

**HOUSING AUTHORITY OF THE CITY  
AND COUNTY OF DENVER**



Comprehensive Annual Financial Report and  
Single Audit Report  
Year Ended December 31, 2017  
Denver, Colorado



**RECEIVED**

Office of the State Auditor

July 5, 2018

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**HOUSING AUTHORITY OF THE  
CITY AND COUNTY OF DENVER**

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## **INTRODUCTORY SECTION**

Letter of Transmittal

GFOA Certificate of Achievement

Organizational Chart

List of Principal Officials

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June 27, 2018

Ms. Jamie Torres, Chairperson of the Board of Commissioners  
Members of the Board of Commissioners of the Housing Authority  
of the City and County of Denver:

We are pleased to present the Comprehensive Annual Financial Report (CAFR) for the Housing Authority of the City and County of Denver (DHA) for the fiscal year ended December 31, 2017. The U.S. Department of Housing and Urban Development (HUD) requires that all public housing authorities publish within nine months after the fiscal year-end, financial statements presented in conformity with U.S. Generally Accepted Accounting Principles (GAAP) and audited accordance with auditing standards generally accepted in the United States of America. DHA's financial statements presented here have been audited by Plante & Moran, PLLC, a firm of licensed independent certified public accountants. Plante & Moran, PLLC issued an unqualified opinion on DHA's financial statements for the fiscal year ended December 31, 2017. The purpose of the independent audit is to provide reasonable assurance that the audited financial statements taken as a whole, are free of material misstatement. The data presented in this report is the responsibility of the management of DHA. To the best of our knowledge and belief, the data as presented is accurate in all material aspects; is presented in a manner designed to fairly state the financial position and results of operations of DHA; and all disclosures necessary have been included to enable the reader to gain an understanding of DHA's financial affairs. GAAP requires that management provide a narrative introduction, overview and analysis to complement the basic financial statements in the form of Management's Discussion and Analysis (MD&A). DHA's MD&A can be found immediately following the report of the independent auditors. This transmittal letter is designed to complement the MD&A and should be read in conjunction with it.

DHA is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget 2 CFR 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. It is DHA's policy to require the accounting firm to be independent certified public accountants with specific experience in auditing governmental entities. Information related to this single audit, including the independent auditor's report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards*; the independent auditor's report on compliance with specific program requirements that could have a direct and material effect on each major program and on internal control over compliance in accordance with 2 CFR 200; the Schedule of Expenditures of Federal Awards; the Schedule of Findings and Questioned Costs; and the status of prior year findings are included in the single audit section of this report.



## **Government Overview**

DHA was created in 1938 as per the Housing Act of 1937 to provide safe, decent, and sanitary housing for low-income families of Denver in accordance with the rules and regulations prescribed by the Department of Housing and Urban Development and other federal agencies. This report includes all programs of DHA as well as all of its component units. Component units are legally separate entities for which a government is financially accountable. DHA was established as a quasi-municipal corporation by the City of Denver (the City). Although it maintains close ties with the City in several respects, DHA is not a component unit of the City as defined by the pronouncements of the Governmental Accounting Standards Board. The governing body of the Authority is its Board of Commissioners (Board) comprises nine members appointed by the Mayor of the City. The Board appoints an Executive Director to administer the affairs of DHA. The City is not financially accountable for the operations of DHA, has no responsibility to fund deficits or receive surpluses, and has not guaranteed DHA's debt.

DHA is the largest Public Housing Authority in the Rocky Mountain Region. DHA's goals are accomplished through a variety of housing programs and activities. These activities include several programs developed by HUD such as the Public Housing Program, the Section 8 Housing Choice Voucher Programs, and the Project Based Section 8 Program. In addition to these federal programs, DHA has established various instrumentalities to explore and develop innovative techniques for providing alternative housing possibilities for the low to moderate-income residents of Denver. These programs have allowed DHA the flexibility to develop several private/public partnerships providing a variety of housing opportunities for Denver residents. DHA provides affordable housing to more than 25,000 low and moderate income residents of Denver between our various affordable housing programs. DHA owns and operates approximately 4,000 Public Housing units in addition to administering over 6,900 Section 8 Housing Choice Vouchers.

## **Economic Condition and Outlook**

DHA's finances are affected more by Congressional housing legislation and the federal budget than by local economic factors. DHA's primary source of funding is HUD. As with most housing authorities, most of DHA's operating and capital funding comes from federal dollars in the form of operating subsidies, capital grant funds and Section 8 housing assistance payments. In FY 2017, HUD and other federal agencies provided 79% of DHA's primary government's total operating revenues. For the Public Housing program, housing authorities receive operating subsidies in accordance with an operating subsidy funding formula. In general, the calculated subsidy amount is the difference between an estimate of operating costs minus an estimate of income from rents. Operating subsidies are subject to annual appropriation by Congress. In 2017, the Public Housing program was funded at 93.10% of eligibility. Funding for the Housing Choice Voucher program was prorated at 77.988% of eligibility for administrative fees.



The federal fiscal year 2018 began on October 1, 2017 and operated under a continuing resolution until Congress passed an omnibus appropriations bill on March 22, 2018. The proration levels used in the 2018 budget are approximately 90%, 100% and 75% of eligibility for the Public Housing operating fund, Housing Assistance Payments and Housing Choice Voucher administrative fees, respectively.

## **Major Initiatives**

It is DHA's mission to serve the residents of Denver by developing, owning, and operating safe, decent and affordable housing in a manner that promotes thriving communities, while staying within DHA's anticipated revenue sources. Beginning in the early 1990's, DHA began planning for the redevelopment of its distressed housing developments into newly constructed mixed-income communities. In December 2016, DHA was awarded a Choice Neighborhood Initiative (CNI) Implementation grant in the amount of \$30 million. This grant will be used along with more than \$358 million of leveraged resources to fund the comprehensive redevelopment of the Sun Valley Homes public housing community.

DHA is finishing the redevelopment and transformation of the South Lincoln Homes, a 270-unit public housing family complex, made possible by a \$22 million HUD HOPE VI grant in 2011. The neighborhood has been renamed the Mariposa District and includes a mix of housing products and a range of income levels. Eight phases of redevelopment have completed construction, including a 100-unit senior housing high-rise building funded by leveraging \$10 million in American Recovery and Reinvestment Act (ARRA) grant that DHA was competitively awarded in 2009 by HUD. Additional revitalization of neighborhood is continuing with private market housing construction as well as a new commercial building.

DHA received 4% and a 9% Low Income Housing Tax Credit (LIHTC) awards and secured a \$12 million New Market Tax Credit (NMTC) award for Vida at Sloan's Lake. This project is new construction of a 176 unit disabled senior building with a health clinic and a senior activity center. The project will include both Public Housing and Project Based Section 8 Voucher units. Construction began at the end of 2017 and is expected to take place over 17 months.

DHA is partnering with Volunteers of America (VOA) to develop a 1.5 acre parcel of land at the former Lowry Air Force Base. The proposal calls for a 72 unit building that would include 20 units for formerly and situational homeless households. Construction began mid-2017 with an anticipation completion at the end of 2018.

DHA received, through 1035 Osage Inc., \$31,560,000 in New Market Tax Credit (NMTC) loans from four Community Development Entities (CDE's) to construct a 175,000 square-foot facility. This multi-use facility will be a Transit Oriented Development (TOD) and have ground level commercial space for our Youth Employment Academy (YEA) that will serve both as a Mercado and training center for YEA. This 11 story building will include 5 levels of garage parking, commercial space for lease, and will house the new corporate office of Denver Housing Authority. Construction began in Fall 2017 and is scheduled for completion in Spring 2019.



## **Financial Information**

DHA management is responsible for establishing and maintaining an internal control structure designed to ensure that the Authority's assets are protected from loss, theft, or misuse and that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. DHA has designed its internal control structure to provide reasonable, but not absolute, assurances that these objectives are met. The concept of reasonable assurance recognizes that: (1) the costs of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgment by management.

### ***Single Audit***

As a recipient of federal awards, DHA is responsible for ensuring that adequate internal controls are in place to provide compliance with applicable laws, regulations, contracts and grants related to those programs. These internal controls are subject to periodic evaluation by management, and their independent auditors. As part of DHA's single audit, the adequacy of internal controls is tested, including that portion related to federal award programs, as well as DHA's compliance with applicable laws, regulations, contracts and grants. The DHA's single audit for the year ended December 31, 2017 found no instances of material weakness in the internal controls. Reports were prepared for this purpose and are included in this CAFR in the Single Audit Section.

### ***Budgetary Controls***

DHA exercises budgetary controls over all programs through a variety of internal control mechanisms. Automated systems allow checking for purchase orders against expenditure budgets and accounts. Second budgetary control is maintained by the encumbrance of estimated purchase amounts and contracts prior to releasing payments on the purchase orders. Third is an automated inquiry system which allows the user to look up account information to check budgets and detailed charges against budgets. Budget to actual reports are presented to the DHA Board and the DHA Management for all DHA programs on a monthly basis.

### ***Debt Administration***

DHA's debt policy requires that debt will not be used to finance current operations. A summary of DHA's outstanding debt is provided under the MD&A following this report and also in Note 6 to the basic financial statements.

### ***Financial Policy Oversight***

DHA's Board has appointed a Finance and Operations Committee which comprises three board members with financial and operational expertise. This committee meets regularly and acts also as DHA's Audit Committee. The responsibilities of the committee includes: review and approval of DHA's operating budgets, review DHA's financial statements and audit findings, recommend the appointment of external auditors, oversee the financial operations of DHA, conduct entrance and exit meetings with DHA's independent auditors, oversee DHA Employees Pension



Plan and oversee DHA's Investment portfolio. DHA's financial policy changes are reviewed and approved by the Finance and Operations Committee. In addition, this committee along with DHA's Housing Opportunities & Community Impact Committee reviews DHA's real estate development and financing activities.

**Other Information**

*Awards*

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to DHA for its Comprehensive Annual Financial Report for the year ended December 31, 2016. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year. The Denver Housing Authority has received a Certificate of Achievement since 1988. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

The Denver Housing Authority also received the GFOA's Distinguished Budget Presentation Award for its 2017 Comprehensive Budget. DHA has received this award since 1988.

*Acknowledgments*

Preparation of the Comprehensive Annual Financial Report on a timely basis was accomplished through the dedicated service of the entire staff of the Accounting department under the leadership of Debbie Stafford, DHA's Accounting Manager. Each member of the Finance Division has our sincere appreciation for the contributions made in the preparation of this report.

In closing, without the leadership and support of the members of the Board of Commissioners and in particular, the DHA Audit Committee, preparation of this report would not have been possible.

Respectfully  
submitted,

Ismael Guerrero  
Executive Director

Nichole Ford  
Chief Financial Officer

**HOUSING AUTHORITY OF THE  
CITY AND COUNTY OF DENVER**



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Housing Authority of the City  
and County of Denver, Colorado**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2016**

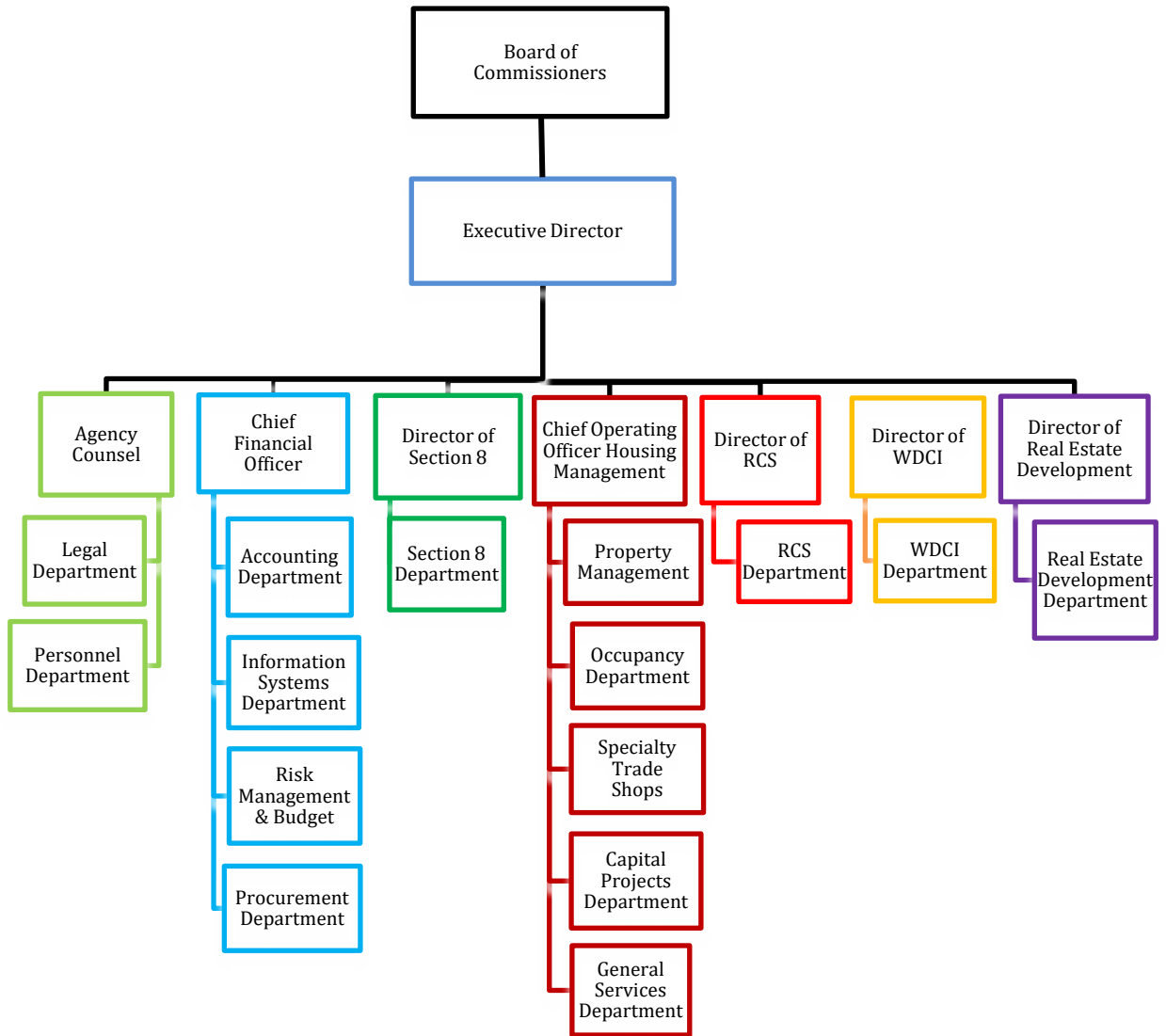
*Christopher P. Morrell*

Executive Director/CEO

**HOUSING AUTHORITY OF THE  
CITY AND COUNTY OF DENVER**

**Organizational Chart**

December 31, 2017



HOUSING AUTHORITY OF THE CITY  
AND COUNTY OF DENVER

List of Principal Officials

December 31, 2017

Board of Commissioners

Ms. Jamie Torres	Chairperson
Mr. Craig Archibald	Vice Chairperson
Ms. Grace Buckley	Treasurer
Mr. Richard James Chavez	Commissioner
Mr. Trinidad Rodriguez	Commissioner
Ms. Marian Lawrence	Commissioner
Mr. Jeffrey Martinez	Commissioner
Ms. Marsha Brown	Commissioner
Mr. Bruce Alexander	Commissioner

Executive Administrative Staff

Mr. Ismael Guerrero	Executive Director
Mr. Joshua Crawley	Agency Counsel
Ms. Nichole Ford	Chief Financial Officer
Mr. James DiPaolo	Deputy Chief Financial Officer
Mr. Angela Fletcher	Chief Operating Officer - Housing Management
Mr. Wayne Taunton	Deputy Director – Housing Management
Mr. Ryan Tobin	Director of Development
Ms. Loretta Owens	Director of Section 8 Programs
Ms. Renee Nicolosi	Director of Resident & Community Services
Ms. Lynne Picard	Director of Workforce Development & Community Initiatives

**FINANCIAL SECTION**

Independent Auditor's Report

Management's Discussion and Analysis

Basic Financial Statements

Combining Financial Schedules

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## Independent Auditor's Report

To the Board of Commissioners  
Housing Authority of the City and County of Denver

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the business-type activities and the aggregate discretely presented component units of the Housing Authority of the City and County of Denver (DHA) as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City and County of Denver's basic financial statements as listed in the table of contents.

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

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

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

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

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

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

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To the Board of Commissioners  
Housing Authority of the City and County of Denver

### ***Opinion***

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

### ***Other Matters***

#### *Required Supplemental Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis 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 an opinion on the financial statements that collectively comprise the Housing Authority of the City and County of Denver's basic financial statements. The introductory section; combining financial schedules; statistical section; single audit section (including the schedule of expenditures of federal awards, as required by Title 2 U.S Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*); and the financial data schedules are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

The combining financial schedules, schedule of expenditures of federal awards, and 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 combining financial schedules, schedule of expenditures of federal awards, and financial data schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The schedule of closed grants, introductory section, and the statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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To the Board of Commissioners  
Housing Authority of the City and County of Denver

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2018 on our consideration of the Housing Authority of the City and County of Denver's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority of the City and County of Denver's internal control over financial reporting and compliance.

*Plante & Moran, PLLC*

June 27, 2018

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Housing Authority of the City and County of Denver  
MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2017

This narrative overview and analysis of the Housing Authority of the City and County of Denver's (DHA) performance through December 31, 2017 is provided as a supplement to DHA's year-end financial statements. Please read it in conjunction with the transmittal letter at the beginning of this report, the basic financial statements following this section, and the notes to the basic financial statements. The management's discussion and analysis is presented in conformance with the Government Accounting Standards Board (GASB) financial reporting model as set forth in GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, as amended by GASB Statement No. 37, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments: Omnibus*.

As required under U.S. generally accepted accounting principles, DHA uses the accrual basis of accounting to prepare its basic financial statements. Under this basis of accounting, revenues are recognized in the period in which they are earned and expenses, including depreciation, are recognized in the period in which they are incurred. All assets and liabilities associated with the operation of DHA are included in the statements of net position.

### **Financial Highlights**

- Total net position increased by \$14.5 million (4.3%) from the prior year. This increase is due to the financial closings for two Blended Component units, 1035 Osage Inc. and DHA Vida, LLC, which resulted in an increase of assets, and construction starts for the properties.
- The assets of DHA exceeded liabilities at December 31, 2017 by \$349.5 million (net position). Of this amount, \$228.5 million (unrestricted net position) may be used to meet ongoing obligations, \$92.7 million is the net investment in capital assets, and \$28.3 million is restricted to meet defined obligations.
- Additions to capital assets were completed as budgeted. Overall, capital assets net of accumulated depreciation increased by \$13.8 million due primarily to the start of construction of 1035 Osage and Vida.
- Total liabilities increased by \$75.4 million (90%) from the prior year due to an increase in debt in both the Line of Credit and Notes Payable. The Line of Credit was used to fund the predevelopment of several projects and increased by \$17.8 million. Notes Payable increased \$43.7 million for the 1035 Osage project and \$19.8 million for the Vida project.
- Operating revenues increased approximately \$6.3 million (5.5%) in comparison to the prior year primarily due to an increase of \$4.2 million in developer fee income earned and an increase of \$2.3 million in housing assistance payment revenue related to portability in the Housing Choice Voucher program.
- Operating expenses increased approximately \$2.5 million (2.2%) in comparison to the prior year. Increases in housing assistance payments were primarily responsible for this increase.
- Non-operating revenues, net of non-operating expenses, increased approximately \$10.9 million (666.3%). This increase is primarily due to gains on the disposition of assets.

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

December 31, 2017

**Overview of the Basic Financial Statements**

This discussion and analysis is intended to serve as an introduction to DHA's basic financial statements. The DHA's basic financial statements are comprised of two components: 1) the basic financial statements and 2) notes to the basic financial statements that provide additional disclosure of some of the information in the basic financial statements.

The *Statement of Net Position* presents information on DHA's assets and liabilities, with the difference between the two reported as net position. Assets and liabilities are presented in the order of liquidity and are classified as "current" (convertible to cash within one year) and "noncurrent". Over time, increases or decreases in net position may serve as useful indicators as to whether the DHA's financial health is improving or deteriorating.

The *Statement of Revenues, Expenses, and Changes in Net Position* presents information showing how DHA's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Therefore, revenues and expenses are reported for some items that will only result in cash flows in future years.

The *Statement of Cash Flows* reports how DHA's cash was used in and provided by its operating, noncapital financing, capital and related financing, and investing activities during the periods reported. The net of these activities is added to the beginning year cash balance to reconcile to the cash balances at December 31, 2017 and 2016. The DHA uses the direct method of presenting cash flows, which includes a reconciliation of operating activities to operating income. These statements provide answers to such questions as where did cash come from, how was cash used, and what was the change in the cash balance during the year.

The *Combining Balance Sheet and Statement of Activities for Discretely Presented Component Units* presents the financial information for DHA's discretely presented component units. The discretely presented component units are described in Note 1 of the financial statements.

*Notes to the Basic Financial Statements* provide financial statement disclosures that are an integral part of the basic financial statements. Such disclosures are essential to a comprehensive understanding of the information provided in the basic financial statements.

## MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

December 31, 2017

**Financial Analysis*****Net Position***

Net position is summarized in the table below:

	<b>2017</b>	<b>2016</b>
Current assets	\$ 74,782,216	85,246,260
Other noncurrent assets	288,084,863	207,682,614
Capital assets, net	145,663,363	125,628,352
Total assets	\$ 508,530,442	418,557,226
Current liabilities	\$ 16,330,996	8,343,530
Current liabilities payable from restricted assets	1,250,017	7,103,219
Noncurrent liabilities	141,412,633	68,099,250
Total liabilities	\$ 158,993,646	83,545,999
Investment in capital assets	\$ 92,700,653	78,916,242
Restricted	28,304,401	17,976,093
Unrestricted	228,531,742	238,118,892
Total net position	\$ 349,536,796	335,011,227

Total assets of DHA at December 31, 2017 and 2016 amounted to \$508,530,442 and \$418,557,226, respectively. Current assets comprises cash, investments, receivables, current portion of notes receivable, inventories, prepaid items, and restricted assets. Noncurrent assets are approximately 38.7% higher at December 31, 2017 than December 31, 2016 due primarily to an increase in the restricted cash.

Total liabilities of DHA, which are segregated between current and noncurrent portions, amounted to \$158,993,646 and \$83,545,999 at December 31, 2017 and 2016, respectively. Current liabilities primarily include accounts payable, compensated absences payable, accrued liabilities, unearned revenue, intergovernmental payables, interest payable, and the current portions of the notes and bonds payable. A liability is considered to be current if it is due within one year. Current liabilities increased 13.8% from 2016 to 2017 primarily due to an increase in the current portion of long term debt and accounts payable from construction activity. The noncurrent liabilities are primarily composed of the long-term portion of the notes and bonds payable. The increase in noncurrent liabilities in 2017 over 2016 is primarily due to an increase in notes payable from draws made on the Line of Credit various development projects and new notes for the 1035 Osage and Vida projects.

Net position represents the equity of DHA after liabilities are subtracted from assets. Net position is divided into three major categories. The first category, invested in capital assets, shows DHA's equity in land, buildings and improvement, construction in progress, and machinery and equipment, net of related outstanding debt. The second category, restricted net position, has external limitations on the way in which these assets can be used. The last category, unrestricted net position, is available to be used for any lawful and prudent DHA purpose.

The total net position of DHA increased \$14.5 million during the year ended December 31, 2017. The increase in net position in 2017 results from the increase in restricted cash and notes

Housing Authority of the City and County of Denver

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

December 31, 2017

receivable related to various development projects.

The DHA's current ratio reflects the relationship between current assets and current liabilities and is a measure of DHA's ability to pay short-term obligations. At December 31, 2017 and 2016, DHA's current ratio is 7.2:1 and 5.5:1, respectively.

***Revenues, Expenses, and Changes in Net Position***

Changes in net position are summarized in the table below:

	<u>2017</u>	<u>2016</u>
Operating revenues:		
Rental revenues	\$ 10,847,836	10,341,104
Intergovernmental	95,327,521	96,039,758
Other revenues	14,608,132	8,059,053
Total operating revenues	<u>120,783,489</u>	<u>114,439,915</u>
Operating expenses:		
Administrative	15,893,431	15,456,815
Utilities	4,785,624	4,591,705
Ordinary and nonroutine maintenance	7,969,966	10,160,902
General	2,587,075	1,740,278
Depreciation	7,839,977	8,657,874
Housing assistance payments	71,400,380	68,019,911
Other operating expenses	10,115,581	9,423,722
Total operating expenses	<u>120,592,034</u>	<u>118,051,207</u>
Operating gain (loss)	<u>191,455</u>	<u>(3,611,292)</u>
Nonoperating revenues (expenses):		
Interest revenue	2,073,358	1,655,002
Net increase (decrease) in the fair value of investments	(75,284)	16,394
Interest expense	(3,024,675)	(2,352,121)
Financing expense	(525,741)	—
Amortization expense	(32,672)	(10,760)
Extraordinary items, net gain	705,835	—
Acquisition of entity gain (loss)	—	143,557
Disposition of assets, net gain (loss)	10,147,529	(1,088,684)
Nonoperating revenues (expenses), net	<u>9,268,350</u>	<u>(1,636,612)</u>
Gain (Loss) before capital grants and contributions	<u>9,459,805</u>	<u>(5,247,904)</u>
Capital and other grants	5,065,764	3,108,011
Change in net position	14,525,569	(2,139,893)
Net position, January 1	<u>335,011,227</u>	<u>337,151,120</u>
Net position, December 31	<u>\$ 349,536,796</u>	<u>335,011,227</u>

Housing Authority of the City and County of Denver

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

December 31, 2016

DHA had an operating gain of \$191,455 and an operating loss of \$3,611,292 in 2017 and 2016, respectively. Operating revenues were 5.5% higher in 2017 than 2016 due to an increase in developer fee income earned and housing assistance payment revenue related to portability in the Housing Choice Voucher program. Ordinary and Nonroutine maintenance decreased by 22% from 2016 to 2017 due to a larger rehab projects that occurred in 2016 compared to 2017. General expenses increased from \$1,740,278 in 2016 to \$2,587,075 in 2017 due to increased insurance costs. Depreciation was lower in 2017 than 2016 due to the aging of the capital assets.

Interest expense was \$0.7 million or 29% higher in 2017 than 2016 due to new debt issued for the 1035 Osage and Vida projects. Financing expense increased 100% in 2017 due to the financial closings for 1035 Osage and Vida that occurred in 2017. Extraordinary items, net gain increased due to the receipt of insurance proceeds for a hail storm that occurred in 2017. DHA received the donation of a not-for-profit organization resulting in an Acquisition of entity gain of \$143,557 in 2016. Disposition of assets gain (loss) increased \$11.2 million from 2016 to 2017 due to sales of properties and building rights in the Public Housing portfolio (a land parcel at South Lincoln and Parkside Apartments) and Vida. Of the total, \$5 million of the gain was in DHA Vida, LLC, which is a blended component unit of DHA. DHA Vida, LLC conveyed the rights to Vida Housing Partners I, LLLP, Vida Housing Partners II, LLLP, and Vida Commercial Partners, Inc. to build units on the land that DHA Vida, LLC leased from DHA.

***Capital Assets and Debt Administration***

The DHA's capital assets are summarized in the table below:

	<u>2017</u>	<u>2016</u>
Land	\$ 55,954,283	45,249,044
Buildings	234,272,195	229,518,252
Improvements	32,371,955	32,212,866
Machinery and equipment	4,148,541	4,925,805
Construction in process	<u>15,413,540</u>	<u>4,661,165</u>
Total capital assets	<u>342,160,514</u>	<u>316,567,132</u>
Less accumulated depreciation	<u>(196,497,151)</u>	<u>(190,938,780)</u>
Net capital assets	<u>\$ 145,663,363</u>	<u>125,628,352</u>

Capital assets increased by 17.5% in 2017 primarily due an increase in Construction in process. Additional information on DHA's capital assets can be found in Note 5 to the basic financial statements.

Housing Authority of the City and County of Denver

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

December 31, 2016

DHA's outstanding long-term debt is summarized in the table below:

	<u>2017</u>	<u>2016</u>
DHP Note – Lincoln Park	450,000	450,000
DHP Lincoln Park – First Bank Loan	1,193,774	1,299,085
DHA Bonds - CSG	12,465,000	12,545,000
DHA Bonds - Mariposa 7	3,900,366	5,464,364
Line of credit	25,985,999	8,155,104
Low Rent EPC – Banc of America	19,940,525	21,482,504
Three Towers EPC – Banc of America	2,243,534	2,386,998
South Lowell EPC - Banc of America	2,437,678	2,594,242
Three Towers – CFFP Revenue Bonds	4,660,000	5,010,000
Horse Barn - Chase	1,660,000	1,660,000
Friends of Arts Street	—	6,046
DHP Note - First Bank	168,131	168,131
DHP - Enterprise (Chestnut)	2,000,000	2,000,000
DHP - Skyline	1,500,000	1,500,000
1035 Osage - Northern Trust	12,100,000	—
1035 Osage - QLICI A1 ENMP 75 LP	6,691,650	—
1035 Osage - QLICI A1 Northern CDE-2	3,943,800	—
1035 Osage - QLICI A1 Rose Urban Green VI	5,488,455	—
1035 Osage - QLICI A1 UACD	3,615,150	—
YEA - QLICI A2 Rose Urban Green VI	1,248,870	—
1035 Osage - QLICI B1 ENMP 75 LP	3,493,350	—
1035 Osage - QLICI B1 Northern CDE-2	1,996,200	—
1035 Osage - QLICI B1 Rose Urban Green VI	2,694,545	—
1035 Osage - QLICI B1 UACD	1,774,850	—
YEA - QLICI B2 Rose Urban Green VI	613,130	—
Vida - Wells Fargo	6,300,000	—
Vida - Citywide TIF Loan	1,988,793	—
VCP NTMC - QLICI A - Catalyst CDC-10	7,881,600	—
VCP NTMC - QLICI B - Catalyst CDC-10	3,668,400	—
	<u>\$ 142,103,800</u>	<u>64,721,474</u>

All debt service payments were made in 2017 as scheduled. Additional information on DHA's long-term debt can be found in Note 6 to the basic financial statements.

**Economic Factors Affecting DHA's Future**

The majority of DHA's funding is from federal agencies in the form of operating subsidies, capital fund grants, Housing Choice Vouchers (HCV) housing assistance payments, and other smaller grants. For many years, Congress and the federal government cut federal subsidies due to federal budget priorities. The reduced funding had a large impact on DHA's economic position because federal housing dollars make up the largest source of revenue for DHA.

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

December 31, 2016

During 2017, DHA earned \$101.3 million in federal dollars for its operating and capital programs. In addition, a majority of DHA's \$145.7 million of net capital assets as of December 31, 2017 were acquired and/or developed over the years with financial assistance from HUD. Such assistance has typically come with use restrictions and generally limits DHA's ability to encumber or leverage debt financing against HUD properties in its portfolio.

Although we are awaiting the 2018 funding letters from HUD, Congress approved an increase of 9.8% for HUD funding. It is anticipated that housing assistance payments for the HCV program, which is DHA's largest housing program serving over 6,000 families, will be fully funded. The Administrative fee for HCV is anticipated to be prorated at 77% and Public Housing operating subsidies could be as high as 94%.

**Requests for Information**

This financial report is designed to provide the reader with a general overview of DHA's finances and to demonstrate DHA's financial accountability over its resources. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Nichole Ford  
Chief Financial Officer  
The Housing Authority of the City and County of Denver  
777 Grant Street  
Denver, Colorado 80203  
(DHA Web site is at: [www.denverhousing.org](http://www.denverhousing.org))

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**HOUSING AUTHORITY OF THE CITY  
AND COUNTY OF DENVER**

Statement of Net Position  
December 31, 2017

<b>Assets &amp; Deferred Outflow of Resources</b>	<b>Primary Government</b>	<b>Discretely Presented Component Units</b>
Current assets:		
Cash and cash equivalents	\$ 7,896,554	3,773,661
Investments	36,199,293	7,575,730
Receivables, net	4,340,289	877,959
Current portion of notes receivable	579,553	—
Due from DCU	1,560,832	—
Due from DHA	—	1,093,152
Inventories	96,088	—
Prepaid items	489,306	239,979
Restricted:		
Cash	18,382,483	10,332,308
Investments	5,237,818	319,256
Total current assets	74,782,216	24,212,045
Noncurrent assets:		
Noncurrent portion of notes receivable	233,723,674	—
Due From DCU	9,864,766	—
Due from DHA	—	695,087
Other	899,649	4,569,059
Restricted Cash:	43,596,774	—
Capital assets, net:		
Land	55,954,283	679,946
Buildings	64,236,935	305,337,663
Improvements	9,921,651	14,256,592
Machinery and equipment	136,954	875,636
Construction in progress	15,413,540	8,713,249
Total capital assets	145,663,363	329,863,086
Total noncurrent assets	433,748,226	335,127,232
Total assets	508,530,442	359,339,277
Deferred outflow of resources:	—	—
Total deferred outflow of resources	—	—
Total assets and deferred outflow of resources	\$ 508,530,442	359,339,277

See accompanying notes to basic financial statements.

