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# Boulder Housing Partners

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**Financial Report  
with Supplemental Information  
December 31, 2017**

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## Independent Auditor's Report

To the Board of Commissioners  
Boulder Housing Partners

### Report on the Financial Statements

We have audited the accompanying financial statements of the primary government business-type activities and the aggregate discretely presented component units of the Housing Authority of the City of Boulder, Colorado, a Colorado Housing Authority d/b/a Boulder Housing Partners (BHP), as of and for the years ended December 31, 2017 and 2016 and the related notes to the financial statements, which collectively comprise Boulder Housing Partners' basic financial statements as listed in the table of contents.

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

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

### *Auditor's Responsibility*

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

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

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

### *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the primary government business-type activities and the aggregate discretely presented component units of Boulder Housing Partners as of December 31, 2017 and 2016 and the respective changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

To the Board of Commissioners  
Boulder Housing Partners

**Other Matters**

Report on Summarized Comparative Information

We did not audit the financial statements of the 2016 discretely presented component units. Those financial statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it related to the amounts included for the discretely presented component units, is based solely on the report of the other auditors. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2016 is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Required Supplemental Information*

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

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Boulder Housing Partners' basic financial statements. The financial data schedules are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

The financial data schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the 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 financial data schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated May 17, 2018 on our consideration of Boulder Housing Partners' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Boulder Housing Partners' internal control over financial reporting and compliance.



May 17, 2018

As management of the Housing Authority of the City of Boulder, Colorado, d/b/a Boulder Housing Partners (BHP or the "Authority"), we offer readers of the BHP financial statements this narrative overview and analysis of the financial activities of BHP for the fiscal year ended December 31, 2017.

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

### Overview of the Financial Statements

The annual financial report consists of four parts:

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

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

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

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

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

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

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

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

## Boulder Housing Partners

# Management's Discussion and Analysis (Continued)

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

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

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

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

### Moving to Work

BHP was awarded the designation of a Moving to Work (MTW) agency by HUD effective January 1, 2012. MTW agencies, of which there are currently 39 in the country, are accepted into the program on the strength of their long-range plan of how to use deregulation to further three federal goals: increase efficiency/reduce cost; increase housing choices; and leverage customers' ability to achieve self-sufficiency. MTW agencies write an annual plan in which they are invited to request a waiver of rules in the Code of Federal Regulations that impede their ability to pursue their MTW plan.

The following programs are included in this designation:

- **Public Housing** - Under the public housing program, BHP rents units it owns to low-income households. This program operates under an annual contributions contract with HUD. An operating subsidy is provided by HUD to enable BHP to provide the housing at a rent that is based upon 30 percent of adjusted gross income of the tenant. The total number of public housing units under contract at the end of calendar year 2017 was 49.
- **Capital Fund Program** - Under this program, BHP receives funding from HUD for physical improvements to its units within the public housing program. The program is operating under an annual contributions contract with HUD.
- **MTW Housing Choice Voucher Program** - Pursuant to the Moving to Work contract with HUD, BHP receives funding to subsidize the rent of low-income families in the private market and earns an administrative fee to cover the program's operating costs. As of December 31, 2017, BHP received funding for 756 Housing Choice vouchers in the MTW program.

### Other Programs:

**Housing Choice Voucher Programs** - In addition to the 756 MTW Housing Choice vouchers mentioned above, BHP receives funding through an annual contributions contract with HUD to subsidize the rent of additional low-income families in the private market and earns an administrative fee to cover the program's operating costs. As of December 31, 2017, BHP received funding for 181 Housing Choice vouchers, 135 Rental Assistance demonstration ("RAD") vouchers and 50 Mainstream vouchers through this version of the Housing Choice voucher and the Mainstream voucher programs.

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

## Boulder Housing Partners

# Management's Discussion and Analysis (Continued)

**Project-based Section 8** - Under multifamily contracts with HUD, BHP receives funding for two project-based housing facilities to provide subsidized rent for 116 low-income households. These two properties are Canyon Pointe and Glen Willow.

**Owned Permanently Affordable Housing** - BHP owns 320 units in 15 properties that are permanently affordable under covenants with the City of Boulder.

**Market Rate Housing** - BHP has a total of 249 market rate units. One property which includes the Flats at 101 Canyon and Cornell house has six units with no restriction on rents. BHP has three properties whereby some of the units have no restrictions on the rents. Bridgewalk, with a total of 123, units has 111 units with no restriction on rents and 12 units that are included in the Owned Permanently Affordable Housing count above, Foothills Community, with a total of 74 units, has 22 units with no restriction on rents and 52 units that are included in the Owned Permanently Affordable Housing count above and Tantra Lakes with a total of 185 units has 110 units with no restrictions on rents and 75 units that are included in the Owned Permanently Affordable Housing count above.

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

**Partnerships in Low-income Tax Credit Housing** - BHP or its affiliate is the general partner in eight tax credit partnerships with a total of 581 units that are operating as of December 31, 2017: Boulder Communities, LLLP, Broadway East Community, LLLP, Broadway West Community, LLLP, High Mar Community, LLLP, Holiday Community, LLLP, Lee Hill Community, LLLP, Red Oak Park, LLLP and WestView Community, LLLP. Palo Park Community, LLLP with 35 planned units is under construction and expected to begin operations in 2018.

### Major Program for 2017 Audit

For the current period ended December 31, 2017, two programs have been deemed by our auditors, Plante & Moran, PLLC, to be major programs. Moving to Work (including the MTW Housing Choice Voucher Program, the Low Income Public Housing Operating Subsidy, and the Capital Fund Program) and the non-MTW Housing Choice Voucher program that covers 181 Non-Elderly Disabled ("NED") vouchers, 135 RAD vouchers and 50 Mainstream vouchers.

### Financial Highlights

During the years ended December 31, 2017 and 2016, respectively:

- In 2017, BHP acquired 185 units at Tantra Lake for \$45,819,172. At closing, additional deposits of \$1,900,000 were made into replacement reserve accounts for capital improvements. Seventy-five of the units have been designated as permanently affordable under a covenant with the City of Boulder with the remaining 110 rented at market rate.
- Financing for this acquisition included a first mortgage loan in the amount of \$29,705,000, grant revenue from the City of Boulder \$7,350,000 and BHP equity of from a refinance of Bridgewalk. The refinance of Bridgewalk resulted in a new loan of \$23,460,000.
- In 2017, BHP acquired 15 units from Vistoso Community, LLLP at the exit of the limited partner and the dissolution of the tax credit partnership. The 15 units covenanted at 40% AMI were valued at \$892,182 and financed with a permanent loan in the amount of \$600,000. The transaction included a forgiveness of debt between BHP and Vistoso, LLLP and resulted in a net gain for BHP of \$64,229.
- In 2017, BHP acquired 19 units at two sites in Boulder referred to as Cedar/Casey for \$6,203,017. This acquisition was financed with a draw on the BHP Line of Credit. The LOC was partially paid in 2017 from MTW reserves of \$1,124,731, from a City of Boulder Grant for \$800,000 and from BHP unrestricted reserves of \$1,100,000. The remaining balance of the Line of Credit of \$3,178,287 at December 31, 2017 has been fully paid in 2018 from a loan on the property for \$2,420,239, additional MTW funds of \$535,912 and Boulder County Worthy Cause grant funds of \$700,000. These sources

## Boulder Housing Partners

# Management's Discussion and Analysis (Continued)

resulted in excess funds of \$477,864 which were deposited into a replacement reserve for capital improvements. Seven of the nineteen units have been designated as permanently affordable under a covenant from the City of Boulder. The City has committed to additional grant funds of \$1,100,000 over two years to repay the BHP reserves. As these funds are received, the covenant will be modified to increase the number of affordable units to 100% by the end of 2019.

- In 2017, BHP received a 59.8% interest with a value of \$3,141,453 from the City of Boulder in a site that consists of land and a church which will be leased to the congregation for a period of up to 10 years. The site is jointly owned by BHP and a local retirement community. BHP recorded the value of its share of the site as an asset and local grant income.
- A loan of \$12,025,000 of restricted cash was funded to Boulder Communities, LLLP in 2017. The source of this cash was a payment received from the sale of public housing assets to Boulder Communities, LLLP.
- Total assets increased by \$55,479,487 or 46.8% in 2017 primarily as a result of the addition of four properties; Tantra Lake, Vistoso, Cedar/Casey and the church site. Total assets increased by \$8,623,572 or 7.8 percent in 2016 primarily from the amount of Developer Fee recognized as a receivable at construction completion of Boulder Communities, LLLP.
- Total Liabilities increased by \$45,530,334 or 100.8% in 2017 as a result of the cash out refinance at Bridgewalk and new loans related to the acquisition of Tantra Lake and Vistoso. The Bridgewalk loan increased by \$10,611,533, the new Tantra Lake loan amounted to \$29,705,000 and the new Vistoso loan amounted to \$600,000. In addition, there was an outstanding balance on our Line of Credit of \$3,178,286 which was used to acquire Cedar/Casey that has been paid in full and an increase in the net pension liability of \$1,835,777. Total liabilities increased by \$1,834,997 or 4.2 percent in 2016 primarily due to the increase in PERA net pension liability.
- The current ratio, current assets over current liabilities, as of December 31, 2017, and 2016 is 1.3 and 11.6, respectively. The 2017 ratio is lower than normal due to (1) the \$3,178,286 of short term debt used to temporarily finance the acquisition of Cedar/Casey which was paid in full in 2018, and (2) the entire mortgage balance of \$3,539,328 for Canyon Pointe which matures in December 2018 is classified as short term at December 31, 2017. This loan will be refinanced in 2018. The 2017 ratio adjusted for these one-time current liabilities was 4.0. The 2017 ratio also includes \$454,701 of current permanent debt related to the new loan for Tantra Lake. The 2016 ratio was unusually high. The 2016 ratio included \$12,025,000 of cash restricted for payment on a loan to Boulder Communities, LLLP at December 31, 2016. The source of this cash was a payment on a note receivable from Boulder Communities, LLLP that was due on September 30, 2016 from the sale of public housing assets. The 2016 ratio adjusted for this one-time current asset is 6.1.
- The portfolio-wide debt coverage ratio as of December 31, 2017, and 2016 is 1.32 and 1.64 respectively, the workforce properties as a group are 1.34 and 1.71, and the project-based properties as a group are 1.48 and 1.43, respectively. The decline in the workforce and overall portfolio relates to the large increase in debt at Bridgewalk and the new loan at Tantra which was sized to produce a 1.2 DCR bringing down the overall average.
- Operating revenue in 2017 decreased by \$3,436,774 as a result of a decrease in onetime developer fee income of \$6,678,109 from 2016 offset by an increase in tenant revenues from the additional 219 units at Tantra Lake, Vistoso and Cedar/Casey.
- Operating revenue in 2016 increased by \$6,428,648 as a result of the recognition of a onetime developer fee from Boulder Communities, LLLP of \$7,025,000.
- Operating Expenses in 2017 increased by \$3,074,175 primarily related to the additional 219 units at Tantra Lake, Vistoso and Cedar/Casey.
- Operating Expenses in 2016 increased by \$1,143,889 primarily as a result of (1) a full year of RAD and tenant protection voucher expense for those vouchers issued to Boulder Communities, LLLP residents of \$1,439,761, (2) an increase in regular salary and benefits of \$445,000, and (3) an increase in net pension liability in accordance with GASB 68 of \$453,566 all offset by savings in predevelopment costs

## Boulder Housing Partners

# Management's Discussion and Analysis (Continued)

and costs previously incurred for the public housing properties that are now part of Boulder Communities, LLLP which is reported as a component unit.

- Capital grant income in 2017 consisted of (1) \$7,350,000 from the City of Boulder for the acquisition of Tantra Lake, (2) \$3,141,453 from the City of Boulder for the acquisition of a future development site, (3) \$1,209,659 from the City of Boulder and \$400,000 of Worthy Cause funds from Boulder County which were subsequently loaned to the Palo Park Community, LLLP, (4) \$800,000 from the City of Boulder for the acquisition of Cedar/Casey.
- Capital grant income in 2016 consisted of (1) \$420,000 of local funds and \$296,834 of federal funds received for the acquisition of an existing apartment building, (2) \$484,635 of federal funds received for the acquisition of a parcel of land (3) \$200,000 of CDBG funds for the renovation of a group home, (4) \$327,920 of CDBG funds for predevelopment work on a new 34 unit development, and (5) \$43,550 of local funds for the installation of a solar array on our main office building at 4800 Broadway.
- In 2016, BHP extended its existing line of credit through August 2018. In addition, we added additional collateral to increase the available line to \$8,112,000. Draws on the line must be repaid with one year of the date drawn. Interest is due on any outstanding balance at a rate of 2.0 percent. If the line is not used, there is a quarterly fee equal to .125 percent per annum.

### Condensed Comparative Financial Information

The following table reflects a summary of the statement of net position at December 31, 2017 compared to the prior two years:

#### Summary Statement of Net Position

	2017	2016	2015
<b>Assets:</b>			
Current assets	\$ 13,012,341	\$ 25,464,185	\$ 20,035,418
Noncurrent assets	\$ 64,413,094	\$ 49,972,176	\$ 46,200,645
Capital Assets (net of depreciation)	\$ 96,708,081	\$ 43,217,668	\$ 43,794,396
<b>Total Assets</b>	<b>\$ 174,133,516</b>	<b>\$ 118,654,029</b>	<b>\$ 110,030,458</b>
Deferred Outflows	\$ 3,297,670	\$ 2,688,624	\$ 1,318,957
<b>Total Assets and Deferred Outflows</b>	<b>\$ 177,431,186</b>	<b>\$ 121,342,653</b>	<b>\$ 111,349,415</b>
<b>Liabilities</b>			
Current liabilities	\$ 9,947,920	\$ 2,201,383	\$ 2,029,396
Long-term liabilities	\$ 80,762,314	\$ 42,978,517	\$ 41,315,508
<b>Total liabilities</b>	<b>\$ 90,710,234</b>	<b>\$ 45,179,900</b>	<b>\$ 43,344,904</b>
Deferred Inflows	\$ 445,081	\$ 939,738	\$ -
<b>Total Liabilities and Deferred Inflows</b>	<b>\$ 91,155,315</b>	<b>\$ 46,119,638</b>	<b>\$ 43,344,904</b>
<b>Net Position</b>			
Unrestricted	\$ 67,442,522	\$ 55,022,183	\$ 60,551,980
Net Investment in Capital Assets	\$ 18,410,957	\$ 6,827,209	\$ 7,168,630
Restricted	\$ 422,392	\$ 13,373,623	\$ 283,901
<b>Total net position</b>	<b>\$ 86,275,871</b>	<b>\$ 75,223,015</b>	<b>\$ 68,004,511</b>
<b>Total liabilities and net position</b>	<b>\$ 177,431,186</b>	<b>\$ 121,342,654</b>	<b>\$ 111,349,415</b>

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

### Major Factors Affecting the Statement of Net Position

The decrease in current assets at December 31, 2017 is the result of a long-term loan of \$12,025,000 from restricted cash that was made to Boulder Communities, LLLP. The source of this cash was a payment on

## Boulder Housing Partners

# Management's Discussion and Analysis (Continued)

a note receivable from Boulder Communities, LLLP that was due on September 30, 2016 from the sale of public housing assets. An additional \$1,000,000 of cash was in a restricted escrow account at December 31, 2016 pending the closing on Tantra Lake. Those funds were used as part of the acquisition cost.

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

The increase in noncurrent assets at December 31, 2017 relates to (1) the additional \$12,025,000 loan of restricted funds to Boulder Communities, LLLP (2) a loan of City of Boulder and Boulder County grant funds to Palo Park Community, LLLP in the amount of \$1,937,580, and (3) \$1,290,763 of newly restricted funds for capital improvements at Tantra Lake.

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

The increase in capital assets at December 31, 2017 relates to the addition of Tantra Lake, Vistoso, Cedar/Casey and a future development site.

Deferred outflows increased by \$609,046 or 22.7% at December 31, 2017 and \$1,369,668 or 103.8% at December 31, 2016 due to the increase in unfunded pension collective related to the Colorado state defined benefit pension plan (PERA).

The increase in current liabilities at December 31, 2017 is related to \$3,178,286 outstanding on a short-term line of credit that was used for the acquisition of Cedar/Casey, the classification of the entire loan balance of \$3,539,328 for the Canyon Pointe loan as short term due to a maturity date in December 2018. and \$454,700 which represents the current portion of a long-term loan on Tantra Lake.

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

The increase in long term liabilities at December 31, 2017 relates to the increase in debt from a cash out refinance of Bridgewalk which was used as equity to acquire Tantra Lake, a new loan for Tantra Lake, a new loan for Vistoso and the increase in net pension liability recorded in accordance with GASB 68 offset by a normal amortization of mortgages payable.

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

Deferred inflows of \$445,081 at December 31, 2017 consists of \$231,579 related to PERA and \$213,502 related to City of Boulder funds held for the construction of certain infrastructure at Palo Park on behalf of Habitat for Humanity. Habitat will be developing 9 units at the site and is sharing in the cost for the infrastructure development. Deferred inflows of \$939,739 at December 31, 2016 consists of \$95,744 related to PERA and \$843,995 of prefunded January 2017 housing assistance payments received from HUD in December 2016.

