163
<u>\$ 779,915</u>	<u>\$ 2,949,173</u>	<u>\$ 5,857</u>	<u>\$ 6,588,354</u>	<u>\$ (1,986,043)</u>	<u>\$ 44,424,408</u>
\$ 462	\$ 12,943	\$ 933	\$ 4,983	\$ -	\$ 200,878
-	-	-	-	-	-
-	-	-	-	-	-
122	1,965	-	-	-	147,221
-	-	-	-	-	190,957
-	1,544	-	1,139	-	155,740
153	1,942	-	232,553	(231,755)	9,359
2,423	23,849	-	263,825	(476,836)	-
1,073	1,929	-	3,716	-	945,375
8,100	35,451	-	49,035	-	289,137
13,959	176,707	-	431,089	-	1,227,026
26,292	256,330	933	986,340	(708,591)	3,165,693
-	7,444	4,924	-	-	425,756
-	-	-	-	-	984,004
169,811	1,154,758	-	1,256,827	(1,256,827)	4,618,955
<u>196,103</u>	<u>1,418,532</u>	<u>5,857</u>	<u>2,243,167</u>	<u>(1,965,418)</u>	<u>9,194,408</u>
363,770	(491,712)	-	3,034,455	-	15,506,587
-	-	-	-	-	24,121
220,042	2,022,353	-	1,310,732	(20,625)	19,699,292
<u>583,812</u>	<u>1,530,641</u>	<u>-</u>	<u>4,345,187</u>	<u>(20,625)</u>	<u>35,230,000</u>
<u>\$ 779,915</u>	<u>\$ 2,949,173</u>	<u>\$ 5,857</u>	<u>\$ 6,588,354</u>	<u>\$ (1,986,043)</u>	<u>\$ 44,424,408</u>

	Low Rent Public Housing	Section 8 Rental Voucher Program	Section 8 Rehab Program	COCC Fund Program
Operating Revenues				
HUD PHA grants	\$ 5,975,537	\$ 15,251,336	\$ 3,279,306	\$ -
Other grants	-	-	-	-
Rental income	4,035,381	-	-	-
Fraud recovery	-	50,484	-	-
Management fees	-	-	-	2,873,896
Other	728,888	14,488	-	105,216
Total Operating Revenues	<u>10,739,806</u>	<u>15,316,308</u>	<u>3,279,306</u>	<u>2,979,112</u>
Operating Expenses				
Housing assistance payments	35,046	13,758,489	2,832,250	-
Administrative salaries and benefits	880,756	776,590	143,125	2,299,645
Maintenance salaries and benefits	2,124,226	-	-	222,840
Other administrative	1,893,596	658,967	129,393	445,983
Regular and extraordinary maintenance	2,205,528	4,572	78	69,998
Depreciation	2,239,932	10,284	-	31,637
Utilities	1,432,226	-	-	17,486
Taxes and insurance	561,073	21,084	3,717	75,989
Payments in lieu of taxes	297,958	-	-	-
Other	238,954	23,722	-	14,924
Total Operating Expenses	<u>11,909,295</u>	<u>15,253,708</u>	<u>3,108,563</u>	<u>3,178,502</u>
Operating Income (Loss)	<u>(1,169,489)</u>	<u>62,600</u>	<u>170,743</u>	<u>(199,390)</u>
Non-Operating Revenues (Expenses)				
Interest income	23,407	7,369	3,927	281,171
Interest expense	(216,736)	-	-	(11,451)
Other	-	-	-	1,000
Total Non-Operating Revenues (Expenses)	<u>(193,329)</u>	<u>7,369</u>	<u>3,927</u>	<u>270,720</u>
Income (Loss) Before Capital and Other Contributions	<u>(1,362,818)</u>	<u>69,969</u>	<u>174,670</u>	<u>71,330</u>
Capital and Other Contributions				
HUD Capital grant	<u>1,666,213</u>	<u>-</u>	<u>-</u>	<u>-</u>
	303,395	69,969	174,670	71,330
Transfers	<u>6,032</u>	<u>(6,032)</u>	<u>-</u>	<u>-</u>
Change in Net Position	<u>309,427</u>	<u>63,937</u>	<u>174,670</u>	<u>71,330</u>
Net Position, Beginning of Period, as Originally Stated	<u>18,606,072</u>	<u>995,511</u>	<u>435,470</u>	<u>8,134,568</u>
Adjustment for Change in Reporting Entity	-	-	-	-
Net Position, Beginning of Period, as Restated	<u>18,606,072</u>	<u>995,511</u>	<u>435,470</u>	<u>8,134,568</u>
Net Position, End of Period	<u>\$ 18,915,499</u>	<u>\$ 1,059,448</u>	<u>\$ 610,140</u>	<u>\$ 8,205,898</u>

**Housing Authority of the City of Pueblo**  
**Combining Statement of Revenues, Expenses and Changes in Net Position**  
**Period from April 1, 2015 through December 31, 2016**

Farm Worker Housing	Mineral Palace Tower	Family Self Sufficiency	Blended Component Units	Eliminations	Total
\$ -	\$ 691,999	\$ 74,639	\$ -	\$ -	\$ 25,272,817
95,593	-	30,697	-	-	126,290
77,075	767,506	-	1,010,972	(20,000)	5,870,934
-	-	-	-	-	50,484
-	-	-	26,250	(2,699,280)	200,866
2,876	38,038	-	26,844	-	916,350
<u>175,544</u>	<u>1,497,543</u>	<u>105,336</u>	<u>1,064,066</u>	<u>(2,719,280)</u>	<u>32,437,741</u>
-	-	-	-	-	16,625,785
-	394	100,481	-	-	4,200,991
12,808	207,618	-	66,650	-	2,634,142
26,277	324,206	3,019	277,684	(2,719,280)	1,039,845
74,641	275,098	-	139,721	-	2,769,636
76,361	218,814	-	617,844	-	3,194,872
37,186	285,178	-	109,870	-	1,881,946
10,060	67,489	1,836	61,040	-	802,288
-	-	-	-	-	297,958
257	3,542	-	8,231	-	289,630
<u>237,590</u>	<u>1,382,339</u>	<u>105,336</u>	<u>1,281,040</u>	<u>(2,719,280)</u>	<u>33,737,093</u>
<u>(62,046)</u>	<u>115,204</u>	<u>-</u>	<u>(216,974)</u>	<u>-</u>	<u>(1,299,352)</u>
1,440	6,533	-	8,905	(52,528)	280,224
(3,765)	(106,404)	-	(79,867)	52,528	(365,695)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,000</u>
<u>(2,325)</u>	<u>(99,871)</u>	<u>-</u>	<u>(70,962)</u>	<u>-</u>	<u>(84,471)</u>
<u>(64,371)</u>	<u>15,333</u>	<u>-</u>	<u>(287,936)</u>	<u>-</u>	<u>(1,383,823)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,666,213</u>
<u>(64,371)</u>	<u>15,333</u>	<u>-</u>	<u>(287,936)</u>	<u>-</u>	<u>282,390</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(64,371)</u>	<u>15,333</u>	<u>-</u>	<u>(287,936)</u>	<u>-</u>	<u>282,390</u>
<u>648,183</u>	<u>1,515,308</u>	<u>-</u>	<u>1,538,941</u>	<u>-</u>	<u>31,874,053</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>3,094,182</u>	<u>(20,625)</u>	<u>3,073,557</u>
<u>648,183</u>	<u>1,515,308</u>	<u>-</u>	<u>4,633,123</u>	<u>(20,625)</u>	<u>34,947,610</u>
<u>\$ 583,812</u>	<u>\$ 1,530,641</u>	<u>\$ -</u>	<u>\$ 4,345,187</u>	<u>\$ (20,625)</u>	<u>\$ 35,230,000</u>