**HOUSING AUTHORITY OF THE CITY  
AND COUNTY OF DENVER**

Statement of Net Position (continued)  
December 31, 2017

<b>Liabilities, Deferred Inflow of Resources &amp; Net Position</b>	<b>Primary Government</b>	<b>Discretely Presented Component Units</b>
	<u>                    </u>	<u>                    </u>
Current liabilities:		
Accounts payable	\$ 4,744,223	2,381,530
Compensated absences payable	841,833	12,403
Accrued liabilities	2,602,317	388,145
Unearned revenue	1,107,291	154,629
Intergovernmental payables	25,678	—
Accrued interest payable	159,569	229,664
Current portion of notes payable	5,756,933	6,686,213
Due to DCU	1,093,152	—
Due to DHA	—	1,560,832
	<u>16,330,996</u>	<u>11,413,416</u>
Current liabilities payable from restricted assets:		
Current portion of bonds payable	460,000	—
Family Self Sufficiency escrow	389,964	30,385
HAP Payable	46,660	—
Tenant security deposits	353,393	463,570
Current liabilities payable from restricted assets	<u>1,250,017</u>	<u>493,955</u>
Total current liabilities	<u>17,581,013</u>	<u>11,907,371</u>
Noncurrent liabilities:		
Compensated absences payable	114,795	—
Due to DHA	—	9,864,766
Due to DCU	695,087	—
Accrued Liabilities	1,171,977	31,238,028
Unearned revenue	2,939,609	—
Notes and bonds payable, net of current portion	135,886,867	227,547,347
Family Self Sufficiency escrow	604,298	49,575
Total noncurrent liabilities	<u>141,412,633</u>	<u>268,699,716</u>
Total liabilities	<u>158,993,646</u>	<u>280,607,087</u>
Deferred inflow of resources	<u>—</u>	<u>—</u>
Net position:		
Investment in capital assets	92,700,653	95,629,526
Restricted		
Housing Assistance Payments - Section 8	367,328	—
Operating Reserve Fund	2,549,755	4,204,031
ACC Reserve	3,688,100	1,161,070
Master Payment Fund	4,302,590	—
Replacement Reserve Fund	969,043	4,183,181
Debt Service Reserve Fund	2,707,431	—
Interest Reserve Fund	315,569	—
Escrow Fund	137,384	—
Disposition Proceeds	9,701,100	—
Redemption Bond Fund	26,768	—
Bond Proceeds Fund	63,156	—
Other	3,476,177	559,752
Unrestricted	<u>228,531,742</u>	<u>(27,005,370)</u>
Total net position	<u>349,536,796</u>	<u>78,732,190</u>
Total liabilities, deferred inflow of resources and net position	<u>\$ 508,530,442</u>	<u>359,339,277</u>

See accompanying notes to basic financial statements.

**HOUSING AUTHORITY OF THE CITY AND  
COUNTY OF DENVER**

Statements of Revenues, Expenses, and Changes in Net Position  
Year ended December 31, 2017

	<b>Primary Government</b>	<b>Discretely Presented Component Units</b>
Operating revenues:		
Rental revenues	\$ 10,847,836	13,755,242
Intergovernmental	95,327,521	7,276,139
Property Management fee/Developer fee revenue	6,312,775	—
Other revenues	8,295,357	612,450
Total operating revenues	<u>120,783,489</u>	<u>21,643,831</u>
Operating expenses:		
Administrative	15,893,431	2,410,146
Management fees	76,411	1,743,886
Tenant services	2,965,160	123,982
Utilities	4,785,624	2,649,608
Ordinary maintenance	7,070,685	5,691,100
General	2,587,075	1,562,755
Nonroutine maintenance	899,281	339,012
Depreciation	7,839,977	12,746,433
Housing assistance payments	71,400,380	—
Cost of sales and services	2,816,884	—
Other operating expenses	4,257,126	—
Total operating expenses	<u>120,592,034</u>	<u>27,266,922</u>
Operating gain (loss)	<u>191,455</u>	<u>(5,623,091)</u>
Nonoperating revenues (expenses):		
Interest revenue	2,073,358	51,790
Net increase (decrease) in the fair value of investments	(75,284)	(15,043)
Interest expense	(3,024,675)	(8,583,629)
Financing expense	(525,741)	—
Amortization expense	(32,672)	(81,668)
Mortgage insurance expense	—	(25,348)
Extraordinary items, net gain/loss	705,835	—
Other items, net gain/loss	—	693,346
Loss on assets held for sale	—	—
Gain (loss) on disposition of assets	10,147,529	(176,689)
Nonoperating revenues (expenses), net	<u>9,268,350</u>	<u>(8,137,241)</u>
Gain (Loss) before other revenues, expenses, gains, losses, and transfers	<u>9,459,805</u>	<u>(13,760,332)</u>
Capital grants - Capital Fund	3,094,503	—
Capital grants - other than Capital Fund	1,971,261	25,000
Capital contributions from/to general and limited partners	—	16,604,155
Change in net position	<u>14,525,569</u>	<u>2,868,823</u>
Net position, January 1	<u>335,011,227</u>	<u>75,863,367</u>
Net position, December 31	<u>\$ 349,536,796</u>	<u>78,732,190</u>

See accompanying notes to basic financial statements.

**HOUSING AUTHORITY OF THE CITY  
AND COUNTY OF DENVER**

Statements of Cash Flows  
Year ended December 31, 2017

	<b><u>Primary Government</u></b>
Cash flows from operating activities:	
Receipts from HUD	\$ 88,923,827
Receipts from tenants and others	23,250,278
Payments to employees	(18,922,776)
Payments to vendors and suppliers	<u>(97,648,343)</u>
Net cash provided by operating activities	<u>(4,397,014)</u>
Cash flows from capital and related financing activities:	
Issuance of note payable	91,846,006
Principal payments on debt	(13,146,057)
Interest payments	(3,003,744)
Other financing and project development costs	(525,741)
Capital grants	5,065,764
Acquisition and construction of capital assets	(24,934,964)
Proceeds from sale of assets	<u>11,340,386</u>
Net cash provided by capital and related financing activities	<u>66,641,650</u>
Cash flows from investing activities:	
Issuance of notes receivable	(38,728,299)
Receipt of payment on notes receivable	3,897,244
Proceeds from sales and maturities of investments	28,668,943
Purchase of investments	(16,420,614)
Investment in partnership	(67,645)
Interest received	<u>2,049,740</u>
Net cash used in investing activities	<u>(20,600,631)</u>
Net decrease in cash and cash equivalents	41,644,005
Cash and cash equivalents, January 1	<u>28,231,806</u>
Cash and cash equivalents, December 31 (includes \$61,979,257 in restricted cash)	<u>\$ 69,875,811</u>

Continued on next page.

**HOUSING AUTHORITY OF THE CITY  
AND COUNTY OF DENVER**

Statements of Cash Flows (continued)  
Year ended December 31, 2017

Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ 191,455
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation	7,839,977
Changes in operating assets and liabilities:	
Receivables	
Tenants	(77,845)
Intergovernmental	(469,460)
Other	(1,566,789)
Due from DCU	(4,855,476)
Inventories	(18,441)
Prepaid items	(58,493)
Accounts payable	(834,205)
Compensated absences payable	16,709
Accrued liabilities	1,276,322
Unearned revenue	(307,870)
Intergovernmental payable	(5,934,234)
Due to DCU	217,609
Family Self Sufficiency escrow	177,512
Tenant security deposits	<u>6,215</u>
Net cash used in operating activities	\$ <u><u>(4,397,014)</u></u>
Noncash investing, capital, and financing activities:	
Increase (decrease) in fair value of investments	(75,284)
Capital assets funded by payables	3,426,335

See accompanying notes to basic financial statements.

**HOUSING AUTHORITY OF THE CITY AND  
COUNTY OF DENVER**

Discretely Presented Component Units - Combining Balance Sheet  
December 31, 2017

<b>Assets &amp; Deferred Outflow of Resources</b>	<b>Globeville Redevelopment Partnership I</b>	<b>Globeville Redevelopment Partnership II</b>	<b>Thomas Bean Towers</b>	<b>Park Ave Redevelopment Block 1B</b>	<b>Park Ave Redevelopment Block 3B</b>	<b>Park Ave Redevelopment Block 4B</b>
<b>Current assets:</b>						
Cash and cash equivalents	\$ 200	—	250	445,094	349,082	280,510
Investments	308,140	36,121	449,369	115,966	37,858	86,451
<b>Receivables:</b>						
Tenants	785	9,304	8,298	5,972	733	1,745
Interest	—	—	—	—	—	—
Intergovernmental	—	—	—	—	97	—
Other	388,382	297,072	2,400	—	—	—
Current portion of notes receivable	—	—	—	—	—	—
Due from other funds	—	—	—	—	—	—
Due from DHA	—	—	—	—	—	—
Inventories	—	—	—	—	—	—
Prepaid items	—	—	75	2,183	316	298
<b>Restricted:</b>						
Cash	381,849	256,049	350,290	856,539	648,937	593,253
Investments	30,486	14,169	11,925	—	—	—
Total current assets	<u>1,109,842</u>	<u>612,715</u>	<u>822,607</u>	<u>1,425,754</u>	<u>1,037,023</u>	<u>962,257</u>
<b>Noncurrent assets:</b>						
Noncurrent portion of notes receivable	—	—	—	—	—	—
Due from DHA	—	—	—	—	—	—
Deferred amount on financing	—	—	—	—	—	—
Other	—	—	—	—	42,858	43,601
<b>Restricted:</b>						
Cash	—	—	—	—	—	—
Investments	—	—	—	—	—	—
<b>Capital assets:</b>						
Land	542,161	87,160	—	—	—	—
Buildings	5,968,738	3,257,721	20,793,779	18,435,485	19,967,505	19,101,080
Accumulated depreciation – buildings	(2,603,748)	(1,318,978)	(8,836,385)	(7,374,194)	(6,496,057)	(5,543,371)
Improvements	986,005	153,348	868,778	1,190,980	1,325,800	653,292
Accumulated depreciation – improvements	(466,157)	(66,939)	(690,103)	(873,385)	(792,332)	(347,707)
Machinery and equipment	104,469	45,230	312,510	319,882	206,998	237,392
Accumulated depreciation – machinery and equipment	(103,790)	(45,146)	(307,803)	(317,301)	(206,998)	(237,231)
Construction in progress	—	—	—	—	—	—
Total capital assets	<u>4,427,678</u>	<u>2,112,396</u>	<u>12,140,776</u>	<u>11,381,467</u>	<u>14,004,916</u>	<u>13,863,455</u>
Total noncurrent assets	<u>4,427,678</u>	<u>2,112,396</u>	<u>12,140,776</u>	<u>11,381,467</u>	<u>14,047,774</u>	<u>13,907,056</u>
Total assets	<u>5,537,520</u>	<u>2,725,111</u>	<u>12,963,383</u>	<u>12,807,221</u>	<u>15,084,797</u>	<u>14,869,313</u>
<b>Deferred Outflow of Resources</b>						
Total deferred outflow of resources	—	—	—	—	—	—
Total assets and deferred outflow of resources	<u>\$ 5,537,520</u>	<u>2,725,111</u>	<u>12,963,383</u>	<u>12,807,221</u>	<u>15,084,797</u>	<u>14,869,313</u>

See accompanying notes to basic financial statements.

**HOUSING AUTHORITY OF THE CITY  
AND COUNTY OF DENVER**

Discretely Presented Component Units - Combining Balance Sheet (continued)  
December 31, 2017

<b>Assets &amp; Deferred Outflow of Resources</b>	<b>Park Ave Redevelopment Block 5B</b>	<b>Three Towers Partners</b>	<b>Westwood Homes</b>	<b>1099 Osage LLLP</b>	<b>Mariposa Partners II LLLP</b>	<b>Mariposa Partners III LLLP</b>
Current assets:						
Cash and cash equivalents	\$ 477,508	250	200	200	309,462	438,378
Investments	158,200	160,300	389,549	40,747	678,061	348,546
Receivables:						
Tenants	4,458	10,610	30,827	1,039	3,364	5,344
Interest	—	—	—	—	—	—
Intergovernmental	—	—	—	—	—	34
Other	—	7,376	6,123	—	—	—
Current portion of notes receivable	—	—	—	—	—	—
Due from other funds	—	—	—	—	—	—
Due from DHA	—	—	—	—	—	—
Inventories	—	—	—	—	—	—
Prepaid items	296	2,039	—	608	14,327	12,760
Restricted:						
Cash	754,785	2,263,922	753,897	403,196	439,960	409,825
Investments	—	21,384	47,216	6,325	—	—
Total current assets	<u>1,395,247</u>	<u>2,465,881</u>	<u>1,227,812</u>	<u>452,115</u>	<u>1,445,174</u>	<u>1,214,887</u>
Noncurrent assets:						
Noncurrent portion of notes receivable	—	—	—	—	—	—
Due from DHA	—	—	—	—	197,175	212,048
Deferred amount on financing	—	—	—	—	—	—
Other	55,655	—	76,289	68,949	231,064	235,557
Restricted:						
Cash	—	—	—	—	—	—
Investments	—	—	—	—	—	—
Capital assets:						
Land	—	—	—	—	—	—
Buildings	17,255,995	53,027,628	26,334,433	20,199,161	18,896,720	20,378,198
Accumulated depreciation – buildings	(2,767,138)	(17,862,717)	(4,490,367)	(4,461,196)	(2,019,700)	(2,009,335)
Improvements	930,272	722,968	839,440	819,489	2,373,279	1,304,058
Accumulated depreciation – improvements	(394,197)	(435,498)	(259,199)	(242,488)	(415,444)	(150,648)
Machinery and equipment	306,653	579,456	308,173	185,022	272,383	402,675
Accumulated depreciation – machinery and equipment	(276,583)	(576,107)	(299,787)	(183,654)	(219,658)	(305,831)
Construction in progress	—	—	—	—	—	—
Total capital assets	<u>15,055,002</u>	<u>35,455,730</u>	<u>22,432,693</u>	<u>16,316,334</u>	<u>18,887,580</u>	<u>19,619,117</u>
Total noncurrent assets	<u>15,110,657</u>	<u>35,455,730</u>	<u>22,508,982</u>	<u>16,385,283</u>	<u>19,315,819</u>	<u>20,066,722</u>
Total assets	<u>16,505,904</u>	<u>37,921,611</u>	<u>23,736,794</u>	<u>16,837,398</u>	<u>20,760,993</u>	<u>21,281,609</u>
Deferred Outflow of Resources						
Total deferred outflow of resources	—	—	—	—	—	—
Total assets and deferred outflow of resources	<u>\$ 16,505,904</u>	<u>37,921,611</u>	<u>23,736,794</u>	<u>16,837,398</u>	<u>20,760,993</u>	<u>21,281,609</u>

See accompanying notes to basic financial statements.

**HOUSING AUTHORITY OF THE CITY  
AND COUNTY OF DENVER**

Discretely Presented Component Units - Combining Balance Sheet (continued)  
December 31, 2017

<b>Assets &amp; Deferred Outflow of Resources</b>	<b>Mariposa Partners IV LLLP</b>	<b>Mariposa Partners VI LLLP</b>	<b>Mariposa Partners VII LLLP</b>	<b>Mariposa Partners VIII LLLP</b>	<b>CSG Redevelopment LLL</b>	<b>Mountain View Redevelopment LLL</b>
Current assets:						
Cash and cash equivalents	\$ 366,766	412,932	—	168,134	500	350
Investments	230,935	—	1,171,856	2,317	1,382,379	1,755,278
Receivables:						
Tenants	4,900	5,031	26	4,703	7,824	3,252
Interest	—	—	—	—	—	—
Intergovernmental	154	532	—	—	—	—
Other	—	1,041	600	38	8,745	2,400
Current portion of notes receivable	—	—	—	—	—	—
Due from other funds	—	—	—	—	—	—
Due from DHA	—	60,007	—	—	1,033,145	—
Inventories	—	—	—	—	—	—
Prepaid items	2,170	281	—	483	18,246	97,398
Restricted:						
Cash	357,633	405,817	—	10,700	—	1,068,424
Investments	—	—	4,125	—	63,956	59,167
Total current assets	<u>962,558</u>	<u>885,641</u>	<u>1,176,607</u>	<u>186,375</u>	<u>2,514,795</u>	<u>2,986,269</u>
Noncurrent assets:						
Noncurrent portion of notes receivable	—	—	—	—	—	—
Due from DHA	112,016	173,848	—	—	—	—
Deferred amount on financing	—	—	—	—	—	—
Other	69,471	106,458	39,925	61,709	1,172,217	1,403,513
Restricted:						
Cash	—	—	—	—	—	—
Investments	—	—	—	—	—	—
Capital assets:						
Land	—	—	—	—	—	—
Buildings	17,367,831	21,532,091	12,636,808	7,051,999	35,192,565	23,873,023
Accumulated depreciation – buildings	(1,323,274)	(854,518)	(294,366)	(162,782)	(2,839,892)	(4,109,303)
Improvements	1,389,838	1,034,637	1,862,654	571,454	1,147,039	837,579
Accumulated depreciation – improvements	(159,163)	(47,878)	(11,315)	(18,216)	(156,185)	(232,839)
Machinery and equipment	237,358	286,078	66,283	70,588	474,501	228,839
Accumulated depreciation – machinery and equipment	(143,532)	(90,826)	(5,200)	(7,430)	(313,118)	(193,758)
Construction in progress	—	—	—	—	—	—
Total capital assets	<u>17,369,058</u>	<u>21,859,584</u>	<u>14,254,864</u>	<u>7,505,613</u>	<u>33,504,910</u>	<u>20,403,541</u>
Total noncurrent assets	<u>17,550,545</u>	<u>22,139,890</u>	<u>14,294,789</u>	<u>7,567,322</u>	<u>34,677,127</u>	<u>21,807,054</u>
Total assets	<u>18,513,103</u>	<u>23,025,531</u>	<u>15,471,396</u>	<u>7,753,697</u>	<u>37,191,922</u>	<u>24,793,323</u>
Deferred Outflow of Resources						
Total deferred outflow of resources	—	—	—	—	—	—
Total assets and deferred outflow of resources	<u>\$ 18,513,103</u>	<u>23,025,531</u>	<u>15,471,396</u>	<u>7,753,697</u>	<u>37,191,922</u>	<u>24,793,323</u>

See accompanying notes to basic financial statements.

**HOUSING AUTHORITY OF THE CITY  
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Discretely Presented Component Units - Combining Balance Sheet (continued)  
December 31, 2017

<b>Assets &amp; Deferred Outflow of Resources</b>	<b>South Lowell Redevelopment LLP</b>	<b>Studebaker Building Ltd.</b>	<b>Denver Metro Solar LLC</b>	<b>Vida Housing Partners I LLP</b>	<b>Vida Housing Partners II LLP</b>	<b>Total</b>
<b>Current assets:</b>						
Cash and cash equivalents	\$ —	76,646	—	—	447,199	3,773,661
Investments	222,059	—	1,598	—	—	7,575,730
<b>Receivables:</b>						
Tenants	16,211	4,396	—	—	—	128,822
Interest	—	—	—	—	—	—
Intergovernmental	—	—	—	—	—	817
Other	26,220	2,941	4,982	—	—	748,320
Current portion of notes receivable	—	—	—	—	—	—
Due from other funds	—	—	—	—	—	—
Due from DHA	—	—	—	—	—	1,093,152
Inventories	—	—	—	—	—	—
Prepaid items	56,223	276	32,000	—	—	239,979
<b>Restricted:</b>						
Cash	333,171	44,061	—	—	—	10,332,308
Investments	60,503	—	—	—	—	319,256
<b>Total current assets</b>	<b>714,387</b>	<b>128,320</b>	<b>38,580</b>	<b>—</b>	<b>447,199</b>	<b>24,212,045</b>
<b>Noncurrent assets:</b>						
Noncurrent portion of notes receivable	—	—	—	—	—	—
Due from DHA	—	—	—	—	—	695,087
Deferred amount on financing	—	—	—	—	—	—
Other	651,434	—	—	79,545	230,814	4,569,059
<b>Restricted:</b>						
Cash	—	—	—	—	—	—
Investments	—	—	—	—	—	—
<b>Capital assets:</b>						
Land	—	50,625	—	—	—	679,946
Buildings	16,452,752	3,422,693	3,424,464	—	—	384,570,669
Accumulated depreciation – buildings	(1,777,402)	(2,082,654)	(5,629)	—	—	(79,233,006)
Improvements	1,284,206	—	—	—	—	20,295,116
Accumulated depreciation – improvements	(278,831)	—	—	—	—	(6,038,524)
Machinery and equipment	228,540	93,053	—	—	—	4,966,083
Accumulated depreciation – machinery and equipment	(173,817)	(82,877)	—	—	—	(4,090,447)
Construction in progress	—	—	—	3,265,490	5,447,759	8,713,249
<b>Total capital assets</b>	<b>15,735,448</b>	<b>1,400,840</b>	<b>3,418,835</b>	<b>3,265,490</b>	<b>5,447,759</b>	<b>329,863,086</b>
<b>Total noncurrent assets</b>	<b>16,386,882</b>	<b>1,400,840</b>	<b>3,418,835</b>	<b>3,345,035</b>	<b>5,678,573</b>	<b>335,127,232</b>
<b>Total assets</b>	<b>17,101,269</b>	<b>1,529,160</b>	<b>3,457,415</b>	<b>3,345,035</b>	<b>6,125,772</b>	<b>359,339,277</b>
<b>Deferred Outflow of Resources</b>						
Total deferred outflow of resources	—	—	—	—	—	—
<b>Total assets and deferred     outflow of resources</b>	<b>\$ 17,101,269</b>	<b>1,529,160</b>	<b>3,457,415</b>	<b>3,345,035</b>	<b>6,125,772</b>	<b>359,339,277</b>

See accompanying notes to basic financial statements.

**HOUSING AUTHORITY OF THE CITY  
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Discretely Presented Component Units - Combining Balance Sheet (continued)  
December 31, 2017

<b>Liabilities, Deferred Inflow of Resources &amp; Net Position</b>	<b>Globeville Redevelopment Partnership I</b>	<b>Globeville Redevelopment Partnership II</b>	<b>Thomas Bean Towers</b>	<b>Park Ave Redevelopment Block 1B</b>	<b>Park Ave Redevelopment Block 3B</b>	<b>Park Ave Redevelopment Block 4B</b>
<b>Current liabilities:</b>						
Accounts payable	\$ 582,644	291,262	53,618	100,866	8,772	16,847
Current portion of compensated absences payable	—	—	—	2,702	2,026	1,857
Accrued liabilities	5,097	2,462	23,669	10,539	9,548	9,880
Deferred Credit- Prepaid Income	4,718	4,636	19,232	3,276	9,573	2,546
Intergovernmental payables	—	—	—	—	—	—
Accrued interest payable	—	—	—	26,126	25,557	20,477
Current portion of long-term debt	38,760	23,577	—	81,732	44,261	36,993
Due to other funds	—	—	—	—	—	—
Due to DHA	—	3,388	—	48,771	59,454	28,621
	<u>631,219</u>	<u>325,325</u>	<u>96,519</u>	<u>274,012</u>	<u>159,191</u>	<u>117,221</u>
<b>Current liabilities payable from restricted assets:</b>						
Accrued interest payable	—	—	—	—	—	—
Current portion of long-term debt	—	—	—	—	—	—
Family Self Sufficiency escrow	—	—	—	—	—	—
Tenant security deposits	30,486	14,169	11,925	31,950	19,900	21,200
Escrow held for others	—	—	—	—	—	—
Current liabilities payable from restricted assets	<u>30,486</u>	<u>14,169</u>	<u>11,925</u>	<u>31,950</u>	<u>19,900</u>	<u>21,200</u>
Total current liabilities	<u>661,705</u>	<u>339,494</u>	<u>108,444</u>	<u>305,962</u>	<u>179,091</u>	<u>138,421</u>
<b>Noncurrent liabilities:</b>						
Compensated absences payable	—	—	—	—	—	—
Due to DHA	246,355	313,000	—	—	—	—
Accrued liabilities	416,987	199,631	6,624,203	2,057,023	4,192,303	1,509,355
Notes and bonds payable	2,457,706	1,458,283	11,159,666	8,717,214	10,200,159	8,837,337
Family Self Sufficiency escrow	—	—	—	—	—	—
Total noncurrent liabilities	<u>3,121,048</u>	<u>1,970,914</u>	<u>17,783,869</u>	<u>10,774,237</u>	<u>14,392,462</u>	<u>10,346,692</u>
Total liabilities	<u>3,782,753</u>	<u>2,310,408</u>	<u>17,892,313</u>	<u>11,080,199</u>	<u>14,571,553</u>	<u>10,485,113</u>
<b>Deferred inflow of resources</b>						
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<b>Net position:</b>						
Investment in capital assets	1,931,212	630,536	981,110	2,582,521	3,760,496	4,989,125
Restricted						
Operating Reserve Fund	107,867	78,499	—	308,588	221,758	290,759
ACC Reserve	—	—	—	—	108,402	—
Replacement Reserve	249,457	162,887	350,290	452,209	243,929	230,758
Other	24,525	14,663	—	63,792	54,948	50,536
Unrestricted	<u>(558,294)</u>	<u>(471,882)</u>	<u>(6,260,330)</u>	<u>(1,680,088)</u>	<u>(3,876,289)</u>	<u>(1,176,978)</u>
Total net position	<u>1,754,767</u>	<u>414,703</u>	<u>(4,928,930)</u>	<u>1,727,022</u>	<u>513,244</u>	<u>4,384,200</u>
Total liabilities, deferred inflow of resources and net position	<u>\$ 5,537,520</u>	<u>2,725,111</u>	<u>12,963,383</u>	<u>12,807,221</u>	<u>15,084,797</u>	<u>14,869,313</u>

See accompanying notes to basic financial statements.

**HOUSING AUTHORITY OF THE CITY  
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Discretely Presented Component Units - Combining Balance Sheet (continued)  
December 31, 2017

<b>Liabilities, Deferred Inflow of Resources &amp; Net Position</b>	<b>Park Ave Redevelopment Block 5B</b>	<b>Three Towers Partners</b>	<b>Westwood Homes</b>	<b>1099 Osage LLLP</b>	<b>Mariposa Partners II LLLP</b>	<b>Mariposa Partners III LLLP</b>
Current liabilities:						
Accounts payable	\$ 4,044	127,712	17,365	14,393	5,825	19,779
Current portion of compensated absences payable	1,857	—	—	—	972	910
Accrued liabilities	13,486	36,900	28,512	19,150	18,569	17,251
Deferred Credit- Prepaid Income	6,910	33,211	18,387	7,243	5,164	2,109
Intergovernmental payables	—	—	—	—	—	—
Accrued interest payable	14,344	—	—	—	18,588	15,199
Current portion of long-term debt	45,735	—	—	—	35,078	30,557
Due to other funds	—	—	—	—	—	—
Due to DHA	33,466	—	—	—	10,025	33,650
	<u>119,842</u>	<u>197,823</u>	<u>64,264</u>	<u>40,786</u>	<u>94,221</u>	<u>119,455</u>
Current liabilities payable from restricted assets:						
Accrued interest payable	—	—	—	—	—	—
Current portion of long-term debt	—	—	—	—	—	—
Family Self Sufficiency escrow	—	—	19,099	—	—	—
Tenant security deposits	20,950	21,384	15,285	6,325	25,725	20,690
Escrow held for others	—	—	—	—	—	—
Current liabilities payable from restricted assets	<u>20,950</u>	<u>21,384</u>	<u>34,384</u>	<u>6,325</u>	<u>25,725</u>	<u>20,690</u>
Total current liabilities	<u>140,792</u>	<u>219,207</u>	<u>98,648</u>	<u>47,111</u>	<u>119,946</u>	<u>140,145</u>
Noncurrent liabilities:						
Compensated absences payable	—	—	—	—	—	—
Due to DHA	—	—	—	—	623,646	194,838
Accrued liabilities	669,323	10,788,542	1,704	414	686,408	638,299
Notes and bonds payable	9,303,058	36,122,527	20,735,033	12,729,930	10,990,447	9,968,911
Family Self Sufficiency escrow	—	—	12,832	—	—	—
Total noncurrent liabilities	<u>9,972,381</u>	<u>46,911,069</u>	<u>20,749,569</u>	<u>12,730,344</u>	<u>12,300,501</u>	<u>10,802,048</u>
Total liabilities	<u>10,113,173</u>	<u>47,130,276</u>	<u>20,848,217</u>	<u>12,777,455</u>	<u>12,420,447</u>	<u>10,942,193</u>
Deferred inflow of resources						
	—	—	—	—	—	—
Net position:						
Investment in capital assets	5,706,209	(666,797)	1,697,660	3,586,404	7,862,055	9,619,649
Restricted						
Operating Reserve Fund	359,531	468,831	394,605	226,287	235,567	213,048
ACC Reserve	184,905	867,763	—	—	—	—
Replacement Reserve	187,900	927,328	359,292	176,909	119,096	108,607
Other	1,499	—	—	—	59,572	67,480
Unrestricted	<u>(47,313)</u>	<u>(10,805,790)</u>	<u>437,020</u>	<u>70,343</u>	<u>64,256</u>	<u>330,632</u>
Total net position	<u>6,392,731</u>	<u>(9,208,665)</u>	<u>2,888,577</u>	<u>4,059,943</u>	<u>8,340,546</u>	<u>10,339,416</u>
Total liabilities, deferred inflow of resources and net position	<u>\$ 16,505,904</u>	<u>37,921,611</u>	<u>23,736,794</u>	<u>16,837,398</u>	<u>20,760,993</u>	<u>21,281,609</u>

See accompanying notes to basic financial statements.

**HOUSING AUTHORITY OF THE CITY  
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Discretely Presented Component Units - Combining Balance Sheet (continued)  
December 31, 2017

<b>Liabilities, Deferred Inflow of Resources &amp; Net Position</b>	<b>Mariposa Partners IV LLLP</b>	<b>Mariposa Partners VI LLLP</b>	<b>Mariposa Partners VII LLLP</b>	<b>Mariposa Partners VIII LLLP</b>	<b>CSG Redevelopment LLP</b>	<b>Mountain View Redevelopment LLP</b>
Current liabilities:						
Accounts payable	\$ 14,946	15,549	24,401	39,943	52,106	30,874
Current portion of compensated absences payable	805	984	—	290	—	—
Accrued liabilities	15,387	18,419	9,857	4,891	65,282	29,676
Deferred Credit- Prepaid Income	3,375	5,211	2,320	1,008	20,383	1,957
Intergovernmental payables	—	—	—	—	—	—
Accrued interest payable	14,630	23,366	—	—	63,156	—
Current portion of long-term debt	23,955	41,881	3,847,482	2,175,243	90,000	113,804
Due to other funds	—	—	—	—	—	—
Due to DHA	7,915	60,196	149,077	366,454	—	—
	<u>81,013</u>	<u>165,606</u>	<u>4,033,137</u>	<u>2,587,829</u>	<u>290,927</u>	<u>176,311</u>
Current liabilities payable from restricted assets:						
Accrued interest payable	—	—	—	—	—	—
Current portion of long-term debt	—	—	—	—	—	—
Family Self Sufficiency escrow	—	—	—	—	—	—
Tenant security deposits	20,735	26,350	4,125	10,700	63,956	59,167
Escrow held for others	—	—	—	—	—	—
Current liabilities payable from restricted assets	<u>20,735</u>	<u>26,350</u>	<u>4,125</u>	<u>10,700</u>	<u>63,956</u>	<u>59,167</u>
Total current liabilities	<u>101,748</u>	<u>191,956</u>	<u>4,037,262</u>	<u>2,598,529</u>	<u>354,883</u>	<u>235,478</u>
Noncurrent liabilities:						
Compensated absences payable	—	—	—	—	—	—
Due to DHA	1,185,989	967,799	1,094,947	513,933	900,406	1,501,531
Accrued liabilities	898,448	632,312	115,041	21,858	429,281	4,886
Notes and bonds payable	7,447,650	10,264,048	6,080,950	300,000	25,875,597	17,331,773
Family Self Sufficiency escrow	—	—	—	—	—	—
Total noncurrent liabilities	<u>9,532,087</u>	<u>11,864,159</u>	<u>7,290,938</u>	<u>835,791</u>	<u>27,205,284</u>	<u>18,838,190</u>
Total liabilities	<u>9,633,835</u>	<u>12,056,115</u>	<u>11,328,200</u>	<u>3,434,320</u>	<u>27,560,167</u>	<u>19,073,668</u>
Deferred inflow of resources	—	—	—	—	—	—
Net position:						
Investment in capital assets	9,897,453	11,553,655	4,326,432	5,030,370	7,539,313	2,957,964
Restricted						
Operating Reserve Fund	201,029	267,952	—	—	—	627,863
ACC Reserve	—	—	—	—	—	—
Replacement Reserve	68,860	50,198	—	—	—	346,863
Other	67,009	61,317	—	—	—	93,698
Unrestricted	<u>(1,355,083)</u>	<u>(963,706)</u>	<u>(183,236)</u>	<u>(710,993)</u>	<u>2,092,442</u>	<u>1,693,267</u>
Total net position	<u>8,879,268</u>	<u>10,969,416</u>	<u>4,143,196</u>	<u>4,319,377</u>	<u>9,631,755</u>	<u>5,719,655</u>
Total liabilities, deferred inflow of resources and net position	<u>\$ 18,513,103</u>	<u>23,025,531</u>	<u>15,471,396</u>	<u>7,753,697</u>	<u>37,191,922</u>	<u>24,793,323</u>

See accompanying notes to basic financial statements.