## Boulder Housing Partners

# Management's Discussion and Analysis (Continued)

### Operating Activities

BHP receives its operating revenues to support its operating expenditures from rental charges, federal government subsidies, and grants. BHP receives funding from HUD and the City of Boulder (the "City") for certain capital improvement expenditures. The following table summarizes and compares the changes related to BHP's operating and capital transactions between fiscal years 2017, 2016, and 2015:

Summary Statement of Activities

	2017	2016	Variance	2015	Variance
<b>Revenues</b>					
Revenue - Tenant	\$ 8,904,382	\$ 6,031,680	\$ 2,872,702	\$ 6,668,220	\$ (636,540)
Grant Income	\$ 11,942,509	\$ 11,609,882	\$ 332,627	\$ 10,952,244	\$ 657,638
Management and Developer Fees	\$ 984,783	\$ 7,662,893	\$ (6,678,110)	\$ 1,418,704	\$ 6,244,189
Other Income	\$ 864,920	\$ 828,913	\$ 36,007	\$ 665,548	\$ 163,365
Total	\$ 22,696,593	\$ 26,133,367	\$ (3,436,774)	\$ 19,704,716	\$ 6,428,652
<b>Expenses</b>					
Salaries and benefits	\$ 7,348,110	\$ 6,090,485	\$ 1,257,625	\$ 5,320,396	\$ 770,089
Utilities	\$ 563,670	\$ 448,138	\$ 115,532	\$ 668,798	\$ (220,659)
Maintenance	\$ 1,544,494	\$ 1,052,231	\$ 492,264	\$ 1,304,794	\$ (252,564)
General	\$ 1,677,861	\$ 1,297,374	\$ 380,488	\$ 1,693,701	\$ (396,328)
Housing assistance payments	\$ 9,635,999	\$ 9,549,492	\$ 86,507	\$ 7,979,869	\$ 1,569,624
Depreciation and Amortization	\$ 3,659,605	\$ 2,917,844	\$ 741,760	\$ 3,244,115	\$ (326,271)
Total	\$ 24,429,739	\$ 21,355,564	\$ 3,074,175	\$ 20,211,673	\$ 1,143,891
<b>Operating Income</b>	\$ (1,733,146)	\$ 4,777,803	\$ (6,510,949)	\$ (506,957)	\$ 5,284,761
<b>Other Income (Expense)</b>					
Nonoperating Income (Expense)	\$ (1,225,214)	\$ 598,748	\$ (1,823,961)	\$ 35,426,517	\$ (34,827,770)
Capital Grants	\$ 14,011,216	\$ 1,841,956	\$ 12,169,260	\$ 3,156,153	\$ (1,314,198)
Change in Net Position	\$ 11,052,856	\$ 7,218,507	\$ 3,834,350	\$ 38,075,713	\$ (30,857,207)

For more detailed information, see the statement of activities.

### Major Factors Affecting the Statement of Activities

Tenant revenue increased in 2017 by \$2,872,702 primarily as a result of income from the 219 new units brought on line during the year and increased rent and reduced concessions at our market rate units.

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

Operating grant income increased in 2017 by \$332,628 an increase in HUD voucher funding offset by a reduction in public housing operating subsidy.

Operating grant income increased in 2016 by \$657,637 as a result of a full year of funding for the RAD tenant protection vouchers received to replace the operating and capital funds for the six properties sold to Boulder Communities, LLLP.

Management and developer fees decreased by \$6,678,109 as a result of the onetime recognition in 2016 of the remaining developer fee of \$7,021,014 for Boulder Communities, LLLP. The 2017 management and developer fees consisted of property management and resident services fees charged to the tax credit partnerships and a developer fee of \$320,013 from Palo Park Community, LLLP received at the financial closing.

Management and developer fees increased by \$6,244,188 in 2016 as a result of the recognition at the completion of construction of the remaining developer fee of \$7,021,014 for Boulder Communities, LLLP and an increase of \$114,527 in management fees from a full year of operations for Boulder Communities, LLLP.

## Boulder Housing Partners

### Management's Discussion and Analysis (Continued)

Administrative salaries and benefits increased by \$1,257,625 or 21% in 2017 from (1) a \$694,394 adjustment to pension benefits resulting from the implementation of GASB 68, and (2) budgeted increases in salaries and benefits

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

Utilities, maintenance and general costs increased by \$115,532, \$492,260 and \$380,489 respectively, in 2017 reflecting partial year for the additional 219 units acquired in 2017.

Utilities, maintenance and general costs decreased by \$220,659, \$252,560 and \$396,334 respectively, in 2016 reflecting a full year of savings from six Boulder Communities, LLLP properties converted to tax credit financing on September 30, 2015.

Housing assistance payments increased by \$86,507 and \$1,569,624 in 2017 and 2016 respectively, as a direct result of the new vouchers that replaced the public housing funding for the six Boulder Communities, LLLP properties converted to vouchers and tax credit financing in 2016 and no change in vouchers in 2017.

Depreciation expense increased by \$741,761 in 2017 reflecting partial year for the additional 219 units acquired in 2017.

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

Non-Operating income decreased by \$1,823,962 to a net expense of \$1,225,214 reflecting increased interest expense of \$1,085,461 and financing charges of \$458,892 from the refinanced loan at Bridgewalk and the new loans for Tantra and Vistoso as well as a smaller gain on sale of assets from 2016 by \$484,930.

Non-Operating income decreased by \$34,827,769 as a result of the gain on sale in 2015 of \$36,736,409 related to the conversion of six public housing properties to tax credit financing. BHP recorded an additional gain on sale of \$550,000 related to this transaction in 2016 following completion of construction when funds were available to be returned to BHP for expenses incurred prior to construction that had been written off in 2015. In addition, in 2016 BHP interest income increased by \$740,676 related to notes receivable from Boulder Communities, LLLP.

Capital grant income in 2017 consisted of (1) \$7,350,000 from the City of Boulder for the acquisition of Tantra Lake, (2) \$3,141,453 from the City of Boulder for the acquisition of a future development site, (3) \$1,209,659 from the City of Boulder and \$400,000 of Worthy Cause funds from Boulder County which were subsequently loaned to the Palo Park Community, LLLP, (4) \$800,000 from the City of Boulder and (5) \$984,866 of Federal MTW funds used for the acquisition of Cedar/Casey.

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

#### Capital Asset and Debt Administration

BHP's capital assets presented below include land, buildings and improvements, and equipment, net of depreciation, loan fees, net of amortization, and construction in progress at December 31, 2017, 2016, and 2015.

## Boulder Housing Partners

# Management's Discussion and Analysis (Continued)

### Capital Assets

	December 31, 2017	December 31, 2016	Change In Capital Assets	December 31, 2015	Change In Capital Assets
Land	\$ 38,556,847	\$ 17,184,115	\$ 21,372,732	\$ 16,630,778	\$ 553,337
Buildings	\$ 90,673,355	\$ 54,809,341	\$ 35,864,014	\$ 53,697,117	\$ 1,112,224
Equipment	\$ 830,693	\$ 554,270	\$ 276,423	\$ 482,951	\$ 71,319
Accum Depreciation	\$ (33,860,821)	\$ (30,255,381)	\$ (3,605,439)	\$ (27,337,536)	\$ (2,917,845)
Subtotal	\$ 96,200,074	\$ 42,292,344	\$ 53,907,730	\$ 43,473,309	\$ (1,180,965)
Construction in Progress	\$ 508,007	\$ 925,324	\$ (417,318)	\$ 321,087	\$ 604,238
Total Capital Assets	\$ 96,708,081	\$ 43,217,669	\$ 53,490,412	\$ 43,794,396	\$ (576,727)

During 2017, net capital assets increased by \$53,490,412. The net increase consisted of (1) an increase in land and building of \$21,372,734 and \$35,864,014 respectively, related to the acquisition of 185 units at Tantra Lake, 15 units at Vistoso, 19 units at Cedar/Casey and a future development site that consists of land and a church currently under lease to the congregation all offset by \$3,659,605 of depreciation expense.

During 2016, net capital assets decreased by \$576,727. The net decrease consisted of (1) an increase in land and building of \$553,336 and \$1,112,224 respectively, related to the acquisition of Hayden Place 2, a six unit apartment building adjacent to BHP's Hayden Place property, (2) \$200,000 for renovation work at Orchard House, (3) \$76,000 of building improvements at BHP office at 4800 Broadway, (4) Construction in progress includes \$925,324 of predevelopment costs primarily related to Palo Park development and the planned acquisition of Tantra Lake Apartments, all offset by \$2,917,844 of depreciation expense.

BHP has debt, consisting of loans, bonds, and notes, totaling \$79,391,456, \$36,390,458, and \$36,625,764, (including the current portion) at December 31, 2017, 2016, and 2015, respectively.

In 2017, new debt in the amount of \$29,705,000 in the form of a note payable secured by Tantra Lake, \$600,000 in the form of a note payable secured by Vistoso and an increase in debt of \$10,611,533 in the form of a note payable secured by Bridgewalk in the amount of \$23,460,000.

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

### Economic Factors

Significant economic factors affecting BHP are as follows:

#### Moving to Work

BHP was awarded the designation of a Moving to Work (MTW) agency by HUD effective January 1, 2012. MTW agencies, of which there are 39 in the country, are accepted into the program on the strength of their long-range plan of how to use deregulation to further three federal goals: increase efficiency/reduce cost; increase housing choices; and leverage customers' ability to achieve self-sufficiency. MTW agencies write an annual plan in which they are invited to request a waiver of rules in the Code of Federal Regulations that impede their ability to pursue their MTW plan. MTW designation is a much-sought-after tool in a PHA tool box. In the context of this discussion, the flexibility provided by HUD to change the way we manage our funds and administer our programs will help ease the strain of the current, and anticipated, reductions in federal support for affordable housing programs.

## **Boulder Housing Partners**

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# **Management's Discussion and Analysis (Continued)**

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

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

### **Federal Funding**

The domestic agenda of the current administration continues to be a significant issue for Housing Authorities across the country. The President's FY2019 budget proposes deep cuts in the HUD budget, reducing overall spending by 14% from enacted levels. The President's budget will be largely symbolic in what is expected to be another full year of budget negotiations. Federally appropriated funds for the administration of the Housing Choice Voucher program continue to hover below 80% of established need. In addition to insufficient funding, HUD is proposing to implement a new administrative fee funding model based on a 2013 study of the reasonable cost of managing the program. That study introduces yet another layer of uncertainty to our federal funding. BHP is in the best possible position to weather the impact given our MTW status. Nonetheless, we expect significant changes to program levels and continued strain on our reserves.

### **Economy**

The economy for rental housing in Boulder continues to operate at very low vacancy rates, although we have seen some softening in 2017. This market provides several advantages to BHP. Low vacancy minimizes turn time. Market rents continue to move further away from our affordable rents, making our affordable rents more and more attractive. And the higher market rents support our market portfolio, particularly our units at Tantra, Bridgewalk and 101 Canyon where we try to secure mid-to-top of the market rents. At the same time, the exceptionally low vacancy rates can create difficulty for our HCV customers in finding a place to live.

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

### **BHP Strategic Plan**

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

**Goal 1 - Preserving and Increasing Affordable Housing**

**Goal 2 - Partnerships and Community Engagement**

## Boulder Housing Partners

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# Management's Discussion and Analysis (Continued)

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### Goal 3 - Resident Achievement and Quality of Life

### Goal 4 - Maximizing Sustainability

### Goal 5 - Organizational Stewardship

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

### Current Projects

- Construction of 34 units of affordable housing is underway at Palo Park. This tax credit and private activity bond financed project will be completed in early 2018. The site will also include 9 units of affordable for sale units developed in partnership with Habitat for Humanity.
- BHP is working with several private developers on partnering for new housing where the developer will own the market rate product and BHP will ultimately own the affordable units. These partnerships allow us to leverage our development capabilities by relying on development partners.
- Predevelopment planning is underway for an expansion of our Red Oak Park project. This will include tax credit and private activity bond financing for approximately 40 new units on land we currently own.
- Predevelopment planning is also underway for a project that will include the sale of two existing BHP properties comprising approximately 115 units into a tax credit partnership and bring significant funds for a major renovation of each building similar to what we were able to accomplish with Project Renovate in 2015.
- BHP continues to look for opportunities to acquire existing units rather than focusing solely on new construction. This allows us to add units quickly yet requires a large amount of equity funding and speed of execution which prohibits us from using tax credit financing. These opportunities will require significant support from the City of Boulder.
- BHP is leading a national effort to increase the ability for housing programs and housing policy to positively affect the achievement gap for low income children. This initiative, *Bringing School Home*, is based on two decades of experience BHP and its partner, the I Have a Dream Foundation, have in hosting an extended year and extended day classroom of BHP children at our public housing properties. The startling results from this program in which 92% of BHP's public housing children are graduating from high school and 86% of them are continuing post-secondary education, is attracting national attention and giving rise to much inquiry about how housing organizations nationwide can best come to the table and be a partner in creating better outcomes for children. BHP is currently engaged in finding expanded funding in order to offer Bringing School Home to all of its 500+ children.
- Jeremy Durham was appointed by the BHP Board of Commissions as Executive Director effective June 16, 2017. Jeremy has served for the past two years as BHP's Director of Real Estate development. A complete Bio can be found on our website at <https://boulderhousing.org/>

### Contacting BHP's Financial Management

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

## Boulder Housing Partners

## Statement of Net Position

December 31, 2017 and 2016

	2017		2016	
	Primary Government (BHP)	Total Discrete Component Units	Primary Government (BHP)	Total Discrete Component Units
<b>Assets</b>				
Current assets:				
Cash and cash equivalents - Unrestricted (Notes 3 and 14)	\$ 9,695,348	\$ 1,123,545	\$ 7,204,350	\$ 1,384,804
Receivables:				
Grant receivable	190,054	-	200,258	-
Interest receivable - Related party (Note 4)	119,372	-	90,677	-
Tenant and fraud recovery receivables	85,265	33,432	46,720	16,500
Related party (Note 4)	201,991	49,761	3,822,506	132,915
Notes receivable - Related party (Note 4)	614,972	-	230,993	-
Cash and cash equivalents - Restricted (Notes 3 and 14)	1,394,566	3,307,542	13,360,499	1,893,269
Tenant security deposits - Restricted (Notes 3 and 14)	460,604	300,070	334,994	312,032
Inventory	3,741	-	5,035	-
Prepaid expenses	246,428	212,901	168,153	223,591
Total current assets	13,012,341	5,027,251	25,464,185	3,963,111
Noncurrent assets:				
Cash and cash equivalents - Restricted (Notes 3 and 14)	170,884	-	78,201	-
Investment in partnerships (Note 7)	398,754	-	399,113	-
Interest receivable - Related party notes (Note 4)	3,573,740	-	2,278,248	-
Notes receivable - Related party (Note 4)	60,269,716	-	47,216,614	-
Capital assets:				
Nondepreciable (Notes 5 and 14)	39,064,854	21,613,611	18,109,439	14,734,923
Net of depreciation (Notes 5 and 14)	57,643,227	111,142,478	25,108,229	117,176,239
Other assets	-	75,000	-	75,000
Total noncurrent assets	161,121,175	132,831,089	93,189,844	131,986,162
Total assets	174,133,516	137,858,340	118,654,029	135,949,273
<b>Deferred Outflows of Resources</b>				
Excess consideration provided in acquisition	275,072	-	285,789	-
Deferred outflows - Pensions (Note 9)	3,022,598	-	2,402,835	-
Total deferred outflows of resources	3,297,670	-	2,688,624	-

## Boulder Housing Partners

### Statement of Net Position (Continued)

December 31, 2017 and 2016

	2017		2016	
	Primary Government (BHP)	Total Discrete Component Units	Primary Government (BHP)	Total Discrete Component Units
<b>Liabilities</b>				
Current liabilities:				
Accounts payable	\$ 762,922	\$ 497,458	\$ 212,245	\$ 127,828
Related party payable	-	100,880	-	112,413
Security deposit liability	461,295	300,562	338,009	312,988
Accrued liabilities and other:				
Miscellaneous agency accounts	61,145	-	78,201	-
Accrued pilot	22,683	-	20,301	-
Accrued interest	39,446	56,121	63,224	-
Other current liabilities	163,312	77,141	151,499	77,047
Notes payable - Current portion (Notes 8 and 14)	7,930,674	1,182,461	877,697	49,636,060
Unearned revenue	25,012	17,643	32,813	17,279
Accrued wages/payroll taxes payable	252,633	11,459	142,954	13,569
Accrued compensated absences	228,798	12,398	284,440	8,934
Total current liabilities	9,947,920	2,256,123	2,201,383	50,306,118
Noncurrent liabilities:				
Notes payable - Net of current portion (Notes 8 and 14)	71,460,782	91,846,540	35,512,762	61,915,206
Accrued interest	-	3,699,312	-	2,395,260
Net pension liability (Note 9)	9,301,532	-	7,465,755	-
Total noncurrent liabilities	80,762,314	95,545,852	42,978,517	64,310,466
Total liabilities	90,710,234	97,801,975	45,179,900	114,616,584
<b>Deferred Inflows of Resources</b>				
Deferred inflows - Grant revenue	213,502	-	843,995	-
Deferred inflows - Pensions (Note 9)	231,579	-	95,743	-
Total deferred inflows of resources	445,081	-	939,738	-
<b>Net Position</b>				
Net investment in capital assets	18,410,957	39,727,088	6,827,209	23,982,421
Restricted:				
Restricted for HAP equity	25,412	3,307,542	1,013,320	1,893,269
Restricted for required reserves and escrow deposits	396,980	-	12,360,303	-
Unrestricted	67,442,522	(2,978,265)	55,022,183	(4,543,001)
Total net position	<b>\$ 86,275,871</b>	<b>\$ 40,056,365</b>	<b>\$ 75,223,015</b>	<b>\$ 21,332,689</b>