Housing Authority of the City of Pueblo  
Statement of Capital Fund Program – Actual Cost Certificate  
Period from April 1, 2015 through December 31, 2016

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	Program Grant <u>CO06P002501-13</u>
Original Funds Approved	\$ 1,023,468
Funds Drawn	<u>1,023,468</u>
Funds Available	<u><u>\$ -</u></u>
Funds Advanced	\$ 1,023,468
Funds Expended	<u>1,023,468</u>
Funds Available	<u><u>\$ -</u></u>

1. The total amount of Capital Fund Program costs as shown on the Actual Comprehensive Grant Cost Certificate dated July 6, 2016 as submitted to HUD is in agreement with the Authority's accounting records.
2. All Capital Fund Program year work has been completed.
3. All liabilities incurred with the Capital Fund Program year have been fully paid.
4. There were no undischarged liens against the Capital Fund Program year on file in any public office where the liens should be filed.
5. The time for any such liens on the Capital Fund Program year has expired.

Housing Authority of the City of Pueblo  
Schedule of Expenditures of Federal Awards  
Period from April 1, 2015 through December 31, 2016

Federal Agency/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	For the Twelve Month Period Ended March 31, 2016 Federal Expenditures	For the Nine Month Period Ended December 31, 2016 Federal Expenditures	For the Twenty-One Month Period Ended December 31, 2016 Federal Expenditures
United States Department of Agriculture (USDA)					
Rural Rental Assistance Payments	10.427	N/A	\$ 53,994	\$ 41,599	\$ 95,593
Farm Labor Housing Loan	10.405	N/A	<u>209,023</u>	<u>194,157</u>	<u>209,023</u>
USDA expenditure total			<u>263,017</u>	<u>235,756</u>	<u>304,616</u>
U.S. Department of Housing and Urban Development					
Housing - Choice Vouchers	14.871	N/A	<u>8,317,015</u>	<u>6,932,441</u>	<u>15,249,456</u>
Section 8 Project-based Cluster					
Lower Income Housing Assistance Program - Section 8 Moderate Rehabilitation <i>Passed through the Colorado Housing         Finance Authority</i>	14.856	N/A	1,767,903	1,340,660	3,108,563
Section 8 New Construction and Substantial Rehabilitation	14.182	DEN-951 D-77-216	395,300	296,699	691,999
Total Section 8 Cluster			<u>2,163,203</u>	<u>1,637,359</u>	<u>3,800,562</u>
Low Rent Public Housing	14.850	N/A	<u>3,424,282</u>	<u>2,551,255</u>	<u>5,975,537</u>
Family Self-Sufficiency Program	14.896	N/A	<u>42,536</u>	<u>32,103</u>	<u>74,639</u>
Capital Fund Program	14.872	N/A	<u>733,577</u>	<u>932,636</u>	<u>1,666,213</u>
U.S. Department of Housing and Urban Development Housing expenditure total			<u>14,680,613</u>	<u>12,085,794</u>	<u>26,766,407</u>
Total Federal Expenditures			<u>\$ 14,943,630</u>	<u>\$ 12,321,550</u>	<u>\$ 27,071,023</u>

**Note A – Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the Housing Authority of the City of Pueblo and is presented on the accrual basis of accounting. The information in this Schedule is presented in accordance with the requirements of the Uniform Guidance. The Housing Authority of the City of Pueblo received federal awards both directly from federal agencies and indirectly through pass-through entities. Federal financial assistance provided to a subrecipient is treated as an expenditure when it is paid to the subrecipient. Assistance provided to subrecipients was \$0 for the year ended December 31, 2016.

**Note B – Significant Accounting Policies**

Expenditures in the schedule of expenditures of federal awards are recognized on the accrual basis. Such expenditures are recognized following the cost principles contained in Subpart E-Cost Principles of the Uniform Guidance. The Authority's summary of significant accounting policies is presented in Note 1 in the basic financial statements.

The Authority has not elected to use the 10% de minimis cost rate.

**Note C – Farm Labor Housing Loan Program**

The balances and transactions related to the Farm Labor Housing loan program, CFDA Number 10.405, are included in the Housing Authority of the City of Pueblo's basic financial statements. The balance of the loan outstanding as of December 31, 2016 is \$183,770.



**Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

The Board of Commissioners  
Housing Authority of the City of Pueblo  
Pueblo, Colorado

We have audited, 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, the financial statements of the business-type activities and aggregate discretely presented component units of the Housing Authority of the City of Pueblo (Authority) as of December 31, 2016 and for the period from April 1, 2015 through December 31, 2016, and the related notes to the financial statements, which collectively comprise the Authority’s basic financial statements, and have issued our report thereon dated September 7, 2017. The financial statements of the discretely presented component units were not audited in accordance with *Government Auditing Standards*.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Authority’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority’s internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

The image shows a handwritten signature in cursive script that reads "Eide Bailly LLP".

Bismarck, North Dakota  
September 7, 2017



## **Independent Auditor’s Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance Required by the Uniform Guidance**

The Board of Commissioners  
Housing Authority of the City of Pueblo  
Pueblo, Colorado

### **Report on Compliance for Each Major Federal Program**

We have audited Housing Authority of the City of Pueblo’s (Authority) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Authority’s major federal programs for the period from April 1, 2015 through December 31, 2016. The Authority’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

### **Management’s Responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the compliance for the Authority’s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Authority’s compliance.

### **Opinion on Each Major Federal Program**

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major Federal programs for the period from April 1, 2015 through December 31, 2016.

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## **Report on Internal Control over Compliance**

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on its major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for its major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses and significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2016-001 that we consider to be a significant deficiency.