**HOUSING AUTHORITY OF THE CITY  
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Discretely Presented Component Units - Combining Balance Sheet (continued)  
December 31, 2017

<b>Liabilities, Deferred Inflow of Resources &amp; Net Position</b>	<b>South Lowell Redevelopment LLLP</b>	<b>Stuebaker Building Ltd.</b>	<b>Denver Metro Solar LLC</b>	<b>Vida Housing Partners I LLLP</b>	<b>Vida Housing Partners II LLLP</b>	<b>Total</b>
Current liabilities:						
Accounts payable	\$ 11,510	3,617	658,586	181,657	105,214	2,381,530
Current portion of compensated absences payable	—	—	—	—	—	12,403
Accrued liabilities	14,559	234	—	16,149	18,628	388,145
Deferred Credit- Prepaid Income	1,466	1,904	—	—	—	154,629
Intergovernmental payables	—	—	—	—	—	—
Accrued interest payable	—	—	8,221	—	—	229,664
Current portion of long-term debt	—	57,155	—	—	—	6,686,213
Due to other funds	—	—	—	—	—	—
Due to DHA	—	—	715,000	31,931	12,884	1,560,832
	<u>27,535</u>	<u>62,910</u>	<u>1,381,807</u>	<u>229,737</u>	<u>136,726</u>	<u>11,413,416</u>
Current liabilities payable from restricted assets:						
Accrued interest payable	—	—	—	—	—	—
Current portion of long-term debt	—	—	—	—	—	—
Family Self Sufficiency escrow	11,286	—	—	—	—	30,385
Tenant security deposits	12,475	26,073	—	—	—	463,570
Escrow held for others	—	—	—	—	—	—
Current liabilities payable from restricted assets	<u>23,761</u>	<u>26,073</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>493,955</u>
Total current liabilities	<u>51,296</u>	<u>88,983</u>	<u>1,381,807</u>	<u>229,737</u>	<u>136,726</u>	<u>11,907,371</u>
Noncurrent liabilities:						
Compensated absences payable	—	—	—	—	—	—
Due to DHA	35,926	—	320,000	699,452	1,266,944	9,864,766
Accrued liabilities	1,326,085	25,925	—	—	—	31,238,028
Notes and bonds payable	13,405,689	2,102,440	939,561	—	1,119,368	227,547,347
Family Self Sufficiency escrow	36,743	—	—	—	—	49,575
Total noncurrent liabilities	<u>14,804,443</u>	<u>2,128,365</u>	<u>1,259,561</u>	<u>699,452</u>	<u>2,386,312</u>	<u>268,699,716</u>
Total liabilities	<u>14,855,739</u>	<u>2,217,348</u>	<u>2,641,368</u>	<u>929,189</u>	<u>2,523,038</u>	<u>280,607,087</u>
Deferred inflow of resources	—	—	—	—	—	—
Net position:						
Investment in capital assets	2,329,759	(758,755)	2,479,274	3,265,490	4,328,391	95,629,526
Restricted						
Operating Reserve Fund	201,847	—	—	—	—	4,204,031
ACC Reserve	—	—	—	—	—	1,161,070
Replacement Reserve	131,323	17,275	—	—	—	4,183,181
Other	—	713	—	—	—	559,752
Unrestricted	<u>(417,399)</u>	<u>52,579</u>	<u>(1,663,227)</u>	<u>(849,644)</u>	<u>(725,657)</u>	<u>(27,005,370)</u>
Total net position	<u>2,245,530</u>	<u>(688,188)</u>	<u>816,047</u>	<u>2,415,846</u>	<u>3,602,734</u>	<u>78,732,190</u>
Total liabilities, deferred inflow of resources and net position	<u>\$ 17,101,269</u>	<u>1,529,160</u>	<u>3,457,415</u>	<u>3,345,035</u>	<u>6,125,772</u>	<u>359,339,277</u>

See accompanying notes to basic financial statements.

**HOUSING AUTHORITY OF THE CITY  
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Discretely Presented Component Units - Combining Statement of Activities  
December 31, 2017

	Globeville Redevelopment Partnership I	Globeville Redevelopment Partnership II	Thomas Bean Towers	Park Ave Redevelopment Block 1B	Park Ave Redevelopment Block 3B	Park Ave Redevelopment Block 4B
Operating revenues:						
Rental revenues	\$ 495,377	280,130	817,046	1,247,787	855,171	855,580
Intergovernmental	—	—	415,993	81,379	81,439	80,957
Property Management fee revenue	—	—	—	—	—	—
Other revenues	1,496	6,347	84,756	26,971	73,562	14,576
Charges for services	—	—	—	—	—	—
Total operating revenues	<u>496,873</u>	<u>286,477</u>	<u>1,317,795</u>	<u>1,356,137</u>	<u>1,010,172</u>	<u>951,113</u>
Operating expenses:						
Administrative	44,558	26,924	187,944	181,536	124,304	120,179
Management fees	61,838	32,734	132,583	84,329	73,079	60,666
Tenant services	—	—	87	1,355	1,141	1,043
Utilities	32,394	12,737	240,378	127,782	96,201	99,192
Ordinary maintenance	127,229	67,622	535,525	279,537	225,579	195,567
General	21,435	10,610	97,548	55,576	132,453	45,520
Nonroutine maintenance	17,581	43,384	10,783	101,820	1,543	14,576
Depreciation	244,265	119,062	820,832	753,068	814,478	738,353
Housing assistance payments	—	—	—	—	—	—
Cost of sales and services	—	—	—	—	—	—
Other operating expenses	—	—	—	—	—	—
Total operating expenses	<u>549,300</u>	<u>313,073</u>	<u>2,025,680</u>	<u>1,585,003</u>	<u>1,468,778</u>	<u>1,275,096</u>
Operating income (loss)	<u>(52,427)</u>	<u>(26,596)</u>	<u>(707,885)</u>	<u>(228,866)</u>	<u>(458,606)</u>	<u>(323,983)</u>
Nonoperating revenues (expenses):						
Intergovernmental	—	—	—	—	—	—
Interest revenue	990	662	3,404	1,268	449	891
Net increase (decrease) in the fair value of investments	(748)	(88)	(910)	(220)	(70)	(163)
Interest expense	(151,065)	(91,023)	(696,994)	(566,153)	(754,640)	(495,984)
Financing expense	—	—	—	—	—	—
Amortization expense	—	—	—	—	(6,122)	(4,844)
Mortgage insurance expense	—	—	—	—	—	—
Other items, net gain/loss	458,510	234,836	—	—	—	—
Loss on assets held for sale	—	—	—	—	—	—
Gain (loss) on disposition of assets	(104,297)	(51,449)	—	—	—	—
Nonoperating revenues (expenses), net	<u>203,390</u>	<u>92,938</u>	<u>(694,500)</u>	<u>(565,105)</u>	<u>(760,383)</u>	<u>(500,100)</u>
Income (loss) before other revenues, expenses, gains, losses, and transfers	<u>150,963</u>	<u>66,342</u>	<u>(1,402,385)</u>	<u>(793,971)</u>	<u>(1,218,989)</u>	<u>(824,083)</u>
Transfers in (out)	—	—	—	—	—	—
Equity transfer	—	—	—	—	—	—
Capital grants - Capital Fund	—	—	—	—	—	—
Capital grants - other than Capital Fund	—	—	—	—	—	—
Capital contributions from/to general and limited partners	—	—	(8,135)	—	—	—
Changes in net position	<u>150,963</u>	<u>66,342</u>	<u>(1,410,520)</u>	<u>(793,971)</u>	<u>(1,218,989)</u>	<u>(824,083)</u>
Net position, January 1	\$ 1,603,804	348,361	(3,518,410)	2,520,993	1,732,233	5,208,283
Net position, End of Period	<u>\$ 1,754,767</u>	<u>414,703</u>	<u>(4,928,930)</u>	<u>1,727,022</u>	<u>513,244</u>	<u>4,384,200</u>

See accompanying notes to basic financial statements.

**HOUSING AUTHORITY OF THE CITY  
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Discretely Presented Component Units - Combining Statement of Activities  
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	Park Ave Redevelopment Block 5B	Three Towers Partners	Westwood Homes	1099 Osage LLP	Mariposa Partners II LLLP	Mariposa Partners III LLLP
Operating revenues:						
Rental revenues	\$ 880,174	1,099,156	671,506	355,442	991,504	860,233
Intergovernmental	65,306	1,230,890	849,674	203,431	98,903	81,578
Property Management fee revenue	—	—	—	—	—	—
Other revenues	13,431	64,641	59,980	14,495	41,119	27,569
Charges for services	—	—	—	—	—	—
Total operating revenues	<u>958,911</u>	<u>2,394,687</u>	<u>1,581,160</u>	<u>573,368</u>	<u>1,131,526</u>	<u>969,380</u>
Operating expenses:						
Administrative	122,115	392,631	178,045	116,979	94,236	77,006
Management fees	64,323	332,144	100,489	37,664	69,117	60,313
Tenant services	1,088	9,916	—	905	213	199
Utilities	101,237	348,121	338,773	110,531	163,541	144,214
Ordinary maintenance	168,071	1,077,237	475,175	227,167	240,071	244,512
General	129,264	128,065	96,003	51,795	73,249	74,070
Nonroutine maintenance	1,414	41,984	2,983	1,489	9,779	—
Depreciation	537,225	1,977,604	702,961	539,930	626,394	628,177
Housing assistance payments	—	—	—	—	—	—
Cost of sales and services	—	—	—	—	—	—
Other operating expenses	—	—	—	—	—	—
Total operating expenses	<u>1,124,737</u>	<u>4,307,702</u>	<u>1,894,429</u>	<u>1,086,460</u>	<u>1,276,600</u>	<u>1,228,491</u>
Operating income (loss)	<u>(165,826)</u>	<u>(1,913,015)</u>	<u>(313,269)</u>	<u>(513,092)</u>	<u>(145,074)</u>	<u>(259,111)</u>
Nonoperating revenues (expenses):						
Intergovernmental	—	—	—	—	—	—
Interest revenue	2,354	781	3,619	723	5,362	2,820
Net increase (decrease) in the fair value of investments	(301)	(335)	(963)	(91)	(1,309)	(672)
Interest expense	(180,603)	(1,504,180)	(180)	(894)	(397,179)	(329,058)
Financing expense	—	—	—	—	—	—
Amortization expense	(5,566)	—	(7,629)	(6,212)	(6,382)	(5,620)
Mortgage insurance expense	—	—	—	—	—	—
Other items, net gain/loss	—	—	—	—	—	—
Loss on assets held for sale	—	—	—	—	—	—
Gain (loss) on disposition of assets	—	—	—	—	—	—
Nonoperating revenues (expenses), net	<u>(184,116)</u>	<u>(1,503,734)</u>	<u>(5,153)</u>	<u>(6,474)</u>	<u>(399,508)</u>	<u>(332,530)</u>
Income (loss) before other revenues, expenses, gains, losses, and transfers	<u>(349,942)</u>	<u>(3,416,749)</u>	<u>(318,422)</u>	<u>(519,566)</u>	<u>(544,582)</u>	<u>(591,641)</u>
Transfers in (out)	—	—	—	—	—	—
Equity transfer	—	—	—	—	—	—
Capital grants - Capital Fund	—	—	—	—	—	—
Capital grants - other than Capital Fund	—	—	—	—	—	—
Capital contributions from/to general and limited partners	—	—	—	—	—	—
Changes in net position	<u>(349,942)</u>	<u>(3,416,749)</u>	<u>(318,422)</u>	<u>(519,566)</u>	<u>(544,582)</u>	<u>(591,641)</u>
Net position, January 1	\$ 6,742,673	(5,791,916)	3,206,999	4,579,509	8,885,128	10,931,057
Net position, End of Period	<u>\$ 6,392,731</u>	<u>(9,208,665)</u>	<u>2,888,577</u>	<u>4,059,943</u>	<u>8,340,546</u>	<u>10,339,416</u>

See accompanying notes to basic financial statements.

**HOUSING AUTHORITY OF THE CITY  
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Discretely Presented Component Units - Combining Statement of Activities  
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	Mariposa Partners IV LLLP	Mariposa Partners VI LLLP	Mariposa Partners VII LLLP	Mariposa Partners VIII LLLP	CSG Redevelopment LLLP	Mountain View Redevelopment LLLP
<b>Operating revenues:</b>						
Rental revenues	\$ 798,201	941,972	216,813	119,314	809,627	775,291
Intergovernmental	52,566	174,334	—	127,026	1,683,689	1,674,243
Property Management fee revenue	—	—	—	—	—	—
Other revenues	28,131	51,924	6,299	3,451	37,180	8,144
Charges for services	—	—	—	—	—	—
Total operating revenues	<u>878,898</u>	<u>1,168,230</u>	<u>223,112</u>	<u>249,791</u>	<u>2,530,496</u>	<u>2,457,678</u>
<b>Operating expenses:</b>						
Administrative	73,083	84,813	24,646	33,285	217,804	189,974
Management fees	55,264	66,754	16,387	18,290	156,501	156,839
Tenant services	176	215	—	48	54,887	48,707
Utilities	104,719	122,941	30,319	28,096	187,541	248,986
Ordinary maintenance	191,540	174,866	63,567	25,848	556,195	529,175
General	69,208	70,650	28,603	12,539	137,784	207,255
Nonroutine maintenance	3,483	13,903	—	—	32,583	35,332
Depreciation	533,876	625,704	310,881	188,428	1,023,001	958,158
Housing assistance payments	—	—	—	—	—	—
Cost of sales and services	—	—	—	—	—	—
Other operating expenses	—	—	—	—	—	—
Total operating expenses	<u>1,031,349</u>	<u>1,159,846</u>	<u>474,403</u>	<u>306,534</u>	<u>2,366,296</u>	<u>2,374,426</u>
Operating income (loss)	<u>(152,451)</u>	<u>8,384</u>	<u>(251,291)</u>	<u>(56,743)</u>	<u>164,200</u>	<u>83,252</u>
<b>Nonoperating revenues (expenses):</b>						
Intergovernmental	—	—	—	—	—	—
Interest revenue	1,838	198	—	—	10,321	12,951
Net increase (decrease) in the fair value of investments	(444)	172	(2,749)	(5)	(2,905)	(3,457)
Interest expense	(483,447)	(497,553)	(247,327)	(194,136)	(928,596)	(654,592)
Financing expense	—	—	—	—	—	—
Amortization expense	(4,957)	(6,848)	(1,005)	(2,147)	(10,701)	(8,814)
Mortgage insurance expense	—	—	—	—	—	(25,348)
Other items, net gain/loss	—	—	—	—	—	—
Loss on assets held for sale	—	—	—	—	—	—
Gain (loss) on disposition of assets	—	—	—	—	—	—
Nonoperating revenues (expenses), net	<u>(487,010)</u>	<u>(504,031)</u>	<u>(251,081)</u>	<u>(196,288)</u>	<u>(931,881)</u>	<u>(679,260)</u>
Income (loss) before other revenues, expenses, gains, losses, and transfers	<u>(639,461)</u>	<u>(495,647)</u>	<u>(502,372)</u>	<u>(253,031)</u>	<u>(767,681)</u>	<u>(596,008)</u>
Transfers in (out)	—	—	—	—	—	—
Equity transfer	—	—	—	—	—	—
Capital grants - Capital Fund	—	—	—	—	—	—
Capital grants - other than Capital Fund	—	—	—	—	—	—
Capital contributions from/to general and limited partners	—	2,228,406	3,776,717	3,717,275	—	—
Changes in net position	<u>(639,461)</u>	<u>1,732,759</u>	<u>3,274,345</u>	<u>3,464,244</u>	<u>(767,681)</u>	<u>(596,008)</u>
Net position, January 1	\$ 9,518,729	9,236,657	868,851	855,133	10,399,436	6,315,663
Net position, End of Period	<u>\$ 8,879,268</u>	<u>10,969,416</u>	<u>4,143,196</u>	<u>4,319,377</u>	<u>9,631,755</u>	<u>5,719,655</u>

See accompanying notes to basic financial statements.

**HOUSING AUTHORITY OF THE CITY  
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Discretely Presented Component Units - Combining Statement of Activities  
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	South Lowell Redevelopment LLLP	Stuebaker Building Ltd.	Denver Metro Solar LLC	Vida Housing Partners I LLP	Vida Housing Partners II LLLP	Total
Operating revenues:						
Rental revenues	\$ 340,345	344,573	—	—	—	13,755,242
Intergovernmental	374,731	—	—	—	—	7,276,139
Property Management fee revenue	—	—	—	—	—	—
Other revenues	18,373	25,024	4,981	—	—	612,450
Charges for services	—	—	—	—	—	—
Total operating revenues	<u>733,449</u>	<u>369,597</u>	<u>4,981</u>	<u>—</u>	<u>—</u>	<u>21,643,831</u>
Operating expenses:						
Administrative	81,783	10,393	27,908	—	—	2,410,146
Management fees	85,295	79,277	—	—	—	1,743,886
Tenant services	4,002	—	—	—	—	123,982
Utilities	111,449	456	—	—	—	2,649,608
Ordinary maintenance	233,063	53,554	—	—	—	5,691,100
General	120,894	234	—	—	—	1,562,755
Nonroutine maintenance	6,375	—	—	—	—	339,012
Depreciation	517,207	81,200	5,629	—	—	12,746,433
Housing assistance payments	—	—	—	—	—	—
Cost of sales and services	—	—	—	—	—	—
Other operating expenses	—	—	—	—	—	—
Total operating expenses	<u>1,160,068</u>	<u>225,114</u>	<u>33,537</u>	<u>—</u>	<u>—</u>	<u>27,266,922</u>
Operating income (loss)	<u>(426,619)</u>	<u>144,483</u>	<u>(28,556)</u>	<u>—</u>	<u>—</u>	<u>(5,623,091)</u>
Nonoperating revenues (expenses):						
Intergovernmental	—	—	—	—	—	—
Interest revenue	2,015	173	15	378	578	51,790
Net increase (decrease) in the fair value of investments	(566)	—	781	—	—	(15,043)
Interest expense	(329,040)	(77,524)	(3,461)	—	—	(8,583,629)
Financing expense	—	—	—	—	—	—
Amortization expense	(4,159)	(662)	—	—	—	(81,668)
Mortgage insurance expense	—	—	—	—	—	(25,348)
Other items, net gain/loss	—	—	—	—	—	693,346
Loss on assets held for sale	—	—	—	—	—	—
Gain (loss) on disposition of assets	—	(20,943)	—	—	—	(176,689)
Nonoperating revenues (expenses), net	<u>(331,750)</u>	<u>(98,956)</u>	<u>(2,665)</u>	<u>378</u>	<u>578</u>	<u>(8,137,241)</u>
Income (loss) before other revenues, expenses, gains, losses, and transfers	<u>(758,369)</u>	<u>45,527</u>	<u>(31,221)</u>	<u>378</u>	<u>578</u>	<u>(13,760,332)</u>
Transfers in (out)	—	—	—	—	—	—
Equity transfer	—	—	—	—	—	—
Capital grants - Capital Fund	—	—	—	—	—	—
Capital grants - other than Capital Fund	—	25,000	—	—	—	25,000
Capital contributions from/to general and limited partners	—	25,000	847,268	2,415,468	3,602,156	16,604,155
Changes in net position	<u>(758,369)</u>	<u>95,527</u>	<u>816,047</u>	<u>2,415,846</u>	<u>3,602,734</u>	<u>2,868,823</u>
Net position, January 1	\$ 3,003,899	(783,715)	—	—	—	75,863,367
Net position, End of Period	\$ <u>2,245,530</u>	<u>(688,188)</u>	<u>816,047</u>	<u>2,415,846</u>	<u>3,602,734</u>	<u>78,732,190</u>

See accompanying notes to basic financial statements.

Housing Authority of the City and County of Denver

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2017

**(1) Summary of Significant Accounting Policies**

The Housing Authority of the City and County of Denver (hereinafter referred to as DHA) is a corporate body created in 1938 to provide safe, decent, and sanitary housing for low-and moderate-income residents of the City and County of Denver, Colorado (the City).

The basic financial statements of DHA have been prepared in conformity with U.S. generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements. Following is a summary of the more significant accounting policies of DHA.

**(a) Reporting Entity**

DHA is a quasi-municipal corporation. DHA's nine-member Board of Commissioners is appointed by the Mayor of the City, but DHA is a legally separate agency with many sources of income. The City does not have the ability to affect the operations of DHA, nor does DHA provide a financial benefit to, or impose a financial burden on, the City. DHA administers the following U.S. Department of Housing and Urban Development (HUD) programs: Public Housing, Section 8 Housing Choice Vouchers, and various other HUD programs.

In determining how to define the reporting entity, management has considered all potential component units. The accompanying financial statements present DHA and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of DHA's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as part of the primary government. The discretely presented component units are reported in a separate column in the financial statements to emphasize that they are legally separate from the government.

***Blended Component Units***

The Denver Housing Corporation (DHC) is a nonprofit corporation created by DHA in 1978 to facilitate the financing of construction of low-income housing units under Section 8 of HUD's New Construction Program. DHC has no employees and all functions are provided by employees of DHA.

DLIHDC Development Corporation (DLIHDC DC) is a corporation created by DHA in 1994 to participate in the development and operation of the Studebaker Building consisting of affordable housing units. DLIHDC DC is a general partner in Studebaker Partners, which is a partner in the Studebaker Building Ltd., and does not control the partnership. DLIHDC DC has no employees and all functions are provided by employees of DHA.

Curtis Park Housing, Inc. is a nonprofit corporation created by DHA in 2000 to participate in three tax credit partnerships in the Curtis Park HOPE VI redevelopment. This entity is a limited partner and does not control these partnerships, has no employees and all functions are provided by employees of DHA.

Globeville Workforce Housing Inc. is a nonprofit corporation created by DHA in 2003 to be the instrumentality to develop the Globeville Townhomes. This entity has no employees and all functions are provided by employees of DHA.

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Arrowhead Housing, Inc. is a nonprofit corporation created by DHA in 2004 to own, rehabilitate, and operate a low-income housing tax credit partnership under DHA's Park Avenue HOPE VI redevelopment grant. This entity has no employees, and all functions are provided by employees of DHA.

Denver Housing Development Partners, Inc. (DHDP) is a corporation created by DHA in 2004 to participate in tax credit partnerships. As of December 31, 2017, DHDP is a limited partner in 40 partnerships and does not control these partnerships. DHDP has no employees and all functions are provided by employees of DHA.

Arrowhead Housing II, Inc. and Arrowhead Housing III, Inc. are nonprofit corporations created by DHA in 2005 to own, rehabilitate, and operate low-income housing tax credit partnerships under the DHA's Park Avenue HOPE VI redevelopment grant. These entities have no employees and all functions are provided by employees of DHA.

DHA Limited Partners, LLC is a corporation created by DHA in 2006 to participate in the initial creation of tax credit partnerships during the predevelopment phase up to financial closing. As of December 31, 2017, this entity is not a partner in any partnerships.

Three Towers Housing Inc. is a nonprofit corporation created by DHA in 2007 to own, rehabilitate, and operate a low-income housing tax credit partnership, the Three Towers Partners LLLP. This entity has no employees and all functions are provided by employees of DHA.

Arrowhead Housing IV, Inc. is a nonprofit corporation created by DHA in 2008 to own, rehabilitate, and operate low-income housing tax credit partnerships under the DHA's Park Avenue HOPE VI redevelopment grant. This entity has no employees and all functions are provided by employees of DHA.

Arrowhead Housing V, Inc. is a nonprofit corporation created by DHA in 2010 to own, rehabilitate, and operate low-income housing tax credit partnerships. This entity has no employees and all functions are provided by employees of DHA.

Osage Housing, Inc. is a nonprofit corporation created by DHA in 2010 to own, rehabilitate, and operate low-income housing tax credit partnerships. This entity has no employees and all functions are provided by employees of DHA.

Westwood Housing, Inc. is a nonprofit corporation created by DHA in 2010 to own, rehabilitate, and operate low-income housing tax credit partnerships. This entity has no employees and all functions are provided by employees of DHA.

Denver Community Ventures (DCV), also known as Friends of DHA, is a nonprofit corporation created by DHA in 2011 to obtain funding through collaborative partnerships with third parties and other sources to assist in the delivery of self-sufficiency services through programs provided by DHA.

MVEC Housing, Inc. is a nonprofit corporation created by DHA in 2012 to own, rehabilitate, and operate low-income housing tax credit partnerships. This entity has no employees and all functions are provided by employees of DHA.

SLR Housing, Inc. is a nonprofit corporation created by DHA in 2012 to own, rehabilitate, and operate low-income housing tax credit partnerships. This entity has no employees and all functions are provided by employees of DHA.

Housing Authority of the City and County of Denver

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December 31, 2017

SLP Housing II, Inc. is a nonprofit corporation created by DHA in 2012 to own, rehabilitate, and operate low-income housing tax credit partnerships. This entity has no employees and all functions are provided by employees of DHA.

SLP Housing III, Inc. is a nonprofit corporation created by DHA in 2012 to own, rehabilitate, and operate low-income housing tax credit partnerships. This entity has no employees and all functions are provided by employees of DHA.

SLP Housing IV, Inc. is a nonprofit corporation created by DHA in 2013 to own, rehabilitate, and operate low-income housing tax credit partnerships. This entity has no employees and all functions are provided by employees of DHA.

SLP Housing VI, Inc. is a nonprofit corporation created by DHA in 2013 to own, rehabilitate, and operate low-income housing tax credit partnerships. This entity has no employees and all functions are provided by employees of DHA.

SLP Housing VII, Inc. is a nonprofit corporation created by DHA in 2014 to own, rehabilitate, and operate low-income housing tax credit partnerships. This entity has no employees and all functions are provided by employees of DHA.

SLP Housing VIII, Inc. is a nonprofit corporation created by DHA in 2015 to own, rehabilitate, and operate low-income housing tax credit partnerships. This entity has no employees and all functions are provided by employees of DHA.

Curtis Park Horse Barn, Inc. is a nonprofit corporation created by DHA in 2012 to redevelop a historical horse barn converted to commercial property. This entity has no employees and all functions are provided by employees of DHA.

Youth Employment Academy (YEA) is a nonprofit corporation created by DHA in 2012 to obtain funding through collaborative partnerships with third parties and other sources and increase resident job training services.

Osage Café LLC is a corporation created by DHA in 2012 to manage the business activities of the cafe and provide job training services to residents of the community.

CSG Housing Inc. is a nonprofit corporation created by DHA in 2013 to own, rehabilitate, and operate low-income housing tax credit partnerships. This entity has no employees and all functions are provided by employees of DHA.

DHA Park Hill LLC is a nonprofit created by DHA in 2013 to participate in Park Hill Village West LLC as a member with a 25% general partner interest in Park Hill Village West LLLP, a 156 unit affordable housing development.

DHA Chestnut Housing LLC is a nonprofit created by DHA in 2015 to participate in 18th & Chestnut L.P. as a Co-General Partner. 18th & Chestnut, L.P. was formed to develop, construct, finance and operate a 107 unit affordable housing development

YEA Mercado is a newly created division of the Youth Employment Academy (YEA), which is a nonprofit corporation created by DHA in 2012. Its purpose is to serve as the ground level food hub at the facility being constructed at 1035 Osage. It is financed by New Market Tax Credits and is projected to be completed in spring 2018.

Housing Authority of the City and County of Denver

NOTES TO BASIC FINANCIAL STATEMENTS

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1035 Osage Inc. is a 501(c) (3) created in 2017 to receive New Market Tax Credit financing to construct a facility at 1035 Osage. The building includes garage parking, ground level commercial space for the food hub and the new corporate office for Denver Housing Authority. Projected completion is in spring 2018.

DHA Energy LLC created in 2017, was formed for the purpose of holding an interest in the company that owns, develops, and operates a two megawatt (MW) solar community garden facility and sells subscriptions for the output project.

Denver Affordable Energy Inc. created in 2017, was formed for the purpose of holding a 99% interest in Denver Metro Solar LLC (DMS) which owns, develops, and operates a two MW solar community garden facility.

DHA Vida, LLC is a nonprofit created by DHA in 2017 to participate as the Declarant and entered the Ground Lease for the purpose of facilitating on the premises a common interest for the development, maintenance, and operation of a mixed use planned community development, commonly known as Vida at Sloan's.

Sun Valley Eco District (SVED) is a 501(c) (3) nonprofit corporation created by DHA in 2015 to provide support for the revitalization of the Sun Valley neighborhood. SVED has no employees and all functions are provided by employees of DHA.

DHA Vida Housing I, LLC is a nonprofit created by DHA in 2017 to participate as the General Partner for Vida Housing I, LLLP to own, develop, construct, rehabilitate, finance and operate housing developments in Denver, Colorado.

DHA Vida Housing II, LLC is a nonprofit created by DHA in 2017 to participate as the General Partner for Vida Housing II, LLLP to own, develop, construct, rehabilitate, finance and operate housing developments in Denver, Colorado.

Vida Commercial Partners, Inc. (VCP) is a nonprofit created by DHA in 2017 to participate together with an undivided 18.74% interest as tenants in common in the Common Accessory Unit, according to the Planned Community Declaration.

The above entities are included in the accompanying basic financial statements as blended component units in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended, based on the following factors:

- They entities are fiscally dependent upon DHA because DHA approves the respective annual budgets.
- DHA is able to impose its will on these entities because DHA can significantly influence the programs, projects, and activities.
- The governing bodies are substantively the same as the governing body of DHA.

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***Discretely Presented Component Units***

DHA's discretely presented component units include the limited partnerships below. 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 component unit financial statements in order for them to conform to the presentation of the primary government.

The entities listed below are wholly owned by DHA and they serve as the general partner in these housing development limited partnerships. Two members of DHA's board of directors, the Executive Director, and two management staff serve as the board of directors for these general partner entities.

Under GASB No. 14, *The Financial Reporting Entity*, as amended, these limited partnerships are considered discretely presented component units of DHA since none of these component units meet the blending criteria.

Globeville Workforce Housing Inc. entered into two limited partnerships with US Bancorp CDC to form Globeville Redevelopment Partners I LLLP and Globeville Redevelopment Partners II LLLP. DHA is the property manager for the 62 rental units completed by the low-income housing tax credit partnerships.

Arrowhead Housing Inc. entered into a limited partnership with Boston Financial Investment Management (formerly MMA Financial) to form Thomas Bean Towers LP. DHA is the property manager for the 189 rental units.

Arrowhead Housing II, Inc. entered into a limited partnership with US Bancorp CDC to form Park Avenue Redevelopment (Block 1B). DHA has hired the Ross Management Group to manage the 124 rental units.

Arrowhead Housing III, Inc. entered into a limited partnership with Wincopin Circle LLLP to form Park Avenue Redevelopment Block 3B, LLLP. The Ross Management Group is the property manager for the 91 rental units.

Arrowhead Housing IV, Inc. entered into a limited partnership with US Bancorp CDC to form Park Avenue Redevelopment Block 4B, LLLP. The Ross Management Group is the property manager for the 89 rental units.

Arrowhead Housing V, Inc. entered into a limited partnership with Enterprise Neighborhood Partners Fund III LLLP in 2011 to form Park Avenue Redevelopment Block 5B, LLLP. The Ross Management Group is the property manager for the 89 rental units completed by the low-income housing tax credit partnership.

Three Towers Housing Inc. entered into a limited partnership with Boston Capital Partners Inc. in 2004 to form Three Towers Partners LLLP. DHA is the property manager for the 359 rental units.

Westwood Housing, Inc. entered into a limited partnership with Richman Group Capital Corporation to form Westwood Homes, LLLP. DHA is the property manager for the 184 rental units.

Osage Housing, Inc. entered into a limited partnership with U.S.A. Institutional South Lincoln, LLC to form 1099 Osage LLLP. DHA is the property manager for the 100 rental units completed by the low-income housing tax credit partnership.

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MVEC Housing, Inc. entered into a limited partnership with RBC Tax Credit Equity, LLC to form Mountain View Redevelopment LLLP. DHA is the property manager for the 254 rental units completed by the low-income housing tax credit partnership.

SLR Housing, Inc. entered into a limited partnership with RBC Tax Credit Equity, LLC to form South Lowell Redevelopment LLLP. DHA is the property manager for the 96 rental units completed by the low-income housing tax credit partnership.

SLP Housing II, Inc. entered into a limited partnership with Enterprise Neighborhood Partners IV LLLP in 2012 to form Mariposa Partners II, LLLP. The Ross Management Group is the property manager for the 93 rental units completed by the low-income housing tax credit partnership.

SLP Housing III, Inc. entered into a limited partnership with Enterprise Neighborhood Partners IV LLLP in 2012 to form Mariposa Partners III, LLLP. The Ross Management Group is the property manager for the 87 rental units completed by the low-income housing tax credit partnership.

SLP Housing IV, Inc. entered into a limited partnership with Enterprise Neighborhood Partners IV LLLP in 2013 to form Mariposa Partners IV, LLLP. The Ross Management Group is the property manager for the 77 rental units completed by the low-income housing tax credit partnership.

SLP Housing VI, Inc. entered into a limited partnership with Enterprise Neighborhood Partners VI LLLP in 2014 to form Mariposa Partners VI, LLLP. The Ross Management Group is the property manager for the 94 rental units completed by the low-income housing tax credit partnership.