# Boulder Housing Partners

## Statement of Activities

### Years Ended December 31, 2017 and 2016

	2017		2016	
	Primary Government (BHP)	Total Discrete Component Units	Primary Government (BHP)	Total Discrete Component Units
<b>Operating Revenue</b>				
Revenue - Tenant	\$ 8,904,382	\$ 6,597,072	\$ 6,031,680	\$ 6,028,628
HUD PHA operating grants	11,302,720	-	10,934,176	-
Other federal grants	627,556	-	609,215	-
State and local grants	12,232	-	66,491	-
Management and fee income	664,770	-	641,878	-
Developer fee income	320,013	-	7,021,014	-
Other income	864,920	22,209	828,913	38,328
<b>Total operating revenue</b>	<b>22,696,593</b>	<b>6,619,281</b>	<b>26,133,367</b>	<b>6,066,956</b>
<b>Operating Expenses</b>				
Housing assistance payments	9,635,999	-	9,549,492	-
Administrative salaries and benefits	7,348,110	634,825	6,090,485	664,745
Administrative operating	816,816	699,895	664,961	698,839
Tenant services	301,022	272,541	272,376	289,513
Utilities	563,670	683,654	448,138	627,629
Protective services	38,139	-	30,323	-
Maintenance	1,544,494	1,376,670	1,052,231	1,520,438
Insurance premiums	389,928	246,086	288,707	246,805
Other general expense	131,956	-	41,007	-
Depreciation and amortization	3,659,605	5,229,613	2,917,844	3,788,493
<b>Total operating expenses</b>	<b>24,429,739</b>	<b>9,143,284</b>	<b>21,355,564</b>	<b>7,836,462</b>
<b>Operating (Loss) Income</b>	<b>(1,733,146)</b>	<b>(2,524,003)</b>	<b>4,777,803</b>	<b>(1,769,506)</b>
<b>Nonoperating Income (Expense)</b>				
Gain on sale of assets	54,353	-	539,283	-
Interest income	1,517,031	1,756	1,403,071	1,620
Interest expense (Note 8)	(2,330,624)	(3,474,705)	(1,245,164)	(2,490,285)
Interest rate swap	-	323,711	-	54,401
Other	(465,974)	-	(7,082)	-
Debt forgiveness	-	-	(91,360)	-
<b>Total nonoperating (expense) income</b>	<b>(1,225,214)</b>	<b>(3,149,238)</b>	<b>598,748</b>	<b>(2,434,264)</b>
<b>(Loss) Gain - Before contributions</b>	<b>(2,958,360)</b>	<b>(5,673,241)</b>	<b>5,376,551</b>	<b>(4,203,770)</b>
<b>Capital Contributions and Distributions</b>				
Partner contributions	-	24,972,023	-	-
State and local capital grants and donations	12,966,519	-	463,450	-
Partner distributions	-	(6,421)	-	(6,291)
<b>Total capital contributions and distributions</b>	<b>12,966,519</b>	<b>24,965,602</b>	<b>463,450</b>	<b>(6,291)</b>
<b>Capital Grants - Federal</b>	<b>1,044,697</b>	<b>-</b>	<b>1,378,506</b>	<b>-</b>
<b>Change in Net Position</b>	<b>11,052,856</b>	<b>19,292,361</b>	<b>7,218,507</b>	<b>(4,210,061)</b>
<b>Net Position - Beginning of year</b>	<b>75,223,015</b>	<b>20,764,004</b>	<b>68,004,508</b>	<b>25,542,750</b>
<b>Net Position - End of year</b>	<b>\$ 86,275,871</b>	<b>\$ 40,056,365</b>	<b>\$ 75,223,015</b>	<b>\$ 21,332,689</b>

## Boulder Housing Partners

## Statement of Cash Flows

Years Ended December 31, 2017 and 2016

	Primary Government (BHP)	
	2017	2016
<b>Cash Flows from Operating Activities</b>		
Cash received from HUD operating subsidies and grants	\$ 11,952,712	\$ 11,739,447
Cash received from tenants	8,865,837	6,008,116
Other receipts	5,470,218	4,873,177
Cash payments for housing assistance	(9,635,999)	(9,549,492)
Cash payments for administrative expenses	(6,769,769)	(4,987,415)
Cash payments for other operating expenses	<u>(2,584,162)</u>	<u>(2,414,775)</u>
Net cash provided by operating activities	7,298,837	5,669,058
<b>Cash Flows Provided by Investing Activities</b> - Interest income	221,023	506,172
<b>Cash Flows from Capital and Related Financing Activities</b>		
Capital grants received	14,011,216	1,841,956
Proceeds from capital debt	55,701,871	597,672
Proceeds from sale of capital assets	54,353	532,198
Repayment of notes payable	(13,166,848)	(832,979)
Payments from notes receivable	109,348	12,740,275
Issuance of notes receivable	(14,005,800)	(3,473,489)
Purchase of property and equipment	(57,150,018)	(2,341,116)
Interest expense	<u>(2,330,624)</u>	<u>(1,245,164)</u>
Net cash (used in) provided by capital and related financing activities	<u>(16,776,502)</u>	<u>7,819,353</u>
<b>Net (Decrease) Increase in Cash and Cash Equivalents</b>	(9,256,642)	13,994,583
<b>Cash and Cash Equivalents</b> - Beginning of year	<u>20,978,044</u>	<u>6,983,461</u>
<b>Cash and Cash Equivalents</b> - End of year	<u><b>\$ 11,721,402</b></u>	<u><b>\$ 20,978,044</b></u>
<b>Cash and Cash Equivalents Reconciliation</b>		
Cash and investments	\$ 9,695,348	\$ 7,204,350
Restricted cash - Security deposits, current and noncurrent	<u>2,026,054</u>	<u>13,773,694</u>
Total cash and cash equivalents	<u><b>\$ 11,721,402</b></u>	<u><b>\$ 20,978,044</b></u>

## Boulder Housing Partners

### Statement of Cash Flows (Continued)

Years Ended December 31, 2017 and 2016

	Primary Government (BHP)	
	2017	2016
<b>Reconciliation of Operating (Loss) Income to Net Cash from Operating Activities</b>		
Operating (loss) income	\$ (1,733,146)	\$ 4,777,806
Adjustments to reconcile operating (loss) income to net cash from operating activities:		
Depreciation	3,659,605	2,917,844
Bad debts	56,552	8,174
Deferred outflow	(609,046)	(347,219)
Gain on investment in partnerships	359	417
Forgiveness of note receivable and accrued interest	431,192	-
Changes in assets and liabilities:		
Receivables	3,535,622	(3,520,801)
Inventory	1,294	(2,679)
Prepaid expenses and other assets	(78,275)	(60,714)
Accounts payable and other accrued expenses	1,911,394	1,888,687
Security and other trust deposits	123,286	7,543
Total adjustments	<u>9,031,983</u>	<u>891,252</u>
Net cash and cash equivalents provided by operating activities	<u><u>\$ 7,298,837</u></u>	<u><u>\$ 5,669,058</u></u>
<b>Significant Noncash Transactions</b> - Forgiveness of note receivable and accrued interest	\$ 431,192	\$ -

## Boulder Housing Partners

### Combining Balance Sheet for Discretely Presented Component Units

**December 31, 2017**  
**(with comparative totals for 2016)**

	Broadway East	Broadway West	Holiday Community	High Mar Community	Lee Hill Community	Red Oak Park	WestView Community	Palo Parkway	Boulder Communities	2017	2016
<b>Assets</b>											
Cash and investments	\$ 43,710	\$ 68,692	\$ 135,936	\$ 40,868	\$ 189,289	\$ 213,931	\$ 86,198	\$ 48	\$ 344,873	\$ 1,123,545	\$ 1,384,804
Receivables	1,779	918	3,417	19,277	867	5,839	719	-	50,377	83,193	149,415
Tenant security deposits - Restricted	40,414	23,249	42,549	21,264	-	53,300	28,494	-	90,800	300,070	312,032
Prepaid expenses	27,246	10,587	12,008	48,983	15,011	19,348	10,785	-	68,933	212,901	223,591
Cash and cash equivalents - Restricted	284,546	172,902	285,019	301,498	211,407	371,194	219,843	3	1,461,130	3,307,542	1,893,269
Capital assets:											
Nondepreciable	-	105,838	817,533	-	885,045	-	471,613	7,002,433	12,331,149	21,613,611	14,734,923
Net of depreciation	4,802,088	4,909,618	3,404,692	10,384,458	5,497,066	9,072,838	4,559,116	-	68,512,602	111,142,478	117,176,239
Other assets	-	-	-	10,000	65,000	-	-	-	-	75,000	75,000
<b>Total assets</b>	<b>5,199,783</b>	<b>5,291,804</b>	<b>4,701,154</b>	<b>10,826,348</b>	<b>6,863,685</b>	<b>9,736,450</b>	<b>5,376,768</b>	<b>7,002,484</b>	<b>82,859,864</b>	<b>137,858,340</b>	<b>135,949,273</b>
<b>Liabilities</b>											
Accounts payable	3,784	4,966	9,125	6,079	3,606	23,010	12,974	389,952	43,962	497,458	127,828
Security deposit liability	40,413	23,248	42,549	21,764	-	53,298	28,493	-	90,797	300,562	312,988
Related party payable	8,199	4,405	6,453	9,055	8,623	9,372	5,168	-	49,605	100,880	112,413
Notes payable - Net of current portion	4,568,754	3,344,264	2,205,747	7,420,683	3,774,184	3,332,586	4,249,641	5,585,857	57,364,824	91,846,540	61,915,206
Accrued liabilities and other	6,350	8,000	6,350	17,353	14,743	16,499	6,350	-	57,617	133,262	77,047
Notes payable - Current portion	50,000	43,957	105,501	105,025	-	48,702	90,623	-	738,653	1,182,461	49,636,060
Unearned revenue	896	523	3,073	3,095	1,993	1,798	7	-	6,258	17,643	17,279
Accrued wages/payroll taxes payable	868	513	966	1,164	611	1,164	671	-	5,502	11,459	13,569
Accrued compensated absences	1,971	1,062	2,201	594	379	2,638	367	-	3,186	12,398	8,934
Noncurrent liabilities - Due in more than one year	124,911	-	789,879	419,480	116,297	44,347	106,844	46,266	2,051,288	3,699,312	2,395,260
<b>Total liabilities</b>	<b>4,806,146</b>	<b>3,430,938</b>	<b>3,171,844</b>	<b>8,004,292</b>	<b>3,920,436</b>	<b>3,533,414</b>	<b>4,501,138</b>	<b>6,022,075</b>	<b>60,411,692</b>	<b>97,801,975</b>	<b>114,616,584</b>
<b>Net Position</b>											
Net investment in capital assets	183,334	1,627,235	1,910,977	2,858,750	2,607,927	5,691,550	690,465	1,416,576	22,740,274	39,727,088	23,982,421
Restricted	284,546	172,902	285,019	301,498	211,407	371,194	219,843	3	1,461,130	3,307,542	1,893,269
Unrestricted	(74,243)	60,729	(666,686)	(338,192)	123,915	140,292	(34,678)	(436,170)	(1,753,232)	(2,978,265)	(4,543,001)
<b>Total net position</b>	<b>\$ 393,637</b>	<b>\$ 1,860,866</b>	<b>\$ 1,529,310</b>	<b>\$ 2,822,056</b>	<b>\$ 2,943,249</b>	<b>\$ 6,203,036</b>	<b>\$ 875,630</b>	<b>\$ 980,409</b>	<b>\$22,448,172</b>	<b>\$ 40,056,365</b>	<b>\$ 21,332,689</b>

See notes to financial statements.

## Boulder Housing Partners

### Combining Statement of Activities for Discretely Presented Component Units

	<b>Year Ended December 31, 2017</b> <b>(with comparative totals for 2016)</b>										
	Broadway East	Broadway West	Holiday Community	High Mar Community	Lee Hill Community	Red Oak Park	WestView Community	Palo Parkway	Boulder Communities	2017	2016
<b>Operating Revenue</b>											
Revenue - Tenant	\$ 507,488	\$ 288,020	\$ 523,749	\$ 661,181	\$ 359,879	\$ 690,077	\$ 411,845	\$ -	\$ 3,154,833	\$ 6,597,072	\$ 6,028,628
Other income	117	683	104	8,657	10	125	79	-	12,434	22,209	38,328
Total operating revenue	507,605	288,703	523,853	669,838	359,889	690,202	411,924	-	3,167,267	6,619,281	6,066,956
<b>Operating Expenses</b>											
Administrative salaries and benefits	51,555	39,121	40,851	45,240	89,467	49,713	34,880	-	283,998	634,825	664,745
Administrative operating	47,819	37,239	152,270	65,764	46,304	59,963	34,963	-	255,573	699,895	698,839
Tenant services	22,204	-	-	49,275	4,425	22,656	-	-	173,981	272,541	289,513
Utilities	55,052	32,179	6,105	72,071	42,569	91,372	30,651	-	353,655	683,654	627,629
Maintenance	104,804	68,292	85,097	121,369	159,992	143,870	54,631	-	638,615	1,376,670	1,520,438
Insurance premiums	16,896	14,664	17,725	30,615	22,251	28,616	15,954	-	99,365	246,086	246,805
Depreciation and amortization	319,919	259,864	258,482	472,430	260,690	451,362	205,513	-	3,001,353	5,229,613	3,788,493
Total operating expenses	618,249	451,359	560,530	856,764	625,698	847,552	376,592	-	4,806,540	9,143,284	7,836,462
<b>Operating (Loss) Income</b>	(110,644)	(162,656)	(36,677)	(186,926)	(265,809)	(157,350)	35,332	-	(1,639,273)	(2,524,003)	(1,769,506)
<b>Nonoperating Income (Expense)</b>											
Interest income	86	179	402	170	226	340	258	-	95	1,756	1,620
Interest rate swap	53,740	-	-	269,971	-	-	-	-	-	323,711	54,401
Interest expense	(180,235)	(45,881)	(193,743)	(800,252)	(29,733)	(245,356)	(165,790)	-	(1,813,715)	(3,474,705)	(2,490,285)
Total nonoperating expense	(126,409)	(45,702)	(193,341)	(530,111)	(29,507)	(245,016)	(165,532)	-	(1,813,620)	(3,149,238)	(2,434,264)
<b>Capital Contributions and Distributions</b>											
Partner contributions	-	-	-	-	-	-	-	980,409	23,991,614	24,972,023	-
Partner distributions	-	-	(6,421)	-	-	-	-	-	-	(6,421)	(6,291)
Total capital contributions and distributions	-	-	(6,421)	-	-	-	-	980,409	23,991,614	24,965,602	(6,291)
<b>Change in Net Position</b>	(237,053)	(208,358)	(236,439)	(717,037)	(295,316)	(402,366)	(130,200)	980,409	20,538,721	19,292,361	(4,210,061)
<b>Net Position - Beginning of year (Note 13)</b>	630,690	2,069,224	1,765,749	3,539,093	3,238,565	6,605,402	1,005,830	-	1,909,451	20,764,004	25,542,750
<b>Net Position - End of year</b>	<b>\$ 393,637</b>	<b>\$ 1,860,866</b>	<b>\$ 1,529,310</b>	<b>\$ 2,822,056</b>	<b>\$ 2,943,249</b>	<b>\$ 6,203,036</b>	<b>\$ 875,630</b>	<b>\$ 980,409</b>	<b>\$ 22,448,172</b>	<b>\$ 40,056,365</b>	<b>\$ 21,332,689</b>

See notes to financial statements.

December 31, 2017 and 2016

### Note 1 - Nature of Business

#### ***Organization and Reporting Entity***

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

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

#### ***Blended Component Units***

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

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

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

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

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

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

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

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

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

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

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

December 31, 2017 and 2016

### Note 1 - Nature of Business (Continued)

A reporting entity is composed of the primary government and component units that are included to ensure that the financial statements are not misleading.

#### ***Discretely Presented Component Units***

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

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

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

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

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

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

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

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

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

**Note 1 - Nature of Business (Continued)**

*Palo Park Community, LLLP* - The general partner of this partnership, Palo Ventures, LLC, is wholly owned by BHP. Palo Ventures, LLC has an ownership percentage of .02 percent. As owner of the general partner and as the property manager, BHP has the responsibility of the establishment of the budget and the day-to-day operational responsibility of the partnership. BHP is entitled to the majority of the cash flow from the component units through repayment of debt.

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

**Note 2 - Significant Accounting Policies**

***Basis of Accounting and Presentation***

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

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

***Cash and Cash Equivalents***

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

***Tenant Receivable - Recognition of Bad Debts***

Tenant accounts receivable are stated at net rent amounts. Tenant accounts generally are collectible as long as the tenant is occupying the unit; however, the Authority has specifically reserved \$20,129 and \$2,016 as potentially uncollectible as of December 31, 2017 and 2016, respectively.

***Inventories***

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

***Notes Receivable***

Notes receivable are stated at net of allowance. Collectibility is evaluated annually based on payments received and cash flow of each individual entity. If amounts are deemed to be uncollectible, the Authority establishes an allowance for doubtful accounts.

**Note 2 - Significant Accounting Policies (Continued)**

***Property and Equipment***

Property and equipment are recorded at cost. Costs in excess of \$5,000 that materially add to the productive capacity and extend the life of an asset longer than one year are capitalized, while maintenance and repair costs are expensed as incurred. Contributed assets are valued at acquisition value on the date of donation. Property and equipment are depreciated using the straight-line method over the following useful lives:

	<u>Depreciable Life - Years</u>
Building and improvements	10-30
Site improvements	10
Furniture and fixtures, equipment, and moving vehicles	5

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

Impaired capital assets that will no longer be used by the Authority are reported at the lower of carrying value or fair value, or written off entirely. During 2017 and 2016, no impairments were recorded.

The Authority records its respective percentage of assets, liabilities, income, and expenses for tenancy in common agreements.

***Work in Progress***

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

***Restricted Cash***

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

***Deferred Outflows and Inflows of Resources***

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense) until then. The Authority has two items that qualify for reporting in this category. One is the deferred charge on the acquisition of Foothills Community LLC in which it is the difference in the carrying value of property and its acquisition price. The deemed purchase price exceeded the acquisition value of the acquisition, which created a deferred outflow at December 31, 2017 and 2016 of \$275,072 and \$285,789, respectively. This amount is deferred and amortized over the life of the building of 30 years. The second represents changes in the difference between expected and actual experience and employer contributions to the pension plan subsequent to the measurement date, as discussed in Note 9.