The Housing Authority of the City of Pueblo's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Housing Authority of the City of Pueblo's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Bismarck, North Dakota  
September 7, 2017

**Section I – Summary of Auditor’s Results**

**FINANCIAL STATEMENTS**

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Noncompliance material to financial statements noted?	No

**FEDERAL AWARDS**

Internal control over major program:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	Yes
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516:	Yes

**Identification of major program:**

<u>Name of Federal Program</u>	<u>CFDA Number</u>
Section 8 Housing Choice Vouchers	14.871
Public Housing Capital Fund	14.872
Dollar threshold used to distinguish between Type A and Type B programs:	\$ 812,245
Auditee qualified as low-risk auditee?	Yes

Housing Authority of the City of Pueblo  
Schedule of Findings and Questioned Costs  
Period from April 1, 2015 through December 31, 2016

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**Section II – Financial Statement Findings**

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**None**

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**Section III – Federal Award Findings and Questioned Costs**

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**2016-001 U.S. Department of Housing and Urban Development - CFDA # 14.872  
Public Housing Capital Fund  
Applicable Federal Award Number and Year – Capital Fund Awards 2016**

**Reporting**

**Significant Deficiency in Internal Control over Compliance**

*Criteria:* The Program requires the Authority to complete and submit various reports throughout the year to remain in compliance with the program.

*Condition:* The HUD 60002 form was not completed or filed during the current period.

*Cause:* The HUD system was down for an extended period of time and when the system came back online, there was an oversight by management to file the required report.

*Effect:* The error resulted in the failure to timely complete and file the required report to HUD.

*Questioned Costs:* None reported

*Context/Sampling:* Report is required to be filed annually.

*Repeat Finding from Prior Year:* No

*Recommendation:* The Authority should have a process in place to appropriately monitor the timely filing of all required reports.

*Views of Responsible Officials:* Management agrees with the finding and has now submitted the report.

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2016

	Project Total	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	10.427 Rural Rental Assistance Payments
111 Cash - Unrestricted	\$7,373,967	\$2,030,988	\$744,178	\$1,214,056	\$222,265
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted		\$109,968	\$261,417		
114 Cash - Tenant Security Deposits	\$196,551		\$71,145	\$186,577	\$8,100
115 Cash - Restricted for Payment of Current Liabilities	\$178,910	\$0			
100 Total Cash	\$7,749,428	\$2,140,956	\$1,076,740	\$1,400,633	\$230,365
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects	\$0	\$35,832			
124 Accounts Receivable - Other Government					
125 Accounts Receivable - Miscellaneous	\$873			\$5,000	
126 Accounts Receivable - Tenants	\$52,063		\$1,767	\$3,309	
126.1 Allowance for Doubtful Accounts - Tenants	-\$18,901		-\$40	-\$521	
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0		\$0	
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud					
129 Accrued Interest Receivable				\$19,096	
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$34,035	\$35,832	\$1,727	\$26,884	\$0
131 Investments - Unrestricted					
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets			\$3,104		
143 Inventories	\$41,585			\$2,226	\$2,010

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2016

	Project Total	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	10.427 Rural Rental Assistance Payments
143.1 Allowance for Obsolete Inventories	\$0			\$0	\$0
144 Inter Program Due From	\$5,473				
145 Assets Held for Sale					
150 Total Current Assets	\$7,830,521	\$2,176,788	\$1,081,571	\$1,429,743	\$232,375
161 Land	\$3,310,198		\$1,287,636	\$270,045	\$66,700
162 Buildings	\$42,893,417		\$14,270,207	\$9,743,212	\$1,237,928
163 Furniture, Equipment & Machinery - Dwellings	\$468,988		\$203,755	\$224,558	
164 Furniture, Equipment & Machinery - Administration	\$705,867	\$184,731	\$72,517		
165 Leasehold Improvements	\$7,338,537		\$825,867	\$526,887	\$62,064
166 Accumulated Depreciation	-\$38,578,305	-\$183,694	-\$4,511,876	-\$6,204,118	-\$819,152
167 Construction in Progress					
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$16,138,702	\$1,037	\$12,148,106	\$4,560,584	\$547,540
171 Notes, Loans and Mortgages Receivable - Non-Current				\$436,240	
172 Notes, Loans, & Mortgages Receivable - Non Current - Past					
173 Grants Receivable - Non Current					
174 Other Assets			\$44,244	\$161,787	
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$16,138,702	\$1,037	\$12,192,350	\$5,158,611	\$547,540
200 Deferred Outflow of Resources					
290 Total Assets and Deferred Outflow of Resources	\$23,969,223	\$2,177,825	\$13,273,921	\$6,588,354	\$779,915

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2016

	Project Total	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	10.427 Rural Rental Assistance Payments
311 Bank Overdraft					
312 Accounts Payable <= 90 Days	\$96,191	\$7,519	\$16,810	\$4,983	\$462
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable	\$30,858				\$122
322 Accrued Compensated Absences - Current Portion	\$77,946	\$19,119			
324 Accrued Contingency Liability					
325 Accrued Interest Payable	\$6,191		\$87,140	\$232,553	\$153
331 Accounts Payable - HUD PHA Programs		\$0			
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government					
341 Tenant Security Deposits	\$196,551		\$69,884	\$49,035	\$8,100
342 Unearned Revenue	\$10,019	\$801,223	\$0	\$3,716	\$1,073
343 Current Portion of Long-term Debt - Capital	\$230,271		\$73,424	\$431,089	\$13,959
344 Current Portion of Long-term Debt - Operating Borrowings			\$2,105,868		
345 Other Current Liabilities	\$39,493	\$100,053		\$945	
346 Accrued Liabilities - Other			\$131,227	\$1,139	
347 Inter Program - Due To	\$22,994	\$169,217		\$262,880	\$2,423
348 Loan Liability - Current					
310 Total Current Liabilities	\$710,514	\$1,097,131	\$2,484,353	\$986,340	\$26,292
351 Long-term Debt, Net of Current - Capital Projects/Mortgage	\$3,234,386		\$4,918,329	\$1,256,827	\$169,811
352 Long-term Debt, Net of Current - Operating Borrowings			\$802,306		
353 Non-current Liabilities - Other	\$984,004		\$0		
354 Accrued Compensated Absences - Non Current	\$124,820	\$21,246			
355 Loan Liability - Non Current			\$130,191		
356 FASB 5 Liabilities					

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2016

	Project Total	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	10.427 Rural Rental Assistance Payments
357 Accrued Pension and OPEB Liabilities					
350 Total Non-Current Liabilities	\$4,343,210	\$21,246	\$5,850,826	\$1,256,827	\$169,811
300 Total Liabilities	\$5,053,724	\$1,118,377	\$8,335,179	\$2,243,167	\$196,103
400 Deferred Inflow of Resources		\$0			
508.4 Net Investment in Capital Assets	\$12,674,045	\$1,037	\$7,026,162	\$3,034,455	\$363,770
511.4 Restricted Net Position	\$0	\$24,121			
512.4 Unrestricted Net Position	\$6,241,454	\$1,034,290	-\$2,087,420	\$1,310,732	\$220,042
513 Total Equity - Net Assets / Position	\$18,915,499	\$1,059,448	\$4,938,742	\$4,345,187	\$583,812
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$23,969,223	\$2,177,825	\$13,273,921	\$6,588,354	\$779,915