SLP Housing VII, Inc. entered into a limited partnership with Enterprise Neighborhood Partners VII LLLP in 2015 to form Mariposa Partners VII, LLLP. DHA is the property manager for the 45 rental units completed by the low-income housing tax credit partnership.

SLP Housing VIII, Inc. entered into a limited partnership with Enterprise Neighborhood Partners VII LLLP in 2015 to form Mariposa Partners VIII, LLLP. The Ross Management Group is the property manager for the 21 rental units completed by the low-income housing tax credit partnership.

CSG Housing Inc. entered into a limited partnership with American Express West Equity Fund Limited Partnership in 2015 to form CSG Redevelopment Partners LLLP. DHA is the property manager for the 222 rental units completed by the low-income housing tax credit partnership.

DLIHDC DC entered into a limited partnership with JGSE, LLC to form Studebaker Partners. Studebaker Partners is a general and a limited partner in the Studebaker Building Ltd.

Denver Affordable Energy Inc. entered into a company administration agreement to form Denver Metro Solar LLC (DMS). DMS was formed for the purpose of owning, developing, and operating a two MW solar community garden facility and selling subscriptions for the output of the project.

DHA Vida Housing I, LLC entered into a limited partnership with Wells Fargo Affordable Housing Community Development Corporation in 2017 to form Vida Housing Partners I, LLLP. DHA will be the property manager for the 112 residential units.

DHA Vida Housing II, LLC entered into a limited partnership with Wells Fargo Affordable Housing Community Development Corporation in 2017 to form Vida Housing Partners II, LLLP. DHA will be the property manager for the 64 residential units.

Separately audited financial statements for the partnerships are available by contacting DHA at 720-932-3077.

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**(b) Basis of Presentation**

The accounts of DHA are reported as an enterprise fund. Enterprise funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Revenue is recognized when earned and expenses are recorded at the time liabilities are incurred. All assets and liabilities associated with the operations of DHA are included on the statement of net position.

**(c) Cash**

Cash is considered to be cash on hand and demand deposits.

**(d) Receivables**

Receivables represent amounts due from HUD for current year program operating and housing assistance subsidies earned but not received at year-end and amounts due from parties other than HUD. Receivable balances are reviewed to determine whether they are collectible. Allowance account estimates are established for receivable amounts when collection is questionable.

**(e) Revenue and Expenses**

DHA's statement of revenues, expenses, and changes in net position distinguish between operating and non-operating revenues and expenses. Operating revenue results from exchange transactions associated with providing housing and related services, and federal operating subsidies and housing assistance payments that are directly related to DHA's mission. Non-operating revenue includes capital and noncapital federal grants, interest revenue, and other revenues not meeting the definition of operating. Operating expenses consist of all expenses incurred to provide housing services. Non-operating expenses include interest expense and other expenses not meeting the definition of operating.

**(f) Revenue Recognition**

Revenue from rental of housing units and other revenue are recognized as revenue in the period earned.

**(g) Investments**

Federal statutes authorize investment of excess federal funds in instruments issued by or guaranteed by the Federal government. DHA has adopted this policy for all invested funds, whether or not they are federal funds. Investments are carried at fair value based on the most recent market quotations.

**(h) Inventories**

Inventories are stated at the lower of average cost or market. Inventories are expensed when used.

**(i) Prepaid Items**

Payments made to vendors for services that will benefit periods beyond year-end are recorded as prepaid items.

**(j) Restricted Assets**

Certain proceeds of revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets and liabilities payable from restricted assets on the statement of net position because their use is limited by applicable bond covenants.

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In addition to assets restricted for compliance with bond covenants, restricted assets are also maintained to account for resources required to repay tenant security deposits, insurance deposits, amounts held for others, and amounts held in the Family Self Sufficiency program.

The balances of the restricted asset accounts for the primary government are as follows:

Restricted Investments- HAP	\$	405,133
Restricted Investments- Program Income		3,472,733
Restricted Investments- Section 8		-
Restricted Investments- Other		526,546
Escrow Held by Others		-
Family Self Sufficiency		994,262
Tenant Security Deposits		307,034
Commercial Security Deposits		46,359
Interest Reserve Fund		315,569
Escrow Fund		137,384
Debt Service Reserve Fund		2,707,430
Operating Reserve Fund		726,352
Replacement Reserve Fund		969,044
Redemption Reserve Fund		26,769
Master Payment Fund		31,788,819
Bond Proceeds Fund		63,156
Operating Reserves- US Bank		351,124
ACC Reserve		3,688,100
Operating Reserves- Other		10,990,159
Section 18 Disposition Escrow		9,701,100
Surplus Fund		2
Total restricted assets		<u><u>67,217,075</u></u>

The balances of the restricted asset accounts for the discretely presented component units are as follows:

Family Self Sufficiency		79,959
Tenant Security Deposits		237,297
Commercial Security Deposits		2,000
Non-DHA Managed Security Deposits		236,806
Insurance Escrow		547,658
Replacement Reserve Fund		4,182,744
Operating Reserves- US Bank		2,711,090
Operating Reserves- Key Bank		1,492,940
ACC Reserve		1,161,070
Total restricted assets	\$	<u><u>10,651,564</u></u>

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**(k) Notes Receivable**

Notes receivable consists of loans made to cooperative and redevelopment partnerships, the proceeds of which were used to construct and rehabilitate affordable housing units. Notes receivable also consists of second mortgages to low-income homebuyers. These mortgages require no payments and earn no interest for eight years, and then bear an interest rate of 3%. Additional information can be found in Note 4 to the basic financial statements.

**(l) Capital Assets and Depreciation**

All land, buildings and building improvements are capitalized. Capital assets are stated at historical cost. The monetary threshold for capitalization for machinery and equipment is an initial cost of \$5,000 or more. Maintenance and repairs are charged to current period operating expenses and improvements are capitalized. Upon retirement or other disposition of property and equipment, the cost and related accumulated depreciation are removed from the respective accounts, and any gains or losses are included in non-operating revenues and expenses.

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

Buildings/Improvements:	
New construction	40 Years
Rehabilitation/acquisition	20 Years
Machinery and equipment	5 Years

**(m) Compensated Absences**

Regular, full-time employees receive compensation for vacations, holidays, illness, and certain other qualifying absences. The number of days compensated in the various categories of absence is based generally on length of service. Compensated absences, which have been earned but not paid, have been accrued in the accompanying basic financial statements.

**(n) 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 amount of assets and liabilities and disclosures of contingent assets and liabilities at the date of the statement of net position and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

**(o) Impairment of Capital Assets**

GASB Statement No. 42, Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries, establishes accounting and financial reporting standards for impairment of capital assets. A capital asset is considered impaired when its service utility has declined significantly and unexpectedly. DHA is required to evaluate prominent events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. No such events or circumstances were encountered as of December 31, 2017.

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**(p) *New Accounting Standards Adopted***

Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, is effective for financial statements for periods beginning after June 15, 2016. Statement No. 80, Blending Requirement for Certain Component Units, is effective for financial statements for periods beginning after June 15, 2016. This statement amends GASB Statement No. 14 and adds an additional blending requirement for the financial statement presentation of component units. Statement No. 81, Irrevocable Split Interest Agreements, is effective for periods beginning after December 15, 2016. Statement No. 82, Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No. 73, effective for periods beginning after June 15, 2016. The adoption of these standards did not have a significant impact on the financial statements of DHA.

**(q) *New Accounting Standards to be Adopted in Future Years***

Statement No. 75, Accounting and Financial Reporting for Postemployment Benefit Other Than Pensions, is effective for financial statements for periods beginning after June 15, 2017. This adoption of this standards is not expected to have a significant impact on the financial statements of DHA.

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.

**(2) *Deposits and Investments***

**(a) *Deposits***

Deposits, including those in restricted assets, are defined as cash on deposit with financial institutions. At December 31, 2017, the carrying amount of DHA's deposits was \$69,864,766 and the bank balance was \$71,306,893. The bank deposits are held with financial institutions and are entirely insured or uninsured and collateralized. Of the total bank balance, \$4,065,706 was covered by federal depository insurance, and \$67,241,187 was uninsured and collateralized with securities held by banks in their trust departments not in DHA's name.

At December 31, 2017, the carrying amount of the discretely presented component unit deposits was \$14,102,069 and the bank balance was \$14,312,357. The bank deposits are held with financial institutions and are entirely insured or uninsured and collateralized. Of the total bank balance, \$8,106,881 was covered by federal depository insurance, and \$6,205,476 was uninsured and

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collateralized with securities held by banks in their trust departments not in the name of the discretely presented component units.

The State of Colorado's (the State) Public Deposit Protection Act (PDPA) precludes DHA from requiring banks to hold securities in DHA's name. DHA deposits are subject to and in accordance with the PDPA. Under this act, all uninsured deposits are fully collateralized. The eligible collateral pledged is held in custody by any Federal Reserve Bank, or branch thereof, or held in escrow by some other bank in a manner prescribed by rule and regulation or is segregated from other trust department securities. All collateral so held must be clearly identified as being securities maintained or pledged for the aggregate amount of public deposits accepted and held on deposit by the eligible public depository. The depository has the right at any time to make substitutions of eligible collateral maintained or pledged and must at all times be entitled to collect and retain all income derived from those investments without restriction.

For the primary government, cash consists of the following at December 31, 2017:

Cash - unrestricted	\$	7,896,554
Cash - current restricted		<u>61,979,257</u>
Total cash		<u>69,875,811</u>
Less: Cash on hand		<u>(11,044)</u>
Total deposits	\$	<u><u>69,864,767</u></u>

For the discretely presented component units, cash consists of the following at December 31, 2017:

Cash - unrestricted	\$	3,773,661
Cash - current restricted		<u>10,332,308</u>
Total cash		<u>14,105,969</u>
Less: Cash on hand		<u>(3,900)</u>
Total deposits	\$	<u><u>14,102,069</u></u>

**(b) Investments**

DHA's investment policies require that all investments be made in accordance with the stated objectives of capital preservation, optimum liquidity, and return while conforming to all applicable statutes and regulations. DHA has established a maximum maturity of three years and a maximum weighted average maturity of one and a half years.

DHA intends to adhere fully to its investment policy, which expressly prohibits the making of speculative or leveraged investments and requires that all investments be made prudently and with due care to ensure compliance with all statutes and regulations.

DHA restricts its investments to direct obligations of the U.S. government, fully insured or collateralized investments at commercial banks and savings and loan associations, collateralized repurchase agreements, state-approved investment pools, or money market funds consisting entirely of U.S. government securities.

DHA categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to

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measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. DHA's assessment of the significance of inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

Investments held by DHA are as follows at December 31, 2017:

	<b>Primary Government</b>	<b>Discretely Presented Component Units</b>	<b>Combined</b>
U.S. Treasury & Agency	\$ 24,646,823	4,957,559	29,604,382
Investment Pool - COLOTRUST	16,790,288	2,937,427	19,727,715
	<u>\$ 41,437,111</u>	<u>7,894,986</u>	<u>49,332,097</u>

U.S Government Treasury and Agency investments are classified in Level 1 are valued using prices quoted in active markets for those securities.

The fair value of Investment Pool – COLOTRUST was determined based on level 2 inputs. DHA estimates the fair value of these investments using interest rates at commonly quoted intervals and yield curves as input.

There were no investments categorized with Level 3 inputs as of December 31, 2017.

**Custodial Credit Risk**

Custodial credit risk for investments is the risk that in the event of failure of the counterparty to a transaction, DHA will not be able to recover the value of the investments. As of December 31, 2017, none of the investments were exposed to custodial credit risk.

**Concentration of Credit Risk, Credit Risk, and Interest Rate Risk**

Concentration of credit risk is the risk of loss that may occur due to the amount of investments in a single issuer (not including investments issued or guaranteed by the U.S. government). Since DHA's investments are primarily in investments issued or guaranteed by the U.S. government, there is no concentration of credit risk.

Credit risk of investments is the risk that the issuer or other counterparty will not meet its obligations. This credit risk is measured by the credit quality rating of investments in debt securities as rated by a nationally recognized rating agency. DHA's investment policy recognizes this risk by restricting the type of securities that may be purchased.

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The following table summarizes the credit quality and credit risk as a percentage of total investments:

	<u>Credit Quality</u>	
Fannie Mae (Federal National Mortgage Association)	AA+	5%
Freddie Mac (Federal Home Loan Mortgage Association)	AA+	17%
Federal Home Loan Bank notes	AA+	12%
U.S. Treasury Notes	AA+	21%
Federal Farm Credit Bank notes	AA+	17%
COLOTRUST	AAA	28%
		<u>100%</u>

DHA invests a portion of its funds with the Colorado Local Government Liquid Asset Trust (COLOTRUST), which invests solely in federal government securities. COLOTRUST operates in a manner consistent with the Security and Exchange Commission's Rule 2a-7 of the Investment Company Act of 1940 and is registered with the Securities Commissioner of the State of Colorado. The trust maintains a constant net asset value of \$1 per share. Therefore, the fair value position of DHA's shares is equivalent to the value of the pool shares. DHA is invested in COLOTRUST PLUS+, which holds an AAA rating from Standard & Poor's.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. DHA selects investments of varied maturities to mitigate this risk.

The following table summarizes the maturities of the combination of DHA and its discretely presented component units' investments in U.S. government agency securities and other investments backed by U.S. government agency securities:

	<u>Fair Value</u>	<u>Maturities (in years)</u>	
		<u>Less than 1</u>	<u>1-2</u>
Fannie Mae (Federal National Mortgage Association)	\$ 1,986,193	997,138	989,055
Freddie Mac (Federal Home Loan Mortgage Association)	6,969,122	2,747,453	4,221,669
Federal Home Loan Bank notes	4,988,780	3,995,582	993,198
Federal Farm Credit Bank notes	6,961,957	3,982,011	2,979,946
U.S. Treasury Notes	8,698,330	5,237,100	3,461,231
Total	<u>\$ 29,604,382</u>	<u>16,959,284</u>	<u>12,645,099</u>

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**(3) Receivables**

Receivables for the primary government at December 31, 2017 consist of the following:

		<b>Receivable</b>	<b>Less: Allowance for doubtful accounts</b>	<b>Net receivable</b>
Tenants	\$	288,978	(14,685)	274,293
Interest		6,876,184	(6,720,455)	155,729
Intergovernmental		1,022,136	—	1,022,136
Other		3,382,579	(494,448)	2,888,131
Total receivables	\$	<u>11,569,877</u>	<u>(7,229,588)</u>	<u>4,340,289</u>

Receivables for the discretely presented component units at December 31, 2017 consist of the following:

		<b>Receivable</b>	<b>Less: Allowance for doubtful accounts</b>	<b>Net receivable</b>
Tenants	\$	128,822	—	128,822
Intergovernmental		817	—	817
Other		798,209	(49,889)	748,320
Total receivables	\$	<u>927,848</u>	<u>(49,889)</u>	<u>877,959</u>

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**(4) Notes Receivable**

Changes in notes receivable during 2017 were as follows:

	<b>December 31,</b> <b>2016</b>	<b>Additions</b>	<b>Receipts</b>	<b>December 31,</b> <b>2017</b>
Studebaker Building, Ltd.	\$ 1,201,151	—	29,926	1,171,225
Curtis Park I, 2nd	4,045,210	—	—	4,045,210
Curtis Park I, 3rd	1,300,000	—	—	1,300,000
Curtis Park II, 2nd	4,385,979	—	—	4,385,979
Curtis Park III, 1st	2,173,000	—	—	2,173,000
Curtis Park III, 2nd	200,000	—	—	200,000
Hope VI Homeownership	302,579	—	52,054	250,525
Hughes Brothers Development	41,090	—	—	41,090
Thomas Bean Towers,	11,159,666	—	—	11,159,666
Three Towers, Revolving LOC	4,914,138	60,643	—	4,974,781
Three Towers, Capital Fund	14,600,000	—	—	14,600,000
Three Towers, Program Fund	16,547,746	—	—	16,547,746
Park Avenue Redevelopment Block 1B	3,900,000	—	—	3,900,000
Park Avenue Redevelopment Block 3B	5,140,910	—	—	5,140,910
Park Avenue Redevelopment Block 4B	5,154,500	—	—	5,154,500
Park Avenue Redevelopment Block 5B	6,799,646	—	—	6,799,646
Globeville I	427,162	—	—	427,162
Globeville II	241,145	—	—	241,145
Mariposa II	7,500,972	—	—	7,500,972
Mariposa III	6,994,950	—	—	6,994,950
Mariposa IV	4,749,955	—	—	4,749,955
Mariposa VI	5,672,207	—	—	5,672,207
Mariposa VII	8,191,040	5,389,910	3,599,634	9,981,316
Mariposa VIII	300,000	—	—	300,000
Mountain View	7,802,519	—	—	7,802,519
South Lowell	13,420,749	—	—	13,420,749
Westwood	20,743,489	—	—	20,743,489
1099 Osage	12,772,614	—	—	12,772,614
CSG	26,503,885	—	85,630	26,418,255
Yale Station Apartments, 2nd	168,131	—	—	168,131
Mile High United Way	130,000	—	130,000	—
Cecil Development Promissory Note	34,375	—	—	34,375
Ashley Union Station	2,430,988	—	—	2,430,988
Habitat for Humanity	840,000	—	—	840,000
TNT-DHA NMTC Fund LLC	—	20,987,925	—	20,987,925
Lowry Family Housing	—	6,228	—	6,228
Denver Metro Solar, LLC	—	500,000	—	500,000
Sun Valley Eco District Trust	—	1,465,000	—	1,465,000
Vida Housing Partners II	—	1,119,369	—	1,119,369
Vida Health Investment Fund	—	7,881,600	—	7,881,600
Total	<u>200,789,796</u>	<u>37,410,675</u>	<u>3,897,244</u>	<u>234,303,227</u>
Less amount due within one year	<u>279,307</u>			<u>579,553</u>
Noncurrent portion	<u>\$ 200,510,489</u>			<u>233,723,674</u>

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**(a) *Studebaker Building, LLC Promissory Note***

In March 2015 Studebaker Building, LLC refinanced its debt with DHA.

Studebaker Building, LLC has a second mortgage payable to DHA with an outstanding balance as of December 31, 2017 of \$423,304. The interest rate is 3%. The loan matures in March 2030. Payments are due monthly. \$28,217 was received in principal payments in 2017 and \$13,269 was received in interest payments.

Studebaker Building, LLC has a third mortgage payable to DHA with an outstanding balance as of December 31, 2017 of \$747,921. The interest rate is 1.5%. The loan matures in March 2030. Payments are due annually payable with 50% of net cash flow. \$1,709 was received in principal payments in 2017 and \$8,558 was received in interest payments.

**(b) *Curtis Park Redevelopment Partnership Phase I - 2nd Mortgage Note***

In 2002, DHA loaned a third-party developer \$4,045,210 for its part of a multi-lender mixed financing arrangement for new construction of 155 rental housing units, 62 of which are designated for public housing. The note matures on March 31, 2041 and carries an interest rate of 5.43%, which is payable monthly only in the event the development has "surplus cash" as defined in the Note Agreement. The note is secured by a second mortgage on the property. No principal payments were due or received in 2017. \$0 was received in interest in 2017.

**(c) *Curtis Park Redevelopment Partnership Phase I - 3rd Mortgage Note***

In 2002, DHA loaned a third-party developer \$1,300,000 for its part of a multi-lender mixed financing arrangement for new construction of 155 rental housing units, 62 of which are designated for public housing. The note matures on April 18, 2043 and carries an interest rate of 0.5%, which is payable monthly only in the event the development has "surplus cash" as defined in the Note Agreement. The note is secured by a third mortgage on the property. No interest or principal payments on this note were due or received in 2017.

**(d) *Curtis Park Redevelopment Partnership Phase II - 2nd Mortgage Note***

In 2002, DHA loaned a third-party developer \$2,777,182 and, in 2003, an additional \$1,620,018 for its part of a multi-lender mixed financing arrangement for new construction of 125 rental housing units, 50 of which are designated for public housing. The note matures on April 2, 2042 and carries an interest rate of 5.62%, which is payable monthly only in the event the development has "surplus cash" as defined in the Note Agreement. The note is secured by a second mortgage on the property. Since inception of the note, \$11,221 in principal has been paid and the balance at December 31, 2017 is \$4,385,979. No principal payments were due or received in 2017. \$145,640 was received in interest in 2017.

**(e) *Curtis Park Redevelopment Partnership Phase III - 1st Mortgage Note***

In 2003, DHA loaned a third-party developer \$1,362,495 and, in 2004, an additional \$810,505 for its part of a multi-lender mixed financing arrangement for new construction of 43 units, 23 of which are designated for public housing. The note matures on March 31, 2053 and carries an interest rate of 4.9%, which is payable monthly only in the event the development has "surplus cash" as defined in the Note Agreement. The note is secured by a first mortgage on the property. Since inception of the note, \$87,478 in interest payments has been paid and the balance as of December 31, 2017 is \$2,173,000. No interest or principal payments on this note were due or received in 2017.

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**(f) *Curtis Park Redevelopment Partnership Phase III - 2nd Mortgage Note***

In 2004, DHA loaned a third-party developer \$199,896 and in 2005, an additional \$104 for its part of a multi-lender mixed financing arrangement for new construction of 43 units, 23 of which are designated for public housing. The note matures on March 31, 2055 and carries an interest rate of 4.8%, which is payable monthly only in the event the development has "surplus cash" as defined in the Note Agreement. The note is secured by a second mortgage on the property. No interest or principal payments on this note were due or received in 2016. The balance as of December 31, 2017 is \$200,000.

**(g) *HOPE VI Redevelopment Homeownership Mortgage Loans***

These are loans made to individual low-income homebuyers in 2002 and 2003 under DHA's Curtis Park HOPE VI Redevelopment efforts and in 2004 and 2005, under DHA's Park Avenue HOPE VI Redevelopment effort. Payments on these second mortgages begin between 2009 and 2014, and the interest rates are 3% or 0%. Interest accrues on these loans on the unpaid principal balance from the date of the first principal and interest payment. In 2017 \$27,054 was received in principal payments, \$25,000 of principal was written off as bad debt, and \$11,884 was received in interest. The balance as of December 31, 2017 is \$250,525.

**(h) *Hughes Brothers Development, LLC Mortgage Note***

In 2007, DHA loaned a third-party developer \$461,000 in order to purchase land owned by DHA under the Curtis Park HOPE VI redevelopment plan. The note matured on December 31, 2009 and did carry an interest rate of 0%. The default interest rate is 8%. In 2009, DHA acquired three of the parcels secured by the note receivable reducing the note receivable by the amounts associated with each parcel. The balance of \$108,520 was due on December 31, 2009; however, it was not received. Interest began to accrue on the defaulted note. Management did not believe that an allowance for the outstanding balance was necessary as the note was secured by a deed of trust on the remaining three parcels.

On October 27, 2011, an amended promissory note in the amount of \$108,520 was executed. The note matures on August 15, 2013 and carries an interest rate of 0%. The default interest rate is 8%. Accrued interest on the original note in the amount of \$16,856.78 was forgiven per the terms of the amended note.

On July 9, 2014, a second amended promissory note in the amount of \$108,520 was executed. The note matures on March 15, 2016 and carries an interest rate of 0%. The default interest rate is 8%.

On December 15, 2016 a third amended promissory note in the amount of \$108,520 was executed. The note matures on December 31, 2017 and carries an interest rate of 0%. The default interest rate is 8%.

The balance as of December 31, 2017 is \$41,090. No principal was received in 2017.

**(i) *Thomas Bean Towers Mortgage Notes***

The outstanding balance of the first mortgage note as of December 31, 2017 is \$8,400,000. The loan matures on November 1, 2059. Annual payments of \$437,247 are due on October 15, but only to the extent of available cash flow, which is generally defined as cash receipts less cash expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date. The annual interest on the note accrues at 4.79%. No accrued interest was paid in 2017. Cumulative

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interest payments of \$208,077 have been received since the inception of the loan. The outstanding balance of the second mortgage note as of December 31, 2017 is \$2,759,666. The interest rate is 0.1% compounded annually. The loan matures on November 1, 2056. Annual payments of \$53,209 are due on October 15, but only to the extent of available cash flow as defined above. A payment of all outstanding principal and accrued interest is payable on the maturity date.

**(j) *Three Towers Revolving Energy Performance Contract Line of Credit***

The outstanding balance of the Revolving Energy Performance Contract Line of Credit as of December 31, 2017 is \$4,974,781. Up to \$5,078,827 can be advanced from this line of credit. \$60,643 was advanced in draws in 2017. The line of credit does not accrue interest and it matures on December 13, 2047. Payments on the line of credit will be made from proceeds from HUD subsidy. A payment of all outstanding principal is payable on the maturity date. The notes receivable balances are reviewed each year to evaluate collectability of the note and the related interest receivable. Allowances are recorded as deemed appropriate.

**(k) *Three Towers Capital Fund Financing***

The balance of the DHA Capital Fund Financing Program (CFFP) Note as of December 31, 2017 is \$14,600,000. The interest rate is 2.2% compounded annually. The loan matures on December 12, 2047. Payments are made only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date. No accrued interest was paid in 2016. Cumulative interest payments of \$468,423 have been received since the inception of the loan.

**(l) *Three Towers Program Fund Financing***

The balance of the DHA Program Funds Note as of December 31, 2017 is \$16,547,746. The interest rate is 4.49% compounded annually. The loan matures on December 13, 2047. Payments are made only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date. No accrued interest was paid in 2017. Cumulative interest payments of \$399,993 have been received since the inception of the loan.

**(m) *Park Avenue Redevelopment Block 1B Mortgage Notes***

DHA has two notes receivable from the Partnership. The notes are secured by a second and third priority lien deed of trust and are nonrecourse to the Partnership and its partners.

The outstanding balance of the second mortgage note as of December 31, 2017 is \$3,000,000. The interest rate is 4.33% compounded annually. The loan matures on July 1, 2055. Annual payments are due on June 30, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date. \$0 in accrued interest was paid in 2017. Cumulative interest payments of \$410,914 have been received since the inception of the loan.

The outstanding balance of the third mortgage note as of December 31, 2017 is \$900,000. The interest rate is 4.33% compounded annually. The loan matures on July 1, 2055. Annual payments are due on June 30, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date. Cumulative interest payments of \$68,188 have been received since the inception of the loan.

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**(n) Park Avenue Redevelopment Block 3B, Mortgage Notes**

DHA has three mortgage notes receivable from Park Avenue Redevelopment Block 3B, LLP. The notes are secured by a second, third, and fourth priority lien deed of trust and are nonrecourse to the Partnership and its partners.

The outstanding balance of the second mortgage note as of December 31, 2017, is \$2,472,000. The interest rate is 5.5% compounded annually. The loan matures on June 28, 2047. Payments are made only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date. \$0 in accrued interest was paid in 2016. Cumulative interest payments of \$158,760 have been received since the inception of the loan.

The outstanding balance of the third mortgage note as of December 31, 2017, is \$1,688,910. The interest rate is 5.36% compounded annually. The loan matures on June 28, 2047. Payments are made only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the fourth mortgage note as of December 31, 2017, is \$980,000. The interest rate is 5.36% compounded annually. The loan matures on June 28, 2047. Payments are made only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

**(o) Park Avenue Redevelopment Block 4B, Mortgage Notes**

DHA has four mortgage notes receivable from Park Avenue Redevelopment Block 4B.

The outstanding balance of the second mortgage note as of December 31, 2017 is \$1,750,000. The interest rate is 4.46% compounded annually. The loan matures on July 1, 2058. Payments are made only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date. \$0 in accrued interest was paid in 2017. Cumulative interest payments of \$333,111 have been received since the inception of the loan.

The outstanding balance of the third mortgage note as of December 31, 2017 is \$1,150,000. The interest rate is 4.46% compounded annually. The loan matures on July 1, 2058. Payments are made only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date. No accrued interest was paid in 2017. Cumulative interest payments of \$55,802 have been received since the inception of the loan.

The outstanding balance of the fourth mortgage note as of December 31, 2017 is \$1,254,500. The interest rate is 4.40% compounded annually. The loan matures on July 1, 2058. Payments are made only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date. No accrued interest was paid in 2017. Cumulative interest payments of \$1,430 have been received since the inception of the loan.

The outstanding balance of the fifth mortgage note as of December 31, 2017 is \$1,000,000. No interest accrues on the fifth mortgage note. The loan matures on April 12, 2050. No monthly

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payments are required. A payment of all outstanding principal and accrued interest is payable on the maturity date.

**(p) *Park Avenue Redevelopment Block 5B, Mortgage Notes***

DHA has two mortgage notes receivable from Park Avenue Redevelopment Block 5B.

The outstanding balance of the third mortgage note as of December 31, 2017 is \$5,324,646. No interest accrues on this loan. The loan matures on June 3, 2050. Annual payments are due on July 12, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date. \$0 in principal was paid in 2017. Cumulative principal of \$33,050 has been received since the inception of the loan.

The outstanding balance of the fourth mortgage loan as of December 31, 2017 is \$1,475,000. The interest rate is 0.25% compounded annually. The loan matures on June 3, 2050. Annual payments are due on July 12, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

**(q) *Globeville Redevelopment Partners I, Promissory Note***

DHA has a promissory note receivable from Globeville Redevelopment Partners I, LLLP. The note has a balance of \$427,162 as of December 31, 2017. This note accrues interest at a fixed rate of 5.01%. Payments on the promissory note to DHA are made from 75% remaining cash flows, which are generally defined as net income determined on a cash basis. The entire balance of the \$427,162 promissory note is due on December 31, 2034.

**(r) *Globeville Redevelopment Partners II, Promissory Note***

Globeville Workforce Housing, Inc. has a \$241,145 promissory note receivable from Globeville Redevelopment Partners II, LLLP, as of December 31, 2017. This note accrues interest at a fixed rate of 4.76%. Payments on this loan are made from available cash flow, which is generally defined as net income determined on a cash basis. The entire balance is due on December 31, 2040.

**(s) *Mariposa Partners II, Mortgage Notes***

The outstanding balance of the second mortgage note as of December 31, 2017 is \$4,840,972. The interest rate is 2% per annum. The loan matures on March 1, 2052. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the third mortgage note as of December 31, 2017 is \$660,000. The interest rate is 2% per annum. The loan matures on March 1, 2052. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the fourth mortgage note as of December 31, 2017 is \$2,000,000. The interest rate is 2% per annum. The loan matures on March 1, 2052. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal is payable on the maturity date.

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(t) ***Mariposa Partners III, Mortgage Notes***

The outstanding balance of the second mortgage note as of December 31, 2017 is \$4,900,000. The interest rate is 2% per annum. The loan matures on September 13, 2052. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the third mortgage note as of December 31, 2017 is \$714,950. The interest rate is 2% per annum. The loan matures on September 13, 2052. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the fourth mortgage note as of December 31, 2017 is \$580,000. The interest rate is 2% per annum. The loan matures on September 13, 2052. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the fifth mortgage note as of December 31, 2017 is \$800,000. The interest rate is 2% per annum. The loan matures on September 13, 2052. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

(u) ***Mariposa Partners IV, Mortgage Notes***

The outstanding balance of the second mortgage note as of December 31, 2017 is \$2,055,239. The interest rate is 5% per annum. The loan matures on July 18, 2053. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the third mortgage note as of December 31, 2017 is \$710,093. The interest rate is 5% per annum. The loan matures on July 18, 2053. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the fourth mortgage note as of December 31, 2017 is \$654,623. The interest rate is 5% per annum. The loan matures on July 18, 2053. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the fifth mortgage note as of December 31, 2017 is \$530,000. The interest rate is 5% per annum. The loan matures on July 18, 2053. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the sixth mortgage note as of December 31, 2017 is \$800,000. The interest rate is 5% per annum. The loan matures on July 18, 2053. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

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(v) ***Mariposa Partners VI, Mortgage Notes***

The outstanding balance of the second mortgage note as of December 31, 2017 is \$4,932,300. The interest rate is 4% per annum. The loan matures on May 31, 2056. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the third mortgage note as of December 31, 2017 is \$489,907. The interest rate is 4% per annum. The loan matures on May 31, 2056. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the fourth mortgage note as of December 31, 2017 is \$250,000. The interest rate is 4% per annum. The loan matures on May 31, 2056. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

(w) ***Mariposa Partners VII, Mortgage Notes***

On December 18, 2015, the Partnership entered into a multifamily loan agreement with Denver Housing Authority (Governmental Lender) in the original amount of \$7,500,000. The loan bears interest at an adjustable rate, composed of the seven-day high grade market index of tax exempt variable rate demand obligations, made available by the Securities Industry and Financial Markets Association ("SIFMA") and a margin rate of 2.5%. As of December 31, 2017, the effective interest rate is 4.21%. This is secured by a first priority lien deed of trust against the property. Based on the conditions for conversion, as defined in the loan document, it is anticipated that this loan will be converted to permanent financing with an anticipated balance of \$2,210,000 during 2018. The interest rate will be 4.55% and monthly principal and interest payments will be due in the amount of \$10,528. If the conversion conditions are not met, the construction loan will mature on December 1, 2018 and payment of all outstanding principal and accrued interest will be payable on the maturity date. For the year ended December 31, 2017, interest expense of \$128,291 was incurred. As of December 31, 2017, the outstanding principal balance on the loan was \$3,900,366. Accrued interest of \$149,077 remains payable as of December 31, 2017. As of December 31, 2017, \$184,153 interest was capitalized. For the year ended December 31, 2017, \$128,291 interest was expensed. Subsequent to year-end, a payment in the amount of \$1,000,366 was made on the principal balance of the construction loan.