**December 31, 2017 and 2016**

**Note 2 - Significant Accounting Policies (Continued)**

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Authority has two items that qualify for reporting in this category. At December 31, 2017 and 2016, deferred revenue is in the amount of \$213,502 and \$843,995, respectively. This is deferred and recognized as an inflow of resources in the period that the time requirements have been met. The second represents the changes in expected and actual experience related to the pension plan, as discussed in Note 9.

***Pensions***

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

***Compensated Absences***

The Authority allows employees to accumulate earned but unused sick and vacation pay benefits. The Authority accrues all vacation pay as it is earned, and the sick pay is accrued as it is used, plus an additional amount is accrued in the event the sick pay is expected to be paid out. Full-time employees receive annual vacation leave with pay. Part-time employees receive vacation leave on a prorated basis. No more than 35 days may be accumulated at any point in time. Additionally, an employee who has completed 10 years of service may, at his or her option, give up 40 hours of accrued vacation once each year in return for 40 hours of pay at their regular, straight-time hourly rate. BHP's sick leave policy permits the accumulation of 4.31 hours per pay period. Part-time employees receive sick leave on a prorated basis. An employee with six consecutive months without tardiness or absence other than vacation may convert up to 16 hours of sick time, in excess of his or her accumulated 120 sick time hours, at the rate of one hour sick time to one hour vacation. However, the employee's vacation balance resulting from such conversion may not exceed 35 days. Vacation accrued through the last complete pay period immediately preceding the date of separation from employment shall be paid to the employee who retires or terminates with two weeks' notice. The Authority had a program whereby employees who accumulated sick hours in excess of 640 hours would receive a payout at separation equal to half the hours in excess of the 640 sick hours. This program was terminated in 2014. At the time of transition, the employees who were eligible and had an existing balance were offered an option to receive 85 percent of the amount due as payment in full in January 2014 or wait and receive the full balance at separation. The vast majority elected to receive a reduced payment in January 2014. The remaining balance of \$37,960 was paid out in full in 2017.

***Unearned Revenue***

Unearned revenue consists primarily of prepaid subsidy and prepaid tenant rent payments recognized at year end. Amounts are recognized in the period during which the associated use of premises occurs.

**Note 2 - Significant Accounting Policies (Continued)**

***Net Position***

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

- i. *Net Investment in Capital Assets* - This category consists of capital assets (including restricted capital assets), net of accumulated depreciation and reduced by any outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, and improvements of those assets.
- ii. *Restricted* - This category equals the restricted cash or receivable of the Authority and consists of net position restricted in its use by (1) external groups, such as grantors, creditors, or laws and regulations of other governments, or (2) law through constitutional provisions or enabling legislation.
- iii. *Unrestricted* - This category includes all of the remaining net position that does not meet the definition of the other two categories.

***Revenue Recognition***

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

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

***Operating Revenue and Expenses***

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

***Capital Grants***

The Authority records grants received for capital outlay as contributions of capital grants

***State and Local Contributions***

The Authority records revenue received from state and local governments as state and local capital grants when earned.

***Nonoperating Revenue and Expenses***

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

***Use of Estimates***

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

**Note 2 - Significant Accounting Policies (Continued)**

***Subsequent Events***

The financial statements and related disclosures include evaluation of events through and including May 17, 2018, which is the date the financial statements were available to be issued.

***Upcoming Accounting Pronouncements***

In June 2017, the GASB issued Statement No. 87, *Leases*, which improves accounting and financial reporting for leases by governments. This statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The Authority is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the Authority's financial statements for the year ending December 31, 2020.

In November 2016, the GASB issued Statement No. 83, *Certain Asset Retirement Obligations*, which establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations. The Authority is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the Authority's fiscal year ending December 31, 2019.

**Note 3 - Deposits and Investments**

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

	2017	2016
Cash and cash equivalents - Unrestricted (current)	\$ 9,695,348	\$ 7,204,350
Cash and cash equivalent - Restricted (current)	1,394,566	13,360,499
Tenant security deposits	460,604	334,994
Cash and cash equivalents - Restricted (noncurrent)	170,884	78,201
Total deposits and investments	\$ 11,721,402	\$ 20,978,044

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

	2017	2016
Bank deposits (checking accounts and savings accounts)	\$ 11,721,202	\$ 20,977,844
Petty cash	200	200
Total	\$ 11,721,402	\$ 20,978,044

***Deposits***

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

**Note 3 - Deposits and Investments (Continued)**

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

Restricted Cash - Primary Government	2017	2016
Security deposits - Restricted (current)	\$ 460,604	\$ 334,994
HAP equity (current)	13,007	195
Funded reserves (current)	1,381,559	-
Escrow deposit	-	1,000,001
Restricted for note receivable	-	12,360,303
FSS escrow (noncurrent)	61,131	78,201
Construction funds (noncurrent)	109,753	-
Total restricted	<u>\$ 2,026,054</u>	<u>\$ 13,773,694</u>

**Note 4 - Related Party Transactions**

The following is a description of transactions between the Authority and related parties:

Included in current related party accounts receivable are advances made to, or expenses paid by, the Authority on behalf of the related tax credit operating partnerships totaling \$201,991 and \$274,981 at December 31, 2017 and 2016, respectively. Amounts are due on demand and are noninterest bearing.

Also, included in related party accounts receivable at December 31, 2016 is the developer fees receivable related to Boulder Communities, LLLP in the amount of \$3,547,525. These were received per scheduled limited partner equity payments during 2017.

**Note 4 - Related Party Transactions (Continued)**

**Notes Receivable**

At December 31, 2017 and 2016, the Authority's related party notes receivable consisted of the following:

	2017	2016
<p>The Authority has two notes receivable in the original amount of \$340,000 in total from Vistoso Community, LLLP (Vistoso), a tax credit project. The notes bear interest annually at 2.0 percent and are due in full with the accrued interest on December 31, 2022. Payments are required when Vistoso generates positive cash flow. There was no accrued interest at December 31, 2017 due to the forgiveness of the notes upon acquisition of the limited partnership interest. See Note 13 for further information on the sale of Vistoso Community, LLLP and the forgiveness of the note. The accrued interest at December 31, 2016 was \$91,182. The notes are collateralized by deeds of trust</p>	\$ -	\$ 340,000
<p>The Authority has two notes receivable in the original amount of \$717,500, in total, from Holiday Community, LLLP (Holiday), a tax credit project. The notes bear interest annually at 9.0 percent and are due in full with the accrued interest on December 31, 2021. Payments are required when Holiday generates positive cash flow. At December 31, 2017 and 2016, the Authority had \$789,879 and \$704,242, respectively, of accrued interest receivable. The notes are collateralized by deeds of trust</p>	438,742	510,039
<p>The Authority has a note receivable in the original amount of \$1,253,531 from Broadway East Community, LLLP (Broadway East), a tax credit project. The note bears interest at 5.15 percent compounded annually and is required to be repaid when Broadway East generates positive cash flow. At December 31, 2017 and 2016, the Authority had \$118,709 and \$80,592, respectively, of accrued interest receivable. The note is collateralized by a deed of trust and is due in full with the accrued interest by December 31, 2047</p>	1,253,531	1,253,531
<p>The Authority has two notes receivable in the original amount of \$1,498,338 in total from Broadway East. The notes are noninterest bearing and are due in full by December 31, 2047. Payments are required when Broadway East generates positive cash flow. The notes are collateralized by deeds of trust</p>	1,458,378	1,458,378
<p>The Authority has a note receivable in the original amount of \$1,802,205 from Broadway West Community, LLLP (Broadway West). The note is noninterest bearing and is due in full by December 31, 2058. Payments are required when Broadway West generates positive cash flow. The note is collateralized by a deed of trust</p>	1,556,057	1,587,957
<p>The Authority has a note receivable in the original amount of \$1,100,000 from Red Oak Park, LLLP (Red Oak Park). The note bears interest at 5 percent compounded annually and is due in full with the accrued interest on December 31, 2040. Payments are required when Red Oak Park generates positive cash flow. At December 31, 2017 and 2016, the Authority had \$44,346 and \$23,191, respectively, of accrued interest receivable. The note is collateralized by a deed of trust</p>	862,122	908,900

**December 31, 2017 and 2016**

**Note 4 - Related Party Transactions (Continued)**

	2017	2016
<p>The Authority has two notes receivable in the original amount of \$1,568,813 in total from WestView Community, LLLP (WestView), a tax credit project. The notes bear interest compounded annually at 1.25 percent and are due in full with accrued interest on December 31, 2042. Payments are required when WestView generates positive cash flow. At December 31, 2017 and 2016, the Authority had \$105,137 and \$84,455, respectively, of accrued interest receivable. The notes are collateralized by deeds of trust</p>	\$ 1,568,813	\$ 1,568,813
<p>The Authority has one note receivable in the original amount of \$650,000 from WestView Community, LLLP (WestView). The notes bear interest at 1.25 percent compounded annually and are due in full with the accrued interest on October 17, 2025. Payments are required when WestView generates positive cash flow. At December 31, 2017 and 2016, the Authority had \$1,706 and \$2,008, respectively, of accrued interest receivable. The notes are collateralized by a deed of trust</p>	127,581	160,249
<p>The Authority has two notes receivable in the original amount of \$3,177,611, in total, from High Mar Community, LLLP (High Mar), a tax credit project. The notes bear interest annually at 2.5 percent and are due in full with the accrued interest on December 31, 2043. Payments are required when High Mar generates positive cash flow. At December 31, 2017 and 2016, the Authority had \$408,545 and \$321,077, respectively, of accrued interest receivable. The notes are collateralized by deeds of trust</p>	3,177,611	3,177,611
<p>The Authority has a note receivable in the original amount of \$625,000 from Lee Hill Community, LLLP (Lee Hill). The note bears interest at 4.0 percent compounded annually and is due in full with the accrued interest on August 31, 2043. Payments are required when Lee Hill generates positive cash flow. At December 31, 2017 and 2016, the Authority had \$115,014 and \$86,565, respectively, of accrued interest receivable. The note is collateralized by a deed of trust</p>	625,000	625,000
<p>The Authority has three notes receivable in the original amount of \$3,098,150, in total, from Lee Hill Community, LLLP (Lee Hill), a tax credit project. The notes are noninterest bearing and are due in full by August 31, 2043. Payments are required when Lee Hill generates positive cash flow. The notes are collateralized by deeds of trust</p>	3,098,150	3,098,150
<p>During 2015, the Authority entered into three notes receivable in the original amount of \$28,800,088 from Boulder Communities, LLLP, a tax credit property. The notes bear interest at 2.64 percent and are due in full on September 30, 2055. Payments are required when Boulder Communities, LLLP generates positive cash flow. At December 31, 2017 and 2016, the Authority had \$1,740,967 and \$955,421, respectively, of accrued interest receivable on the notes. The notes are collateralized by deeds of trust</p>	28,800,088	28,800,088
<p>During 2015, the Authority entered into a note receivable in the original amount of \$12,025,000 from Boulder Communities, LLLP, a tax credit property. The note, bearing interest at 2.64 percent, is due on September 30, 2055. The loan amount was funded in 2017. At December 31, 2017, the Authority had \$291,055 of accrued interest. The note is collateralized by a deed of trust</p>	12,025,000	-

**December 31, 2017 and 2016**

**Note 4 - Related Party Transactions (Continued)**

	2017	2016
<p>During 2017, the Authority entered into a note receivable in the original amount of \$400,000 from Palo Park Communities, LLLP, a tax credit property. The note, bearing interest at 2.81 percent, is due on January 31, 2116. At December 31, 2017, the Authority had \$9,551 of accrued interest. The note is collateralized by a deed of trust</p>	\$ 400,000	\$ -
<p>During 2017, the Authority entered into two notes receivable in the original amount of \$1,537,580 from Palo Park Communities, LLLP, a tax credit property. The notes, bearing interest at 2.81 percent, are due on December 31, 2057. At December 31, 2017, the Authority had \$36,715 of accrued interest. The notes are collateralized by a deed of trust</p>	1,537,580	-
<p>During 2016, the Authority earned a developer fee of \$7,021,014 related to the renovation of Boulder Communities, LLLP. Per the limited partnership agreement of Boulder Communities, LLLP, once the final equity installment is received by Boulder Communities, LLLP, the remaining developer fee payable will convert into a note receivable in the amount of \$3,516,709 and be referred to as the deferred developer fee. The deferred developer fee note will bear interest at 1.0 percent, is payable based on annual cash flow, and is due in full on December 31, 2030. There was no interest accrued for the year ended December 31, 2016. The note began accruing in July 2017, once the mortgage converted to permanent. The Authority had accrued interest of \$19,316 at December 31, 2017</p>	3,516,709	3,473,489
<p>During 2015, the Authority entered into a note receivable in the original amount of \$874,259 from High Mar Community, LLLP (High Mar), a tax credit project. The note bears interest at 2.70 percent compounded annually and is due in full with the accrued interest on February 7, 2026. Payments are required when High Mar generates positive cash flow. At December 31, 2017 and 2016, the Authority had \$10,935 and \$12,120, respectively, of accrued interest receivable on the notes</p>	388,293	433,217
<p>During 2015, the Authority entered into a note receivable in the original amount of \$58,283 from Lee Hill Community, LLLP (Lee Hill), a tax credit project. The note bears interest at 2.47 percent compounded annually and is due in full with the accrued interest on December 31, 2025. Payments are required when Lee Hill generates positive cash flow. At December 31, 2017 and 2016, the Authority had \$1,283 and \$1,386, respectively, of accrued interest receivable on the notes</p>	51,033	52,185
Total	60,884,688	47,447,607
Less current portion	614,972	230,993
Long-term portion	\$ 60,269,716	\$ 47,216,614

**December 31, 2017 and 2016**

**Note 5 - Capital Assets**

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

	Balance January 1, 2017	Additions and Transfers In	Reductions and Transfers Out	Balance December 31, 2017
Capital assets not being depreciated:				
Land	\$ 17,184,114	\$ 21,372,733	\$ -	\$ 38,556,847
Work in progress	925,325	1,859,328	(2,276,646)	508,007
Total nondepreciable assets	18,109,439	23,232,061	(2,276,646)	39,064,854
Capital assets being depreciated:				
Depreciable capital assets	54,809,341	35,864,014	-	90,673,355
Furniture and equipment	554,270	330,588	(54,165)	830,693
Total depreciable capital assets	55,363,611	36,194,602	(54,165)	91,504,048
Accumulated depreciation	30,255,381	3,659,605	(54,165)	33,860,821
Net capital assets being depreciated	25,108,230	32,534,997	-	57,643,227
Net business-type activity capital assets	<u>\$ 43,217,669</u>	<u>\$ 55,767,058</u>	<u>\$ (2,276,646)</u>	<u>\$ 96,708,081</u>
	Balance January 1, 2016	Additions and Transfers In	Reductions and Transfers Out	Balance December 31, 2016
Capital assets not being depreciated:				
Land	\$ 16,630,778	\$ 553,336	\$ -	\$ 17,184,114
Work in progress	321,087	889,086	(284,848)	925,325
Subtotal	16,951,865	1,442,422	(284,848)	18,109,439
Capital assets being depreciated:				
Building and improvements	53,697,117	1,112,223	-	54,809,340
Furniture and equipment	482,951	71,319	-	554,270
Subtotal	54,180,068	1,183,542	-	55,363,610
Accumulated depreciation	27,337,537	2,917,844	-	30,255,381
Net capital assets being depreciated	26,842,531	(1,734,302)	-	25,108,229
Net capital assets	<u>\$ 43,794,396</u>	<u>\$ (291,880)</u>	<u>\$ (284,848)</u>	<u>\$ 43,217,668</u>

**Note 5 - Capital Assets (Continued)**

Depreciation expense for the years ended December 31, 2017 and 2016 was \$3,659,605 and \$2,917,844, respectively.

During 2017, the Authority purchased Tantra Lake and Cedar Casey, two apartment complexes from an unrelated third party, for \$45,700,000 and \$6,225,000, respectively. The Authority received approximately \$7,350,000 from the City of Boulder, Colorado for the purchase of Tantra Lake, contingent upon the apartment remaining affordable housing. This is included in state and local capital grants and donations on the statement of activities.

During 2017, the Authority entered into a Tenancy in Common Agreement to receive 59.8 percent interest in Mount Calvary, which is approximately \$709,000 of additions to building and \$2,498,000 of land and land improvements. The Authority recorded approximately of \$3,100,000 in revenue in relation to this agreement. This is included in state and local capital grants and donations on the statement of activities.