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2016

	14.896 PIH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs	10.405 Farm Labor Housing Loans and Grants	14.856 Lower Income Housing Assistance Program, Section 8 Moderate	COCC
111 Cash - Unrestricted		\$813,221		\$590,753	\$1,860,961
112 Cash - Restricted - Modernization and Development				\$0	
113 Cash - Other Restricted				\$0	
114 Cash - Tenant Security Deposits		\$35,451		\$0	
115 Cash - Restricted for Payment of Current Liabilities				\$0	
100 Total Cash	\$0	\$848,672	\$0	\$590,753	\$1,860,961
121 Accounts Receivable - PHA Projects				\$0	
122 Accounts Receivable - HUD Other Projects				\$0	
124 Accounts Receivable - Other Government				\$0	
125 Accounts Receivable - Miscellaneous		\$1,243,000		\$2,178	\$1,003,527
126 Accounts Receivable - Tenants		\$3,263		\$0	
126.1 Allowance for Doubtful Accounts -Tenants		-\$1,201		\$0	
126.2 Allowance for Doubtful Accounts - Other		\$0		\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current				\$0	\$64,356
128 Fraud Recovery				\$0	
128.1 Allowance for Doubtful Accounts - Fraud				\$0	
129 Accrued Interest Receivable				\$0	\$410,069
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$1,245,062	\$0	\$2,178	\$1,477,952
131 Investments - Unrestricted				\$0	
132 Investments - Restricted				\$0	
135 Investments - Restricted for Payment of Current Liability				\$0	
142 Prepaid Expenses and Other Assets		\$14,555		\$0	\$223,761
143 Inventories		\$1,131		\$0	\$93,023
143.1 Allowance for Obsolete Inventories		\$0		\$0	\$0

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2016

	14.896 PIH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs	10.405 Farm Labor Housing Loans and Grants	14.856 Lower Income Housing Assistance Program_Section 8 Moderate	COCC
144 Inter Program Due From	\$7,307			\$157,602	\$317,748
145 Assets Held for Sale				\$0	
150 Total Current Assets	\$7,307	\$2,109,420	\$0	\$750,533	\$3,973,445
161 Land		\$134,819		\$0	\$241,683
162 Buildings		\$3,916,441		\$0	\$53,420
163 Furniture, Equipment & Machinery - Dwellings				\$19,647	
164 Furniture, Equipment & Machinery - Administration		\$66,187		\$12,495	\$487,193
165 Leasehold Improvements		\$108,411		\$0	\$39,976
166 Accumulated Depreciation		-\$3,386,105		-\$32,142	-\$462,280
167 Construction in Progress				\$0	
168 Infrastructure				\$0	
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$839,753	\$0	\$0	\$359,992
171 Notes, Loans and Mortgages Receivable - Non-Current				\$0	\$4,483,968
172 Notes, Loans, & Mortgages Receivable - Non Current - Past				\$0	
173 Grants Receivable - Non Current				\$0	
174 Other Assets		\$0		\$0	\$130,191
176 Investments in Joint Ventures				\$0	\$251,809
180 Total Non-Current Assets	\$0	\$839,753	\$0	\$0	\$5,225,960
200 Deferred Outflow of Resources				\$0	
290 Total Assets and Deferred Outflow of Resources	\$7,307	\$2,949,173	\$0	\$750,533	\$9,199,405
311 Bank Overdraft				\$0	

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2016

	14.896 PIH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs	10.405 Farm Labor Housing Loans and Grants	14.856 Lower Income Housing Assistance Program Section 8 Moderate	COCC
312 Accounts Payable <= 90 Days	\$933	\$12,943		\$0	\$77,847
313 Accounts Payable >90 Days Past Due				\$0	
321 Accrued Wage/Payroll Taxes Payable		\$1,965		\$1,427	\$111,895
322 Accrued Compensated Absences - Current Portion				\$0	\$93,892
324 Accrued Contingency Liability				\$0	
325 Accrued Interest Payable		\$1,942		\$0	\$275
331 Accounts Payable - HUD PHA Programs				\$0	
332 Account Payable - PHA Projects				\$0	
333 Accounts Payable - Other Government				\$0	
341 Tenant Security Deposits		\$35,451		\$0	
342 Unearned Revenue		\$1,929		\$127,415	
343 Current Portion of Long-term Debt - Capital		\$176,707		\$0	\$375,000
344 Current Portion of Long-term Debt - Operating Borrowings				\$0	
345 Other Current Liabilities		\$1,544		\$11,052	
346 Accrued Liabilities - Other				\$0	\$2,458
347 Inter Program - Due To	\$1,450	\$23,849		\$499	\$4,818
348 Loan Liability - Current				\$0	
310 Total Current Liabilities	\$2,383	\$256,330	\$0	\$140,393	\$666,185
351 Long-term Debt, Net of Current - Capital Projects/Mortgage		\$1,154,758		\$0	\$60,000
352 Long-term Debt, Net of Current - Operating Borrowings				\$0	
353 Non-current Liabilities - Other				\$0	
354 Accrued Compensated Absences - Non Current	\$4,924	\$7,444		\$0	\$267,322
355 Loan Liability - Non Current				\$0	
356 FASB 5 Liabilities				\$0	
357 Accrued Pension and OPEB Liabilities				\$0	

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2016

	14.896 PIH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs	10.405 Farm Labor Housing Loans and Grants	14.856 Lower Income Housing Assistance Program_Section 8 Moderate	COCC
350 Total Non-Current Liabilities	\$4,924	\$1,162,202	\$0	\$0	\$327,322
300 Total Liabilities	\$7,307	\$1,418,532	\$0	\$140,393	\$993,507
400 Deferred Inflow of Resources				\$0	
508.4 Net Investment in Capital Assets	\$0	-\$491,712	\$0	\$0	-\$75,008
511.4 Restricted Net Position			\$0	\$0	
512.4 Unrestricted Net Position	\$0	\$2,022,353	\$0	\$610,140	\$8,280,906
513 Total Equity - Net Assets / Position	\$0	\$1,530,641	\$0	\$610,140	\$8,205,898
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$7,307	\$2,949,173	\$0	\$750,533	\$9,199,405

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2016

	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$14,850,389		\$14,850,389
112 Cash - Restricted - Modernization and Development			
113 Cash - Other Restricted	\$371,385		\$371,385
114 Cash - Tenant Security Deposits	\$497,824		\$497,824
115 Cash - Restricted for Payment of Current Liabilities	\$178,910		\$178,910
100 Total Cash	\$15,898,508	\$0	\$15,898,508
121 Accounts Receivable - PHA Projects			
122 Accounts Receivable - HUD Other Projects	\$35,832		\$35,832
124 Accounts Receivable - Other Government			
125 Accounts Receivable - Miscellaneous	\$2,254,578		\$2,254,578
126 Accounts Receivable - Tenants	\$60,402		\$60,402
126.1 Allowance for Doubtful Accounts -Tenants	-\$20,663		-\$20,663
126.2 Allowance for Doubtful Accounts - Other	\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$64,356		\$64,356
128 Fraud Recovery			
128.1 Allowance for Doubtful Accounts - Fraud			
129 Accrued Interest Receivable	\$429,165	-\$231,748	\$197,417
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$2,823,670	-\$231,748	\$2,591,922
131 Investments - Unrestricted			
132 Investments - Restricted			
135 Investments - Restricted for Payment of Current Liability			
142 Prepaid Expenses and Other Assets	\$241,420		\$241,420
143 Inventories	\$139,975		\$139,975
143.1 Allowance for Obsolete Inventories	\$0		\$0