Loan costs of \$204,052 are shown net of the mortgage and amortized over the term of the mortgage loan. Total accumulated amortization related to these costs for the year ended December 31, 2017 is \$151,168. At December 31, 2017, the amortization of these fees is \$49,983 and reported as interest expense on the statement of operations.

The outstanding balance of the second mortgage note as of December 31, 2017 is \$673,005. The interest rate is 2% per annum. The loan matures on February 1, 2057. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the third mortgage note as of December 31, 2017 is \$785,295. The interest rate is 2% per annum. The loan matures on February 1, 2057. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less

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expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the fourth mortgage note as of December 31, 2017 is \$3,552,650. The interest rate is 2% per annum. The loan matures on February 1, 2057. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the fifth mortgage note as of December 31, 2017 is \$450,000. The interest rate is 2% per annum. The loan matures on February 1, 2057. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the sixth mortgage note as of December 31, 2017 is \$620,000. The interest rate is 2% per annum. The loan matures on February 1, 2057. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

(x) ***Mariposa Partners VIII, Mortgage Notes***

The outstanding balance of the second mortgage note as of December 31, 2017 is \$300,000. The interest rate is 4% per annum. The loan matures on February 1, 2057. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

(y) ***Mountain View Redevelopment LLLP, Mortgage Note***

Mountain View Redevelopment, LLLP has a program funds loan with DHA. The outstanding balance as of December 31, 2017 is \$7,802,519. The loan does not bear interest. The note matures on July 19, 2067. The entire amount of principal shall be due and payable on the maturity date.

(z) ***South Lowell Redevelopment LLLP, Mortgage Notes***

The outstanding balance of the second mortgage note as of December 31, 2017 is \$5,250,000. The interest rate is the Applicable Federal Rate (AFR) and is compounded annually. Interest accrued during construction and this construction period interest was funded as of September 1, 2013. The principal balance will accrue interest through the maturity date of September 20, 2067. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the third mortgage note as of December 31, 2017 is \$5,170,749. The interest rate is the Applicable Federal Rate (AFR) and is compounded annually. Interest accrued during construction and this construction period interest was funded as of September 1, 2013. The principal balance will accrue interest through the maturity date of September 20, 2067. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

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The outstanding balance of the fourth mortgage note as of December 31, 2017 is \$3,000,000. The interest rate is the Applicable Federal Rate (AFR) and is compounded annually. The principal balance will accrue interest through the maturity date of September 20, 2067. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal is payable on the maturity date.

**(aa) Westwood Homes LLLP, Promissory Notes**

The outstanding balance of the first mortgage note as of December 31, 2017 is \$10,533,494. No interest accrues on this note. The loan matures on August 31, 2065. A payment of all outstanding principal is payable on the maturity date. The note is secured by the DHA Second Leasehold Deed of Trust.

The outstanding balance of the second mortgage note as of December 31, 2017 is \$10,209,995. No interest accrues on this note. The loan matures on August 31, 2065. The entire amount of principal shall be due and payable on the maturity date. The note is secured by the DHA Second Leasehold Deed of Trust.

**(bb) 1099 Osage LLLP, Mortgage Notes**

DHA has four mortgage notes receivable from 1099 Osage LLLP.

The outstanding balance of the second mortgage note as of December 31, 2017 is \$1,272,614. No interest accrues on this note. The loan matures on September 17, 2065. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal is payable on the maturity date.

The outstanding balance of the third mortgage note as of December 31, 2017 is \$9,500,000. The interest rate was 4.0% compounded annually and was due on the day after substantial completion. The interest rate going forward is 0%. The loan matures on September 17, 2065. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal is payable on the maturity date.

The outstanding balance of the fourth mortgage note as of December 31, 2016 is \$1,000,000. No interest accrues on this note. The loan matures on September 17, 2065. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal is payable on the maturity date.

The outstanding balance of the fifth mortgage note as of December 31, 2017 is \$1,000,000. No interest accrues on this note. The loan matures on September 17, 2065. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal is payable on the maturity date.

**(cc) CSG Redevelopment Partners LLLP, Mortgage Notes**

CSG Redevelopment Partners, LLLP has a mortgage with DHA in the original amount of \$21,000,000. The mortgage bore interest at a variable rate as set forth in the Trust Indenture until the completion date, which occurred in July 2015, at which time the mortgage bears interest at a per annum fixed rate equal to 6.08%. The mortgage was funded on January 31, 2014, with proceeds from the issuance of \$12,665,000 The Housing Authority of the City and County of Denver, Colorado Multifamily Housing Revenue Bonds, Series 2013A and with proceeds from the issuance of \$8,335,000 The Housing Authority of the City and County of Denver, Colorado Multifamily

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Housing Revenue Bonds Series 2013B (the Bonds). The outstanding principal balance at December 31, 2017 is \$12,465,000.

The outstanding balance of the fifth mortgage note as of December 31, 2017 is \$13,089,781. The note bears interest at 1% and matures on January 31, 2055. No monthly payments are required. Annual payments are due on June 1, but only to the extent of available cash flow, as defined. A payment of all outstanding principal and interest is payable on the maturity date.

The outstanding balance of the sixth mortgage note as of December 31, 2017 is \$863,474. In October 2016, the note was refinanced. The interest was amended nonbearing interest and terms were changed to 15 years. In November 2017, this note was amended to reduce the balance to \$863,474. The loan is noninterest bearing and matures on July 1, 2031. The loan bears no interest and matures on July 1, 2031. No monthly payments are required. Annual payments are due on June 1, but only to the extent of available cash flow as defined. A payment of all outstanding principal and interest is payable on the maturity date.

**(dd) *Yale Station Apartments, Promissory Note***

This promissory note was executed in November 2010. The Loan was made with grant funds provided by FirstBank. The note bears interest equal to 0.25% per annum and is due December 31, 2050. The amount outstanding at December 31, 2017 is \$168,131. Receipts from this note will be used to repay the corresponding debt (see Note 6).

**(ee) *Cecil Development, Promissory Note***

This promissory note was executed in January 2010. Installments are due when certain market rate units are sold. No interest accrues on this note unless in default. The default interest rate is 8%. The note was amended in December 2014 to extend the maturity date to November 1, 2016. The note was amended in December 2016 to extend the maturity date to February 28, 2018 and reducing the note to \$34,375. The amount outstanding at December 31, 2017 is \$34,375.

**(ff) *Ashley Union Station***

This promissory note was executed in December 2015. In 2016, four quarterly payments of \$27,500 were due and received. In 2016, of the \$110,000 received, \$19,012 in principal was paid and \$90,988 in interest was paid. Starting in 2017, annual payments of \$110,000 are due by April 30th and are payable from cash flow. The interest rate on the note is 3.75%. The note matures in December 2055. No principal payments were received in 2017. The amount outstanding at December 31, 2017 is \$2,430,988.

**(gg) *Habitat for Humanity of Metro Denver, Inc. (Maker) - Promissory Notes***

Two of the promissory notes executed in December 2010 in connection with the Globeville Workforce Housing project are outstanding.

A promissory note in the amount of \$455,000. No interest accrues on this note. The entire outstanding indebtedness under this Note shall be forgiven if the Maker conveys all units located on the Property to Affordable Purchasers prior to the Maturity Date. If Maker does not meet the affordability requirement, the entire principal balance shall be due and payable June 30, 2018.

A promissory note in the amount of \$385,000. No interest accrues on this note. The entire outstanding indebtedness under this Note shall be forgiven if the Maker conveys all units located

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on the property to Affordable Purchasers prior to the Maturity Date. If Maker does not meet the affordability requirement, the entire principal balance shall be due and payable June 30, 2018.

**(hh) TNT-DHA NMTC Fund, LLC, Promissory Note**

This promissory note was executed in August 2017 for \$20,987,925 for the construction of the Denver Housing Authority Collaborative Resource Facility at 1035 Osage. Construction completion of the building is scheduled for April 2019.

The note bears a 1.5034% interest rate on the outstanding principal balance and is accrued monthly. Annual interest only payments are due on December 15 annually during the 7-year compliance period. In 2017 the interest payment of \$118,324.67 was received. A balloon principal payment of \$11,000,000 is due in August 2024 with the balance of the loan being refinanced.

**(ii) Lowry Family Housing, Promissory Note**

This promissory note was executed in June 2017 for \$1,800,000 for the construction of Lowry Family Housing. The balance of the note receivable is to be drawn for the development of the project. The amount drawn as of December 31, 2017 is \$6,228. Construction completion is scheduled for July 2018, at which time the full balance of the note should be drawn down. The note bears a 5% interest rate on the outstanding principal balance, compounded annually. Beginning on April 30, 2019, annual payments are to be made to DHA out of Cash Flows no later than the 30th day of April.

**(jj) Denver Metro Solar, LLC**

This promissory note was executed in August 2017 for \$500,000 for the construction of a solar garden. The note bears simple interest rate at 8% annually, maturing March 10, 2033. All outstanding principal and interest are due at the maturity date. The outstanding balance of the note as of December 31, 2017 is \$500,000.

**(kk) Sun Valley Eco District Trust**

In December 2017, the loan agreement was executed for \$1,465,000 which was the outstanding balance on December 31, 2017. The interest rate is 8%. The loan matures in December 2018.

**(ll) Vida Housing Partners II, LLLP (4%) LIHTC Subordinate Loan**

This DHA HPF Subordinate Loan agreement was executed in November 2017 for \$6,250,000 for the development and construction of the 112 residential units comprising the 4% Unit. DHA agrees to make advances to the partnership to the aggregate amount not to exceed \$6,250,000. As of December 31, 2017, DHA has advanced \$1,119,369.

The loan bears a fixed 2.5% interest rate per annum, non-compounding. The partnership is required to pay principal and interest no later than the 30th day of June every year during the term of the agreement based on Cash Flow set forth of the Partnership Agreement. Any unpaid portion of the loan shall be treated as an accrual in accordance with Generally Accepted Accounting Principles.

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***(mm) Vida Health Investment Fund, LLC, Leverage Loan***

This Leverage Loan agreement was executed in November 2017 for \$7,881,600 to use the proceeds of the Fund Loan to make an investment in the SUB-CDE and will qualify as a “qualified equity investment” as such term is defined in Section 45D of the Tax Code and Treasury Regulations. The maturity date is December 31, 2042.

The loan bears a fixed 1.461% interest rate per annum, non-compounding, based on a three hundred and sixty (360)-day year on the outstanding principal balance and is accrued monthly. The fund is required to make quarterly principal and interest payments.

There were no notes receivable at December 31, 2017 for the discretely presented component units.

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**(5) Capital Assets**

Changes in capital assets for the primary government during 2017 were as follows:

	<b>December 31,</b>			<b>December 31,</b>
	<b>2016</b>	<b>Additions</b>	<b>Retirements</b>	<b>2017</b>
Capital assets not depreciated:	\$			
Land	45,249,044	11,872,026	1,166,788	55,954,283
Construction in progress	4,661,165	12,804,456	2,052,081	15,413,540
Total capital assets not depreciated	<u>49,910,209</u>	<u>24,676,482</u>	<u>3,218,869</u>	<u>71,367,823</u>
Capital assets being depreciated:				
Buildings	229,518,252	5,720,882	966,939	234,272,195
Improvements	32,212,866	666,835	507,746	32,371,955
Machinery and equipment	4,925,805	55,017	832,282	4,148,540
Total capital assets being depreciated	<u>266,656,923</u>	<u>6,442,734</u>	<u>2,306,967</u>	<u>270,792,690</u>
Accumulated depreciation:				
Buildings	165,035,791	6,496,569	1,497,100	170,035,260
Improvements	21,259,894	1,190,410	-	22,450,304
Machinery and equipment	4,643,095	146,623	778,132	4,011,586
Total accumulated depreciation	<u>190,938,780</u>	<u>7,833,602</u>	<u>2,275,232</u>	<u>196,497,150</u>
Total capital assets	<u>\$ 125,628,352</u>	<u>23,285,614</u>	<u>3,250,605</u>	<u>145,663,363</u>

Changes in capital assets for the discretely presented component units during 2017 were as follows:

	<b>December 31,</b>			<b>December 31,</b>
	<b>2016</b>	<b>Additions</b>	<b>Retirements</b>	<b>2017</b>
Capital assets not depreciated:	\$			
Land	679,946	-	-	679,946
Construction in progress	18,125,694	8,713,249	18,125,694	8,713,249
Total capital assets not depreciated	<u>18,805,640</u>	<u>8,713,249</u>	<u>18,125,694</u>	<u>9,393,195</u>
Capital assets being depreciated:				
Buildings	360,877,001	23,982,753	289,085	384,570,669
Improvements	17,747,599	2,547,517	-	20,295,116
Machinery and equipment	4,795,048	171,304	269	4,966,083
Total capital assets being depreciated	<u>383,419,648</u>	<u>26,701,574</u>	<u>289,354</u>	<u>409,831,868</u>
Accumulated depreciation:				
Buildings	68,103,646	11,262,700	133,340	79,233,006
Improvements	5,108,201	930,323	-	6,038,524
Machinery and equipment	3,606,358	484,089	-	4,090,447
Total accumulated depreciation	<u>76,818,205</u>	<u>12,677,112</u>	<u>133,340</u>	<u>89,361,977</u>
Total capital assets	<u>\$ 325,407,083</u>	<u>22,737,711</u>	<u>18,281,708</u>	<u>329,863,086</u>

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***Construction in Progress***

Capital improvements made on DHA's Low Rent Housing units are financed by HUD under the capital grant program. The funds provided through this program are used to rehabilitate the housing units, which extends the useful life for an additional 20 years. Capital grants are awarded annually based on a 5-year comprehensive modernization plan submitted by DHA. When modernization projects are completed, HUD issues a modernization cost certificate for each grant, at which time construction in progress for that grant is placed in service and transferred to the buildings or improvements categories.

Construction in progress comprises new construction and rehabilitation projects.

The following schedule shows the components of DHA's construction in progress at December 31, 2017:

<u>Type of Funds</u>		
Modernization funds - Capital grants	\$	4,053,381
Denver Housing Program		1,462,010
Denver Housing Corporation		188,848
Youth Employment Academy		40,855
1035 Osage Inc.		7,121,431
Vida Commercial Partners		<u>2,547,015</u>
Total	\$	<u><u>15,413,540</u></u>

Construction contract commitments at December 31, 2017 totaled approximately \$44M for DHA.

The following schedule shows the breakout of construction in progress at December 31, 2017 for the discretely presented component units:

<u>Type of Funds</u>		
Vida Housing Partners I, LLLP	\$	3,265,490
Vida Housing Partners II, LLLP		<u>5,447,759</u>
Total	\$	<u><u>8,713,249</u></u>

Construction contract commitments at December 31, 2017 totaled approximately \$33.6M for the discretely presented component units.

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**(6) Long-Term Debt**

DHA's debt comprises revenue bonds, leases, notes payable, bank loans, and a secured line of credit. All debt, except for lines of credit, is secured by the related property.

A summary of changes in DHA's long-term debt for the year ended December 31, 2017 is presented below:

	<b>Balance at December 31, 2016</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance at December 31, 2017</b>	<b>Due Within One Year</b>	<b>Accrued Interest Payable</b>
DHP Note Lincoln Park	\$ 450,000	—	—	450,000	—	—
DHP Lincoln Park – First Bank Loan	1,299,085	—	105,311	1,193,774	110,722	—
DHA Bonds - CSG	12,545,000	—	80,000	12,465,000	90,000	63,156
DHA Bonds - Mariposa 7	5,464,364	2,035,636	3,599,634	3,900,366	3,847,482	—
Line of credit	8,155,104	25,000,000	7,169,105	25,985,999	—	—
Low Rent EPC – Banc of America	21,482,504	—	1,541,979	19,940,525	1,385,902	13,851
Three Towers EPC – Banc of America	2,386,998	—	143,464	2,243,534	155,932	1,558
South Lowell EPC - Banc of America	2,594,242	—	156,564	2,437,678	170,039	1,693
Three Towers – CFP Revenue Bonds	5,010,000	—	350,000	4,660,000	370,000	39,987
Horsebarn - Chase	1,660,000	—	—	1,660,000	—	—
Friends of Art Street	6,046	—	6,046	—	—	—
DHP - First Bank	168,131	—	—	168,131	—	—
DHP - Enterprise (Chestnut)	2,000,000	—	—	2,000,000	—	—
DHP - Skyline	1,500,000	—	—	1,500,000	—	—
1035 Osage - Northern Trust	—	12,100,000	—	12,100,000	—	—
1035 Osage - QLICI A1 ENMP 75 LP	—	6,691,650	—	6,691,650	—	—
1035 Osage - QLICI A1 Northern CDE-2	—	3,943,800	—	3,943,800	—	—
1035 Osage - QLICI A1 Rose Urban Green VI	—	5,488,455	—	5,488,455	—	—
1035 Osage - QLICI A1 UACD	—	3,615,150	—	3,615,150	—	—
YEA - QLICI A2 Rose Urban Green VI	—	1,248,870	—	1,248,870	—	—
1035 Osage - QLICI B1 ENMP 75 LP	—	3,493,350	—	3,493,350	—	—
1035 Osage - QLICI B1 Northern CDE-2	—	1,996,200	—	1,996,200	—	—
1035 Osage - QLICI B1 Rose Urban Green VI	—	2,694,545	—	2,694,545	—	—
1035 Osage - QLICI B1 UACD	—	1,774,850	—	1,774,850	—	—
YEA - QLICI B2 Rose Urban Green VI	—	613,130	—	613,130	—	—
Vida - Wells Fargo Loan	—	6,300,000	—	6,300,000	86,856	39,323
Vida - Citywide Bank TIF Loan	—	1,988,793	—	1,988,793	—	—
VCP NMTC - QLICI A - Catalyst CDE-10 Loan	—	7,881,600	—	7,881,600	—	—
VCP NMTC - QLICI B - Catalyst CDE-10 Loan	—	3,668,400	—	3,668,400	—	—
Total debt	<u>64,721,474</u>	<u>\$ 90,534,429</u>	<u>13,152,103</u>	<u>142,103,800</u>	<u>6,216,933</u>	<u>159,569</u>
Less amount due within one year	<u>2,132,331</u>			<u>6,216,933</u>		
Long-term portion	<u>\$ 62,589,143</u>			<u>135,886,867</u>		

**(a) DHP Notes for Lincoln Park**

During 2005, DHA purchased 57 units at Lincoln Park. DHA has two loans for the property. The first loan is from the City and County of Denver and has a balance of \$450,000 at December 31, 2017. This loan accrues no interest and is deferred while under compliance with the agreement and will be forgiven on February 1, 2032. The second loan was refinanced in 2006 (see First Bank Loan). Terms and conditions for compliance include maintaining the property as low-income housing.

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**(b) DHP First Bank Loan**

The First Bank note had a balance of \$1,193,774 outstanding as of December 31, 2017. This note has a 20-year term and accrues interest at a fixed rate of 5.15%. The proceeds of this loan were used to pay the Compass Bank loan that DHA assumed when the property was purchased.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 110,722	59,689	170,411
2019	116,643	53,767	170,410
2020	122,739	47,672	170,411
2021	129,446	40,964	170,410
2022	136,369	34,041	170,410
2023-2026	577,855	59,503	637,358
	<u>\$ 1,193,774</u>	<u>295,636</u>	<u>1,489,410</u>

The two outstanding DHP notes for Lincoln Park are secured by a deed of trust on the property.

**(c) DHA Multifamily Revenue Bonds**

On December 31, 2013, DHA entered into an agreement to issue \$12,665,000 in Series A Multifamily Housing Revenue Bonds. DHA executed a \$12,665,000 loan agreement with CSG Redevelopment Partners LLLP at the same time. The bonds were issued to finance the acquisition, rehabilitation, and equipping of (i) a 100-unit rental housing facility known as Syracuse Place Apartments, (ii) a 35-unit rental housing facility known as Goldsmith Village Townhomes, and (iii) an 87-unit rental housing facility known as Casa Loma Apartments, all located in Denver, Colorado. The bonds have an interest rate of 5.78% during construction which increases to 6.08% upon completion, and mature on June 1, 2054. The effective interest rate in 2017 was 6.08%. The bonds had a balance of \$12,465,000 outstanding as of December 31, 2017.

Future debt service requirements are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 90,000	754,908	844,908
2019	90,000	749,512	839,512
2020	100,000	743,635	843,635
2021	105,000	737,504	842,504
2022	110,000	730,993	840,993
2023-2027	665,000	3,541,473	4,206,473
2028-2032	905,000	3,304,201	4,209,201
2033-2037	1,220,000	2,982,493	4,202,493
2038-2042	1,660,000	2,546,507	4,206,507
2043-2047	2,250,000	1,955,252	4,205,252
2048-2052	3,050,000	1,154,009	4,204,009
2053-2054	2,220,000	149,644	2,369,644
	<u>\$ 12,465,000</u>	<u>19,350,132</u>	<u>31,815,132</u>

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**(d) DHA Bonds for Mariposa VII**

In December 2015, DHA issued a \$7,500,000 Series A Multi-Family Mortgage Revenue Note, Series 2015. The Authority entered into an agreement with Citibank for the tax-exempt private activity bond. This is a draw down bond that will provide funding for the construction/permanent financing of a 45-unit 100% affordable multi-family property. The bonds have a variable interest rate of the Securities Industry and Financial Markets Association (SIFMA) rate plus 2.5% during construction. Upon conversion the interest rate will be fixed at 4.55% and will mature on January 1, 2049. All outstanding principal is due at maturity. The bonds had a balance of \$3,900,366 outstanding as of December 31, 2017.

**(e) Line of Credit**

In September 2016, DHA extended the maturity of the \$20 million revolving Line of Credit (LOC) from KeyBank National Association (\$18 million) and Solera National Bank (\$2 million) to September 2021 with an interest rate of 4.50% at year end. The interest rate is variable based on the prime rate. The Line of Credit was used to provide short-term financing for construction projects including new Administrative Office, West Colfax, Vida, Sun Valley Eco District, Platte Valley and community enhancement project at Benedict Park Place. The Line of Credit had a balance of \$19,985,999 outstanding as of December 31, 2017.

On September 21, 2017, DHA opened a new three (3) year \$6 million Line of Credit (LOC) from KeyBank National Association with a \$4.5 million Tax-Exempt Facility and a \$1.5 Taxable Facility. The interest rate on the Tax-Exempt Facility is at the Adjusted Tax-Exempt LIBOR Rate, 4.25% at year end and the Taxable Facility is at the Prime Rate. Interest is billed and due on a monthly basis. The Tax-Exempt Facility of the LOC was used to pay for Vida's land closing and the Taxable Facility is for Vida construction costs. The Line of Credit had a balance of \$6,000,000 outstanding as of December 31, 2017.

**(f) Banc of America**

In 2007, DHA implemented a Public Housing Energy Performance Contract (EPC). HUD's Energy Performance Contracting program is an innovative financing technique that uses cost savings from reduced energy consumption to repay the cost of installing Energy Conservation Measures (ECM). In October 2012, EPC Phase II was initiated. EPC II has a loan with Banc of America for \$31,778,769 that includes Phase II energy upgrades, refinance of Phase I existing debt and South Lowell ECM's. This loan has payments based on a 15-year term and accrues interest at 3.23%. The lease had a principal balance of \$19,940,525 outstanding as of December 31, 2017.

Future debt service requirements are as follows on the Banc of America Low Rent loan:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 1,385,902	623,681	2,009,583
2019	1,502,722	577,197	2,079,919
2020	1,625,869	526,847	2,152,716
2021	1,755,640	472,421	2,228,061
2022	1,892,341	413,702	2,306,043
2023-2027	11,778,051	1,020,843	12,798,894
	<u>\$ 19,940,525</u>	<u>3,634,691</u>	<u>23,575,216</u>

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In December 2007, DHA entered into an agreement to fund the Energy Performance Contract (EPC) for the Three Towers Rehabilitation Project. In October 2012, EPC Phase II was initiated. The original debt of the Three Towers Rehabilitation Project was refinanced under EPC Phase II. This loan has payments based on a 15-year term and accrues interest at 3.23%. This lease had a balance of \$2,243,534 outstanding as of December 31, 2017.

Future debt service requirements are as follows on the Banc of America Three Towers lease:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 155,932	70,171	226,103
2019	169,072	64,941	234,013
2020	182,932	59,276	242,208
2021	197,534	53,152	250,686
2022	212,907	46,546	259,453
2023-2027	1,325,157	114,856	1,440,013
	<u>\$ 2,243,534</u>	<u>408,942</u>	<u>2,652,476</u>

In 2013, EPC Phase II was closed for South Lowell. This loan has payments based on a 15-year term and accrues interest at 3.23%. This lease had a balance of \$2,437,678 outstanding as of December 31, 2017.

Future debt service requirements are as follows on the Banc of America South Lowell lease:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 170,039	76,234	246,273
2019	184,246	70,533	254,779
2020	199,222	64,361	263,583
2021	215,001	57,694	272,695
2022	231,621	50,505	282,126
2023-2027	1,437,549	124,433	1,561,982
	<u>\$ 2,437,678</u>	<u>443,760</u>	<u>2,881,438</u>

(g) **Capital Fund Program Revenue Bonds**

In December 2007, DHA issued \$14.6 million in Revenue Bonds. The Tax-Exempt Series 2007 Bonds were issued to partially finance the Three Towers Rehabilitation Project. DHA executed a \$14.6 loan agreement with Three Towers Partners, LLLP at the same time. The serial bonds totaling \$2,580,000 had an interest rate of 4% and matured between May 1, 2008 and November 1, 2012. The term bonds totaling \$3,090,000 had an interest rate of 4.55% and matured November 1, 2017. Term bonds totaling \$8,930,000 have interest rates ranging from 5% to 5.20% and maturity dates of November 1, 2023, and November 1, 2027. Interest on the serial and term bonds is payable semiannually. The bonds are repayable from payments of Capital Fund Program moneys received by DHA from HUD. In December 2011, DHA defeased \$6,010,000 of the bonds, the funds were placed in a separate irrevocable trust fund with an escrow agent.

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Future debt service requirements for the Capital Fund Program Revenue Bonds are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 370,000	232,800	602,800
2019	385,000	214,050	599,050
2020	405,000	194,550	599,550
2021	430,000	173,925	603,925
2022	450,000	152,175	602,175
2023-2027	2,620,000	388,770	3,008,770
	<u>\$ 4,660,000</u>	<u>1,356,270</u>	<u>6,016,270</u>

**(h) Horse Barn**

The Horse Barn, built in 1893, was purchased by DHA in 2002 as part of the HOPE VI community revitalization effort. The property was renovated under the New Market Tax Credit program with Chase New Markets. Curtis Park Horse Barn, Inc. has a loan with JP Morgan Chase Bank for \$1,660,000 to renovate the twenty-five square foot building into commercial space. This loan has payments based on a 7-year term and accrues interest at 2.5% with 12-year amortization.

**(i) DHP – First Bank**

In November 2010, DHA executed a promissory note payable to FirstBank, a Colorado banking corporation to help finance the development of an affordable housing project in Denver, Colorado known as Yale Station Apartments. The principal amount of this note shall be forgiven in its entirety on the 15th anniversary of the date of project completion. The interest rate on this note is 0%. The balance outstanding on December 31, 2017 was \$168,131.

**(j) Enterprise Loan**

This promissory note was executed in December 2015. The proceeds were used to partially fund the promissory note to Ashley Union Station. The interest rate on the note is 3.69%. Interest is payable quarterly. The note matures in March 2020. The amount outstanding at December 31, 2017 is \$2,000,000.

**(k) Skyline Loan**

On July 25, 2011, DHA entered into a \$1,500,000 Skyline loan agreement with the City and County of Denver. The loan bears no interest. Of the balance, \$1,000,000 is due no later than October 31, 2020 and \$500,000 is due no later than October 31, 2030. The principal balance outstanding as of December 31, 2017 was \$1,500,000. The loan is secured by three DHA properties located at: 2400 Stout Street, 4301 Elizabeth Street, and 1373 Lipan Street.

**(l) 1035 Osage Northern Trust**

1035 Osage, Inc. has a \$12,100,000 New Market Tax Credit loan with The Northern Trust for the development and construction of DHA's new central office building. This loan is interest only during construction, with principal payments starting after construction ends in August 2019. The loan terms in 7 years with an interest rate of 4.57%. The outstanding balance on the NMTC loan as of December 31, 2017 is \$12,100,000. The interest paid in 2017 was \$187,395.

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Future debt service requirements for the NMTC loan are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ -	560,652	560,652
2019	74,387	560,318	634,705
2020	186,235	555,524	741,759
2021	196,588	545,171	741,759
2022	205,855	535,902	741,757
2023-2024	11,436,935	894,879	12,331,814
	<u>\$ 12,100,000</u>	<u>3,652,446</u>	<u>15,752,446</u>

**(m) 1035 Osage- QLICI A1 ENMP 75, LP**

1035 Osage, Inc. has four Series A Qualified Low-Income Community Investment (QLICI) loans from four Community Development Entities (CDE). Each loan has interest only payments during the compliance period which are due annually on December 1st. The Loan term is 30 years with an interest rate of 0.9999%. A principal bullet payment is due at the end of the compliance period in 2024, at which point 22-year amortization begins for the remainder of the loan term. The outstanding balance on ESIC New Markets Partners (ENMP) Note A1 as of December 31, 2017 is \$6,691,650. The interest accrued and paid in 2017 was \$25,091.

Future debt service requirements for the ENMP A1 loan are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ -	66,910	66,910
2019	-	66,910	66,910
2020	-	66,910	66,910
2021	-	66,910	66,910
2022	-	66,910	66,910
2023-2027	3,910,519	212,991	4,123,510
2028-2032	644,292	126,287	770,579
2033-2037	677,154	93,424	770,578
2038-2042	711,692	58,885	770,577
2043-2047	747,993	22,077	770,070
	<u>\$ 6,691,650</u>	<u>848,214</u>	<u>7,539,864</u>

**(n) 1035 Osage- QLICI A1 Northern CDE-2**

1035 Osage, Inc. has four Series A Qualified Low-Income Community Investment (QLICI) loans from four Community Development Entities (CDE). Each loan has interest only payments during the compliance period which are due annually on December 1st. The Loan term is 30 years with an interest rate of 0.9999%. A principal bullet payment is due at the end of the compliance period in 2024, at which point 22-year amortization begins for the remainder of the loan term. The outstanding balance on The Northern Trust (TNT) Note A1 as of December 31, 2017 is \$3,943,800. The interest accrued and paid in 2017 was \$14,788.

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Future debt service requirements for the TNT A1 loan are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ -	39,434	39,434
2019	-	39,434	39,434
2020	-	39,434	39,434
2021	-	39,434	39,434
2022	-	39,434	39,434
2023-2027	2,304,709	124,717	2,429,426
2028-2032	379,722	74,428	454,150
2033-2037	399,089	55,060	454,149
2038-2042	419,443	34,706	454,149
2043-2047	440,837	13,012	453,849
	<u>\$ 3,943,800</u>	<u>499,093</u>	<u>4,442,893</u>

(o) **1035 Osage- QLICI A1 Rose Urban Green VI**

1035 Osage, Inc. has four Series A Qualified Low-Income Community Investment (QLICI) loans from four Community Development Entities (CDE). Each loan has interest only payments during the compliance period which are due annually on December 1st. The Loan term is 30 years with an interest rate of 0.9999%. A principal bullet payment is due at the end of the compliance period in 2024, at which point 22-year amortization begins for the remainder of the loan term. The outstanding balance on Rose Urban Green Fund (RUGF) Note A1 as of December 31, 2017 is \$5,488,455. The interest accrued and paid in 2017 was \$20,580.

Future debt service requirements for the RUGF A1 loan are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ -	54,879	54,879
2019	-	54,879	54,879
2020	-	54,879	54,879
2021	-	54,879	54,879
2022	-	54,879	54,879
2023-2027	3,790,056	152,049	3,942,105
2028-2032	393,460	77,121	470,581
2033-2037	413,529	57,053	470,582
2038-2042	434,621	35,961	470,582
2043-2047	456,789	13,482	470,271
	<u>\$ 5,488,455</u>	<u>610,061</u>	<u>6,098,516</u>

(p) **1035 Osage- QLICI A1 UACD**

1035 Osage, Inc. has four Series A Qualified Low-Income Community Investment (QLICI) loans from four Community Development Entities (CDE). Each loan has interest only payments during the compliance period which are due annually on December 1st. The Loan term is 30 years with

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an interest rate of 0.9999%. A principal bullet payment is due at the end of the compliance period in 2024, at which point 22-year amortization begins for the remainder of the loan term. The outstanding balance on Urban Action Community Development (UACD) Note A1 as of December 31, 2017 is \$3,615,150. The interest accrued and paid in 2017 was \$13,555.