**Note 6 - Notes Receivable**

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

**Note 7 - Investment in Partnerships - Joint Ventures**

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

The investments are recorded under the equity method as joint ventures. These joint ventures are also discretely presented component units of the Authority. The Authority recognizes contributions, distributions, and net income or loss on its ownership share of the activity of the Partnerships on an annual basis. The total loss recognized by the Authority as part of miscellaneous expense during the years ended December 31, 2017 and 2016 was \$359 and \$419, respectively. The investments in the Partnerships at December 31 were as follows:

	2017	2016
Partnership name:		
Boulder Communities, LLLP	\$ (477)	\$ (130)
Broadway East Community, LLLP	(100)	(79)
Broadway West Community, LLLP	(81)	(62)
High Mar Community, LLLP	(66)	(22)
Holiday Community, LLLP	399,695	399,718
Lee Hill Community, LLLP	11	41
Red Oak Park, LLLP	(265)	(225)
Vistoso Community, LLLP	-	(78)
WestView Community, LLLP	(63)	(50)
Palo Park Communities, LLLP	100	-
	\$ 398,754	\$ 399,113
Total		

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

**December 31, 2017 and 2016**

**Note 8 - Long-term Debt**

Long-term debt activity for the years ended December 31, 2017 and 2016 can be summarized as follows:

		2017							
Interest Rate Ranges	Principal Maturity	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year	Original Loan Amount		
Note payable - Affordable Housing FHLB loan program	0%	09/25/27	\$ 64,173	\$ -	\$ (5,833)	\$ 58,340	\$ -	\$ 163,334	
Mortgage payable - Canyon Pointe	3.25%	12/01/18	3,703,576	-	(164,248)	3,539,328	3,539,328	5,200,000	
Mortgage payable - Canyon Pointe	1.00%	07/31/45	1,166,547	-	-	1,166,547	-	1,252,059	
Mortgage payable - Arapahoe East, Dakota Ridge, Sanitas Place, and Twin Pines	3.50%	04/01/21	3,094,378	-	(113,302)	2,981,076	119,088	4,500,000	
Bond payable - Bridgewalk	4.25%	07/27/26	12,923,449	-	(12,923,449)	-	-	14,000,000	
Mortgage payable - Foothills	3.25%	09/01/28	6,523,857	-	(154,685)	6,369,172	159,882	7,000,000	
Mortgage payable - Hayden Place, Woodlands, Whittier, and 101 Canyon	3.85%	07/01/27	5,316,807	-	(123,609)	5,193,198	131,805	5,815,000	
Mortgage payable - Hayden Place 2	4.20%	07/01/27	597,672	-	(10,271)	587,401	10,719	600,000	
Note payable to the City of Boulder, Colorado	0%	07/17/20	3,000,000	-	-	3,000,000	-	3,000,000	
Mortgage payable - Bridgewalk	3.86%	04/01/32	-	23,460,000	(176,805)	23,283,195	328,549	23,460,000	
Mortgage payable - Tantra lake	3.42%	04/01/27	-	29,705,000	(270,088)	29,434,912	454,700	29,705,000	
Mortgage payable - Vistoso	4.79%	12/01/47	-	600,000	-	600,000	8,316	600,000	
Line of credit	2.00%	08/29/18	-	6,303,018	(3,124,731)	3,178,287	3,178,287	8,112,000	
<b>Total long-term debt</b>			<b>\$ 36,390,459</b>	<b>\$ 60,068,018</b>	<b>\$ (17,067,021)</b>	<b>\$ 79,391,456</b>	<b>\$ 7,930,674</b>	<b>\$ 103,407,393</b>	

  

		2016							
Interest Rate	Principal Maturity	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year	Original Loan Amount		
Note payable - Affordable Housing FHLB loan program	0%	09/25/27	\$ 70,006	\$ -	\$ (5,833)	\$ 64,173	\$ -	\$ 163,334	
Mortgage payable - Canyon Pointe	3.25%	12/01/18	3,862,165	-	(158,589)	3,703,576	166,099	5,200,000	
Mortgage payable - Canyon Pointe	1.00%	07/31/45	1,166,547	-	-	1,166,547	-	1,252,059	
Mortgage payable - Arapahoe East, Dakota Ridge, Sanitas Place, and Twin Pines	3.50%	04/01/21	3,203,431	-	(109,053)	3,094,378	114,998	4,500,000	
Mortgage payable - Bridgewalk	4.25%	07/27/26	13,215,553	-	(292,104)	12,923,449	304,786	14,000,000	
Mortgage payable - Foothills	3.25%	09/01/28	6,672,942	-	(149,085)	6,523,857	154,707	7,000,000	
Mortgage payable - Hayden Place, Woodlands, Whittier, and 101 Canyon	3.85%	07/01/27	5,435,122	-	(118,315)	5,316,807	126,834	5,815,000	
Mortgage payable - Hayden Place 2	4.20%	07/01/27	-	597,672	-	597,672	10,273	600,000	
Note payable - City of Boulder, Colorado	0%	07/17/20	3,000,000	-	-	3,000,000	-	3,000,000	
<b>Total long-term debt</b>			<b>\$ 36,625,766</b>	<b>\$ 597,672</b>	<b>\$ (832,979)</b>	<b>\$ 36,390,459</b>	<b>\$ 877,697</b>	<b>\$ 41,530,393</b>	

**Note 8 - Long-term Debt (Continued)**

***Debt Service Requirements to Maturity***

Annual debt service requirements to maturity for the above bonds and note obligations are as follows:

Years Ending December 31	Principal	Interest	Total
2018	\$ 4,752,386	\$ 2,604,091	\$ 7,356,477
2019	1,258,631	2,446,267	3,704,898
2020	1,298,302	2,406,596	3,704,898
2021	3,831,960	2,292,660	6,124,620
2022	1,265,971	2,217,641	3,483,612
2023-2027	35,239,018	9,725,438	44,964,456
2028-2032	23,936,909	3,357,514	27,294,423
2033-2047	1,571,652	335,963	1,907,615
Total	<u>\$ 73,154,829</u>	<u>\$ 25,386,170</u>	<u>\$ 98,540,999</u>

The future minimum principal payments do not include \$58,340 of debt under the Affordable Housing FHLB loan program that is forgiven annually and the line of credit for \$3,178,287. Subsequent to year end, the line of credit has been paid in full.

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

Interest expense for the years ended December 31, 2017 and 2016 was \$2,330,624 and \$1,245,164, respectively.

***Tax-exempt Bond Issuance***

BHP has issued tax-exempt revenue bonds to provide debt financing for six legally separate entities. Upon bond issuance, all financial activity is assumed by the paying agent, and BHP is not obligated for the repayment of these bonds. As conduit, no obligation for financing, the bonds are not reflected in the Authority's financial statements. Information regarding the status of each bond issue, including possible default, must be obtained from the paying agent or other knowledgeable source. The entities and the original issue amounts are as follows: The Center for People with Disabilities (\$750,000); Thistle Housing (\$3,740,000); Broadway East Community, LLLP (a related party) (\$3,750,000); WestView Community, LLLP (a related party) (\$3,167,000); High Mar Community, LLLP (a related party) (\$7,206,000); Boulder Communities, LLLP (a related party) (\$45,778,678); and Palo Park Communities, LLLP (a related party) (\$6,900,000). The total amount outstanding on the bonds at December 31, 2017 and 2016 is approximately \$28,000,000 and \$57,000,000, respectively.

**December 31, 2017 and 2016****Note 9 - Pension Plan*****Plan Description***

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

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

Management of the plan is vested in the pension board, which consists of seven members - three elected by plan members, three appointed by the Authority, and the Authority's treasurer, who serves as an ex-officio member.

***Contributions***

The Authority is required to contribute member and employer contributions to PERA at a rate set by statute. The contribution requirements of plan members and the Authority are established under Title 24, Article 51, Part 4 of the CRS, as amended. The contribution rate for members is 8.0 percent and for the Authority is 13.7 percent of covered salary. A portion of the Authority's contribution (1.02 percent of covered salary) is allocated to the Health Care Trust Fund. The Authority is also required to pay an amortization equalization disbursement (AED) equal to 2.20 percent of the total payroll for calendar years 2017 and 2016. Additionally, the Authority is required to pay a supplemental amortization equalization disbursement (SAED) equal to 1.50 percent of the total payroll for calendar years 2017 and 2016. For the years ended December 31, 2017 and 2016, the Authority's employer contributions to the LGDTF were equal to its required contributions of \$645,238 and \$575,312, respectively.

***Net Pension Liability***

At December 31, 2017 and 2016, the Authority reported a liability of \$9,301,532 and \$7,465,755, respectively, for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2016 for the year ended December 31, 2017, and December 31, 2015 for the year ended December 31, 2016. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2015 for the year ended December 31, 2017, and December 31, 2014 for the year ended December 31, 2016, which used update procedures to roll forward the estimated liability to December 31, 2017 and 2016, respectively. The Authority's proportion of the net pension liability was based on the Authority's contributions as a percentage of total employer contributions during the measurement period. At December 31, 2016 and 2015, the Authority's proportion was 0.6888283740 and 0.6777309287 percent, respectively.

**Note 9 - Pension Plan (Continued)**

***Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

For the years ended December 31, 2017 and 2016, the Authority recognized pension expense of \$1,351,849 and \$657,455, respectively.

At December 31, 2017 and 2016, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2017		2016	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 2,377,360	\$ 231,579	\$ 1,827,524	\$ 95,743
Employer contributions to the plan subsequent to the measurement date	645,238	-	575,311	-
<b>Total</b>	<b>\$ 3,022,598</b>	<b>\$ 231,579</b>	<b>\$ 2,402,835</b>	<b>\$ 95,743</b>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the table below. These amounts are exclusive of the employer contributions to the plan made subsequent to the measurement date \$(645,238), which will impact net pension liability in fiscal year 2018, rather than pension expense:

Years Ending December 31	Amount
2018	\$ 367,258
2019	367,258
2020	460,322
2021	475,472
2022	475,471
<b>Total</b>	<b>\$ 2,145,781</b>

***Actuarial Assumptions***

The total pension liability as of December 31, 2016 and 2015 is based on results of an actuarial valuation date of December 31, 2015 and 2014, respectively, and rolled forward and was determined using the following actuarial assumptions, applied to all periods included in the measurement

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

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

The actuarial assumptions used in the December 31, 2015 and 2014 valuation were based on the results of an actuarial experience study for the period from January 1, 2008 through December 31, 2011, adopted by PERA's board on November 13, 2012, and an economic assumption study, adopted by PERA's board on November 15, 2013 and January 17, 2014.

**Note 9 - Pension Plan (Continued)**

***Discount Rate***

The discount rate used to measure the total pension liability as of December 31, 2017 and 2016 was 7.25 and 7.5 percent, respectively. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the fixed statutory rates specified in law.

***Investment Rate of Return***

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected return, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return as of November 18, 2016 for each major asset class are summarized in the following table:

Asset Class	December 31, 2017	
	Target Allocation (%)	Long-term Expected Real Rate of Return
U.S. equity - Large cap	21.00 %	4.30 %
U.S. equity - Small cap	7.00	4.80
Non-U.S. equity - Developed	19.00	5.20
Non-U.S. equity - Emerging	6.00	5.40
Core-fixed income	19.00	1.20
High yield	1.00	4.30
Non-U.S. fixed income - Developed	2.00	0.60
Emerging market debt	-	3.90
Core real estate	9.00	4.90
Opportunity fund	6.00	3.80
Private equity	9.00	6.60
Cash	1.00	0.20

The target allocation and best estimates of arithmetic real rates of return as of November 15, 2013 for each major asset class are summarized in the following table:

Asset Class	December 31, 2016	
	Target Allocation (%)	Long-term Expected Real Rate of Return
U.S. equity - Large cap	27.00 %	5.00 %
U.S. equity - Small cap	4.00	5.19
Non-U.S. equity - Developed	22.00	5.29
Non-U.S. equity - Emerging	6.00	6.76
Core-fixed income	24.00	0.98
High yield	2.00	3.00
Long-duration government/credit	1.00	2.00
Emerging market bonds	-	3.00
Real estate	7.00	5.09
Cash or cash equivalents	7.00	7.15

**Note 9 - Pension Plan (Continued)**

***Sensitivity of the Net Pension Liability to Changes in the Discount Rate***

The following presents the net pension liability of the Authority, calculated using the discount rate of 7.25 percent, as well as what the Authority's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25 percent) or 1 percentage point higher (8.25 percent) than the current rate for December 31, 2017:

	1 Percent Decrease (6.25%)	Current Discount Rate (7.25%)	1 Percent Increase (8.25%)
Net pension liability - December 31, 2017	\$ 13,714,676	\$ 9,301,527	\$ 5,646,957

The following presents the net pension liability of the Authority, calculated using the discount rate of 7.5 percent, as well as what the Authority's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.5 percent) or 1 percentage point higher (8.5 percent) than the current rate for December 31, 2016:

	1 Percent Decrease (6.5%)	Current Discount Rate (7.5%)	1 Percent Increase (8.5%)
Net pension liability - December 31, 2016	\$ 11,445,760	\$ 7,465,755	\$ 4,165,000

***Pension Plan Fiduciary Net Position***

Detailed information about the plan's fiduciary net position is available in a separately issued PERA financial report.

**Note 10 - Nonexchange Financial Guarantees**

***General Partner Operating Deficit Guarantees***

In relation to the performance of the tax credit partnerships for which the Authority is the general partner, the Authority has agreed to provide certain levels of funding in the event of partnership operating deficits that exceed operating reserves. The maximum amount required to fund the excess operating deficits ranges by partnership from zero to the total amount of the excess operating deficit for a single partnership. The guarantees are in place until specific milestones specifically defined in the partnership agreement are met. If the Authority is required to fund a deficit under this guarantee, the advance would be structured as a loan to the partnership. These loans would be repayable without interest in accordance with available cash flow. As of December 31, 2017 and 2016, there were no additional liabilities relating to excess operating deficits for any of the partnerships.

***General Partner Guarantees of Debt***

The Authority has provided payment guarantees to a lender of a portion of the outstanding debt for Red Oak Park, LLLP; WestView Community, LLLP; High Mar Community, LLLP; Boulder Communities, LLLP; and Palo Park Communities, LLLP. The amount of the debt that was guaranteed was \$26,094,381 and \$54,969,283 as of December 31, 2017 and 2016, respectively. The debt has various maturity dates ranging from April 1, 2019 through February 15, 2031. In the event that any of these partnerships is unable to make a payment when due, the Authority will be required to make that payment.

**Note 11 - Commitments and Contingencies**

The Authority received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with the terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the Authority. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the Authority at December 31, 2017 and 2016.

**December 31, 2017 and 2016**

**Note 12 - Blended Component Units**

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

	December 31, 2017			2017	2016
	Woodland Communities, LLC	Foothill Communities, LLC	Vistoso Community, LLC		
<b>Assets</b>					
Current assets	\$ 485,828	\$ 504,328	\$ 224,573	\$ 1,214,729	\$ 951,232
Capital assets	1,781,319	10,152,641	877,312	12,811,272	12,477,099
Total assets	2,267,147	10,656,969	1,101,885	14,026,001	13,428,331
<b>Liabilities</b>					
Current liabilities	118,281	270,700	28,088	417,069	382,090
Noncurrent liabilities	2,748,855	6,209,290	591,684	9,549,829	9,187,436
Total liabilities	2,867,136	6,479,990	619,772	9,966,898	9,569,526
<b>Net Position</b>					
Net investment in capital assets	(967,536)	3,943,351	285,628	3,261,443	3,289,663
Restricted	407,764	94,967	43,510	546,241	546,989
Unrestricted	(40,217)	138,661	152,975	251,419	22,153
Total net position	\$ (599,989)	\$ 4,176,979	\$ 482,113	\$ 4,059,103	\$ 3,858,805

Income statement information is as follows:

	December 31, 2017			2017	2016
	Woodland Communities, LLC	Foothills Communities, LLC	Vistoso Community, LLC		
<b>Operating Revenue</b>					
Rent - Net	\$ 445,947	\$ 1,033,557	\$ 79,029	\$ 1,558,533	\$ 1,462,896
Other	4,434	16,119	1,830	22,383	40,481
Total operating revenue	450,381	1,049,676	80,859	1,580,916	1,503,377
<b>Operating Expenses</b>					
Operating expenses	279,335	514,244	2,124	795,703	958,979
Depreciation	266,395	398,998	14,870	680,263	660,690
Total operating expenses	545,730	913,242	16,994	1,475,966	1,619,669
<b>Nonoperating Expense - Interest expense</b>	(110,673)	(212,227)	(3,174)	(326,074)	(331,383)
<b>Change in Net Position</b>	(206,022)	(75,793)	60,691	(221,124)	(447,675)
<b>Net Position - Beginning of year</b>	(393,967)	4,252,772	421,422	4,280,227	4,306,480
<b>Net Position - End of year</b>	\$ (599,989)	\$ 4,176,979	\$ 482,113	\$ 4,059,103	\$ 3,858,805

**Note 12 - Blended Component Units (Continued)**

Cash flow statement information is as follows:

	December 31, 2017			2017	2016
	Woodland Communities, LLC	Foothill Communities, LLC	Vistoso Community, LLC		
<b>Net Cash Provided by Operating Activities</b>	\$ 66,137	\$ 295,990	\$ 99,395	\$ 461,522	\$ 270,666
<b>Net Cash (Used in) Provided by Financing Activities</b>	(66,747)	(154,685)	1,013,105	791,673	(212,975)
<b>Net Cash Used in Investing Activities</b>	(103,220)	(26,748)	(892,182)	(1,022,150)	(25,248)
<b>Net (Decrease) Increase in Cash</b>	(103,830)	114,557	220,318	231,045	32,443
<b>Cash - Beginning of year</b>	575,642	402,642	-	978,284	945,841
<b>Cash - End of year</b>	<u>\$ 471,812</u>	<u>\$ 517,199</u>	<u>\$ 220,318</u>	<u>\$ 1,209,329</u>	<u>\$ 978,284</u>

**Note 13 - Vistoso Transaction**

In prior years, the Authority was the general partner of Vistoso Community, LLLP (the "LLLPP") and had a .01 percent interest in the partnership, and Vistoso Community, LLLP was treated as a discretely presented component unit. Vistoso Community, LLLP had been reported by the Authority as a joint venture under the equity method. In 2017, the limited partner of Vistoso Community, LLLP sold its interest to BHP. BHP created a wholly owned LLC, Vistoso Community, LLC (the "LLC"), to purchase the limited partner's 99.99 percent interest. BHP placed its .01 percent interest in the LLLP into the LLC so that the LLC now owns 100 percent of Vistoso Community, LLLP. Vistoso Community, LLLP has now been dissolved, and the beginning of year net position for the discretely presented component units has been restated by \$568,685 for this dissolution. The LLC is now reported as a blended component unit. BHP had approximately \$435,000 in notes receivable and related accrued interest due from Vistoso Community, LLLP, which BHP forgave. Under GASB No. 69, governmental acquisitions are recorded at acquisition value. The most significant asset of Vistoso Community, LLLP was the property, which had an acquisition value of \$892,000 at the time of the purchase of the limited partner interest. The deemed purchase price of this transaction was \$435,000, the forgiven debt and accrued interest. The deemed acquisition value of the acquisition exceeded the purchase price, which reduced the building at December 31, 2017 by approximately \$64,000.