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2016

	Subtotal	ELIM	Total
144 Inter Program Due From	\$488,130	-\$488,130	\$0
145 Assets Held for Sale			
150 Total Current Assets	\$19,591,703	-\$719,878	\$18,871,825
161 Land	\$5,311,081		\$5,311,081
162 Buildings	\$72,114,625		\$72,114,625
163 Furniture, Equipment & Machinery - Dwellings	\$916,948		\$916,948
164 Furniture, Equipment & Machinery - Administration	\$1,528,990		\$1,528,990
165 Leasehold Improvements	\$8,901,742		\$8,901,742
166 Accumulated Depreciation	-\$54,177,672		-\$54,177,672
167 Construction in Progress			
168 Infrastructure			
160 Total Capital Assets, Net of Accumulated Depreciation	\$34,595,714	\$0	\$34,595,714
171 Notes, Loans and Mortgages Receivable - Non-Current	\$4,920,208	-\$1,256,826	\$3,663,382
172 Notes, Loans, & Mortgages Receivable - Non Current - Past			
173 Grants Receivable - Non Current			
174 Other Assets	\$336,222	-\$20,623	\$315,599
176 Investments in Joint Ventures	\$251,809		\$251,809
180 Total Non-Current Assets	\$40,103,953	-\$1,277,449	\$38,826,504
200 Deferred Outflow of Resources			
290 Total Assets and Deferred Outflow of Resources	\$59,695,656	-\$1,997,327	\$57,698,329
311 Bank Overdraft			

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2016

	Subtotal	ELIM	Total
312 Accounts Payable <= 90 Days	\$217,688		\$217,688
313 Accounts Payable >90 Days Past Due			
321 Accrued Wage/Payroll Taxes Payable	\$146,267		\$146,267
322 Accrued Compensated Absences - Current Portion	\$190,957		\$190,957
324 Accrued Contingency Liability			
325 Accrued Interest Payable	\$328,254	-\$231,745	\$96,509
331 Accounts Payable - HUD PHA Programs	\$0		\$0
332 Account Payable - PHA Projects			
333 Accounts Payable - Other Government			
341 Tenant Security Deposits	\$359,021		\$359,021
342 Unearned Revenue	\$945,375		\$945,375
343 Current Portion of Long-term Debt - Capital	\$1,300,450		\$1,300,450
344 Current Portion of Long-term Debt - Operating Borrowings	\$2,105,868		\$2,105,868
345 Other Current Liabilities	\$153,087		\$153,087
346 Accrued Liabilities - Other	\$134,824		\$134,824
347 Inter Program - Due To	\$488,130	-\$488,130	\$0
348 Loan Liability - Current			
310 Total Current Liabilities	\$6,369,921	-\$719,875	\$5,650,046
351 Long-term Debt, Net of Current - Capital Projects/Mortgage	\$10,794,111	-\$1,256,827	\$9,537,284
352 Long-term Debt, Net of Current - Operating Borrowings	\$802,306		\$802,306
353 Non-current Liabilities - Other	\$984,004		\$984,004
354 Accrued Compensated Absences - Non Current	\$425,756		\$425,756
355 Loan Liability - Non Current	\$130,191		\$130,191
356 FASB 5 Liabilities			
357 Accrued Pension and OPEB Liabilities			

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2016

	Subtotal	ELIM	Total
350 Total Non-Current Liabilities	\$13,136,368	-\$1,256,827	\$11,879,541
300 Total Liabilities	\$19,506,289	-\$1,976,702	\$17,529,587
400 Deferred Inflow of Resources	\$0		\$0
508.4 Net Investment in Capital Assets	\$22,532,749		\$22,532,749
511.4 Restricted Net Position	\$24,121		\$24,121
512.4 Unrestricted Net Position	\$17,632,497	-\$20,625	\$17,611,872
513 Total Equity - Net Assets / Position	\$40,189,367	-\$20,625	\$40,168,742
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$59,695,656	-\$1,997,327	\$57,698,329

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2016

	Project Total	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	10.427 Rural Rental Assistance Payments
70300 Net Tenant Rental Revenue	\$4,035,381		\$676,789	\$1,010,972	\$73,021
70400 Tenant Revenue - Other	\$296,882		\$5,513	\$19,004	\$4,054
70500 Total Tenant Revenue	\$4,332,263	\$0	\$682,302	\$1,029,976	\$77,075
70600 HUD PHA Operating Grants	\$6,642,565	\$15,251,336			
70610 Capital Grants	\$999,185				
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					\$95,593
71100 Investment Income - Unrestricted	\$23,407	\$7,369	\$24	\$4,770	\$1,440
71200 Mortgage Interest Income				\$4,135	
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery		\$50,484			
71500 Other Revenue	\$432,006	\$14,488	\$4,939	\$34,090	\$2,876
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted					
70000 Total Revenue	\$12,429,426	\$15,323,677	\$687,265	\$1,072,971	\$176,984
91100 Administrative Salaries	\$665,934	\$550,494	\$4,594		

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2016

	Project Total	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	10.427 Rural Rental Assistance Payments
91200 Auditing Fees	\$30,120	\$6,270			\$2,510
91300 Management Fee	\$1,203,049	\$306,762	\$0	\$0	\$0
91310 Book-keeping Fee	\$79,021	\$224,677			
91400 Advertising and Marketing					
91500 Employee Benefit contributions - Administrative	\$214,822	\$226,096			
91600 Office Expenses	\$246,355	\$99,441	\$85,516	\$113,992	\$2,614
91700 Legal Expense	\$57,261	\$324			\$363
91800 Travel	\$2,380				
91810 Allocated Overhead					
91900 Other	\$167,295		\$3,783	\$163,692	\$20,790
91000 Total Operating - Administrative	\$2,666,237	\$1,414,064	\$93,893	\$277,684	\$26,277
92000 Asset Management Fee	\$108,120				
92100 Tenant Services - Salaries					
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services					
92400 Tenant Services - Other	\$24,660	\$21,493			
92500 Total Tenant Services	\$24,660	\$21,493	\$0	\$0	\$0
93100 Water	\$781,121		\$14,827	\$17,058	\$32,597
93200 Electricity	\$550,747		\$29,802	\$82,532	\$4,424
93300 Gas	\$100,370		\$2,482	\$10,280	\$165
93400 Fuel					
93500 Labor					
93600 Sewer					
93700 Employee Benefit Contributions - Utilities					