Future debt service requirements for the UACD A1 loan are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ -	36,148	36,148
2019	-	36,148	36,148
2020	-	36,148	36,148
2021	-	36,148	36,148
2022	-	36,148	36,148
2023-2027	2,112,649	114,324	2,226,973
2028-2032	348,079	68,226	416,305
2033-2037	365,832	50,472	416,304
2038-2042	384,490	31,812	416,302
2043-2047	404,100	11,927	416,027
	<u>\$ 3,615,150</u>	<u>457,501</u>	<u>4,072,651</u>

(q) ***YEA – QLICI A2 Rose Urban Green VI (Mercado)***

The Youth Employment Academy (YEA), Inc. has a \$1,248,870 Qualified Low-Income Community Investment (QLICI) loan from Community Development Entity (CDE) Rose Urban Green Fund (RUGF). The loan has interest only payments during the compliance period which are due annually on December 1st. The Loan term is 30 years with an interest rate of 0.9999%. A principal bullet payment is due at the end of the compliance period in 2024, at which point 22-year amortization begins for the remainder of the loan term. The outstanding balance on Rose Urban Green Fund (RUGF) A2 as of December 31, 2017 is \$1,248,870. The interest accrued and paid in 2017 was \$4,683.

Future debt service requirements for the RUGF A2 loan are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ -	12,487	12,487
2019	-	12,487	12,487
2020	-	12,487	12,487
2021	-	12,487	12,487
2022	-	12,487	12,487
2023-2027	147,153	61,009	208,162
2028-2032	255,230	50,027	305,257
2033-2037	268,247	37,009	305,256
2038-2042	281,929	23,327	305,256
2043-2047	296,311	8,746	305,057
	<u>\$ 1,248,870</u>	<u>242,553</u>	<u>1,491,423</u>

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(r) **1035 Osage- QLICI B1 ENMP 75, LP**

1035 Osage, Inc. has four Series B Qualified Low-Income Community Investment (QLICI) loans from four Community Development Entities (CDE). Each loan has interest only payments during the compliance period which are due annually on December 1st. The Loan term is 30 years with an interest rate of 0.9999%. At the end of the compliance period in 2024, a 22-year amortization begins for the remainder of the loan term. The outstanding balance on ESIC New Markets Partners (ENMP) Note B1 as of December 31, 2017 is \$3,493,350. The interest accrued and paid in 2017 was \$13,099.

Future debt service requirements for the ENMP B1 loan are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ -	34,930	34,930
2019	-	34,930	34,930
2020	-	34,930	34,930
2021	-	34,930	34,930
2022	-	34,930	34,930
2023-2027	411,617	170,659	582,276
2028-2032	713,931	139,936	853,867
2033-2037	750,346	103,522	853,868
2038-2042	788,616	65,251	853,867
2043-2047	828,840	24,465	853,305
	<u>\$ 3,493,350</u>	<u>678,483</u>	<u>4,171,833</u>

(s) **1035 Osage- QLICI B1 Northern CDE-2**

1035 Osage, Inc. has four Series B Qualified Low-Income Community Investment (QLICI) loans from four Community Development Entities (CDE). Each loan has interest only payments during the compliance period which are due annually on December 1st. The Loan term is 30 years with an interest rate of 0.9999%. At the end of the compliance period in 2024, a 22-year amortization begins for the remainder of the loan term.

The outstanding balance on The Northern Trust (TNT) Note B1 as of December 31, 2017 is \$1,996,200. The interest accrued and paid in 2017 was \$7,485.

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Future debt service requirements for the TNT B1 loan are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ -	19,960	19,960
2019	-	19,960	19,960
2020	-	19,960	19,960
2021	-	19,960	19,960
2022	-	19,960	19,960
2023-2027	235,210	97,464	332,674
2028-2032	407,961	79,963	487,924
2033-2037	428,769	59,155	487,924
2038-2042	450,638	37,286	487,924
2043-2047	473,622	13,980	487,602
	<u>\$ 1,996,200</u>	<u>387,648</u>	<u>2,383,848</u>

(t) **1035 Osage- QLICI B1 Rose Urban Green VI**

1035 Osage, Inc. has four Series B Qualified Low-Income Community Investment (QLICI) loans from four Community Development Entities (CDE). Each loan has interest only payments during the compliance period which are due annually on December 1st. The Loan term is 30 years with an interest rate of 0.9999%. At the end of the compliance period in 2024, a 22-year amortization begins for the remainder of the loan term. The outstanding balance on Rose Urban Green Fund (RUGF) B1 as of December 31, 2017 is \$2,694,545. The interest accrued and paid in 2017 was \$10,103.

Future debt service requirements for the RUGF B1 loan are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ -	26,943	26,943
2019	-	26,943	26,943
2020	-	26,943	26,943
2021	-	26,943	26,943
2022	-	26,943	26,943
2023-2027	354,324	130,218	484,542
2028-2032	542,149	106,266	648,415
2033-2037	569,801	78,614	648,415
2038-2042	598,863	49,550	648,413
2043-2047	629,408	18,578	647,986
	<u>\$ 2,694,545</u>	<u>517,941</u>	<u>3,212,486</u>

(u) **1035 Osage- QLICI B1 UACD**

1035 Osage, Inc. has four Series B Qualified Low-Income Community Investment (QLICI) loans from four Community Development Entities (CDE). Each loan has interest only payments during the compliance period which are due annually on December 1st. The Loan term is 30 years with

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an interest rate of 0.9999%. At the end of the compliance period in 2024, a 22-year amortization begins for the remainder of the loan term. The outstanding balance on Urban Action Community Development (UACD) B1 as of December 31, 2017 is \$1,774,850. The interest accrued and paid in 2017 was \$6,655.

Future debt service requirements for the UACD B1 loan are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ -	17,747	17,747
2019	-	17,747	17,747
2020	-	17,747	17,747
2021	-	17,747	17,747
2022	-	17,747	17,747
2023-2027	209,128	86,658	295,786
2028-2032	362,723	71,098	433,821
2033-2037	381,225	52,596	433,821
2038-2042	400,669	33,152	433,821
2043-2047	421,105	12,429	433,534
	<u>\$ 1,774,850</u>	<u>344,668</u>	<u>2,119,518</u>

(v) ***YEA – QLICI B2 Rose Urban Green VI***

The Youth Employment Academy (YEA), Inc. has a \$613,130 Qualified Low-Income Community Investment (QLICI) loan from Community Development Entity (CDE) Rose Urban Green Fund (RUGF). The loan has interest only payments during the compliance period which are due annually on December 1st. The Loan term is 30 years with an interest rate of 0.9999%. At the end of the compliance period in 2024, a 22-year amortization begins for the remainder of the loan term. The outstanding balance on Rose Urban Green Fund (RUGF) B2 as of December 31, 2017 is \$613,130. The interest accrued and paid in 2017 was \$2,299.

Future debt service requirements for the RUGF B2 loan are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ -	6,131	6,131
2019	-	6,131	6,131
2020	-	6,131	6,131
2021	-	6,131	6,131
2022	-	6,131	6,131
2023-2027	80,625	29,631	110,256
2028-2032	123,363	24,181	147,544
2033-2037	129,656	17,888	147,544
2038-2042	136,268	11,275	147,543
2043-2047	143,218	4,227	147,445
	<u>\$ 613,130</u>	<u>117,857</u>	<u>730,987</u>

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(w) **Wells Fargo Loan**

This Promissory Note agreement was executed in November 2017 for \$6,300,000 to fund the Vida at Sloans project. The loan bears a fixed 5.35% interest rate per annum, non-compounding, based on a three hundred and sixty (360)-day year on the outstanding principal balance and is accrued monthly. The fund is required to make quarterly principal and interest payments of \$105,730 due on the first day of the month of each calendar year commencing on January 1, 2018.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 86,856	347,238	434,093
2019	90,147	331,955	422,102
2020	94,213	327,852	422,065
2021	100,352	321,657	422,009
2022	105,908	316,051	421,959
2023-2027	5,822,525	606,650	6,429,175
	<u>\$ 6,300,000</u>	<u>2,251,404</u>	<u>8,551,404</u>

(x) **Citywide Bank TIF Loan**

This Citywide Bank TIF Loan agreement was executed in October 2017 for \$5,500,000 for the development and construction of the Vida at Sloans Project. Citywide Bank will make disbursements per the conditions of the loan agreement. As of December 31, 2017, Citywide has disbursed \$1,988,793. The loan bears the greater of (a) the “Prime Rate” index plus 1% or (b) 5.25%, non-compounding, (360) day year. DHA is required to make monthly interest payments to Lender on the first business day of the following month. Commencing on April 1, 2020 and continuing through the Maturity Date, borrower shall make semi-annual payments of accrued interest plus the principal of \$211,538 on the first Business Day of each October and April.

(y) **VCP NMTC – QLICI A – Catalyst CDE - 10 Loan**

This Qualified Low-Income Community Investment (QLICI) Promissory Note A agreement was executed in November 2017 for \$7,881,600 for the development and construction of the NMTC Units for the Vida at Sloans Project.

The loan bears a fixed interest rate equal to 1.00% per annum, non-compounding, (360) day year. DHA is required to make the first initial first payment on December 15, 2017 of all accrued and unpaid interest calculated from the Effective Date through December 31, 2017. Commencing on March 15, 2018 DHA shall make quarterly payments of accrued and unpaid interest, partially in advance and partially in arrears, due and payable on the fifteenth (15th) day of each March, June, September and December. Beginning on March 15, 2025 and continuing through the Maturity Date, December 31, 2047, borrower shall make quarterly payments of principal and interest. The outstanding balance on QLICI A as of December 31, 2017 is \$7,881,600.

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Future debt service requirements for the QLICI A loan are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ -	79,912	79,912
2019	-	79,911	79,911
2020	-	80,130	80,130
2021	-	79,911	79,911
2022	-	79,911	79,911
2023-2027	877,593	387,584	1,265,177
2028-2032	1,452,899	319,435	1,772,334
2033-2037	1,692,905	239,645	1,932,550
2038-2042	1,779,260	151,649	1,930,909
2043-2047	2,078,943	56,763	2,135,706
	<u>\$ 7,881,600</u>	<u>1,554,851</u>	<u>9,436,451</u>

(z) **VCP NMTC – QLICI B – Catalyst CDE -10 Loan**

This Qualified Low-Income Community Investment (QLICI) Promissory Note B agreement was executed in November 2017 for \$3,668,400 for the development and construction of the NMTC Units for the Vida at Sloans Project.

The loan bears a fixed interest rate equal to 1.00% per annum, non-compounding, (360) day year. DHA is required to make the first initial first payment on December 15, 2017 of all accrued and unpaid interest calculated from the Effective Date through December 31, 2017. Commencing on March 15, 2018 DHA shall make quarterly payments of accrued and unpaid interest, partially in advance and partially in arrears, due and payable on the fifteenth (15th) day of each March, June, September and December. Beginning on March 15, 2025 and continuing through the Maturity Date, December 31, 2047, borrower shall make quarterly payments of principal and interest. The outstanding balance on QLICI A as of December 31, 2017 is \$3,668,400.

Future debt service requirements for the QLICI B loan are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ -	37,194	37,194
2019	-	37,194	37,194
2020	-	37,296	37,296
2021	-	37,194	37,194
2022	-	37,194	37,194
2023-2027	408,465	180,397	588,862
2028-2032	749,701	146,874	896,575
2033-2037	787,943	107,814	895,757
2038-2042	826,513	66,914	893,427
2043-2047	895,778	23,267	919,045
	<u>\$ 3,668,400</u>	<u>711,338</u>	<u>4,379,738</u>

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A summary of changes in DHA's discretely presented component units' long-term debt for the year ended December 31, 2017 is presented below:

	Balance at December 31, 2016	Additions	Reductions	Financing Fees	Balance at December 31, 2017	Due Within One Year	Accrued Interest Payable	Loan Balance
Globeville I Key Bank loan	\$ 2,185,626	—	37,230	79,093	2,069,303	38,760	—	2,148,396
Globeville I DHA Loans	427,162	—	—	—	427,162	—	416,902	427,162
Globeville II Key Bank loan	1,329,483	—	22,646	66,121	1,240,716	23,577	—	1,306,837
Globeville II GWH Loan	241,145	—	—	—	241,145	—	199,591	241,145
Thomas Bean Towers - Mortgage Notes	11,159,666	—	—	—	11,159,666	—	6,622,172	11,159,666
Park Avenue Block 1B								
CHFA 1st Mortgage	4,975,767	—	76,821	—	4,898,946	81,832	26,126	4,898,946
DHA Mortgage Notes	3,900,000	—	—	—	3,900,000	—	2,054,892	3,900,000
Park Avenue Block 3B								
1st Mortgage	4,374,034	—	41,299	99,981	4,232,754	44,261	25,557	4,332,735
CHFA TCAP	870,757	—	—	—	870,757	—	—	870,757
DHA Mortgage Notes	5,140,910	—	—	—	5,140,910	—	3,297,780	5,140,910
Park Avenue Block 4B								
CHFA 1st Mortgage	3,929,586	—	34,831	174,923	3,719,832	36,994	20,477	3,894,755
DHA Mortgage Notes	5,154,500	—	—	—	5,154,500	—	1,507,746	5,154,500
Three Towers								
DHA Line of Credit	4,914,138	60,643	—	—	4,974,781	—	—	4,974,781
DHA Mortgage Notes	31,147,746	—	—	—	31,147,746	—	10,785,894	31,147,746
Park Avenue Block 5B								
Key Bank 1st Mortgage	2,695,455	—	42,914	85,365	2,567,176	45,735	14,344	2,652,541
DHA Mortgage Notes	6,799,646	—	—	18,029	6,781,617	—	23,739	6,799,646
Westwood - Mortgage Notes	20,743,489	—	—	8,456	20,735,033	—	—	20,743,489
1099 Osage - Mortgage Notes	12,772,614	—	—	42,684	12,729,930	—	—	12,772,614
Mountain View								
CHFA 1st Mortgage	10,252,370	—	108,478	491,064	9,652,828	113,804	—	10,143,892
DHA Mortgage Notes	7,802,519	—	—	9,771	7,792,748	—	—	7,802,519
South Lowell - Mortgage Notes	13,420,749	—	—	15,060	13,405,689	—	1,325,403	13,420,749
Mariposa II								
Citibank 1st Mortgage	3,601,842	—	32,958	34,691	3,534,193	35,078	18,588	3,568,884
DHA Mortgage Notes	7,500,972	—	—	9,640	7,491,332	—	685,392	7,500,972
Mariposa III								
Citibank 1st Mortgage	3,068,527	—	28,782	26,683	3,013,062	30,557	15,199	3,039,745
DHA Mortgage Notes	6,994,950	—	—	8,545	6,986,405	—	637,388	6,994,950
Mariposa IV								
Citibank 1st Mortgage	2,769,821	—	22,476	10,068	2,737,277	23,855	14,630	2,747,345
DHA Mortgage Notes	4,749,955	—	—	15,628	4,734,327	—	897,586	4,749,955
Mariposa VI								
Citibank 1st Mortgage	6,265,405	—	1,568,820	44,385	4,652,200	41,881	23,366	4,696,585
DHA Mortgage Notes	5,672,207	—	—	18,478	5,653,729	—	631,831	5,672,207
Mariposa VII - Mortgage Notes	8,191,041	5,389,910	3,599,634	52,884	9,928,433	3,847,482	264,118	9,981,317
Mariposa VIII								
Construction Loan	5,407,986	399,002	3,602,726	29,019	2,175,243	2,175,243	—	2,204,262
DHA Mortgage Notes	300,000	—	—	—	300,000	—	21,858	300,000
CSG - Mortgage Notes	26,503,885	—	85,630	452,659	25,965,596	90,000	491,511	26,418,255
Stuebaker								
Vectra Bank	1,055,943	—	26,840	11,138	1,017,965	27,992	—	1,029,103
DHA Mortgage Note - 2nd	449,224	—	28,290	10,626	410,308	29,162	—	420,934
DHA Mortgage Note - 3rd	749,630	—	1,708	16,600	731,322	—	—	747,922
Denver Metro Solar								
Enterprise Community Loan Fund	—	564,933	—	125,372	439,561	—	8,220	564,933
DHA Mortgage Notes	—	500,000	—	—	500,000	—	—	500,000
Vida Housing Partners II, LLLP								
Wells Fargo	—	55,000	—	55,000	—	—	—	55,000
DHA Mortgage Notes	—	1,119,368	—	—	1,119,368	—	—	1,119,368
	<u>237,518,750</u>	<u>\$ 8,088,856</u>	<u>9,362,083</u>	<u>2,011,963</u>	<u>234,233,560</u>	<u>6,686,213</u>	<u>30,030,310</u>	<u>236,245,523</u>
Less amount due within one year	<u>2,138,297</u>				<u>6,686,213</u>			
	<u>\$ 235,380,453</u>				<u>227,547,347</u>			

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**(aa) Globeville I KeyBank Loan**

The Partnership entered a mortgage note payable with KeyBank with a principal balance of \$2,221,000. The note is payable in monthly installments of principal and interest totaling \$11,017, beginning in February 2016. The note has payments based on 30-year term, with balloon payment due on January 1, 2023, and accrues interest at a fixed rate of 4.32%. The outstanding balance on the note as of December 31, 2017 is \$2,148,396. The note is secured by a deed of trust on the fixed assets and guaranteed by DHA. During the years December 31, 2017 and 2016, interest expense of \$94,976 and \$96,833, respectively incurred and no interest was accrued as of December 31, 2017 and 2016.

Mortgage costs of \$110,731 are shown net of the mortgage and are amortized over the term of the mortgage using the straight-line method. Total accumulated amortization related to these costs is \$15,819 at December 31, 2017.

Future debt service requirements are as follows on the KeyBank loan:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 38,760	93,312	132,072
2019	40,632	91,574	132,206
2020	42,191	90,016	132,207
2021	44,333	87,873	132,206
2022	46,315	85,892	132,207
2023	1,936,165	7,202	1,943,367
	<u>\$ 2,148,396</u>	<u>455,869</u>	<u>2,604,265</u>

**(bb) Globeville I DHA Loans**

The Partnership has an unsecured promissory note of \$427,162 to Globeville Workforce Housing, Inc., a component unit of DHA. This note accrues interest at a fixed rate of 5.01%. During the years ended December 31, 2017 and 2016, interest expense of \$40,270 and \$38,349, respectively, was incurred and is included in interest on the accompanying statement of operations. Payments on the promissory note to Globeville Workforce Housing, Inc., a component unit of DHA, are made from 75% remaining cash flows, which are generally defined as net income determined on a cash basis. The entire balance of the \$427,162 promissory note is due on December 31, 2034.

**(cc) Globeville II KeyBank Loans**

The Partnership entered into a mortgage note payable with KeyBank, with a principal balance of \$1,351,000. The note is payable in monthly installments of principal and interest totaling \$6,702, beginning in February 2016. The note has payments based on 30-year term, with balloon payment due on January 1, 2023, and accrues interest at a fixed rate of 4.32%. During the years ended December 31, 2017 and 2016, interest expense of \$57,773 and \$58,902, respectively, was incurred and no interest was accrued as of December 31, 2017 and 2016. The outstanding balance on the note as of December 31, 2017 is \$1,306,837. The note is secured by a deed of trust on the fixed assets and guaranteed by DHA.

Mortgage costs of \$92,569 are shown net of the mortgage and are amortized over the term of the mortgage using the straight-line method. Total accumulated amortization related to these costs

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during years ended December 31, 2017 and 2016 \$26,448 and \$13,224, respectively. The \$13,224 is reported as interest expense on the statement of operations.

Future expected debt service requirements are as follows on the KeyBank loan:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 23,577	56,761	80,337
2019	24,716	55,703	80,419
2020	25,664	54,755	80,419
2021	26,967	53,452	80,419
2022	28,173	52,247	80,419
2023	1,177,740	4,381	1,182,121
	<u>\$ 1,306,837</u>	<u>277,298</u>	<u>1,584,135</u>

**(dd) *Globeville II GWH Loan***

The Partnership has an unsecured promissory note of \$241,145 to Globeville Workforce Housing, Inc., a component unit of DHA. This note accrues interest at a fixed rate of 4.76%. Payments on the promissory note to Globeville Workforce Housing, Inc., a component unit of DHA. Accrued interest as of December 31, 2017 was \$199,591 and is included in due to DHA on the accompanying balance sheet. During year ended December 31, 2017, interest expense was \$20,026. Payments on this loan are made from available cash flow, which is generally defined as net income determined on a cash basis. The entire balance is due on December 31, 2040.

**(ee) *Thomas Bean Towers – Mortgage Notes***

The outstanding balance of the first mortgage note as of December 31, 2017 is \$8,400,000. The loan matures on November 1, 2059. Annual payments of \$437,247 are due on October 15, but only to the extent of available cash flow, which is generally defined as cash receipts less cash expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date. The annual interest on the note accrues at 4.79%.

The outstanding balance of the second mortgage note as of December 31, 2017 is \$2,759,666. The interest rate is 0.1% compounded annually. The loan matures on November 1, 2056. Annual payments of \$53,209 are due on October 15, but only to the extent of available cash flow as defined above. A payment of all outstanding principal and accrued interest is payable on the maturity date.

**(ff) *Park Avenue Redevelopment (Block 1B)***

Park Avenue Redevelopment (Block 1B) (Partnership) has two CHFA loans. The first loan with CHFA (Smart note) is for \$5,000,000 bearing interest at 6.7% per year, is repayable over 20 years, and has a balance as of December 31, 2017 of \$4,507,010. The annual payment on this loan is \$370,770 payable monthly with a balloon payment of \$3,502,562 due in February 2028. The second loan with CHFA (HOF) is for \$480,000 bearing interest at 3.0% per year, is repayable over 20 years, and has a balance as of December 31, 2017 of \$391,936. The annual payment on this loan is \$22,167 payable monthly with a balloon payment of \$267,497 due in February 2028.

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Future debt service requirements are as follows on the CHFA Smart note:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 71,239	299,611	370,850
2019	76,075	294,694	370,770
2020	81,332	289,438	370,770
2021	86,952	283,818	370,770
2022	92,960	277,810	370,770
2023-2027	570,495	1,283,354	1,853,849
2028	3,527,958	39,301	3,567,258
	<u>\$ 4,507,010</u>	<u>2,768,026</u>	<u>7,275,036</u>

Future debt service requirements are as follows on the CHFA HOF note:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 10,593	11,594	22,187
2019	10,895	11,272	22,167
2020	11,226	10,941	22,167
2021	11,568	10,600	22,167
2022	11,920	10,248	22,167
2023-2027	65,262	45,575	110,837
2028	270,472	1,346	271,819
	<u>\$ 391,936</u>	<u>101,576</u>	<u>493,512</u>

The outstanding balance of the second mortgage note as of December 31, 2017 is \$3,000,000. The interest rate is 4.33% compounded annually. The loan matures on July 1, 2055. Annual payments are due on June 30, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the third mortgage note as of December 31, 2017 is \$900,000. The interest rate is 4.33% compounded annually. The loan matures on July 1, 2055. Annual payments are due on June 30, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

**(gg) Park Avenue Redevelopment Block 3B**

The outstanding balance of the Citibank, N.A. first mortgage as of December 31, 2017 is \$4,332,735. The effective interest rate is 6.85%, and the maturity date is April 1, 2026. Principal and interest are payable in monthly installments of \$28,647, based on a 420-month amortization period.

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Mortgage costs of \$187,467 are shown net of the mortgage and are amortized over the term of the mortgage using the straight-line method. Total accumulated amortization related to these costs is \$87,486 at December 31, 2017.

Future expected debt service requirements are as follows on the Citibank loan:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 44,261	299,509	343,770
2019	47,434	296,335	343,769
2020	49,987	293,783	343,770
2021	54,420	289,349	343,769
2022	58,322	285,447	343,769
2023-2026	4,078,311	941,952	5,020,263
	<u>\$ 4,332,735</u>	<u>2,406,375</u>	<u>6,739,110</u>

On March 1, 2011 the Partnership entered into a loan agreement with CHFA in the amount of \$870,757. The loan does not bear interest. No principal or interest payments are required as long as the Partnership is maintaining compliance with the loan agreement, as defined. The entire outstanding balance shall be due on the maturity date of March 1, 2052. As of December 31, 2017, the outstanding balance is \$870,757.

The Partnership has three notes payable outstanding to DHA. The notes are secured by a second, third and fourth priority lien deed of trust and are nonrecourse to the Partnership and its partners.

The outstanding balance of the second mortgage note as of December 31, 2017 is \$2,472,000. The interest rate is 5.5% compounded annually. The loan matures on June 28, 2047. Payments are made only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the third mortgage note as of December 31, 2017 is \$1,688,910. The interest rate is 5.36% compounded annually. The loan matures on June 28, 2047. Payments are made only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the fourth mortgage note as of December 31, 2017 is \$980,000. The interest rate is 5.36% compounded annually. The loan matures on June 28, 2047. Payments are made only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

**(hh) Park Avenue Redevelopment Block 4B LLLP**

Park Avenue Redevelopment Block 4B LLLP (Partnership) has two CHFA loans. The first loan with CHFA (HOF note) is for \$350,000 bearing interest at 3.0% per year, is repayable over 40 years, and has a balance as of December 31, 2017 of \$314,722. The required monthly payment of principal and interest is \$1,253. The loan matures in December 2050.

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The second loan with CHFA (Smart note) is for \$3,750,000 bearing interest at 6.6% per year, is repayable over 40 years, and has a balance as of December 31, 2017 of \$3,580,033. The required monthly payment of principal and interest is \$22,222. The loan matures in December 2050.

Loan fees of \$212,030 are shown net of the mortgage and are amortized over the term of the mortgage using the straight-line method. Total accumulated amortization related to these costs is \$37,107 at December 31, 2017.

Future debt service requirements are as follows on the CHFA HOF note:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 5,672	9,364	15,036
2019	5,844	9,192	15,036
2020	6,022	9,014	15,036
2021	6,205	8,831	15,036
2022	6,393	8,642	15,035
2023-2027	35,005	40,172	75,177
2028-2032	40,663	34,514	75,177
2033-2037	47,234	27,943	75,177
2038-2042	54,868	20,309	75,177
2043-2047	63,736	11,441	75,177
2048-2050	43,080	2,021	45,101
	<u>\$ 314,722</u>	<u>181,443</u>	<u>496,165</u>

Future debt service requirements are as follows on the CHFA Smart note:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 31,322	235,346	266,668
2019	33,453	233,215	266,668
2020	35,729	230,939	266,668
2021	38,160	228,508	266,668
2022	40,756	225,912	266,668
2023-2027	249,340	1,083,999	1,333,339
2028-2032	346,512	986,828	1,333,340
2033-2037	481,551	851,788	1,333,339
2038-2042	669,217	664,122	1,333,339
2043-2047	930,018	403,321	1,333,339
2048-2050	723,975	76,019	799,994
	<u>\$ 3,580,033</u>	<u>5,219,997</u>	<u>8,800,030</u>

Additionally, the Partnership has second, third, fourth and fifth mortgages through DHA.

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The outstanding balance of the second mortgage note as of December 31, 2017 is \$1,750,000. The interest rate is 4.4% compounded annually. The loan matures on July 1, 2058. Payments are made only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the third mortgage note as of December 31, 2017 is \$1,150,000. The interest rate is 4.4% compounded annually. The loan matures on July 1, 2058. Payments are made only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the fourth mortgage note as of December 31, 2017 is \$1,254,500. The interest rate is 4.4% compounded annually. The loan matures on July 1, 2058. Payments are made only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the fifth mortgage note as of December 31, 2017 is \$1,000,000. No loan bears no interest and matures April 12, 2050. No monthly payments are required. A payment of all outstanding principal is payable on the maturity date.

(ii) ***Three Towers***

The outstanding balance of the Revolving Energy Performance Contract (EPC) Line of Credit as of December 31, 2017 is \$4,974,781. Up to \$5,078,827 can be advanced from this line of credit. The line of credit does not accrue interest and it matures on December 13, 2047. Payments on the line of credit will be made from proceeds from the U.S. Department of Housing and Urban Development (HUD) subsidy. A payment of all outstanding principal is payable on the maturity date.

The balance of the DHA Capital Fund Financing Program (CFFP) Note as of December 31, 2017 is \$14,600,000. The interest rate is 2.2% compounded annually. The loan matures on December 12, 2047. Payments are made only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The balance of the DHA Program Funds Note as of December 31, 2017 is \$16,547,746. The interest rate is 4.49% compounded annually. The loan matures on December 13, 2047. Payments are made only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

(jj) ***Park Avenue Redevelopment Block 5B***

The outstanding balance of the loan with KeyBank as of December 31, 2017 is \$2,652,541. The interest rate is 6.28% compounded annually. The loan matures on June 3, 2030. Principal and interest are payable in monthly installments of \$17,775.

Mortgage costs of \$171,487 are shown net of the mortgage and are amortized over the term of the mortgage using the straight-line method. The total accumulated amortization related to these costs is \$68,092 at December 31, 2017.

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Future debt service requirements are as follows on the KeyBank note:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 45,735	167,566	213,300
2019	48,733	164,567	213,300
2020	51,461	161,839	213,300
2021	55,302	157,998	213,300
2022	58,927	154,372	213,300
2023-2027	357,398	709,102	1,066,499
2028-2030	2,034,985	307,918	2,342,905
	<u>\$ 2,652,541</u>	<u>1,823,362</u>	<u>4,475,904</u>

The outstanding balance of the third mortgage note as of December 31, 2017 is \$5,324,646. The loan does not bear interest and matures on June 3, 2050. Annual payments are due on July 12, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the fourth mortgage loan as of December 31, 2017 is \$1,475,000. The interest rate is 0.25 compounded annually. The loan matures on June 3, 2050. Annual payments are due on July 12, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

**(kk) Westwood Homes – Mortgage Notes**

The outstanding balance of the first mortgage note as of December 31, 2017 is \$10,533,494. No interest accrues on this note. The loan matures on August 31, 2065. A payment of all outstanding principal is payable on the maturity date. The note is secured by the DHA Second Leasehold Deed of Trust.

The outstanding balance of the second mortgage note as of December 31, 2017 is \$10,209,995. No interest accrues on this note. The loan matures on August 31, 2065. A payment of all outstanding principal is payable on the maturity date. The note is secured by the DHA Second Leasehold Deed of Trust.

Mortgage costs of \$18,454 are shown net of the DHA mortgages and are amortized over the term of the mortgage using the straight-line method. Accumulated amortization is \$9,998 at December 31, 2017.

**(ll) 1099 Osage – Mortgage Notes**

The partnership has one note payable to DHA, which is consolidated debt of the four notes payable. The notes are secured by the second, third, fourth, and fifth priority lien deed of trust and are nonrecourse to the Partnership and its partners.

The outstanding balance of the second mortgage note as of December 31, 2017 is \$1,272,614. The loan is noninterest bearing and is included in due to DHA on the accompanying balance sheet. The loan matures on September 17, 2065. Annual payments are due on July 12, but only to the extent

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of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal is payable on the maturity date.

The outstanding balance of the third mortgage note as of December 31, 2017 is \$9,500,000. The loan is noninterest bearing and is included in due to DHA on the accompanying balance sheet. The loan matures on September 17, 2065. Annual payments are due on July 12, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal is payable on the maturity date.

The outstanding balance of the fourth mortgage note as of December 31, 2017 is \$1,000,000. The loan is noninterest bearing and is included in due to DHA on the accompanying balance sheet. The loan matures on September 17, 2065. Annual payments are due on July 12, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal is payable on the maturity date.

The outstanding balance of the fifth mortgage note as of December 31, 2017 is \$1,000,000. The loan is noninterest bearing and is included in due to DHA on the accompanying balance sheet. The loan matures on September 17, 2065. Annual payments are due on July 12, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal is payable on the maturity date.

Loan Fees of \$191,112 are amortized over the term of the mortgage using the straight-line method. Accumulated amortization is \$148,426 as of December 31, 2017.

No interest payments made in 2017 or 2016.

Annual principals prior to maturity dates are payable only to the extent of available cash flow. Because payments are limited to available cash flow, the maturities are not reasonably estimated for future years.

**(mm) Mountain View Redevelopment LLLP**

Mountain View Redevelopment LLLP has a permanent loan with CHFA. The loan amount is \$10,500,000 and was financed with Public Bonds issued by CHFA. The interest rate during the construction phase was 4.99% and is 5.24% after construction completion. The note matures on July 19, 2051. The outstanding balance as of December 31, 2017 is \$10,143,892.

Mortgage costs of \$569,892 are shown net of the mortgage and are amortized over the term of the mortgage using the straight-line method. Total accumulated amortization related to these costs is \$78,828 at December 31, 2017.

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Future debt service requirements for the CHFA loan are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 113,804	528,821	642,625
2019	120,933	522,685	643,618
2020	126,901	516,221	643,122
2021	133,712	509,409	643,121
2022	140,890	502,232	643,122
2023-2027	826,338	2,389,269	3,215,607
2028-2032	1,073,236	2,142,372	3,215,608
2033-2037	1,393,903	1,821,704	3,215,607
2038-2042	1,810,381	1,405,226	3,215,607
2043-2047	2,351,296	864,310	3,215,606
2048-2051	2,052,498	198,430	2,250,928
	<u>\$ 10,143,892</u>	<u>11,400,679</u>	<u>21,544,571</u>

Mountain View Redevelopment LLLP has a program funds loan with DHA. The outstanding balance as of December 31, 2017 is \$7,802,519. The loan does not bear interest. The note matures on July 19, 2067. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal is payable on the maturity date.

Mortgage costs of \$10,850 are shown net of the DHA mortgages and are amortized over the term of the mortgage using the straight-line method. Total accumulated amortization related to these costs is \$1,079 at December 31, 2017.