**Note 14 - Discretely Presented Component Units**

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

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

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

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

	<u>2017</u>	<u>2016</u>
Cash and cash equivalents - Unrestricted (current)	\$ 1,123,545	\$ 1,384,804
Cash and cash equivalents - Restricted (current)	3,307,542	1,893,269
Tenant security deposits	300,070	312,032
Total	<u>\$ 4,731,157</u>	<u>\$ 3,590,105</u>

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

The restricted cash balances of the discretely presented component units are made up of \$300,070 and \$312,032 of security deposits and \$3,307,542 and \$1,893,269 of funded reserves for the years ended December 31, 2017 and 2016, respectively.

December 31, 2017 and 2016

**Note 14 - Discretely Presented Component Units (Continued)**

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

Schedule of Component Unit Capital Assets December 31, 2017	Depreciable or Amortizable				Accumulated Depreciation and Amortization	2017 Net Capital Assets	2016 Net Capital Assets
	Nondepreciable						
	Land	Tax Credit Fees	Buildings and Improvements	Furniture, Fixtures, and Equipment			
Boulder Communities, LLLP	\$ 12,331,149	\$ 239,220	\$ 71,946,265	\$ 1,071,849	\$ (4,744,732)	\$ 80,843,751	\$ 83,554,851
Broadway East Community, LLLP	-	52,913	7,561,717	68,123	(2,880,665)	4,802,088	5,023,881
Broadway West Community, LLLP	105,838	32,862	6,944,929	19,417	(2,087,590)	5,015,456	5,256,626
Holiday Community, LLLP	817,533	27,473	6,770,052	26,388	(3,419,221)	4,222,225	4,456,380
High Mar Community, LLLP	-	44,371	11,978,745	39,121	(1,677,778)	10,384,459	10,856,889
Lee Hill Community, LLLP	885,045	34,030	6,180,189	95,686	(812,839)	6,382,111	6,637,087
Palo Park Community, LLLP	-	-	-	-	-	-	-
Red Oak Park, LLLP	-	68,403	11,944,903	194,158	(3,134,626)	9,072,838	9,471,589
Vistoso Community, LLLP	-	-	-	-	-	-	1,422,416
WestView Community, LLLP	470,000	19,840	5,597,585	-	(1,058,310)	5,029,115	5,219,780
Total fixed assets placed in service	14,609,565	519,112	128,924,385	1,514,742	(19,815,761)	125,752,043	131,899,499
Holiday Community, LLLP - Construction in progress	-	-	-	-	-	-	8,929
Lee Hill Community, LLLP - Construction in progress	-	-	-	-	-	-	1,121
Palo Park Community, LLLP - Construction in progress	-	-	7,002,433	-	-	7,002,433	-
WestView Community, LLLP - Construction in progress	-	-	1,613	-	-	1,613	1,613
Total Discrete Component Unit Net Capital Assets	<u>\$ 14,609,565</u>	<u>\$ 519,112</u>	<u>\$ 135,928,431</u>	<u>\$ 1,514,742</u>	<u>\$ (19,815,761)</u>	<u>\$ 132,756,089</u>	<u>\$ 131,911,162</u>

**December 31, 2017 and 2016**

**Note 14 - Discretely Presented Component Units (Continued)**

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

	Beginning Balance	Capital Additions and Other Adjustments	Depreciation and Amortization	End of Year Balance	2016 End of Year Balance
Boulder Communities, LLLP	\$ 83,554,851	\$ 290,253	\$ (3,001,353)	80,843,751	\$ 83,554,851
Broadway East Community, LLLP	5,023,881	126,003	(347,796)	4,802,088	5,023,881
Broadway West Community, LLLP	5,256,626	32,862	(274,032)	5,015,456	5,256,626
Holiday Community, LLLP	4,456,380	45,839	(279,994)	4,222,225	4,456,380
High Mar Community, LLLP	10,856,889	-	(472,430)	10,384,459	10,856,889
Lee Hill Community, LLLP	6,637,087	5,715	(260,691)	6,382,111	6,637,087
Palo Park Community, LLLP	-	-	-	-	-
Red Oak Park, LLLP	9,471,589	76,172	(474,923)	9,072,838	9,471,589
Vistoso Community, LLLP	-	-	-	-	1,422,416
WestView Community, LLLP	5,219,781	19,840	(210,506)	5,029,115	5,219,780
Total fixed assets placed in service - December 31, 2017	130,477,084	596,684	(5,321,725)	125,752,043	131,899,499
Holiday Community, LLLP - Construction in progress	8,929	(8,929)	-	-	8,929
Lee Hill Community, LLLP - Construction in progress	1,120	(1,120)	-	-	1,121
Palo Park Community, LLLP - Construction in progress	-	7,002,433	-	7,002,433	-
WestView Community, LLLP - Construction in progress	1,613	-	-	1,613	1,613
Total discrete component unit net capital assets	<u>\$ 130,488,746</u>	<u>\$ 7,589,068</u>	<u>\$ (5,321,725)</u>	<u>\$ 132,756,089</u>	<u>\$ 131,911,162</u>

December 31, 2017 and 2016

**Note 14 - Discretely Presented Component Units (Continued)**

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

Schedule of Component Unit Debt December 31, 2017	Lender	Interest Rate	Maturity Date	Balance - Beginning of Year	Additions (Payments)	Balance - End of Year	Principal Due Within One Year
Boulder Communities	First Bank of Boulder	3.98%	2033	45,554,021	(31,659,883)	13,894,139	251,899
	Boulder Housing Partners	2.64%	2055	1,152,519	-	1,152,519	-
	Boulder Housing Partners	2.64%	2055	-	12,025,000	12,025,000	-
	Boulder Housing Partners	2.64%	2055	7,647,569	-	7,647,569	-
	Boulder Housing Partners	2.64%	2055	20,000,000	-	20,000,000	-
	Boulder Housing Partners	1.00%	2030	3,473,489	43,219	3,516,708	486,755
Broadway East Community, LLLP	US Bank	Variable	2024	2,093,533	(103,740)	1,989,793	50,000
	Boulder Housing Partners	0.00%	2047	1,458,378	-	1,458,378	-
	Boulder Housing Partners	5.15%	2047	1,253,531	-	1,253,531	-
Broadway West Community, LLLP	First Bank of Boulder	5.00%	2025	914,075	(18,209)	895,866	19,241
	Colorado Housing Finance Agency	0.00%	2041	936,298	-	936,298	-
	Boulder Housing Partners	0.00%	2058	1,587,957	(31,900)	1,556,057	24,716
Holiday Community, LLLP	First Bank of Boulder	4.50%	2021	1,946,129	(66,993)	1,879,136	71,577
	Boulder Housing Partners	9.00%	2021	160,039	(71,297)	88,742	33,924
	Boulder Housing Partners	9.00%	2021	350,000	-	350,000	-
High Mar Community, LLLP	Wells Fargo	Variable	2015	4,116,220	(113,947)	4,002,274	77,182
	Boulder Housing Partners	2.50%	2043	2,587,611	-	2,587,611	-
	Boulder Housing Partners	2.50%	2043	590,000	-	590,000	-
	Boulder Housing Partners	2.70%	2025	433,216	(44,923)	388,293	27,843
Lee Hill Community, LLLP	Boulder Housing Partners	4.00%	2043	625,000	-	625,000	-
	Boulder Housing Partners	0.00%	2043	3,098,150	-	3,098,150	-
	Boulder Housing Partners	2.00%	2015	52,185	(1,152)	51,033	-
Palo Park Community, LLLP	First Bank of Boulder	3.50%	2035	-	2,687,953	2,687,953	-
	Boulder Housing Partners	0.00%	2057	-	960,324	960,324	-
	Boulder Housing Partners	2.81%	2057	-	1,209,659	1,209,659	-
	Boulder Housing Partners	2.81%	2057	-	400,000	400,000	-
	Boulder Housing Partners	2.81%	2057	-	327,921	327,921	-
Red Oak Park, LLLP	Keybank National Association	6.50%	2027	2,816,934	(45,120)	2,771,814	48,456
	Boulder Housing Partners	5.00%	2040	885,538	(23,416)	862,122	246
WestView Community, LLLP	First Bank of Boulder	4.85%	2029	2,791,405	(53,203)	2,738,202	51,559
	Boulder Housing Partners	1.25%	2042	1,729,062	(32,668)	1,696,394	39,064
Totals				108,252,860	(14,612,374)	93,640,486	\$ 1,182,461
	Less Debt Issuance Costs					(611,485)	
	Total Debt					93,029,001	

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## Required Supplemental Information

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## Boulder Housing Partners

Required Supplemental Information  
Schedule of Boulder Housing Partners' Proportionate Share of the Net  
Position Liability  
Colorado Public Employees' Retirement Association - Local  
Government Division Trust Fund

	<b>Last Three Fiscal Years</b>		
	<b>For the Plan Year Ended December 31</b>		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
Authority's proportion of the net pension liability	0.68883 %	0.67773 %	0.61627 %
Authority's proportionate share of the net pension liability	\$ 9,301,527	\$ 7,465,755	\$ 5,523,658
Authority's covered employee payroll	\$ 7,348,110	\$ 6,090,485	\$ 5,059,089
Authority's proportionate share of the net pension liability as a percentage of its covered employee payroll	126.58 %	122.60 %	109.20 %
Plan fiduciary net position as a percentage of total pension liability	- %	- %	- %

**Boulder Housing Partners**

Required Supplemental Information  
Schedule of Boulder Housing Partners' Contributions  
Colorado Public Employees' Retirement Association - Local  
Governmental Division Trust Fund

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	<b>Last Three Fiscal Years</b>		
	<b>Years Ended December 31</b>		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 645,238	\$ 575,312	\$ 527,311
Contributions in relation to the contractually required contribution	<u>645,238</u>	<u>575,312</u>	<u>527,311</u>
<b>Contribution Deficiency</b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>
<b>Authority's Covered Employee Payroll</b>	\$ 7,348,110	\$ 6,090,485	\$ 5,059,089
<b>Contributions as a Percentage of Covered Employee Payroll</b>	8.78 %	9.40 %	10.40 %

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## Supplemental Information

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		Public Housing Project Total	14.881 MTW	14.CFP Capital Fund	14.HCV Section 8 HCV	14.OPS Low Rent	14.871 Housing Choice Vouchers	14.182 N/C S/R Section 8 Programs - Canyon Pointe	14.870 Resident Opportunity and Supportive Services
	<b>Balance Sheet Assets</b>								
111	Cash - Unrestricted	\$99,664	\$1,541,830				\$954	\$117,792	\$0
112	Cash - Restricted - Modernization and Development							\$0	
113	Cash - Other Restricted		\$53,549				\$7,582	\$183,478	
114	Cash - Tenant Security Deposits	\$12,921						\$33,267	
115	Cash - Restricted for Payment of Current Liabilities							\$0	
<b>100</b>	<b>Total Cash</b>	<b>\$112,585</b>	<b>\$1,595,379</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8,536</b>	<b>\$334,537</b>	<b>\$0</b>
121	Accounts Receivable - PHA Projects								
122	Accounts Receivable - HUD Other Projects								
124	Accounts Receivable - Other Government	\$105,583							
125	Accounts Receivable - Miscellaneous		\$7,508				\$2,858		
126	Accounts Receivable - Tenants	\$16,958	\$0					\$7,576	
126	Allowance for Doubtful Accounts - Tenants	-\$11,572	\$0					-\$1,683	
126	Allowance for Doubtful Accounts - Other	\$0	\$0				\$0		
127	Notes, Loans, & Mortgages Receivable - Current								
128	Fraud Recovery		\$18,474				\$2,552		
128	Allowance for Doubtful Accounts - Fraud		\$0				\$0		
129	Accrued Interest Receivable								
<b>120</b>	<b>Total Receivables, Net of Allowances for Doubtful Accounts</b>	<b>\$110,969</b>	<b>\$25,982</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,410</b>	<b>\$5,893</b>	<b>\$0</b>
131	Investments - Unrestricted								
132	Investments - Restricted							\$0	
135	Investments - Restricted for Payment of Current Liability							\$0	
142	Prepaid Expenses and Other Assets	\$12,759	\$2,209					\$25,006	
143	Inventories								
143	Allowance for Obsolete Inventories								
144	Inter Program Due From								
145	Assets Held for Sale								
<b>150</b>	<b>Total Current Assets</b>	<b>\$236,313</b>	<b>\$1,623,570</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$13,946</b>	<b>\$365,436</b>	<b>\$0</b>

		14.149 Rent Supplements - Rental Housing for Lower Income Families Glen Willows	14.181 Supportive Housing for Persons with Disabilities (MS50)	14.267 Continuum of Care Program	Business Activities	Central Office Cost Center	Subtotal	ELIM	Total	6.1 Component Unit - Discretely Presented
	<b>Balance Sheet Assets</b>									
111	Cash - Unrestricted	\$366,812	\$2,426	\$46,287	\$7,474,122	\$45,462	\$9,695,349		\$9,695,349	\$1,123,545
112	Cash - Restricted - Modernization and Development						\$0		\$0	
113	Cash - Other Restricted	\$0	\$13,006		\$1,307,834		\$1,565,449		\$1,565,449	\$3,307,542
114	Cash - Tenant Security Deposits	\$16,689			\$397,727		\$460,604		\$460,604	\$300,071
115	Cash - Restricted for Payment of Current Liabilities						\$0		\$0	
<b>100</b>	<b>Total Cash</b>	<b>\$383,501</b>	<b>\$15,432</b>	<b>\$46,287</b>	<b>\$9,179,683</b>	<b>\$45,462</b>	<b>\$11,721,402</b>	<b>\$0</b>	<b>\$11,721,402</b>	<b>\$4,731,158</b>
121	Accounts Receivable - PHA Projects									
122	Accounts Receivable - HUD Other Projects									
124	Accounts Receivable - Other Government			\$47,254		\$37,216	\$190,053		\$190,053	
125	Accounts Receivable - Miscellaneous				\$22,874	\$168,752	\$201,992		\$201,992	\$51,571
126	Accounts Receivable - Tenants	\$3,189			\$56,645		\$84,368		\$84,368	\$36,076
126	Allowance for Doubtful Accounts - Tenants	-\$100			-\$6,774	\$0	-\$20,129		-\$20,129	-\$2,643
126	Allowance for Doubtful Accounts - Other			\$0	\$0	\$0	\$0		\$0	\$0
127	Notes, Loans, & Mortgages Receivable - Current				\$556,085	\$58,886	\$614,971		\$614,971	
128	Fraud Recovery						\$21,026		\$21,026	
128	Allowance for Doubtful Accounts - Fraud						\$0		\$0	
129	Accrued Interest Receivable				\$31,957	\$87,415	\$119,372		\$119,372	
<b>120</b>	<b>Total Receivables, Net of Allowances for Doubtful Accounts</b>	<b>\$3,089</b>	<b>\$0</b>	<b>\$47,254</b>	<b>\$660,787</b>	<b>\$352,269</b>	<b>\$1,211,653</b>	<b>\$0</b>	<b>\$1,211,653</b>	<b>\$85,004</b>
131	Investments - Unrestricted									
132	Investments - Restricted						\$0		\$0	
135	Investments - Restricted for Payment of Current Liability						\$0		\$0	
142	Prepaid Expenses and Other Assets	\$18,097			\$146,900	\$41,456	\$246,427		\$246,427	\$212,900
143	Inventories					\$3,741	\$3,741		\$3,741	
143	Allowance for Obsolete Inventories					\$0	\$0		\$0	
144	Inter Program Due From					\$116,808	\$116,808	-\$116,808	\$0	
145	Assets Held for Sale									
<b>150</b>	<b>Total Current Assets</b>	<b>\$404,687</b>	<b>\$15,432</b>	<b>\$93,541</b>	<b>\$9,987,370</b>	<b>\$559,736</b>	<b>\$13,300,031</b>	<b>-\$116,808</b>	<b>\$13,183,223</b>	<b>\$5,029,062</b>

		Public Housing Project Total	14.881 MTW	14.CFP Capital Fund	14.HCV Section 8 HCV	14.OPS Low Rent	14.871 Housing Choice Vouchers	14.182 N/C S/R Section 8 Programs - Canyon Pointe	14.870 Resident Opportunity and Supportive Services
161	Land	\$175,006						\$386,348	
162	Buildings	\$2,483,886						\$4,532,233	
163	Furniture, Equipment & Machinery - Dwellings							\$19,920	
164	Furniture, Equipment & Machinery - Administration							\$23,739	
165	Leasehold Improvements								
166	Accumulated Depreciation	-\$2,251,149						-\$3,956,046	
167	Construction in Progress								
168	Infrastructure								
<b>160</b>	<b>Total Capital Assets, Net of Accumulated Depreciation</b>	<b>\$407,743</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,006,194</b>	<b>\$0</b>
171	Notes, Loans and Mortgages Receivable - Non-Current								
172	Notes, Loans, & Mortgages Receivable - Non Current - Past Due								
173	Grants Receivable - Non Current								
174	Other Assets								
176	Investments in Joint Ventures								
<b>180</b>	<b>Total Non-Current Assets</b>	<b>\$407,743</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,006,194</b>	<b>\$0</b>
<b>190</b>	<b>Total Assets</b>	<b>\$644,056</b>	<b>\$1,623,570</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$13,946</b>	<b>\$1,371,630</b>	<b>\$0</b>
200	Deferred Outflow of Resources	\$19,845	\$143,424					\$37,920	
<b>290</b>	<b>Total Assets and Deferred Outflow of Resources</b>	<b>\$663,901</b>	<b>\$1,766,994</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$13,946</b>	<b>\$1,409,550</b>	<b>\$0</b>