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2016

	Project Total	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	10.427 Rural Rental Assistance Payments
93800 Other Utilities Expense			\$7,536		
93000 Total Utilities	\$1,432,238	\$0	\$54,647	\$109,870	\$37,186
94100 Ordinary Maintenance and Operations - Labor	\$1,439,283			\$48,935	\$8,922
94200 Ordinary Maintenance and Operations - Materials and	\$643,658	\$2,352	\$51,145	\$19,836	\$6,742
94300 Ordinary Maintenance and Operations Contracts	\$1,015,502	\$2,220	\$53,029	\$113,960	\$43,895
94500 Employee Benefit Contributions - Ordinary Maintenance	\$684,943			\$17,715	\$3,886
94000 Total Maintenance	\$3,783,386	\$4,572	\$104,174	\$200,446	\$63,445
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs	\$1,895				
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$1,895	\$0	\$0	\$0	\$0
96110 Property Insurance	\$380,992	\$1,294	\$26,849	\$49,962	\$7,816
96120 Liability Insurance	\$82,671	\$3,268	\$4,159	\$7,883	\$1,651
96130 Workmen's Compensation	\$70,941	\$14,850	\$1,010	\$1,487	\$249
96140 All Other Insurance	\$26,469	\$1,672	\$12,791	\$1,708	\$344
96100 Total insurance Premiums	\$561,073	\$21,084	\$44,809	\$61,040	\$10,060
96200 Other General Expenses		\$23,722	\$7,236	\$8,231	
96210 Compensated Absences					
96300 Payments in Lieu of Taxes	\$297,958				
96400 Bad debt - Tenant Rents	\$185,525				\$257
96500 Bad debt - Mortgages					

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2016

	Project Total	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	10.427 Rural Rental Assistance Payments
96600 Bad debt - Other					
96800 Severance Expense					
96000 Total Other General Expenses	\$483,483	\$23,722	\$7,236	\$8,231	\$257
96710 Interest of Mortgage (or Bonds) Payable	\$216,736		\$226,656	\$79,867	\$3,765
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$216,736	\$0	\$226,656	\$79,867	\$3,765
96900 Total Operating Expenses	\$9,277,828	\$1,484,935	\$531,415	\$737,138	\$140,990
97000 Excess of Operating Revenue over Operating Expenses	\$3,151,598	\$13,838,742	\$155,850	\$335,833	\$35,994
97100 Extraordinary Maintenance	\$546,327			\$5,925	\$24,004
97200 Casualty Losses - Non-capitalized	\$26,898				
97300 Housing Assistance Payments	\$35,046	\$13,758,489			
97350 HAP Portability-In					
97400 Depreciation Expense	\$2,239,932	\$10,284	\$569,306	\$617,844	\$76,361
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$12,126,031	\$15,253,708	\$1,100,721	\$1,360,907	\$241,355
10010 Operating Transfer In	\$1,538,084				
10020 Operating transfer Out	-\$1,538,084				

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2016

	Project Total	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	10.427 Rural Rental Assistance Payments
10030 Operating Transfers from/to Primary Government					
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In	\$6,032				
10094 Transfers between Project and Program - Out		-\$6,032			
10100 Total Other financing Sources (Uses)	\$6,032	-\$6,032	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$309,427	\$63,937	-\$413,456	-\$287,936	-\$64,371
11020 Required Annual Debt Principal Payments	\$220,872	\$0	\$0	\$0	\$13,970
11030 Beginning Equity	\$18,606,072	\$995,511	\$8,863,755	\$1,538,941	\$648,183
11040 Prior Period Adjustments, Equity Transfers and Correction			-\$3,511,557	\$3,094,182	
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					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity		\$1,035,327			
11180 Housing Assistance Payments Equity		\$24,121			

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2016

	Project Total	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	10.427 Rural Rental Assistance Payments
11190 Unit Months Available	18921	31962	1763	1785	378
11210 Number of Unit Months Leased	18442	29957	1762	1783	371
11270 Excess Cash	\$6,315,949				
11610 Land Purchases	\$0				
11620 Building Purchases	\$304,265				
11630 Furniture & Equipment - Dwelling Purchases	\$0				
11640 Furniture & Equipment - Administrative Purchases	\$6,941				
11650 Leasehold Improvements Purchases	\$687,979				
11660 Infrastructure Purchases	\$0				
13510 CFFP Debt Service Payments	\$0				
13901 Replacement Housing Factor Funds	\$0				

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2016

	14.896 PIH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs	10.405 Farm Labor Housing Loans and Grants	14.856 Lower Income Housing Assistance Program_Section 8 Moderate	COCC
70300 Net Tenant Rental Revenue		\$765,390	\$0	\$0	
70400 Tenant Revenue - Other		\$2,706		\$0	
70500 Total Tenant Revenue	\$0	\$768,096	\$0	\$0	\$0
70600 HUD PHA Operating Grants	\$74,639	\$691,999		\$3,279,306	
70610 Capital Grants				\$0	
70710 Management Fee				\$0	\$1,740,215
70720 Asset Management Fee				\$0	\$216,240
70730 Book Keeping Fee				\$0	\$424,163
70740 Front Line Service Fee				\$0	
70750 Other Fees				\$0	
70700 Total Fee Revenue				\$0	\$2,380,618
70800 Other Government Grants				\$0	
71100 Investment Income - Unrestricted		\$6,533		\$3,927	\$9,422
71200 Mortgage Interest Income				\$0	\$271,749
71300 Proceeds from Disposition of Assets Held for Sale				\$0	
71310 Cost of Sale of Assets				\$0	
71400 Fraud Recovery				\$0	
71500 Other Revenue	\$30,697	\$37,448		\$0	\$599,494
71600 Gain or Loss on Sale of Capital Assets				\$0	
72000 Investment Income - Restricted				\$0	
70000 Total Revenue	\$105,336	\$1,504,076	\$0	\$3,283,233	\$3,261,283
91100 Administrative Salaries		-\$1,105		\$101,130	\$1,651,478
91200 Auditing Fees		\$3,770		\$3,760	\$3,770

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2016

	14.896 PIH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs	10.405 Farm Labor Housing Loans and Grants	14.856 Lower Income Housing Assistance Program Section 8 Moderate	COCC
91300 Management Fee		\$160,411		\$69,993	
91310 Book-keeping Fee		\$20,618		\$40,673	
91400 Advertising and Marketing				\$0	
91500 Employee Benefit contributions - Administrative		\$278		\$41,995	\$572,896
91600 Office Expenses	\$3,019	\$2,987		\$14,967	\$395,093
91700 Legal Expense		\$4,706		\$0	\$34,856
91800 Travel				\$0	\$12,265
91810 Allocated Overhead				\$0	
91900 Other		\$131,714		\$0	
91000 Total Operating - Administrative	\$3,019	\$323,379	\$0	\$272,518	\$2,670,358
92000 Asset Management Fee				\$0	
92100 Tenant Services - Salaries	\$70,682			\$0	
92200 Relocation Costs				\$0	
92300 Employee Benefit Contributions - Tenant Services	\$29,799			\$0	
92400 Tenant Services - Other		\$2,259		\$0	\$138
92500 Total Tenant Services	\$100,481	\$2,259	\$0	\$0	\$138
93100 Water		\$66,401		\$0	\$964
93200 Electricity		\$198,267		\$0	\$15,081
93300 Gas		\$20,510		\$0	\$1,441
93400 Fuel				\$0	
93500 Labor				\$0	
93600 Sewer				\$0	
93700 Employee Benefit Contributions - Utilities				\$0	
93800 Other Utilities Expense				\$0	