**(nn) South Lowell – Mortgage Notes**

The outstanding balance of the second mortgage note as of December 31, 2017 is \$5,250,000. The interest rate is 2.52% per annum, which was based on the Applicable Federal Rate when the debt was drawn. The principal balance will accrue interest through the maturity date of September 20, 2067. Annual payments are due on September 20, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the third mortgage note as of December 31, 2017 is \$5,170,749. The interest rate is 3.16% per annum, which was based on the Applicable Federal Rate when the debt was drawn. The principal balance will accrue interest through the maturity date of September 20, 2067. Annual payments are due on September 20, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the fourth mortgage note as of December 31, 2017 is \$3,000,000. The loan is noninterest bearing. The principal balance will accrue interest through the maturity date of September 20, 2067. Annual payments are due December 31, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal is payable on the maturity date.

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Sponsorship loan fees of \$16,628 are amortized over the term of the mortgage using the straight-line method. Accumulated amortization is \$11,568 at December 31, 2017.

*(oo) Mariposa Partners II*

Mariposa Partners II LLLP has a loan with Citibank. The outstanding balance of the note as of December 31, 2017 is \$3,568,884. This loan bears interest at 6.25% and has a term of 16 years, while principal and interest payments will be amortized over 35 years.

Mortgage costs of \$42,036 are shown net of the mortgage and are amortized over the term of the mortgage using the straight-line method. Total accumulated amortization related to these costs is \$7,345 at December 31, 2017.

Future debt service requirements for the Citibank loan are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 35,078	222,062	257,140
2019	37,334	219,805	257,139
2020	39,736	217,404	257,140
2021	42,291	214,848	257,139
2022	45,012	212,128	257,140
2023-2027	272,395	1,013,303	1,285,698
2028-2031	3,097,038	637,110	3,734,148
	<u>\$ 3,568,884</u>	<u>2,736,660</u>	<u>6,305,544</u>

The outstanding balance of the second mortgage note as of December 31, 2017 is \$4,840,972. The interest rate is 2% per annum. The loan matures on March 1, 2052. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the third mortgage note as of December 31, 2017 is \$660,000. The interest rate is 2% per annum. The loan matures on March 1, 2052. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the fourth mortgage note as of December 31, 2017 is \$2,000,000. The interest rate is 2% per annum. The loan matures on March 1, 2052. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal is payable on the maturity date.

Mortgage costs of \$11,226 are shown net of the DHA mortgages and are amortized over the term of the mortgage using the straight-line method. Total accumulated amortization related to these costs is \$1,586 at December 31, 2017.

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**(pp) Mariposa Partners III**

Mariposa Partners III LLLP has a loan with Citibank. The outstanding balance of the note as of December 31, 2017 is \$3,039,745. This loan bears interest at 6% and has a term of 16 years, while principal and interest payments will be amortized over 35 years.

Mortgage costs of \$31,048 are shown net of the mortgage and are amortized over the term of the mortgage using the straight-line method. Total accumulated amortization related to these costs is \$4,366 at December 31, 2017.

Future debt service requirements for the Citibank loan are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 30,557	181,553	212,110
2019	32,442	179,669	212,111
2020	34,443	177,668	212,111
2021	36,567	175,545	212,112
2022	38,822	173,288	212,110
2023-2027	233,123	827,429	1,060,552
2028-2031	2,633,791	580,642	3,214,433
	<u>\$ 3,039,745</u>	<u>2,295,794</u>	<u>5,335,539</u>

The outstanding balance of the second mortgage note as of December 31, 2017 is \$4,900,000. The interest rate is 2% per annum. The loan matures on September 13, 2052. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the third mortgage note as of December 31, 2017 is \$714,950. The interest rate is 2% per annum. The loan matures on September 13, 2052. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the fourth mortgage note as of December 31, 2017 is \$580,000. The interest rate is 2% per annum. The loan matures on September 13, 2052. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the fifth mortgage note as of December 31, 2017 is \$800,000. The interest rate is 2% per annum. The loan matures on September 13, 2052. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

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Mortgage costs of \$9,849 are shown net of the DHA mortgages and are amortized over the term of the mortgage using the straight-line method. Total accumulated amortization related to these costs is \$1,058 at December 31, 2017.

**(qq) Mariposa Partners IV**

Mariposa Partners IV LLLP has a loan with Citibank. The outstanding balance of the note as of December 31, 2017 is \$2,747,345. This loan bears interest at 6.39% and has a term of 16 years, while principal and interest payments will be amortized over 35 years.

Mortgage costs of \$29,049 are shown net of the mortgage and are amortized over the term of the mortgage using the straight-line method. Total accumulated amortization related to these costs is \$2,555 at December 31, 2017.

Future debt service requirements for the Citibank loan are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 23,855	174,862	198,817
2019	25,631	173,285	198,817
2020	27,211	171,605	198,817
2021	29,002	169,815	198,817
2022	30,910	167,906	198,817
2023-2027	187,875	806,208	994,083
2028-2032	2,422,861	677,676	3,100,537
	<u>\$ 2,747,345</u>	<u>2,341,358</u>	<u>5,088,703</u>

The outstanding balance of the second mortgage note as of December 31, 2017 is \$2,055,239. The interest rate is 5% per annum. The loan matures on July 18, 2053. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the third mortgage note as of December 31, 2017 is \$710,093. The interest rate is 5% per annum. The loan matures on July 18, 2053. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the fourth mortgage note as of December 31, 2017 is \$654,623. The interest rate is 5% per annum. The loan matures on July 18, 2053. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the fifth mortgage note as of December 31, 2017 is \$530,000. The interest rate is 5% per annum. The loan matures on July 18, 2053. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the sixth mortgage note as of December 31, 2017 is \$800,000. The interest rate is 5% per annum. The loan matures on July 18, 2053. Annual payments are due, but

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only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

Mortgage costs of \$17,406 are shown net of the DHA mortgages and are amortized over the term of the mortgage using the straight-line method. Total accumulated amortization related to these costs is \$1,778 at December 31, 2017.

**(rr) Mariposa Partners VI**

Mariposa Partners VI LLLP has a loan with Citibank. The outstanding balance of the note as of December 31, 2017 is \$4,696,585. The loan will bear interest at 5.97% and has a term of 16 years, while principal and interest payments will be amortized over 35 years.

Citibank Mortgage costs of 29,049 are shown net of the mortgage and are amortized over the term of the mortgage using the straight-line method. Total accumulated amortization related to these costs is \$2,556 at December 31, 2017.

Future debt service requirements for the Citibank loan are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 41,881	279,252	321,133
2019	44,451	276,683	321,134
2020	47,178	273,955	321,133
2021	50,073	271,060	321,133
2022	53,146	267,988	321,134
2023-2027	318,835	1,286,831	1,605,666
2028-2032	429,420	1,176,247	1,605,667
2033	3,711,601	128,383	3,839,984
	<u>\$ 4,696,585</u>	<u>3,960,399</u>	<u>8,656,984</u>

The outstanding balance of the second mortgage note as of December 31, 2017 is \$4,932,300. The interest rate is 4% per annum. The loan matures on May 31, 2056. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the third mortgage note as of December 31, 2017 is \$489,907. The interest rate is 4% per annum. The loan matures on May 31, 2056. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the fourth mortgage note as of December 31, 2017 is \$250,000. The interest rate is 4% per annum. The loan matures on May 31, 2056. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

DHA Mortgage costs of \$17,406 are shown net of the DHA mortgages and are amortized over the term of the mortgage using the straight-line method. Total accumulated amortization related to these costs is \$890 at December 31, 2017.

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(ss) ***Mariposa Partners VII – Mortgage Notes***

The outstanding balance of the second mortgage note as of December 31, 2017 is \$673,005. The interest rate is 2% per annum. The loan matures on February 1, 2057. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the third mortgage note as of December 31, 2017 is \$785,295. The interest rate is 2% per annum. The loan matures on February 1, 2057. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the fourth mortgage note as of December 31, 2017 is \$3,552,650. The interest rate is 2% per annum. The loan matures on February 1, 2057. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the fifth mortgage note as of December 31, 2017 is \$450,000. The interest rate is 2% per annum. The loan matures on February 1, 2057. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The outstanding balance of the sixth mortgage note as of December 31, 2017 is \$620,000. The interest rate is 2% per annum. The loan matures on February 1, 2057. Annual payments are due, but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

The Partnership has a multifamily construction loan with DHA which is funded by the issuance of \$7,500,000 of Colorado Multifamily Housing Revenue Bonds, (Series 2015) issued by the Housing Authority of the City & County of Denver. The construction loan bears interest at the Securities Industry and Financial Markets Association (SIFMA) rate plus 2.5% as set forth in the Multifamily Promissory Note until conversion. The outstanding principal balance at December 31, 2017 \$3,900,366.

Mortgage costs of \$204,052 are shown net of the DHA mortgages and are amortized over the term of the mortgage using the straight-line method. Total accumulated amortization related to these costs is \$151,168 at December 31, 2017.

(tt) ***Mariposa Partners VIII***

The Partnership has a construction loan with Citi Bank which is funded up to the issuance of \$5,900,000. The construction loan bears interest at the LIBOR rate plus 2.5% as set forth in the Multifamily Promissory Note until conversion. The outstanding principal balance at December 31, 2017 \$2,204,262.

The outstanding balance of the second mortgage note as of December 31, 2017 is \$300,000. The interest rate is 4% per annum. The loan matures on February 1, 2057. Annual payments are due,

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but only to the extent of available cash flow, which is generally defined as cash receipts less expenses. A payment of all outstanding principal and accrued interest is payable on the maturity date.

Mortgage costs of \$153,147 are shown net of the mortgage and are amortized over the term of the mortgage using the straight-line method. Total accumulated amortization related to these costs is \$124,128 at December 31, 2017.

**(uu) CSG – Mortgage Notes**

On January 31, 2014, DHA issued \$12,565,000 in Series A Multifamily Housing Revenue Bonds. An additional \$100,000 had previously been issued as of December 31, 2013. DHA also issued \$8,335,000 in Series B Multifamily Housing Revenue Bonds. DHA executed loan agreements with CSG Redevelopment Partners LLLP for the same amounts at the time of issuance. Interest currently accrues at a rate of 6.08%. The note matures June 1, 2054.

Future debt service requirements for the DHA loan are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 90,000	754,908	844,908
2019	90,000	749,512	839,512
2020	100,000	743,635	843,635
2021	105,000	737,504	842,504
2022	110,000	730,993	840,993
2023-2027	665,000	3,541,473	4,206,473
2028-2032	905,000	3,304,201	4,209,201
2033-2037	1,220,000	2,982,493	4,202,493
2038-2042	1,660,000	2,546,507	4,206,507
2043-2047	2,250,000	1,955,252	4,205,252
2048-2052	3,050,000	1,154,009	4,204,009
2053-2054	2,220,000	149,644	2,369,644
	<u>\$ 12,465,000</u>	<u>19,350,132</u>	<u>31,815,132</u>

The Partnership has a fifth mortgage note with DHA. The note bears interest at 1% and matures on January 31, 2055. The outstanding balance of the note at December 31, 2017 is \$13,089,781.

The Partnership has a sixth mortgage note with DHA. The loan is noninterest bearing and matures on July 1, 2031. The outstanding balance of the note at December 31, 2017 is \$863,474.

Mortgage costs of \$501,665 are shown net of the DHA mortgages and are amortized over the term of the mortgage using the straight-line method. Total accumulated amortization related to these costs is \$49,007 at December 31, 2017.

**(vv) Studebaker**

In March 2015 Studebaker Building LLC refinanced its debt and paid the existing mortgage to GMAC in full. It also refinanced its debt with DHA.

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Studebaker Building LLC has a mortgage payable to Vectra Bank with an outstanding balance as of December 31, 2017 of \$1,029,103. The interest rate is 4.48% (Seven Year LIBOR/Swap Rate plus 2.4%). The loan matures in March 2025. Payments are due monthly.

Future debt service requirements for the Vectra Bank note are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 27,992	42,824	70,816
2019	29,195	41,621	70,816
2020	30,333	40,483	70,816
2021	31,752	39,064	70,816
2022	33,117	37,700	70,817
2023-2025	876,714	78,789	955,503
	<u>\$ 1,029,103</u>	<u>280,481</u>	<u>1,309,584</u>

Studebaker Building LLC has a second mortgage payable to DHA with an outstanding balance as of December 31, 2017 of \$420,934. The interest rate is 3%. The loan matures in March 2030. Payments are due monthly.

Future debt service requirements for the DHA note are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 29,162	12,396	41,558
2019	30,062	11,497	41,559
2020	30,959	10,600	41,559
2021	31,944	9,615	41,559
2022	32,930	8,629	41,559
2023-2027	180,503	27,292	207,795
2028-2030	85,374	2,898	88,272
	<u>\$ 420,934</u>	<u>82,927</u>	<u>503,861</u>

Studebaker Building LLC has a third mortgage payable to DHA with an outstanding balance as of December 31, 2017 of \$747,922. The interest rate is 1.5%. The loan matures in March 2030. Payments are due annually payable with 50% of net cash flow.

Mortgage costs of \$48,701 are shown net of the mortgage and are amortized over the term of the mortgage using the straight-line method. Total accumulated amortization related to these costs is \$10,337 at December 31, 2017.

**(ww) Denver Metro Solar**

Denver Metro Solar has a loan with Enterprise Community Loan Fund (ECLF). The Loan is for up to \$2,400,000 bearing simple interest at 5.5% annually, maturing February 28, 2033. As of December 31, 2017, \$564,933 has been drawn down on the loan. During the Installation Period

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interest shall be due and payable monthly. Principal in the amount of \$50,000 is being held in reserve to cover monthly interest payments of loan during the installation period. Monthly debt service payments and interest shall be due and payable in arrears when the Installation Period ends.

Loan fees for \$130,192 are being amortized over the life of the loan using the straight-line method. Total accumulated amortization related to these costs is \$2,755 as of December 31, 2017.

Denver Metro Solar has a loan with DHA for \$500,000 bearing simple interest rate at 8% annually, maturing March 10, 2033. All outstanding principal and interest are due at the maturity date. The outstanding balance of the note as of December 31, 2017 is \$500,000.

(xx) ***Vida Housing Partners II, LLLP (4%) Loans***

***LIHTC Subordinate Loan***

This DHA HPF Subordinate Loan agreement was executed in November 2017 for \$6,250,000 for the development and construction of the 112 residential units comprising the 4% Unit. DHA agrees to make advances to the partnership to the aggregate amount not to exceed \$6,250,000. As of December 31, 2017 DHA, has advanced \$1,119,368.

The loan bears a fixed 2.5% interest rate per annum, non-compounding. The partnership is required to pay principal and interest no later than the 30th day of June every year during the term of the agreement based on Cash Flow set forth of the Partnership Agreement. Any unpaid portion of the loan shall be treated as an accrual in accordance with Generally Accepted Accounting Principles.

***Promissory Note***

This promissory note was executed in November 2017 for \$17,000,000 for the development and construction of the 112 residential units comprising the 4% Unit. Wells Fargo agrees to make advances to the partnership to the aggregate amount not to exceed \$17,000,000. As of December 31, 2017 Wells Fargo has advanced \$55,000.

The loan bears a One-Month LIBO Rate rounded upward to the nearest whole multiple of .01%, equal to the sum of: (a) 1.70% plus the rate of interest, rounded upward to the nearest whole multiple of .0625%. The partnership is required to pay interest only on the first of each month. The outstanding principal balance of this note, together with all accrued and unpaid interest, shall be due and payable in full on May 20, 2020.

(7) **Compensated Absences**

The compensated absence balance for the primary government as of December 31, 2017 is as follows:

Compensated absences at December 31, 2016	\$ 939,919
Increase during 2017	16,709
Compensated absences at December 31, 2017	<u>\$ 956,628</u>
Current portion of compensated absences at December 31, 2017	\$ 841,833
Noncurrent portion of compensated absences at December 31, 2017	114,795
	<u>\$ 956,628</u>

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The compensated absence balance for the discretely presented components units as of December 31, 2017 is as follows:

Compensated absences at December 31, 2016	\$ 10,687
Increase during 2017	<u>1,716</u>
Compensated absences at December 31, 2017	<u><u>\$ 12,403</u></u>
Current portion of compensated absences at December 31, 2017	\$ 12,403
Noncurrent portion of compensated absences at December 31, 2017	<u>—</u>
	<u><u>\$ 12,403</u></u>

**(8) Employee Retirement Plan**

DHA provides eligible employees with a defined contribution employee retirement plan. The plan and the contributions to it are authorized by DHA's Board of Commissioners. Under this plan, DHA makes employer regular and employer additional contributions into the pension fund for each eligible employee. A total of 10% of employee salaries is contributed by DHA toward pension. Contributions are made to and maintained by the plan administrator, ICMA-RC, which maintains an individual account for each participant. All regular full-time employees participate in the plan once they have successfully completed a six-month introductory period.

In 2017, DHA paid \$16,978,759 in total salaries. Of this amount, \$13,932,247 was covered under the plan. DHA's required and actual contributions in 2017 were:

<u>Rate</u>	<u>Salary</u>	<u>Employer regular pension contribution</u>	<u>Employer additional pension contribution</u>	<u>Total employer contribution</u>
10%	\$ 13,932,247	696,612	696,612	1,393,224

Upon termination, employees are fully vested in the employer's additional portion of the contributions. Employees vest in the employer's regular portion of the contributions at a rate of 20% each year as follows:

<u>Years of participation</u>	<u>Vested percentage in employer regular contributions</u>
Less than 1 year	— %
1 year	20
2 years	40
3 years	60
4 years	80
5 years	100

Employees may make voluntary after-tax contributions to the plan, not to exceed 10% of their annual compensation.

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**(8) Deferred Compensation Plan**

DHA offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. Employee contributions are made to and maintained by the plan administrator, ICMA-RC, which maintains an individual account for each participant. Pursuant to GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, since DHA is not the owner or trustee of these assets, the plan assets are not reported as part of DHA's basic financial statements.

**(10) Postemployment Benefits**

DHA's personnel policy provides for no postemployment fringe benefits. Therefore, no expenses or accrued liabilities are reflected in the accompanying basic financial statements.

**(11) Risk Management**

The DHA faces three major types of risk: 1) third-party liability claims, 2) property and casualty loss claims, and 3) workers' compensation claims. DHA has purchased insurance coverage to cover these risks. DHA property insurance coverage has a Total Insurable Value (TIV) of \$415,758,125 with a stop-loss limit of \$100,000,000 and with a deductible of \$10,000 per occurrence or 2% per building for wind and/or hail as of December 31, 2017. DHA participates in the Housing Authority Risk Retention Group (HARRG) to obtain stable and affordable general liability insurance coverage. General liability coverage provided is \$10,000,000 per year with a deductible of \$5,000 per occurrence. DHA also maintains a number of other insurance policies necessary and appropriate in the normal course of business including boiler and steam machinery, comprehensive automobile, workers' compensation, employee fidelity, flood, directors and officers (D&O), professional and employment liability insurance. In addition, DHA maintains appropriate insurance policies on all its instrumentalities, partnerships and component units including but not limited to directors and officers, general liability, excess liability and property. The various property policies have a total TIV of \$406,797,012 with deductibles of \$5,000 per occurrence. Total insurable limits for all coverages inclusive of the above amounts is \$1,100,627,193.

DHA has accrued and funded a liability for a self-insurance retention (SIR) on future property, liability and worker's compensation deductibles. This SIR will cover the future years' financial risks to DHA for current claims and potential claims resulting from incidents Incurred But Not Reported (IBNR). The cumulative amount through December 31, 2017 totals \$2,497,725 in current and noncurrent liabilities as shown below.

Change in the balance of claims liabilities for December 31, 2016 is as follows:

Unpaid and potential claims, beginning of year	\$ 1,425,450
Incurred claims (including net reduction in IBNRs)	631,927
Claim payments	<u>(470,137)</u>
Unpaid and potential claims, end of year	<u><u>\$ 1,587,240</u></u>

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Change in the balance of claims liabilities for December 31, 2017 is as follows:

Unpaid and potential claims, beginning of year	\$ 1,587,240
Incurred claims (including net reduction in IBNRs)	2,198,435
Claim payments	<u>(1,287,950)</u>
Unpaid and potential claims, end of year	<u>\$ 2,497,725</u>
Amount included in current accrued liabilities	\$ 1,358,100
Amount included in noncurrent accrued liabilities	<u>1,139,625</u>
Total	<u>\$ 2,497,725</u>

In addition to the total accrued liabilities above, the SIR fund has a reserve of \$1,098,625 as of December 31, 2017.

DHA's economic risk as a participant in HARRG is limited to \$84,126 of paid-in surplus contribution and \$189,117 in net equity dividends. Also, DHA's risk in Housing Authority Property Insurance, A Mutual Company, (HAPI) is limited to \$210,971 of paid-in and recapitalization surplus and \$70,525 of net equity dividends. Although the underwriting experience of HARRG and HAPI may result in increased annual premium charges and/or assessments against each participant's surplus contribution accounts, DHA's exposure to any net loss allocation is restricted to its surplus contribution account balances. In addition, Housing Authority Insurance (HAI) Group which includes HARRG and HAPI is rated "A" (excellent) with outlook of negative by AM Best for Financial Strength Rating (FSR) and "a" (excellent) with outlook of negative for Issuer Credit Rating (ICR). The financial size is IX reflecting surplus of \$250 to \$500 million.

No claims or settlements were in excess of the insurance coverage for 2017 or any of the three prior years.

**(12) Litigation and Contingencies**

DHA is a party to numerous pending or threatened lawsuits, under which it may be required to pay certain amounts upon final disposition of these matters. After consulting with legal counsel, DHA's management has concluded that no significant adverse effect on the December 31, 2017 basic financial statements should result upon final disposition of these proceedings.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability. The amount, if any, of expenses, which may be disallowed by the grantor cannot be determined at this time although DHA expects such amounts, if any, to be immaterial to its basic financial statements.

For certain partnerships, DHA has guaranteed performance regarding completion of construction, repayment of construction and/or permanent loans, delivery of low-income housing tax credits, funding of operating deficits, payment of development fees, and maintaining compliance with applicable provisions of Internal Revenue Code Section 42. Failure to maintain compliance or to correct noncompliance within a specified time period could result in a default and create financial costs to DHA. There are no outstanding defaults that are probable in which the loss is estimable, which would be required to be accrued in these financial statements.

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NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2017

**(13) TABOR Amendment**

Article X, Section 20 of the Colorado Constitution (the TABOR Amendment) was added to the Colorado Constitution in 1992. It is a tax-limitation, spending-limitation, revenue-limitation, and debt-limitation amendment. By its terms, the TABOR Amendment applies to all "districts" defined to mean the "State or any local government, excluding enterprises." An enterprise is a (i) government-owned business, (ii) authorized to issue its own revenue bonds, and (iii) receiving under 10% of annual revenues in grants from all Colorado state and local governments combined. DHA meets this definition of an enterprise and, therefore, is exempt from the requirements of the TABOR Amendment.

**(14) Income Taxes**

DHA is a governmental entity, and therefore, DHA is not subject to federal or state income taxes.

**(15) Subsequent Events**

Events that occur after the date of the statement of net position but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of the subsequent events that provide evidence about conditions that existed at the date of the statement of net position are recognized in the accompanying financial statements. Subsequent events, which provide evidence about conditions that existed after the date of the statement of net position, require disclosure in the accompanying notes. Management evaluated the activity of DHA through June 27, 2018 and concluded that the following subsequent events have occurred that would require disclosure in the Notes to the Financial Statements.

In March 2018, the Board authorized the acceptance from the City and County of Denver the assignment of \$30 million of private activity bond allocation consisting of \$8,157,850 from the City's 2015 allocation, \$13,551,278 of the 2015 statewide allocation that was assigned to the City and \$8,290,872 from the 2017 allocation. This bond allocation will be used for Platte Valley Homes redevelopment and Sun Valley Homes Phase 2 (Gateway project).

DHA's Board of Commissioners has approved the sale of two parcels of land and two condo units. The estimated sales prices total \$2 million. None of the properties were sold as of June 25, 2018.

Two parcels approved for sale in 2016 were sold for \$3.8 million. Benedict Park parcel 1A was sold for \$2.235 million and DHA used \$2 million to pay down the KeyBank line of credit. Benedict Park parcel 4A was sold for \$1.58 million with DHA taking a carryback note for the entire sales amount. Benedict Park parcel 5A was approved for sale in April 2018 and was sold on June 1, 2018 for \$7.1 million with a \$5 million carryback note.

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NOTES TO BASIC FINANCIAL STATEMENTS  
Blended Component Units  
December 31, 2017

**(16) Blended Component Units Combining Financial Schedules**

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

<b>Assets &amp; Deferred Outflow of Resources</b>	<b>Denver Housing Corporation</b>	<b>Denver Community Ventures</b>	<b>Globeville Workforce Housing</b>	<b>Arrowhead Housing Inc.</b>	<b>Arrowhead Housing II Inc.</b>	<b>Arrowhead Housing III Inc.</b>	<b>Arrowhead Housing IV Inc.</b>	<b>Arrowhead Housing V Inc.</b>
Current assets:								
Cash and cash equivalents	\$ 2,725,009	195,113	—	—	—	—	—	—
Investments	1,704,008	13,437	2,471	5,516	23,103	23,074	5,260	5,631
Receivables:								
Tenants	6,444	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—
Intergovernmental	—	—	—	—	—	—	—	—
Other	7,907	8,800	—	—	—	—	—	—
Current portion of notes receivable	—	—	—	—	—	—	—	—
Due from other funds	—	—	—	—	—	—	—	—
Due from DCU	—	—	—	—	16,133	18,453	—	—
Inventories	—	—	—	—	—	—	—	—
Prepaid items	—	—	926	—	—	—	—	—
Restricted:								
Cash	—	—	—	868,769	122,807	—	108,071	—
Investments	28,183	—	—	—	—	—	—	—
Total current assets	<u>4,471,551</u>	<u>217,350</u>	<u>3,397</u>	<u>874,285</u>	<u>162,043</u>	<u>41,527</u>	<u>113,331</u>	<u>5,631</u>
Noncurrent assets:								
Noncurrent portion of notes receivable	—	—	241,145	—	—	—	—	—
Due from DCU	88,341	—	459,355	—	—	—	—	—
Deferred amount on financing	—	—	—	—	—	—	—	—
Other	—	—	3,190	100	100	10	1,122	100
Restricted:								
Cash	—	—	—	—	—	—	—	—
Investments	—	—	—	—	—	—	—	—
Capital assets:								
Land	3,857,246	—	—	—	—	—	—	—
Buildings	4,988,491	—	—	—	—	—	—	—
Accumulated depreciation – buildings	(2,569,455)	—	—	—	—	—	—	—
Improvements	98,485	—	—	—	—	—	—	—
Accumulated depreciation – improvements	(21,466)	—	—	—	—	—	—	—
Machinery and equipment	316	—	3,872	—	—	—	—	—
Accumulated depreciation – machinery and equipment	(731)	—	(3,109)	—	—	—	—	—
Construction in progress	188,848	—	—	—	—	—	—	—
Total capital assets	<u>6,541,734</u>	<u>—</u>	<u>763</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total noncurrent assets	<u>6,630,075</u>	<u>—</u>	<u>704,453</u>	<u>100</u>	<u>100</u>	<u>10</u>	<u>1,122</u>	<u>100</u>
Total assets	<u>11,101,626</u>	<u>217,350</u>	<u>707,850</u>	<u>874,385</u>	<u>162,143</u>	<u>41,537</u>	<u>114,453</u>	<u>5,731</u>
Deferred Outflow of Resources								
Total deferred outflow of resources	—	—	—	—	—	—	—	—
Total assets and deferred outflow of resources	<u>\$ 11,101,626</u>	<u>217,350</u>	<u>707,850</u>	<u>874,385</u>	<u>162,143</u>	<u>41,537</u>	<u>114,453</u>	<u>5,731</u>

See accompanying notes to basic financial statements.

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Blended Component Units  
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<b>Assets &amp; Deferred Outflow of Resources</b>	<b>Three Towers Partners</b>	<b>Curtis Park Housing Inc.</b>	<b>DLIHDC DC</b>	<b>Housing Development Partners Inc.</b>	<b>DHA Limited Partner</b>	<b>Westwood Housing Inc.</b>	<b>1099 Osage Housing Inc.</b>	<b>SLP Housing II Inc</b>
Current assets:								
Cash and cash equivalents	\$ —	—	—	—	—	—	—	—
Investments	5,549	5,605	136,967	216,992	12,966	5,489	5,582	5,469
Receivables:								
Tenants	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—
Intergovernmental	—	—	—	—	—	—	—	—
Other	—	—	—	52,607	—	—	—	—
Current portion of notes receivable	—	—	—	—	—	—	—	—
Due from other funds	—	—	—	—	—	—	—	—
Due from DCU	—	—	—	—	—	—	—	—
Inventories	—	—	—	—	—	—	—	—
Prepaid items	—	—	—	—	—	—	—	—
Restricted:								
Cash	—	—	—	—	—	664,224	—	—
Investments	—	—	—	—	—	—	—	—
Total current assets	<u>5,549</u>	<u>5,605</u>	<u>136,967</u>	<u>269,599</u>	<u>12,966</u>	<u>669,713</u>	<u>5,582</u>	<u>5,469</u>
Noncurrent assets:								
Noncurrent portion of notes receivable	—	—	—	—	—	—	—	—
Due from DCU	—	—	—	—	—	—	—	—
Deferred amount on financing	—	—	—	—	—	—	—	—
Other	100	126,595	275,000	8,773	110	100	10	100
Restricted:								
Cash	—	—	—	—	—	—	—	—
Investments	—	—	—	—	—	—	—	—
Capital assets:								
Land	—	—	—	—	—	—	—	—
Buildings	—	—	—	—	—	—	—	—
Accumulated depreciation – buildings	—	—	—	—	—	—	—	—
Improvements	—	—	—	—	—	—	—	—
Accumulated depreciation – improvements	—	—	—	—	—	—	—	—
Machinery and equipment	—	—	—	—	—	—	—	—
Accumulated depreciation – machinery and equipment	—	—	—	—	—	—	—	—
Construction in progress	—	—	—	—	—	—	—	—
Total capital assets	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total noncurrent assets	<u>100</u>	<u>126,595</u>	<u>275,000</u>	<u>8,773</u>	<u>110</u>	<u>100</u>	<u>10</u>	<u>100</u>
Total assets	<u>5,649</u>	<u>132,200</u>	<u>411,967</u>	<u>278,372</u>	<u>13,076</u>	<u>669,813</u>	<u>5,592</u>	<u>5,569</u>
Deferred Outflow of Resources								
Total deferred outflow of resources	—	—	—	—	—	—	—	—
Total assets and deferred outflow of resources	<u>\$ 5,649</u>	<u>132,200</u>	<u>411,967</u>	<u>278,372</u>	<u>13,076</u>	<u>669,813</u>	<u>5,592</u>	<u>5,569</u>

See accompanying notes to basic financial statements.

Housing Authority of the City and County of Denver  
NOTES TO BASIC FINANCIAL STATEMENTS  
Blended Component Units  
December 31, 2017

<b>Assets &amp; Deferred Outflow of Resources</b>	<b>SLP Housing III Inc</b>	<b>SLP Housing IV Inc</b>	<b>SLP Housing VI Inc</b>	<b>SLP Housing VII Inc</b>	<b>SLP Housing VIII Inc</b>	<b>MVEC Housing Inc</b>	<b>SLR Housing Inc</b>	<b>CSG Housing Inc</b>
Current assets:								
Cash and cash equivalents	\$ —	—	—	—	—	—	—	—
Investments	5,447	5,410	6,741	2,622	2,622	5,561	5,543	5,467
Receivables:								
Tenants	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—
Intergovernmental	—	—	—	—	—	—	—	—
Other	—	—	—	—	—	—	—	—
Current portion of notes receivable	—	—	—	—	—	—	—	—
Due from other funds	—	—	—	—	—	—	—	—
Due from DCU	—	—	—	—	—	—	—	—
Inventories	—	—	—	—	—	—	—	—
Prepaid items	—	—	—	—	—	—	—	—
Restricted:								
Cash	—	—	—	—	—	—	—	—
Investments	—	—	—	—	—	—	—	—
Total current assets	<u>5,447</u>	<u>5,410</u>	<u>6,741</u>	<u>2,622</u>	<u>2,622</u>	<u>5,561</u>	<u>5,543</u>	<u>5,467</u>
Noncurrent assets:								
Noncurrent portion of notes receivable	—	—	—	—	—	—	—	—
Due from DCU	—	—	—	—	—	—	—	—
Deferred amount on financing	—	—	—	—	—	—	—	—
Other	100	100	100	101	100	100	100	90
Restricted:								
Cash	—	—	—	—	—	—	—	—
Investments	—	—	—	—	—	—	—	—
Capital assets:								
Land	—	—	—	—	—	—	—	—
Buildings	—	—	—	—	—	—	—	—
Accumulated depreciation – buildings	—	—	—	—	—	—	—	—
Improvements	—	—	—	—	—	—	—	—
Accumulated depreciation – improvements	—	—	—	—	—	—	—	—
Machinery and equipment	—	—	—	—	—	—	—	—
Accumulated depreciation – machinery and equipment	—	—	—	—	—	—	—	—
Construction in progress	—	—	—	—	—	—	—	—
Total capital assets	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total noncurrent assets	<u>100</u>	<u>100</u>	<u>100</u>	<u>101</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>90</u>
Total assets	<u>5,547</u>	<u>5,510</u>	<u>6,841</u>	<u>2,723</u>	<u>2,722</u>	<u>5,661</u>	<u>5,643</u>	<u>5,557</u>
Deferred Outflow of Resources								
Total deferred outflow of resources	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total assets and deferred outflow of resources	<u>\$ 5,547</u>	<u>5,510</u>	<u>6,841</u>	<u>2,723</u>	<u>2,722</u>	<u>5,661</u>	<u>5,643</u>	<u>5,557</u>

See accompanying notes to basic financial statements.