		14.149 Rent Supplements - Rental Housing for Lower Income Families Glen Willows	14.181 Supportive Housing for Persons with Disabilities	14.267 Continuum of Care Program	Business Activities	Central Office Cost Center	Subtotal	ELIM	Total	6.1 Component Unit - Discretely Presented
161	Land	\$163,393			\$36,891,726	\$940,376	\$38,556,849		\$38,556,849	\$14,609,566
162	Buildings	\$889,855			\$78,905,944	\$3,774,853	\$90,586,771		\$90,586,771	\$129,391,157
163	Furniture, Equipment & Machinery - Dwellings	\$14,882			\$31,459		\$66,261		\$66,261	\$199,422
164	Furniture, Equipment & Machinery - Administration	\$11,321			\$14,387	\$714,984	\$764,431		\$764,431	\$1,315,319
165	Leasehold Improvements				\$86,584		\$86,584		\$86,584	\$52,340
166	Accumulated Depreciation	-\$863,296			-\$24,433,010	-\$2,357,320	-\$33,860,821		-\$33,860,821	-\$19,815,761
167	Construction in Progress				\$420,449	\$87,557	\$508,006		\$508,006	\$7,004,046
168	Infrastructure									
<b>160</b>	<b>Total Capital Assets, Net of Accumulated Depreciation</b>	<b>\$216,155</b>	<b>\$0</b>	<b>\$0</b>	<b>\$91,917,539</b>	<b>\$3,160,450</b>	<b>\$96,708,081</b>	<b>\$0</b>	<b>\$96,708,081</b>	<b>\$132,756,089</b>
171	Notes, Loans and Mortgages Receivable - Non-Current				\$500,585	\$60,314,642	\$60,815,227		\$60,815,227	
172	Notes, Loans, & Mortgages Receivable - Non Current - Past Due									
173	Grants Receivable - Non Current									
174	Other Assets				\$3,027,530		\$3,027,530		\$3,027,530	\$75,000
176	Investments in Joint Ventures					\$399,453	\$399,453		\$399,453	
<b>180</b>	<b>Total Non-Current Assets</b>	<b>\$216,155</b>	<b>\$0</b>	<b>\$0</b>	<b>\$95,445,654</b>	<b>\$63,874,545</b>	<b>\$160,950,291</b>	<b>\$0</b>	<b>\$160,950,291</b>	<b>\$132,831,089</b>
<b>190</b>	<b>Total Assets</b>	<b>\$620,842</b>	<b>\$15,432</b>	<b>\$93,541</b>	<b>\$105,433,024</b>	<b>\$64,434,281</b>	<b>\$174,250,322</b>	<b>-\$116,808</b>	<b>\$174,133,514</b>	<b>\$137,860,151</b>
200	Deferred Outflow of Resources	\$21,568			\$741,310	\$2,333,605	\$3,297,672		\$3,297,672	
<b>290</b>	<b>Total Assets and Deferred Outflow of Resources</b>	<b>\$642,410</b>	<b>\$15,432</b>	<b>\$93,541</b>	<b>\$106,174,334</b>	<b>\$66,767,886</b>	<b>\$177,547,994</b>	<b>-\$116,808</b>	<b>\$177,431,186</b>	<b>\$137,860,151</b>

		Public Housing Project Total	14.881 MTW	14.CFP Capital Fund	14.HCV Section 8 HCV	14.OPS Low Rent	14.871 Housing Choice Vouchers	14.182 N/C S/R Section 8 Programs - Canyon Pointe	14.870 Resident Opportunity and Supportive Services
	<b>Liabilities</b>								
311	Bank Overdraft								
312	Accounts Payable <= 90 Days	\$4,145	\$3,272				\$511	\$15,672	
313	Accounts Payable >90 Days Past Due								
321	Accrued Wage/Payroll Taxes Payable	\$927	\$18,061					\$1,617	
322	Accrued Compensated Absences - Current Portion	\$8,373	\$19,093					\$3,679	
324	Accrued Contingency Liability								
325	Accrued Interest Payable							\$39,446	
331	Accounts Payable - HUD PHA Programs								
332	Account Payable - PHA Projects								
333	Accounts Payable - Other Government	\$22,683							
341	Tenant Security Deposits	\$12,921						\$33,267	
342	Unearned Revenue	\$1,415						\$926	
343	Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue							\$3,539,328	
344	Current Portion of Long-term Debt - Operating Borrowings								
345	Other Current Liabilities		\$53,563				\$7,582		
346	Accrued Liabilities - Other	\$5,930						\$801	
347	Inter Program - Due To	\$11,377	\$55,798				\$3,493	\$17,123	
348	Loan Liability - Current								
<b>310</b>	<b>Total Current Liabilities</b>	<b>\$67,771</b>	<b>\$149,787</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$11,586</b>	<b>\$3,651,859</b>	<b>\$0</b>
351	Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue							\$1,166,547	
352	Long-term Debt, Net of Current - Operating Borrowings								
353	Non-current Liabilities - Other								
354	Accrued Compensated Absences - Non Current								
355	Loan Liability - Non Current								
356	FASB 5 Liabilities								
357	Accrued Pension and OPEB Liabilities	\$35,020	\$229,015					\$60,019	
<b>350</b>	<b>Total Non-Current Liabilities</b>	<b>\$35,020</b>	<b>\$229,015</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,226,566</b>	<b>\$0</b>
<b>300</b>	<b>Total Liabilities</b>	<b>\$102,791</b>	<b>\$378,802</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$11,586</b>	<b>\$4,878,425</b>	<b>\$0</b>
400	Deferred Inflow of Resources	\$3,859	\$27,391					\$7,231	
	<b>Equity</b>								
508	Net Investment in Capital Assets	\$407,743			\$0			-\$3,699,681	
511	Restricted Net Position		\$11,129	\$0	\$0	\$0	\$1,276	\$183,478	
512	Unrestricted Net Position	\$149,508	\$1,349,672	\$0	\$0	\$0	\$1,084	\$40,097	\$0
<b>513</b>	<b>Total Equity - Net Assets / Position</b>	<b>\$557,251</b>	<b>\$1,360,801</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,360</b>	<b>-\$3,476,106</b>	<b>\$0</b>
<b>600</b>	<b>Total Liabilities, Deferred Inflows of Resources and Equity - Net</b>	<b>\$663,901</b>	<b>\$1,766,994</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$13,946</b>	<b>\$1,409,550</b>	<b>\$0</b>

		14.149 Rent Supplements - Rental Housing for Lower Income Families Glen Willows	14.181 Supportive Housing for Persons with Disabilities	14.267 Continuum of Care Program	Business Activities	Central Office Cost Center	Subtotal	ELIM	Total	6.1 Component Unit - Discretely Presented
	<b>Liabilities</b>									
311	Bank Overdraft									
312	Accounts Payable <= 90 Days	\$2,284			\$424,147	\$99,490	\$549,521		\$549,521	\$654,458
313	Accounts Payable >90 Days Past Due									
321	Accrued Wage/Payroll Taxes Payable	\$671			\$42,548	\$188,809	\$252,633		\$252,633	\$11,458
322	Accrued Compensated Absences - Current Portion	\$1,847			\$32,316	\$163,489	\$228,797		\$228,797	\$12,396
324	Accrued Contingency Liability									
325	Accrued Interest Payable				\$213,401		\$252,847		\$252,847	\$3,699,311
331	Accounts Payable - HUD PHA Programs									
332	Account Payable - PHA Projects									
333	Accounts Payable - Other Government						\$22,683		\$22,683	
341	Tenant Security Deposits	\$16,689			\$398,419		\$461,296		\$461,296	\$300,562
342	Unearned Revenue	\$67			\$22,604		\$25,012		\$25,012	\$17,644
343	Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue				\$4,391,345		\$7,930,673		\$7,930,673	\$1,182,461
344	Current Portion of Long-term Debt - Operating Borrowings									
345	Other Current Liabilities						\$61,145		\$61,145	\$0
346	Accrued Liabilities - Other			\$21,729	\$100,004	\$34,849	\$163,313		\$163,313	\$78,951
347	Inter Program - Due To	\$7,222	\$951	\$191	\$20,653		\$116,808	-\$116,808	\$0	
348	Loan Liability - Current									
<b>310</b>	<b>Total Current Liabilities</b>	<b>\$28,780</b>	<b>\$951</b>	<b>\$21,920</b>	<b>\$5,645,437</b>	<b>\$486,637</b>	<b>\$10,064,728</b>	<b>-\$116,808</b>	<b>\$9,947,920</b>	<b>\$5,957,241</b>
351	Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue				\$70,294,235		\$71,460,782		\$71,460,782	\$91,846,540
352	Long-term Debt, Net of Current - Operating Borrowings									
353	Non-current Liabilities - Other									
354	Accrued Compensated Absences - Non Current				\$0		\$0		\$0	
355	Loan Liability - Non Current									
356	FASB 5 Liabilities									
357	Accrued Pension and OPEB Liabilities	\$33,828			\$807,540	\$8,136,109	\$9,301,531		\$9,301,531	
<b>350</b>	<b>Total Non-Current Liabilities</b>	<b>\$33,828</b>	<b>\$0</b>	<b>\$0</b>	<b>\$71,101,775</b>	<b>\$8,136,109</b>	<b>\$80,762,313</b>	<b>\$0</b>	<b>\$80,762,313</b>	<b>\$91,846,540</b>
<b>300</b>	<b>Total Liabilities</b>	<b>\$62,608</b>	<b>\$951</b>	<b>\$21,920</b>	<b>\$76,747,212</b>	<b>\$8,622,746</b>	<b>\$90,827,041</b>	<b>-\$116,808</b>	<b>\$90,710,233</b>	<b>\$97,803,781</b>
400	Deferred Inflow of Resources	\$4,106			\$303,847	\$98,646	\$445,080		\$445,080	
	<b>Equity</b>									
508	Net Investment in Capital Assets	\$216,155			\$18,326,291	\$3,160,451	\$18,410,959	\$0	\$18,410,959	\$39,727,088
511	Restricted Net Position	\$0	\$13,006		\$213,502	\$0	\$422,391	\$0	\$422,391	\$3,307,542
512	Unrestricted Net Position	\$359,541	\$1,475	\$71,621	\$10,583,482	\$54,886,043	\$67,442,523	\$0	\$67,442,523	-\$2,978,260
<b>513</b>	<b>Total Equity - Net Assets / Position</b>	<b>\$575,696</b>	<b>\$14,481</b>	<b>\$71,621</b>	<b>\$29,123,275</b>	<b>\$58,046,494</b>	<b>\$86,720,953</b>	<b>\$0</b>	<b>\$86,720,953</b>	<b>\$40,056,370</b>
<b>600</b>	<b>Total Liabilities, Deferred Inflows of Resources and Equity - N</b>	<b>\$642,410</b>	<b>\$15,432</b>	<b>\$93,541</b>	<b>\$106,174,334</b>	<b>\$66,767,886</b>	<b>\$177,547,994</b>	<b>-\$116,808</b>	<b>\$177,431,186</b>	<b>\$137,860,151</b>

		Public Housing Project Total	14.881 MTW	14.CFP Capital Fund	14.HCV Section 8 HCV	14.OPS Low Rent	14.871 Housing Choice Vouchers	14.182 N/C S/R Section 8 Programs - Canyon Pointe	14.870 Resident Opportunity and Supportive Services
	<b>Income Statement</b>								
	<b>Revenue</b>								
70300	Net Tenant Rental Revenue	\$286,340						\$322,373	\$0
70400	Tenant Revenue - Other	\$10,074						\$8,163	
<b>70500</b>	<b>Total Tenant Revenue</b>	<b>\$296,414</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$330,536</b>	<b>\$0</b>
70600	HUD PHA Operating Grants		\$200		\$7,217,086	\$369,874	\$2,366,273	\$615,107	\$79,084
70610	Capital Grants	\$0		\$59,831	\$984,866				
70710	Management Fee								
70720	Asset Management Fee								
70730	Book Keeping Fee								
70740	Front Line Service Fee								
70750	Other Fees								
<b>70700</b>	<b>Total Fee Revenue</b>	<b>\$0</b>	<b>\$200</b>	<b>\$59,831</b>	<b>\$8,201,952</b>	<b>\$369,874</b>	<b>\$2,366,273</b>	<b>\$615,107</b>	<b>\$79,084</b>
70800	Other Government Grants	\$2,399							
71100	Investment Income - Unrestricted	\$41	\$1,499					\$317	
71200	Mortgage Interest Income								
71300	Proceeds from Disposition of Assets Held for Sale								
71310	Cost of Sale of Assets								
71400	Fraud Recovery		\$43,277				\$5,949		
71500	Other Revenue	\$2,583	\$11,262					\$3,606	
71600	Gain or Loss on Sale of Capital Assets								
72000	Investment Income - Restricted								
<b>70000</b>	<b>Total Revenue</b>	<b>\$301,437</b>	<b>\$56,238</b>	<b>\$59,831</b>	<b>\$8,201,952</b>	<b>\$369,874</b>	<b>\$2,372,222</b>	<b>\$949,566</b>	<b>\$79,084</b>

		14.149 Rent Supplements - Rental Housing for Lower Income Families Glen Willows	14.181 Supportive Housing for Persons with Disabilities (MS50)	14.267 Continuum of Care Program	Business Activities	Central Office Cost Center	Subtotal	ELIM	Total	6.1 Component Unit - Discretely Presented
	<b>Income Statement</b>									
	<b>Revenue</b>									
70300	Net Tenant Rental Revenue	\$212,608			\$7,708,746		\$8,530,067		\$8,530,067	\$6,531,606
70400	Tenant Revenue - Other	\$10,664			\$345,416		\$374,317		\$374,317	\$140,479
<b>70500</b>	<b>Total Tenant Revenue</b>	<b>\$223,272</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8,054,162</b>	<b>\$0</b>	<b>\$8,904,384</b>	<b>\$0</b>	<b>\$8,904,384</b>	<b>\$6,672,085</b>
70600	HUD PHA Operating Grants	\$191,575	\$542,604	\$548,472			\$11,930,275		\$11,930,275	
70610	Capital Grants				\$12,900,519	\$66,000	\$14,011,216		\$14,011,216	
70710	Management Fee					\$1,145,268	\$1,145,268	-\$737,580	\$407,688	
70720	Asset Management Fee					\$79,490	\$79,490	-\$79,490	\$0	
70730	Book Keeping Fee					\$59,572	\$59,572	-\$59,572	\$0	
70740	Front Line Service Fee									
70750	Other Fees									
<b>70700</b>	<b>Total Fee Revenue</b>	<b>\$191,575</b>	<b>\$542,604</b>	<b>\$548,472</b>	<b>\$12,900,519</b>	<b>\$1,350,330</b>	<b>\$27,225,821</b>	<b>-\$876,642</b>	<b>\$26,349,179</b>	
70800	Other Government Grants				\$9,333	\$25,345	\$37,077		\$37,077	
71100	Investment Income - Unrestricted	\$133			\$2,295	\$6,449	\$10,734		\$12,502	\$1,768
71200	Mortgage Interest Income				\$25,849	\$1,480,447	\$1,506,296		\$1,506,296	
71300	Proceeds from Disposition of Assets Held for Sale									
71310	Cost of Sale of Assets									
71400	Fraud Recovery						\$49,226		\$49,226	
71500	Other Revenue	\$68			\$413,170	\$2,102,760	\$2,533,449	-\$1,165,507	\$1,367,942	\$27,351
71600	Gain or Loss on Sale of Capital Assets									
72000	Investment Income - Restricted									
<b>70000</b>	<b>Total Revenue</b>	<b>\$415,048</b>	<b>\$542,604</b>	<b>\$548,472</b>	<b>\$21,405,328</b>	<b>\$4,965,331</b>	<b>\$40,266,987</b>	<b>-\$2,042,149</b>	<b>\$38,224,838</b>	<b>\$6,701,204</b>

		Public Housing Project Total	14.881 MTW	14.CFP Capital Fund	14.HCV Section 8 HCV	14.OPS Low Rent	14.871 Housing Choice Vouchers	14.182 N/C S/R Section 8 Programs - Canyon Pointe	14.870 Resident Opportunity and Supportive Services
	<b>Expenses</b>								
91100	Administrative Salaries	\$43,176	\$236,525				\$114,107	\$54,201	
91200	Auditing Fees	\$2,815	\$7,714				\$2,368	\$5,110	
91300	Management Fee	\$32,448	\$119,175				\$45,640	\$57,938	
91310	Book-keeping Fee	\$4,185	\$67,245				\$26,685	\$7,380	
91400	Advertising and Marketing								
91500	Employee Benefit contributions - Administrative	\$27,034	\$121,146				\$39,938	\$33,292	
91600	Office Expenses	\$7,278	\$55,064					\$16,536	
91700	Legal Expense		\$4,676					\$4,705	
91800	Travel	\$218	\$13,550					\$39	
91810	Allocated Overhead								
91900	Other	\$244	\$41,879				\$1,040	\$709	
<b>91000</b>	<b>Total Operating - Administrative</b>	<b>\$117,398</b>	<b>\$666,974</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$229,778</b>	<b>\$179,910</b>	<b>\$0</b>
92000	Asset Management Fee	\$5,640						\$9,840	
92100	Tenant Services - Salaries							\$5,585	
92200	Relocation Costs							\$51,461	
92300	Employee Benefit Contributions - Tenant Services							\$79,084	
92400	Tenant Services - Other	\$23,315	\$599						
<b>92500</b>	<b>Total Tenant Services</b>	<b>\$28,955</b>	<b>\$599</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$66,886</b>	<b>\$79,084</b>
93100	Water	\$8,316						\$7,875	
93200	Electricity	\$17,042						\$33,440	
93300	Gas	\$13,107						\$12,509	
93400	Fuel								
93500	Labor								
93600	Sewer	\$14,948						\$10,151	
93700	Employee Benefit Contributions - Utilities								
93800	Other Utilities Expense								
<b>93000</b>	<b>Total Utilities</b>	<b>\$53,413</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$63,975</b>	<b>\$0</b>
94100	Ordinary Maintenance and Operations - Labor	\$77,600						\$94,885	
94200	Ordinary Maintenance and Operations - Materials and Other	\$15,792						\$13,758	
94300	Ordinary Maintenance and Operations Contracts	\$67,926						\$112,250	
94500	Employee Benefit Contributions - Ordinary Maintenance								
<b>94000</b>	<b>Total Maintenance</b>	<b>\$161,318</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$220,893</b>	<b>\$0</b>