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2016

	14.896 PIH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs	10.405 Farm Labor Housing Loans and Grants	14.856 Lower Income Housing Assistance Program_Section 8 Moderate	COCC
93000 Total Utilities	\$0	\$285,178	\$0	\$0	\$17,486
94100 Ordinary Maintenance and Operations - Labor		\$145,396		\$0	\$120,912
94200 Ordinary Maintenance and Operations - Materials and		\$47,337		\$0	\$43,370
94300 Ordinary Maintenance and Operations Contracts	\$0	\$140,952		\$78	\$26,626
94500 Employee Benefit Contributions - Ordinary Maintenance		\$62,222		\$0	\$101,930
94000 Total Maintenance	\$0	\$395,907	\$0	\$78	\$292,838
95100 Protective Services - Labor		\$984		\$0	
95200 Protective Services - Other Contract Costs				\$0	\$121
95300 Protective Services - Other				\$0	
95500 Employee Benefit Contributions - Protective Services				\$0	
95000 Total Protective Services	\$0	\$984	\$0	\$0	\$121
96110 Property Insurance		\$48,033		\$192	\$4,061
96120 Liability Insurance		\$12,111		\$586	\$6,993
96130 Workmen's Compensation		\$4,492		\$2,817	\$59,185
96140 All Other Insurance	\$1,836	\$2,853		\$122	\$5,750
96100 Total insurance Premiums	\$1,836	\$67,489	\$0	\$3,717	\$75,989
96200 Other General Expenses				\$0	
96210 Compensated Absences		\$1,220		\$0	\$75,270
96300 Payments in Lieu of Taxes				\$0	
96400 Bad debt - Tenant Rents		\$1,283		\$0	
96500 Bad debt - Mortgages				\$0	
96600 Bad debt - Other				\$0	

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2016

	14.896 PIH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs	10.405 Farm Labor Housing Loans and Grants	14.856 Lower Income Housing Assistance Program_Section 8 Moderate	COCC
96800 Severance Expense				\$0	
96000 Total Other General Expenses	\$0	\$2,503	\$0	\$0	\$75,270
96710 Interest of Mortgage (or Bonds) Payable		\$106,404		\$0	\$11,451
96720 Interest on Notes Payable (Short and Long Term)				\$0	
96730 Amortization of Bond Issue Costs				\$0	
96700 Total Interest Expense and Amortization Cost	\$0	\$106,404	\$0	\$0	\$11,451
96900 Total Operating Expenses	\$105,336	\$1,184,103	\$0	\$276,313	\$3,143,651
97000 Excess of Operating Revenue over Operating Expenses	\$0	\$319,973	\$0	\$3,006,920	\$117,632
97100 Extraordinary Maintenance		\$85,826		\$0	
97200 Casualty Losses - Non-capitalized				\$0	
97300 Housing Assistance Payments				\$2,832,250	
97350 HAP Portability-In				\$0	
97400 Depreciation Expense		\$218,814		\$0	\$31,636
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	\$105,336	\$1,488,743	\$0	\$3,108,563	\$3,175,287
10010 Operating Transfer In				\$0	
10020 Operating transfer Out				\$0	
10030 Operating Transfers from/to Primary Government				\$0	

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2016

	14.896 PIH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs	10.405 Farm Labor Housing Loans and Grants	14.856 Lower Income Housing Assistance Program_Section 8 Moderate	COCC
10040 Operating Transfers from/to Component Unit				\$0	
10050 Proceeds from Notes, Loans and Bonds				\$0	
10060 Proceeds from Property Sales				\$0	
10070 Extraordinary Items, Net Gain/Loss				\$0	
10080 Special Items (Net Gain/Loss)				\$0	-\$14,666
10091 Inter Project Excess Cash Transfer In				\$0	
10092 Inter Project Excess Cash Transfer Out				\$0	
10093 Transfers between Program and Project - In				\$0	
10094 Transfers between Project and Program - Out				\$0	
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	-\$14,666
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$0	\$15,333	\$0	\$174,670	\$71,330
11020 Required Annual Debt Principal Payments	\$0	\$174,937	\$13,970	\$0	\$375,000
11030 Beginning Equity	\$0	\$1,515,308	\$0	\$435,470	\$8,134,568
11040 Prior Period Adjustments, Equity Transfers and Correction				\$0	
11050 Changes in Compensated Absence Balance				\$0	
11060 Changes in Contingent Liability Balance				\$0	
11070 Changes in Unrecognized Pension Transition Liability				\$0	
11080 Changes in Special Term/Severance Benefits Liability				\$0	
11090 Changes in Allowance for Doubtful Accounts - Dwelling				\$0	
11100 Changes in Allowance for Doubtful Accounts - Other				\$0	
11170 Administrative Fee Equity				\$0	
11180 Housing Assistance Payments Equity				\$0	
11190 Unit Months Available		2772		5712	0

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2016

	14.896 PIH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs	10.405 Farm Labor Housing Loans and Grants	14.856 Lower Income Housing Assistance Program_Section 8 Moderate	COCC
11210 Number of Unit Months Leased		2749		5423	0
11270 Excess Cash				\$0	
11610 Land Purchases				\$0	\$0
11620 Building Purchases				\$0	\$0
11630 Furniture & Equipment - Dwelling Purchases				\$0	\$0
11640 Furniture & Equipment - Administrative Purchases				\$0	\$0
11650 Leasehold Improvements Purchases				\$0	\$0
11660 Infrastructure Purchases				\$0	\$0
13510 CFFP Debt Service Payments				\$0	\$0
13901 Replacement Housing Factor Funds				\$0	\$0

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2016

	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$6,561,553		\$6,561,553
70400 Tenant Revenue - Other	\$328,159	-\$20,000	\$308,159
70500 Total Tenant Revenue	\$6,889,712	-\$20,000	\$6,869,712
70600 HUD PHA Operating Grants	\$25,939,845		\$25,939,845
70610 Capital Grants	\$999,185		\$999,185
70710 Management Fee	\$1,740,215	-\$1,740,215	\$0
70720 Asset Management Fee	\$216,240	-\$216,240	\$0
70730 Book Keeping Fee	\$424,163	-\$424,163	\$0
70740 Front Line Service Fee			
70750 Other Fees			
70700 Total Fee Revenue	\$2,380,618	-\$2,380,618	\$0
70800 Other Government Grants	\$95,593		\$95,593
71100 Investment Income - Unrestricted	\$56,892	-\$6,122	\$50,770
71200 Mortgage Interest Income	\$275,884	-\$46,406	\$229,478
71300 Proceeds from Disposition of Assets Held for Sale			
71310 Cost of Sale of Assets			
71400 Fraud Recovery	\$50,484		\$50,484
71500 Other Revenue	\$1,156,038	-\$318,662	\$837,376
71600 Gain or Loss on Sale of Capital Assets			
72000 Investment Income - Restricted			
70000 Total Revenue	\$37,844,251	-\$2,771,808	\$35,072,443
91100 Administrative Salaries	\$2,972,525		\$2,972,525
91200 Auditing Fees	\$50,200		\$50,200

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2016

	Subtotal	ELIM	Total
91300 Management Fee	\$1,740,215	-\$1,740,215	\$0
91310 Book-keeping Fee	\$364,989	-\$364,989	\$0
91400 Advertising and Marketing			
91500 Employee Benefit contributions - Administrative	\$1,056,087		\$1,056,087
91600 Office Expenses	\$963,984	-\$85,872	\$878,112
91700 Legal Expense	\$97,510		\$97,510
91800 Travel	\$14,645		\$14,645
91810 Allocated Overhead			
91900 Other	\$487,274	-\$420,084	\$67,190
91000 Total Operating - Administrative	\$7,747,429	-\$2,611,160	\$5,136,269
92000 Asset Management Fee	\$108,120	-\$108,120	\$0
92100 Tenant Services - Salaries	\$70,682		\$70,682
92200 Relocation Costs			
92300 Employee Benefit Contributions - Tenant Services	\$29,799		\$29,799
92400 Tenant Services - Other	\$48,550		\$48,550
92500 Total Tenant Services	\$149,031	\$0	\$149,031
93100 Water	\$912,968		\$912,968
93200 Electricity	\$880,853		\$880,853
93300 Gas	\$135,248		\$135,248
93400 Fuel			
93500 Labor			
93600 Sewer			
93700 Employee Benefit Contributions - Utilities			
93800 Other Utilities Expense	\$7,536		\$7,536

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2016

	Subtotal	ELIM	Total
93000 Total Utilities	\$1,936,605	\$0	\$1,936,605
94100 Ordinary Maintenance and Operations - Labor	\$1,763,448		\$1,763,448
94200 Ordinary Maintenance and Operations - Materials and	\$814,440		\$814,440
94300 Ordinary Maintenance and Operations Contracts	\$1,396,262		\$1,396,262
94500 Employee Benefit Contributions - Ordinary Maintenance	\$870,696		\$870,696
94000 Total Maintenance	\$4,844,846	\$0	\$4,844,846
95100 Protective Services - Labor	\$984		\$984
95200 Protective Services - Other Contract Costs	\$2,016		\$2,016
95300 Protective Services - Other			
95500 Employee Benefit Contributions - Protective Services			
95000 Total Protective Services	\$3,000	\$0	\$3,000
96110 Property Insurance	\$519,199		\$519,199
96120 Liability Insurance	\$119,322		\$119,322
96130 Workmen's Compensation	\$155,031		\$155,031
96140 All Other Insurance	\$53,545		\$53,545
96100 Total insurance Premiums	\$847,097	\$0	\$847,097
96200 Other General Expenses	\$39,189		\$39,189
96210 Compensated Absences	\$76,490		\$76,490
96300 Payments in Lieu of Taxes	\$297,958		\$297,958
96400 Bad debt - Tenant Rents	\$187,065		\$187,065
96500 Bad debt - Mortgages			
96600 Bad debt - Other			

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2016

	Subtotal	ELIM	Total
96800 Severance Expense			
96000 Total Other General Expenses	\$600,702	\$0	\$600,702
96710 Interest of Mortgage (or Bonds) Payable	\$644,879	-\$52,528	\$592,351
96720 Interest on Notes Payable (Short and Long Term)			
96730 Amortization of Bond Issue Costs			
96700 Total Interest Expense and Amortization Cost	\$644,879	-\$52,528	\$592,351
96900 Total Operating Expenses	\$16,881,709	-\$2,771,808	\$14,109,901
97000 Excess of Operating Revenue over Operating Expenses	\$20,962,542	\$0	\$20,962,542
97100 Extraordinary Maintenance	\$662,082		\$662,082
97200 Casualty Losses - Non-capitalized	\$26,898		\$26,898
97300 Housing Assistance Payments	\$16,625,785		\$16,625,785
97350 HAP Portability-In			
97400 Depreciation Expense	\$3,764,177		\$3,764,177
97500 Fraud Losses			
97600 Capital Outlays - Governmental Funds			
97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense			
90000 Total Expenses	\$37,960,651	-\$2,771,808	\$35,188,843
10010 Operating Transfer In	\$1,538,084		\$1,538,084
10020 Operating transfer Out	-\$1,538,084		-\$1,538,084
10030 Operating Transfers from/to Primary Government			

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2016

	Subtotal	ELIM	Total
10040 Operating Transfers from/to Component Unit			
10050 Proceeds from Notes, Loans and Bonds			
10060 Proceeds from Property Sales			
10070 Extraordinary Items, Net Gain/Loss			
10080 Special Items (Net Gain/Loss)	-\$14,666		-\$14,666
10091 Inter Project Excess Cash Transfer In			
10092 Inter Project Excess Cash Transfer Out			
10093 Transfers between Program and Project - In	\$6,032		\$6,032
10094 Transfers between Project and Program - Out	-\$6,032		-\$6,032
10100 Total Other financing Sources (Uses)	-\$14,666	\$0	-\$14,666
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$131,066	\$0	-\$131,066
11020 Required Annual Debt Principal Payments	\$798,749		\$798,749
11030 Beginning Equity	\$40,737,808		\$40,737,808
11040 Prior Period Adjustments, Equity Transfers and Correction	-\$417,375	-\$20,625	-\$438,000
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			
11100 Changes in Allowance for Doubtful Accounts - Other			
11170 Administrative Fee Equity	\$1,035,327		\$1,035,327
11180 Housing Assistance Payments Equity	\$24,121		\$24,121
11190 Unit Months Available	63293		63293

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2016

	Subtotal	ELIM	Total
11210 Number of Unit Months Leased	60487		60487
11270 Excess Cash	\$6,315,949		\$6,315,949
11610 Land Purchases	\$0		\$0
11620 Building Purchases	\$304,265		\$304,265
11630 Furniture & Equipment - Dwelling Purchases	\$0		\$0
11640 Furniture & Equipment - Administrative Purchases	\$6,941		\$6,941
11650 Leasehold Improvements Purchases	\$687,979		\$687,979
11660 Infrastructure Purchases	\$0		\$0
13510 CFFP Debt Service Payments	\$0		\$0
13901 Replacement Housing Factor Funds	\$0		\$0