		14.149 Rent Supplements - Rental Housing for Lower Income Families Glen Willows	14.181 Supportive Housing for Persons with Disabilities (MS50)	14.267 Continuum of Care Program	Business Activities	Central Office Cost Center	Subtotal	ELIM	Total	6.1 Component Unit - Discretely Presented
	<b>Expenses</b>									
91100	Administrative Salaries	\$29,559	\$16,666	\$43,098	\$928,614	\$3,092,073	\$4,558,019		\$4,558,019	\$471,561
91200	Auditing Fees	\$2,036	\$646		\$30,884	\$10,702	\$62,275		\$62,275	\$51,657
91300	Management Fee	\$24,023	\$7,218		\$352,911		\$639,353	-\$737,580	-\$98,227	\$407,688
91310	Book-keeping Fee	\$3,060	\$4,298		\$44,948		\$157,801	-\$59,572	\$98,229	
91400	Advertising and Marketing				\$1,564	\$16,449	\$18,013		\$18,013	\$380
91500	Employee Benefit contributions - Administrative	\$18,618	\$5,832	\$10,689	\$545,498	\$1,782,971	\$2,585,018		\$2,585,018	\$150,236
91600	Office Expenses	\$3,066			\$60,005	\$282,297	\$424,246	-\$40,065	\$384,181	\$69,627
91700	Legal Expense	\$1,651			\$9,994	\$3,770	\$24,796		\$24,796	\$15,854
91800	Travel	\$123			\$12,840	\$98,028	\$124,798		\$124,798	\$1,333
91810	Allocated Overhead	\$0					\$0		\$0	
91900	Other	\$150			\$37,702	\$257,702	\$339,426		\$339,426	\$45,032
<b>91000</b>	<b>Total Operating - Administrative</b>	<b>\$82,286</b>	<b>\$34,660</b>	<b>\$53,787</b>	<b>\$2,024,960</b>	<b>\$5,543,992</b>	<b>\$8,933,745</b>	<b>-\$837,217</b>	<b>\$8,096,528</b>	<b>\$1,213,368</b>
92000	Asset Management Fee	\$4,080			\$59,930		\$79,490	-\$79,490	\$0	
92100	Tenant Services - Salaries									
92200	Relocation Costs						\$5,585		\$5,585	\$4,260
92300	Employee Benefit Contributions - Tenant Services									
92400	Tenant Services - Other	\$16,830		\$127,392	\$25,094	\$32,618	\$356,393	-\$180,236	\$176,157	\$266,470
<b>92500</b>	<b>Total Tenant Services</b>	<b>\$20,910</b>	<b>\$0</b>	<b>\$127,392</b>	<b>\$85,024</b>	<b>\$32,618</b>	<b>\$441,468</b>	<b>-\$259,726</b>	<b>\$181,742</b>	<b>\$270,730</b>
93100	Water	\$7,422			\$98,785	\$1,952	\$124,350		\$124,350	\$127,147
93200	Electricity	\$14,870			\$52,536	\$14,449	\$132,337		\$132,337	\$208,257
93300	Gas	\$8,048			\$87,281	\$4,526	\$125,471		\$125,471	\$74,740
93400	Fuel									
93500	Labor									
93600	Sewer	\$10,110			\$126,837	\$1,983	\$164,029		\$164,029	\$135,576
93700	Employee Benefit Contributions - Utilities									
93800	Other Utilities Expense				\$17,482		\$17,482		\$17,482	
<b>93000</b>	<b>Total Utilities</b>	<b>\$40,450</b>	<b>\$0</b>	<b>\$0</b>	<b>\$382,921</b>	<b>\$22,910</b>	<b>\$563,669</b>	<b>\$0</b>	<b>\$563,669</b>	<b>\$545,720</b>
94100	Ordinary Maintenance and Operations - Labor	\$62,232			\$654,922	\$52,148	\$941,787	-\$941,788	\$600,524	\$600,525
94200	Ordinary Maintenance and Operations - Materials and Other	\$18,652			\$201,484	\$111,670	\$361,356		\$467,392	\$106,036
94300	Ordinary Maintenance and Operations Contracts	\$58,995			\$849,579	\$48,512	\$1,137,262		\$1,808,902	\$671,640
94500	Employee Benefit Contributions - Ordinary Maintenance									
<b>94000</b>	<b>Total Maintenance</b>	<b>\$139,879</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,705,985</b>	<b>\$212,330</b>	<b>\$2,440,405</b>	<b>-\$941,788</b>	<b>\$1,498,617</b>	<b>\$1,378,201</b>

		Public Housing Project Total	14.881 MTW	14.CFP Capital Fund	14.HCV Section 8 HCV	14.OPS Low Rent	14.871 Housing Choice Vouchers	14.182 N/C S/R Section 8 Programs - Canyon Pointe	14.870 Resident Opportunity and Supportive Services
95100	Protective Services - Labor								
95200	Protective Services - Other Contract Costs	\$7,056						\$5,160	
95300	Protective Services - Other								
95500	Employee Benefit Contributions - Protective Services								
<b>95000</b>	<b>Total Protective Services</b>	<b>\$7,056</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,160</b>	<b>\$0</b>
96110	Property Insurance	\$21,727						\$27,208	
96120	Liability Insurance	\$1,630	\$3,208					\$3,270	
96130	Workmen's Compensation	\$635	\$4,725					\$791	
96140	All Other Insurance								
<b>96100</b>	<b>Total insurance Premiums</b>	<b>\$23,992</b>	<b>\$7,933</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$31,269</b>	<b>\$0</b>
96200	Other General Expenses	\$19	\$6,020					\$44	
96210	Compensated Absences	\$328	\$1,558					\$569	
96300	Payments in Lieu of Taxes	\$22,409							
96400	Bad debt - Tenant Rents	\$11,586						-\$5,161	
96500	Bad debt - Mortgages								
96600	Bad debt - Other								
96800	Severance Expense								
<b>96000</b>	<b>Total Other General Expenses</b>	<b>\$34,342</b>	<b>\$7,578</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>-\$4,548</b>	<b>\$0</b>
96710	Interest of Mortgage (or Bonds) Payable							\$130,787	
96720	Interest on Notes Payable (Short and Long Term)							\$0	
96730	Amortization of Bond Issue Costs								
<b>96700</b>	<b>Total Interest Expense and Amortization Cost</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$130,787</b>	<b>\$0</b>
<b>96900</b>	<b>Total Operating Expenses</b>	<b>\$426,474</b>	<b>\$683,084</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$229,778</b>	<b>\$694,332</b>	<b>\$79,084</b>
97000	Excess of Operating Revenue over Operating Expenses	-\$125,037	-\$626,846	\$59,831	\$8,201,952	\$369,874	\$2,142,444	\$255,234	\$0
97100	Extraordinary Maintenance								
97200	Casualty Losses - Non-capitalized								
97300	Housing Assistance Payments		\$6,708,852				\$2,188,753		
97350	HAP Portability-In								
97400	Depreciation Expense	\$65,734					\$0	\$161,623	
97500	Fraud Losses		\$3,166						
97600	Capital Outlays - Governmental Funds								
97700	Debt Principal Payment - Governmental Funds								
97800	Dwelling Units Rent Expense								
<b>90000</b>	<b>Total Expenses</b>	<b>\$492,208</b>	<b>\$7,395,102</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,418,531</b>	<b>\$855,955</b>	<b>\$79,084</b>

		14.149 Rent Supplements - Rental Housing for Lower Income Families - Glen Willows	14.181 Supportive Housing for Persons with Disabilities (MS50)	14.267 Continuum of Care Program	Business Activities	Central Office Cost Center	Subtotal	ELIM	Total	6.1 Component Unit - Discretely Presented
95100	Protective Services - Labor									
95200	Protective Services - Other Contract Costs	\$4,872			\$20,055	\$996	\$145,495		\$145,495	\$107,356
95300	Protective Services - Other									
95500	Employee Benefit Contributions - Protective Services									
<b>95000</b>	<b>Total Protective Services</b>	<b>\$4,872</b>	<b>\$0</b>	<b>\$0</b>	<b>\$20,055</b>	<b>\$996</b>	<b>\$38,139</b>	<b>\$0</b>	<b>\$38,139</b>	<b>\$107,356</b>
96110	Property Insurance	\$25,395			\$162,862	\$6,737	\$243,929		\$243,929	
96120	Liability Insurance	\$1,055			\$26,707	\$1,711	\$37,581		\$37,581	
96130	Workmen's Compensation	\$405			\$11,365	\$43,638	\$61,559		\$61,559	\$6,270
96140	All Other Insurance				\$975	\$45,885	\$46,860		\$46,860	\$249,010
<b>96100</b>	<b>Total insurance Premiums</b>	<b>\$26,855</b>	<b>\$0</b>	<b>\$0</b>	<b>\$201,909</b>	<b>\$97,971</b>	<b>\$389,929</b>	<b>\$0</b>	<b>\$389,929</b>	<b>\$255,280</b>
96200	Other General Expenses	\$22			\$96,690		\$102,795		\$102,795	\$136,666
96210	Compensated Absences	\$236			\$7,935	\$5,387	\$16,013		\$16,013	\$4,074
96300	Payments in Lieu of Taxes						\$22,409		\$22,409	
96400	Bad debt - Tenant Rents	\$4,046			\$46,079	\$0	\$56,550		\$56,550	\$30,029
96500	Bad debt - Mortgages									
96600	Bad debt - Other									
96800	Severance Expense									
<b>96000</b>	<b>Total Other General Expenses</b>	<b>\$4,304</b>	<b>\$0</b>	<b>\$0</b>	<b>\$150,704</b>	<b>\$5,387</b>	<b>\$197,767</b>	<b>\$0</b>	<b>\$197,767</b>	<b>\$170,769</b>
96710	Interest of Mortgage (or Bonds) Payable				\$2,190,412		\$2,321,199		\$2,321,199	\$1,324,900
96720	Interest on Notes Payable (Short and Long Term)				\$8,643	\$200	\$8,843		\$8,843	\$1,504,048
96730	Amortization of Bond Issue Costs				\$476,692		\$476,692		\$476,692	\$105,408
<b>96700</b>	<b>Total Interest Expense and Amortization Cost</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,675,747</b>	<b>\$200</b>	<b>\$2,806,734</b>	<b>\$0</b>	<b>\$2,806,734</b>	<b>\$2,934,356</b>
<b>96900</b>	<b>Total Operating Expenses</b>	<b>\$319,556</b>	<b>\$34,660</b>	<b>\$181,179</b>	<b>\$7,247,305</b>	<b>\$5,916,404</b>	<b>\$15,811,856</b>	<b>-\$2,038,731</b>	<b>\$13,773,125</b>	<b>\$6,875,780</b>
97000	Excess of Operating Revenue over Operating Expenses	\$95,492	\$507,944	\$367,293	\$14,158,023	-\$951,073	\$24,280,555	-\$3,418	\$24,277,137	-\$174,576
97100	Extraordinary Maintenance				\$8,873	\$37,006	\$80,188		\$80,188	\$34,309
97200	Casualty Losses - Non-capitalized									
97300	Housing Assistance Payments		\$494,939	\$366,153			\$9,758,697	-\$3,418	\$9,755,279	
97350	HAP Portability-In									
97400	Depreciation Expense	\$11,340			\$3,213,327	\$207,581	\$8,829,333		\$8,829,333	\$5,169,728
97500	Fraud Losses						\$3,166		\$3,166	
97600	Capital Outlays - Governmental Funds									
97700	Debt Principal Payment - Governmental Funds									
97800	Dwelling Units Rent Expense									
<b>90000</b>	<b>Total Expenses</b>	<b>\$330,896</b>	<b>\$529,599</b>	<b>\$547,332</b>	<b>\$10,469,505</b>	<b>\$6,160,991</b>	<b>\$29,279,203</b>	<b>-\$2,042,149</b>	<b>\$27,237,054</b>	<b>\$12,079,817</b>

		Public Housing Project Total	14.881 MTW	14.CFP Capital Fund	14.HCV Section 8 HCV	14.OPS Low Rent	14.871 Housing Choice Vouchers	14.182 N/C S/R Section 8 Programs - Canyon Pointe	14.870 Resident Opportunity and Supportive Services
10010	Operating Transfer In	\$114,847	\$8,631,657				\$160,014		
10020	Operating transfer Out	\$0	-\$1,451,264	-\$59,831	-\$8,201,952	-\$369,874	-\$8,158		
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								
10094	Transfers between Project and Program - Out								
<b>10100</b>	<b>Total Other financing Sources (Uses)</b>	<b>\$114,847</b>	<b>\$7,180,393</b>	<b>-\$59,831</b>	<b>-\$8,201,952</b>	<b>-\$369,874</b>	<b>\$151,856</b>	<b>\$0</b>	<b>\$0</b>
<b>10000</b>	<b>Excess (Deficiency) of Total Revenue Over (Under) Total Expenses</b>	<b>-\$75,924</b>	<b>-\$158,471</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$105,547</b>	<b>\$93,611</b>	<b>\$0</b>
11020	Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$164,256	\$0
11030	Beginning Equity	\$633,175	\$1,415,890	\$0	\$0	\$0	\$195	-\$3,564,873	\$4,800
11040	Prior Period Adjustments, Equity Transfers and Correction of Errors		\$103,382				-\$103,382	-\$4,844	-\$4,800
11050	Changes in Compensated Absence Balance								
11060	Changes in Contingent Liability Balance								
11070	Changes in Unrecognized Pension Transition Liability								
11080	Changes in Special Term/Severance Benefits Liability								
11090	Changes in Allowance for Doubtful Accounts - Dwelling Rents								
11100	Changes in Allowance for Doubtful Accounts - Other								
11170	Administrative Fee Equity						\$0		
11180	Housing Assistance Payments Equity						\$2,360		
11190	Unit Months Available	564	9072				3792	984	
11210	Number of Unit Months Leased	553	8966				3558	972	
11270	Excess Cash	\$120,244							
11610	Land Purchases	\$0							
11620	Building Purchases	\$0							
11630	Furniture & Equipment - Dwelling Purchases	\$0							
11640	Furniture & Equipment - Administrative Purchases	\$0							
11650	Leasehold Improvements Purchases	\$5,042							
11660	Infrastructure Purchases	\$0							
13510	CFFP Debt Service Payments	\$0							
13901	Replacement Housing Factor Funds	\$0							

		14.149 Rent Supplements - Rental Housing for Lower Income Families Glen Willows	14.181 Supportive Housing for Persons with Disabilities (MS50)	14.267 Continuum of Care Program	Business Activities	Central Office Cost Center	Subtotal	ELIM	Total	6.1 Component Unit - Discretely Presented
10010	Operating Transfer In				\$2,224,731	\$2,732,904	\$13,864,153		\$13,864,153	
10020	Operating transfer Out				-\$3,773,074		-\$13,864,153		-\$13,864,153	
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)				\$64,230	\$840	\$65,070		\$65,070	
10091	Inter Project Excess Cash Transfer In									
10092	Inter Project Excess Cash Transfer Out									
10093	Transfers between Program and Project - In									
10094	Transfers between Project and Program - Out									
<b>10100</b>	<b>Total Other financing Sources (Uses)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>-\$1,484,113</b>	<b>\$2,733,744</b>	<b>\$65,070</b>	<b>\$0</b>	<b>\$65,070</b>	<b>\$0</b>
<b>10000</b>	<b>Excess (Deficiency) of Total Revenue Over (Under) Total Expenses</b>	<b>\$84,152</b>	<b>\$13,005</b>	<b>\$1,140</b>	<b>\$9,451,710</b>	<b>\$1,538,084</b>	<b>\$11,052,854</b>	<b>\$0</b>	<b>\$11,052,854</b>	<b>-\$5,378,613</b>
11020	Required Annual Debt Principal Payments	\$0	\$0	\$0	\$924,839	\$0	\$1,089,095		\$1,089,095	\$518,641
11030	Beginning Equity	\$491,544	\$1,476	\$70,481	\$19,247,944	\$56,922,387	\$75,223,019		\$75,223,019	\$21,332,689
11040	Prior Period Adjustments, Equity Transfers and Correction of Errors				\$423,621	-\$413,977	\$0		\$0	\$24,102,294
11050	Changes in Compensated Absence Balance									
11060	Changes in Contingent Liability Balance									
11070	Changes in Unrecognized Pension Transition Liability									
11080	Changes in Special Term/Severance Benefits Liability									
11090	Changes in Allowance for Doubtful Accounts - Dwelling Rents									
11100	Changes in Allowance for Doubtful Accounts - Other									
11170	Administrative Fee Equity						\$0		\$0	
11180	Housing Assistance Payments Equity						\$2,360		\$2,360	
11190	Unit Months Available	408	600	272	6178	0	\$21,870		\$21,870	\$7,062
11210	Number of Unit Months Leased	389	595	272	5645	0	\$20,950		\$20,950	\$6,896
11270	Excess Cash						\$120,244		\$120,244	
11610	Land Purchases					\$0	\$0		\$0	
11620	Building Purchases					\$0	\$0		\$0	
11630	Furniture & Equipment - Dwelling Purchases					\$0	\$0		\$0	
11640	Furniture & Equipment - Administrative Purchases					\$221,152	\$221,152		\$221,152	
11650	Leasehold Improvements Purchases					\$103,537	\$108,579		\$108,579	
11660	Infrastructure Purchases					\$0	\$0		\$0	
13510	CFFP Debt Service Payments					\$0	\$0		\$0	
13901	Replacement Housing Factor Funds					\$0	\$0		\$0	

**December 31, 2017**

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