Housing Authority of the City and County of Denver  
NOTES TO BASIC FINANCIAL STATEMENTS  
Blended Component Units  
December 31, 2017

<b>Assets &amp; Deferred Outflow of Resources</b>	<b>Curtis Park Horse Barn Inc</b>	<b>Youth Employment Academy</b>	<b>Osage Café LLC</b>	<b>DHA Park Hill LLC</b>	<b>Chestnut Housing LLC</b>	<b>DLIHDC</b>	<b>1035 Osage, Inc</b>	<b>DHA Energy LLC</b>
Current assets:								
Cash and cash equivalents	\$ 144,815	42,674	3,740	—	—	—	—	—
Investments	2,907	143,176	—	101,185	2,816	—	19,854	693
Receivables:								
Tenants	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—
Intergovernmental	—	—	—	—	—	—	—	—
Other	4,134	13,975	1,418	53,144	—	—	15	—
Current portion of notes receivable	—	—	—	—	—	—	—	—
Due from other funds	—	—	—	—	—	—	—	—
Due from DCU	—	—	—	—	—	—	—	—
Inventories	—	—	5,504	—	—	—	—	—
Prepaid items	—	1,339	610	—	—	—	—	—
Restricted:								
Cash	758,830	—	—	—	—	—	—	—
Investments	23,403	—	—	—	—	—	—	—
Total current assets	<u>934,089</u>	<u>201,164</u>	<u>11,272</u>	<u>154,329</u>	<u>2,816</u>	<u>—</u>	<u>19,869</u>	<u>693</u>
Noncurrent assets:								
Noncurrent portion of notes receivable	—	—	—	—	—	250,000	—	—
Due from DCU	—	—	—	—	—	—	—	—
Deferred amount on financing	—	—	—	—	—	—	—	—
Other	—	13,517	—	100	10	—	—	10
Restricted:								
Cash	—	1,861,046	—	—	—	—	31,703,598	—
Investments	—	—	—	—	—	—	—	—
Capital assets:								
Land	—	—	—	—	—	—	—	—
Buildings	3,229,131	—	—	—	—	—	—	—
Accumulated depreciation – buildings	(673,154)	—	—	—	—	—	—	—
Improvements	25,915	—	—	—	—	—	—	—
Accumulated depreciation – improvements	(7,782)	—	—	—	—	—	—	—
Machinery and equipment	211,715	23,896	5,146	—	—	—	—	—
Accumulated depreciation – machinery and equipment	(190,717)	(5,314)	(4,756)	—	—	—	—	—
Construction in progress	—	40,855	—	—	—	—	7,121,431	—
Total capital assets	<u>2,595,108</u>	<u>59,437</u>	<u>390</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>7,121,431</u>	<u>—</u>
Total noncurrent assets	<u>2,595,108</u>	<u>1,934,000</u>	<u>390</u>	<u>100</u>	<u>10</u>	<u>250,000</u>	<u>38,825,029</u>	<u>10</u>
Total assets	<u>3,529,197</u>	<u>2,135,164</u>	<u>11,662</u>	<u>154,429</u>	<u>2,826</u>	<u>250,000</u>	<u>38,844,898</u>	<u>703</u>
Deferred Outflow of Resources								
Total deferred outflow of resources	—	—	—	—	—	—	—	—
Total assets and deferred outflow of resources	<u>\$ 3,529,197</u>	<u>2,135,164</u>	<u>11,662</u>	<u>154,429</u>	<u>2,826</u>	<u>250,000</u>	<u>38,844,898</u>	<u>703</u>

See accompanying notes to basic financial statements.

Housing Authority of the City and County of Denver  
NOTES TO BASIC FINANCIAL STATEMENTS  
Blended Component Units  
December 31, 2017

<b>Assets &amp; Deferred Outflow of Resources</b>	<b>Denver Affordable Energy, Inc</b>	<b>DHA Vida Housing I LLC</b>	<b>DHA Vida Housing II LLC</b>	<b>Vida Commercial Partners</b>	<b>DHA Vida, LLC</b>	<b>SVED</b>	<b>Total</b>
<b>Current assets:</b>							
Cash and cash equivalents	\$ —	—	—	—	—	—	3,111,351
Investments	53,914	—	—	129,073	—	—	2,670,150
Receivables:							—
Tenants	—	—	—	—	—	—	6,444
Interest	—	—	—	—	—	—	—
Intergovernmental	—	—	—	—	—	—	—
Other	—	—	—	—	—	313	142,313
Current portion of notes receivable	—	—	—	—	—	—	—
Due from other funds	—	—	—	—	—	—	—
Due from DCU	—	—	—	—	—	—	34,586
Inventories	—	—	—	—	—	—	5,504
Prepaid items	411,087	—	—	—	—	—	413,962
Restricted:							—
Cash	—	—	—	—	—	50,000	2,572,701
Investments	—	—	—	—	—	—	51,586
Total current assets	<u>465,001</u>	<u>—</u>	<u>—</u>	<u>129,073</u>	<u>—</u>	<u>50,313</u>	<u>9,008,597</u>
<b>Noncurrent assets:</b>							
Noncurrent portion of notes receivable	—	—	—	—	—	1,465,000	1,956,145
Due from DCU	—	—	—	—	—	—	547,696
Deferred amount on financing	—	—	—	—	—	—	—
Other	990	100	100	—	4,994,465	—	5,425,493
Restricted:							—
Cash	—	—	—	10,032,130	—	—	43,596,774
Investments	—	—	—	—	—	—	—
<b>Capital assets:</b>							
Land	—	—	—	—	—	—	3,857,246
Buildings	—	—	—	—	—	—	8,217,622
Accumulated depreciation – buildings	—	—	—	—	—	—	(3,242,609)
Improvements	—	—	—	—	—	—	124,400
Accumulated depreciation – improvements	—	—	—	—	—	—	(29,248)
Machinery and equipment	—	—	—	—	—	—	244,945
Accumulated depreciation – machinery and equipment	—	—	—	—	—	—	(204,627)
Construction in progress	—	—	—	2,547,015	—	—	9,898,149
Total capital assets	<u>—</u>	<u>—</u>	<u>—</u>	<u>2,547,015</u>	<u>—</u>	<u>—</u>	<u>18,865,878</u>
Total noncurrent assets	<u>990</u>	<u>100</u>	<u>100</u>	<u>12,579,145</u>	<u>4,994,465</u>	<u>1,465,000</u>	<u>70,391,986</u>
Total assets	<u>465,991</u>	<u>100</u>	<u>100</u>	<u>12,708,218</u>	<u>4,994,465</u>	<u>1,515,313</u>	<u>79,400,583</u>
<b>Deferred Outflow of Resources</b>							
Total deferred outflow of resources	—	—	—	—	—	—	—
Total assets and deferred outflow of resources	<u>\$ 465,991</u>	<u>100</u>	<u>100</u>	<u>12,708,218</u>	<u>4,994,465</u>	<u>1,515,313</u>	<u>79,400,583</u>

See accompanying notes to basic financial statements.

Housing Authority of the City and County of Denver  
NOTES TO BASIC FINANCIAL STATEMENTS  
Blended Component Units  
December 31, 2017

<b>Liabilities, Deferred Inflow of Resources &amp; Net Position</b>	<b>Denver Housing Corporation</b>	<b>Denver Community Ventures</b>	<b>Globeville Workforce Housing</b>	<b>Arrowhead Housing Inc.</b>	<b>Arrowhead Housing II Inc.</b>	<b>Arrowhead Housing III Inc.</b>	<b>Arrowhead Housing IV Inc.</b>	<b>Arrowhead Housing V Inc.</b>
Current liabilities:								
Accounts payable	\$ 52,446	500	2,814	—	—	—	—	—
Current portion of compensated absences payable	—	—	—	—	—	—	—	—
Accrued liabilities	10,626	1,432	282	—	—	—	—	—
Unearned Revenue	116,190	40,820	—	—	—	—	—	—
Intergovernmental payables	—	—	—	—	—	—	—	—
Accrued interest payable	—	—	—	—	—	—	—	—
Current portion of long-term debt	—	—	—	—	—	—	—	—
Due to other funds	—	—	—	—	—	—	—	—
	<u>179,262</u>	<u>42,752</u>	<u>3,096</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Current liabilities payable from restricted assets:								
Accrued interest payable	—	—	—	—	—	—	—	—
Current portion of long-term debt	—	—	—	—	—	—	—	—
Family Self Sufficiency escrow	—	—	—	—	—	—	—	—
Tenant security deposits	28,183	—	—	—	—	—	—	—
Escrow held for others	—	—	—	—	—	—	—	—
Current liabilities payable from restricted assets	<u>28,183</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total current liabilities	<u>207,445</u>	<u>42,752</u>	<u>3,096</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Noncurrent liabilities:								
Compensated absences payable	—	—	—	—	—	—	—	—
Due to DCU	—	—	—	—	—	—	—	—
Accrued liabilities	766	—	—	—	—	—	—	—
Unearned Revenue	2,339,670	—	—	—	—	—	—	—
Notes and bonds payable	—	—	—	—	—	—	—	—
Total noncurrent liabilities	<u>2,340,436</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total liabilities	<u>2,547,881</u>	<u>42,752</u>	<u>3,096</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Deferred inflow of resources	—	—	—	—	—	—	—	—
Net position:								
Investment in capital assets	6,541,734	—	763	—	—	—	—	—
Restricted								
Operating Reserve Fund	—	—	—	351,124	—	—	—	—
ACC Reserve	—	—	—	517,645	122,807	—	108,071	—
Master Payment Fund	—	—	—	—	—	—	—	—
Replacement Reserve	—	—	—	—	—	—	—	—
Debt Service Reserve	—	—	—	—	—	—	—	—
Interest Reserve Fund	—	—	—	—	—	—	—	—
Escrow Fund	—	—	—	—	—	—	—	—
Other	—	—	—	—	—	—	—	—
Unrestricted	<u>2,012,011</u>	<u>174,598</u>	<u>703,991</u>	<u>5,616</u>	<u>39,336</u>	<u>41,537</u>	<u>6,382</u>	<u>5,731</u>
Total net position	<u>8,553,745</u>	<u>174,598</u>	<u>704,754</u>	<u>874,385</u>	<u>162,143</u>	<u>41,537</u>	<u>114,453</u>	<u>5,731</u>
Total liabilities, deferred inflow of resources and net position	<u>\$ 11,101,626</u>	<u>217,350</u>	<u>707,850</u>	<u>874,385</u>	<u>162,143</u>	<u>41,537</u>	<u>114,453</u>	<u>5,731</u>

See accompanying notes to basic financial statements.

Housing Authority of the City and County of Denver  
NOTES TO BASIC FINANCIAL STATEMENTS  
Blended Component Units  
December 31, 2017

<b>Liabilities, Deferred Inflow of Resources &amp; Net Position</b>	<b>Three Towers Partners</b>	<b>Curtis Park Housing Inc.</b>	<b>DLIHDC DC</b>	<b>Housing Development Partners Inc.</b>	<b>DHA Limited Partner</b>	<b>Westwood Housing Inc.</b>	<b>1099 Osage Housing Inc.</b>	<b>SLP Housing II Inc</b>
Current liabilities:								
Accounts payable	\$ —	—	—	4,533	—	—	—	—
Current portion of compensated absences payable	—	—	—	—	—	—	—	—
Accrued liabilities	—	—	—	427	—	—	—	—
Unearned Revenue	—	—	—	—	—	—	—	—
Intergovernmental payables	—	—	—	—	—	—	—	—
Accrued interest payable	—	—	—	—	—	—	—	—
Current portion of long-term debt	—	—	—	—	—	—	—	—
Due to other funds	—	—	—	—	—	—	—	—
	<u>—</u>	<u>—</u>	<u>—</u>	<u>4,960</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Current liabilities payable from restricted assets:								
Accrued interest payable	—	—	—	—	—	—	—	—
Current portion of long-term debt	—	—	—	—	—	—	—	—
Family Self Sufficiency escrow	—	—	—	—	—	—	—	—
Tenant security deposits	—	—	—	—	—	—	—	—
Escrow held for others	—	—	—	—	—	—	—	—
Current liabilities payable from restricted assets	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total current liabilities	<u>—</u>	<u>—</u>	<u>—</u>	<u>4,960</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Noncurrent liabilities:								
Compensated absences payable	—	—	—	—	—	—	—	—
Due to DCU	—	—	—	—	—	—	—	—
Accrued liabilities	—	—	—	—	—	—	—	—
Unearned Revenue	—	—	—	—	—	—	—	—
Notes and bonds payable	—	—	250,000	—	—	—	—	—
Total noncurrent liabilities	<u>—</u>	<u>—</u>	<u>250,000</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total liabilities	<u>—</u>	<u>—</u>	<u>250,000</u>	<u>4,960</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Deferred inflow of resources	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net position:								
Investment in capital assets	—	—	—	—	—	—	—	—
Restricted								
Operating Reserve Fund	—	—	—	—	—	—	—	—
ACC Reserve	—	—	—	—	—	664,224	—	—
Master Payment Fund	—	—	—	—	—	—	—	—
Replacement Reserve	—	—	—	—	—	—	—	—
Debt Service Reserve	—	—	—	—	—	—	—	—
Interest Reserve Fund	—	—	—	—	—	—	—	—
Escrow Fund	—	—	—	—	—	—	—	—
Other	—	—	—	—	—	—	—	—
Unrestricted	<u>5,649</u>	<u>132,200</u>	<u>161,967</u>	<u>273,412</u>	<u>13,076</u>	<u>5,589</u>	<u>5,592</u>	<u>5,569</u>
Total net position	<u>5,649</u>	<u>132,200</u>	<u>161,967</u>	<u>273,412</u>	<u>13,076</u>	<u>669,813</u>	<u>5,592</u>	<u>5,569</u>
Total liabilities, deferred inflow of resources and net position	<u>\$ 5,649</u>	<u>132,200</u>	<u>411,967</u>	<u>278,372</u>	<u>13,076</u>	<u>669,813</u>	<u>5,592</u>	<u>5,569</u>

See accompanying notes to basic financial statements.

Housing Authority of the City and County of Denver  
NOTES TO BASIC FINANCIAL STATEMENTS  
Blended Component Units  
December 31, 2017

<b>Liabilities, Deferred Inflow of Resources &amp; Net Position</b>	<b>SLP Housing III Inc</b>	<b>SLP Housing IV Inc</b>	<b>SLP Housing VI Inc</b>	<b>SLP Housing VII Inc</b>	<b>SLP Housing VIII Inc</b>	<b>MVEC Housing Inc</b>	<b>SLR Housing</b>	<b>CSG Housing Inc</b>
Current liabilities:								
Accounts payable	\$	—	—	—	—	—	—	—
Current portion of compensated absences payable	—	—	—	—	—	—	—	—
Accrued liabilities	—	—	—	—	—	—	—	—
Unearned Revenue	—	—	—	—	—	—	—	—
Intergovernmental payables	—	—	—	—	—	—	—	—
Accrued interest payable	—	—	—	—	—	—	—	—
Current portion of long-term debt	—	—	—	—	—	—	—	—
Due to other funds	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—
Current liabilities payable from restricted assets:								
Accrued interest payable	—	—	—	—	—	—	—	—
Current portion of long-term debt	—	—	—	—	—	—	—	—
Family Self Sufficiency escrow	—	—	—	—	—	—	—	—
Tenant security deposits	—	—	—	—	—	—	—	—
Escrow held for others	—	—	—	—	—	—	—	—
Current liabilities payable from restricted assets	—	—	—	—	—	—	—	—
Total current liabilities	—	—	—	—	—	—	—	—
Noncurrent liabilities:								
Compensated absences payable	—	—	—	—	—	—	—	—
Due to DCU	—	—	—	—	—	—	—	—
Accrued liabilities	—	—	—	—	—	—	—	—
Unearned Revenue	—	—	—	—	—	—	—	—
Notes and bonds payable	—	—	—	—	—	—	—	—
Total noncurrent liabilities	—	—	—	—	—	—	—	—
Total liabilities	—	—	—	—	—	—	—	—
Deferred inflow of resources	—	—	—	—	—	—	—	—
Net position:								
Investment in capital assets	—	—	—	—	—	—	—	—
Restricted								
Operating Reserve Fund	—	—	—	—	—	—	—	—
ACC Reserve	—	—	—	—	—	—	—	—
Master Payment Fund	—	—	—	—	—	—	—	—
Replacement Reserve	—	—	—	—	—	—	—	—
Debt Service Reserve	—	—	—	—	—	—	—	—
Interest Reserve Fund	—	—	—	—	—	—	—	—
Escrow Fund	—	—	—	—	—	—	—	—
Other	—	—	—	—	—	—	—	—
Unrestricted	5,547	5,510	6,841	2,723	2,722	5,661	5,643	5,557
Total net position	5,547	5,510	6,841	2,723	2,722	5,661	5,643	5,557
Total liabilities, deferred inflow of resources and net position	\$ 5,547	5,510	6,841	2,723	2,722	5,661	5,643	5,557

See accompanying notes to basic financial statements.

Housing Authority of the City and County of Denver  
NOTES TO BASIC FINANCIAL STATEMENTS  
Blended Component Units  
December 31, 2017

<b>Liabilities, Deferred Inflow of Resources &amp; Net Position</b>	<b>Curtis Park Horse Barn Inc</b>	<b>Youth Employment Academy</b>	<b>Osage Café LLC</b>	<b>DHA Park Hill LLC</b>	<b>Chestnut Housing LLC</b>	<b>DLIHDC</b>	<b>1035 Osage Inc.</b>	<b>DHA Energy LLC</b>
Current liabilities:								
Accounts payable	\$ 1,061	2,043	3,151	—	—	—	2,839,482	—
Current portion of compensated absences payable	—	—	—	—	—	—	—	—
Accrued liabilities	—	2,048	2,411	—	—	—	160,516	—
Unearned Revenue	—	—	—	—	—	—	—	—
Intergovernmental payables	—	—	—	—	—	—	—	—
Accrued interest payable	—	—	—	—	—	—	—	—
Current portion of long-term debt	—	—	—	—	—	—	—	—
Due to other funds	55,000	—	43,378	—	—	—	56,512	—
	<u>56,061</u>	<u>4,091</u>	<u>48,940</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>3,056,510</u>	<u>—</u>
Current liabilities payable from restricted assets:								
Accrued interest payable	—	—	—	—	—	—	—	—
Current portion of long-term debt	—	—	—	—	—	—	—	—
Family Self Sufficiency escrow	—	—	—	—	—	—	—	—
Tenant security deposits	23,403	—	—	—	—	—	—	—
Escrow held for others	—	—	—	—	—	—	—	—
Current liabilities payable from restricted assets	<u>23,403</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total current liabilities	<u>79,464</u>	<u>4,091</u>	<u>48,940</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>3,056,510</u>	<u>—</u>
Noncurrent liabilities:								
Compensated absences payable	—	—	—	—	—	—	—	—
Due to DCU	—	—	—	—	—	—	—	—
Accrued liabilities	23,850	—	—	—	—	—	—	—
Unearned Revenue	—	—	—	—	—	—	—	—
Notes and bonds payable	3,120,559	1,862,000	—	—	—	250,000	29,698,000	—
Total noncurrent liabilities	<u>3,144,409</u>	<u>1,862,000</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>250,000</u>	<u>29,698,000</u>	<u>—</u>
Total liabilities	<u>3,223,873</u>	<u>1,866,091</u>	<u>48,940</u>	<u>—</u>	<u>—</u>	<u>250,000</u>	<u>32,754,510</u>	<u>—</u>
Deferred inflow of resources	—	—	—	—	—	—	—	—
Net position:								
Investment in capital assets	(525,451)	59,437	390	—	—	—	3,047,660	—
Restricted								
Operating Reserve Fund	24,523	72,438	—	—	—	—	1,387,818	—
ACC Reserve	—	—	—	—	—	—	—	—
Master Payment Fund	—	(92,010)	—	—	—	—	4,394,600	—
Replacement Reserve	18,216	—	—	—	—	—	—	—
Debt Service Reserve	716,091	—	—	—	—	—	—	—
Interest Reserve Fund	—	18,618	—	—	—	—	296,951	—
Escrow Fund	—	—	—	—	—	—	—	—
Other	—	—	—	—	—	—	—	—
Unrestricted	<u>71,945</u>	<u>210,590</u>	<u>(37,668)</u>	<u>154,429</u>	<u>2,826</u>	<u>—</u>	<u>(3,036,641)</u>	<u>703</u>
Total net position	<u>305,324</u>	<u>269,073</u>	<u>(37,278)</u>	<u>154,429</u>	<u>2,826</u>	<u>—</u>	<u>6,090,388</u>	<u>703</u>
Total liabilities, deferred inflow of resources and net position	<u>\$ 3,529,197</u>	<u>2,135,164</u>	<u>11,662</u>	<u>154,429</u>	<u>2,826</u>	<u>250,000</u>	<u>38,844,898</u>	<u>703</u>

See accompanying notes to basic financial statements.

Housing Authority of the City and County of Denver  
NOTES TO BASIC FINANCIAL STATEMENTS  
Blended Component Units  
December 31, 2017

<b>Liabilities, Deferred Inflow of Resources &amp; Net Position</b>	<b>Denver Affordable Energy, Inc</b>	<b>DHA Vida Housing I LLC</b>	<b>DHA Vida Housing II LLC</b>	<b>Vida Commercial Partners</b>	<b>DHA Vida, LLC</b>	<b>SVED</b>	<b>Total</b>
<b>Current liabilities:</b>							
Accounts payable	\$ —	—	—	118,179	—	—	3,024,209
Current portion of compensated absences payable	—	—	—	—	—	—	—
Accrued liabilities	—	—	—	4,448	—	980	183,170
Unearned Revenue	—	—	—	—	—	—	157,010
Intergovernmental payables	—	—	—	—	—	—	—
Accrued interest payable	—	—	—	—	—	—	—
Current portion of long-term debt	—	—	—	—	—	—	—
Due to other funds	—	—	—	577,368	—	59,988	792,246
	<u>—</u>	<u>—</u>	<u>—</u>	<u>699,995</u>	<u>—</u>	<u>60,968</u>	<u>4,156,635</u>
<b>Current liabilities payable from restricted assets:</b>							
Accrued interest payable	—	—	—	—	—	—	—
Current portion of long-term debt	—	—	—	—	—	—	—
Family Self Sufficiency escrow	—	—	—	—	—	—	—
Tenant security deposits	—	—	—	—	—	—	51,586
Escrow held for others	—	—	—	—	—	—	—
Current liabilities payable from restricted assets	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>51,586</u>
Total current liabilities	<u>—</u>	<u>—</u>	<u>—</u>	<u>699,995</u>	<u>—</u>	<u>60,968</u>	<u>4,208,221</u>
<b>Noncurrent liabilities:</b>							
Compensated absences payable	—	—	—	—	—	—	—
Due to DCU	—	—	—	—	—	—	—
Accrued liabilities	—	—	—	—	—	—	24,616
Unearned Revenue	—	—	—	—	—	—	2,339,670
Notes and bonds payable	500,000	—	—	11,550,000	—	1,936,000	49,166,559
Total noncurrent liabilities	<u>500,000</u>	<u>—</u>	<u>—</u>	<u>11,550,000</u>	<u>—</u>	<u>1,936,000</u>	<u>51,530,845</u>
Total liabilities	<u>500,000</u>	<u>—</u>	<u>—</u>	<u>12,249,995</u>	<u>—</u>	<u>1,996,968</u>	<u>55,739,066</u>
Deferred inflow of resources	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<b>Net position:</b>							
Investment in capital assets	—	—	—	1,029,145	—	—	10,153,678
Restricted							
Operating Reserve Fund	—	—	—	—	—	—	1,835,903
ACC Reserve	—	—	—	—	—	—	1,412,747
Master Payment Fund	—	—	—	—	—	—	4,302,590
Replacement Reserve	—	—	—	—	—	—	18,216
Debt Service Reserve	—	—	—	—	—	—	716,091
Interest Reserve Fund	—	—	—	—	—	—	315,569
Escrow Fund	—	—	—	—	—	50,000	50,000
Other	—	—	—	—	—	—	—
Unrestricted	<u>(34,009)</u>	<u>100</u>	<u>100</u>	<u>(570,922)</u>	<u>4,994,465</u>	<u>(531,655)</u>	<u>4,856,723</u>
Total net position	<u>(34,009)</u>	<u>100</u>	<u>100</u>	<u>458,223</u>	<u>4,994,465</u>	<u>(481,655)</u>	<u>23,661,517</u>
Total liabilities, deferred inflow of resources and net position	<u>\$ 465,991</u>	<u>100</u>	<u>100</u>	<u>12,708,218</u>	<u>4,994,465</u>	<u>1,515,313</u>	<u>79,400,583</u>

See accompanying notes to basic financial statements.

Housing Authority of the City and County of Denver  
NOTES TO BASIC FINANCIAL STATEMENTS  
Blended Component Units  
December 31, 2017

	Denver Housing Corporation	Denver Community Ventures	Globeville Workforce Housing	Arrowhead Housing Inc.	Arrowhead Housing II Inc.	Arrowhead Housing III Inc.	Arrowhead Housing IV Inc.	Arrowhead Housing V Inc.
Operating revenues:								
Rental revenues	\$ 369,927	—	—	—	—	—	—	—
Intergovernmental	745,214	—	—	—	—	—	—	—
Property Management fee revenue	—	—	—	—	1,600	6,334	—	—
Other revenues	154,522	216,723	53,092	—	—	—	—	—
Charges for services	—	—	—	—	—	—	—	—
Total operating revenues	<u>1,269,663</u>	<u>216,723</u>	<u>53,092</u>	<u>—</u>	<u>1,600</u>	<u>6,334</u>	<u>—</u>	<u>—</u>
Operating expenses:								
Administrative	162,271	24,632	5,096	—	—	—	—	—
Management fees	69,392	—	531	—	—	—	—	—
Tenant services	2,516	139,548	—	—	—	—	—	—
Utilities	79,425	—	27,911	—	—	—	—	—
Ordinary maintenance	485,408	—	19,335	—	—	—	—	—
General	90,675	1,508	2,282	2,271	2,271	1,684	1,872	1,542
Nonroutine maintenance	261,344	—	757	—	—	—	—	—
Depreciation	259,722	—	399	—	—	—	—	—
Housing assistance payments	—	—	—	—	—	—	—	—
Cost of sales and services	—	—	—	—	—	—	—	—
Other operating expenses	—	—	—	—	—	—	—	—
Total operating expenses	<u>1,410,753</u>	<u>165,688</u>	<u>56,311</u>	<u>2,271</u>	<u>2,271</u>	<u>1,684</u>	<u>1,872</u>	<u>1,542</u>
Operating income (loss)	<u>(141,090)</u>	<u>51,035</u>	<u>(3,219)</u>	<u>(2,271)</u>	<u>(671)</u>	<u>4,650</u>	<u>(1,872)</u>	<u>(1,542)</u>
Nonoperating revenues (expenses):								
Intergovernmental	—	—	—	—	—	—	—	—
Interest revenue	8,605	300	2	214	192	180	50	42
Net increase (decrease) in the fair value of investments	(3,694)	(100)	2	(11)	(44)	(44)	(10)	(11)
Interest expense	—	—	—	—	—	—	—	—
Amortization Expense	—	—	—	—	—	—	—	—
Other items, net gain/loss	—	—	—	—	—	—	—	—
Loss on assets held for sale	—	—	—	—	—	—	—	—
Acquisition of entity gain (loss)	—	—	—	—	—	—	—	—
Gain (loss) on disposition of assets	(4,337)	—	—	—	—	—	—	—
Nonoperating revenues (expenses), net	<u>574</u>	<u>200</u>	<u>4</u>	<u>203</u>	<u>148</u>	<u>136</u>	<u>40</u>	<u>31</u>
Income (loss) before other revenues, expenses, gains, losses, and transfers	<u>(140,516)</u>	<u>51,235</u>	<u>(3,215)</u>	<u>(2,068)</u>	<u>(523)</u>	<u>4,786</u>	<u>(1,832)</u>	<u>(1,511)</u>
Transfers in (out)	1,600,000	5,000	4,100	2,500	2,500	1,900	2,100	1,700
Equity transfer	—	—	—	—	—	—	—	—
Capital grants - Capital Fund	—	—	—	—	—	—	—	—
Capital grants - other than Capital Fund	—	—	—	—	—	—	—	—
Capital contributions from general and limited partners	—	—	—	—	—	—	—	—
Change in net position	<u>1,459,484</u>	<u>56,235</u>	<u>885</u>	<u>432</u>	<u>1,977</u>	<u>6,686</u>	<u>268</u>	<u>189</u>
Net position, January 1	\$ 7,094,261	118,363	703,869	873,953	160,166	34,851	114,185	5,542
Net position, End of Period	<u>\$ 8,553,745</u>	<u>174,598</u>	<u>704,754</u>	<u>874,385</u>	<u>162,143</u>	<u>41,537</u>	<u>114,453</u>	<u>5,731</u>

See accompanying notes to basic financial statements.

Housing Authority of the City and County of Denver  
NOTES TO BASIC FINANCIAL STATEMENTS  
Blended Component Units  
December 31, 2017

	Three Towers Partners	Curtis Park Housing Inc.	DLIHDC DC	Housing Development Partners Inc.	DHA Limited Partner	Westwood Housing Inc.	1099 Osage Housing Inc.	SLP Housing II Inc
Operating revenues:								
Rental revenues	\$ —	—	—	—	—	—	—	—
Intergovernmental	—	—	—	—	—	—	—	—
Property Management fee revenue	—	—	—	—	—	—	—	—
Other revenues	—	36	14,280	93,734	1,890	—	—	—
Charges for services	—	—	—	—	—	—	—	—
Total operating revenues	<u>—</u>	<u>36</u>	<u>14,280</u>	<u>93,734</u>	<u>1,890</u>	<u>—</u>	<u>—</u>	<u>—</u>
Operating expenses:								
Administrative	—	—	—	32,815	—	—	—	—
Management fees	—	—	1,428	5,624	—	—	—	—
Tenant services	—	—	—	—	—	—	—	—
Utilities	—	—	—	—	—	—	—	—
Ordinary maintenance	—	—	—	—	—	—	—	—
General	2,420	2,264	4,390	2,271	—	1,410	1,604	1,654
Nonroutine maintenance	—	—	—	—	—	—	—	—
Depreciation	—	—	—	—	—	—	—	—
Housing assistance payments	—	—	—	—	—	—	—	—
Cost of sales and services	—	—	—	—	—	—	—	—
Other operating expenses	—	—	—	—	—	—	—	—
Total operating expenses	<u>2,420</u>	<u>2,264</u>	<u>5,818</u>	<u>40,710</u>	<u>—</u>	<u>1,410</u>	<u>1,604</u>	<u>1,654</u>
Operating income (loss)	<u>(2,420)</u>	<u>(2,228)</u>	<u>8,462</u>	<u>53,024</u>	<u>1,890</u>	<u>(1,410)</u>	<u>(1,604)</u>	<u>(1,654)</u>
Nonoperating revenues (expenses):								
Intergovernmental	—	—	—	—	—	—	—	—
Interest revenue	40	41	1,227	1,615	101	174	42	41
Net increase (decrease) in the fair value of investments	(11)	(11)	(256)	(429)	(26)	(11)	(11)	(11)
Interest expense	—	—	—	—	—	—	—	—
Amortization Expense	—	—	—	—	—	—	—	—
Other items, net gain/loss	—	—	—	—	—	—	—	—
Loss on assets held for sale	—	—	—	—	—	—	—	—
Acquisition of entity gain (loss)	—	—	—	—	—	—	—	—
Gain (loss) on disposition of assets	—	—	—	—	—	—	—	—
Nonoperating revenues (expenses), net	<u>29</u>	<u>30</u>	<u>971</u>	<u>1,186</u>	<u>75</u>	<u>163</u>	<u>31</u>	<u>30</u>
Income (loss) before other revenues, expenses, gains, losses, and transfers	<u>(2,391)</u>	<u>(2,198)</u>	<u>9,433</u>	<u>54,210</u>	<u>1,965</u>	<u>(1,247)</u>	<u>(1,573)</u>	<u>(1,624)</u>
Transfers in (out)	2,700	2,500	—	—	—	1,600	1,800	1,800
Equity transfer	—	—	—	—	—	—	—	—
Capital grants - Capital Fund	—	—	—	—	—	—	—	—
Capital grants - other than Capital Fund	—	—	—	—	—	—	—	—
Capital contributions from general and limited partners	—	—	—	—	—	—	—	—
Change in net position	<u>309</u>	<u>302</u>	<u>9,433</u>	<u>54,210</u>	<u>1,965</u>	<u>353</u>	<u>227</u>	<u>176</u>
Net position, January 1	\$ 5,340	131,898	152,534	219,202	11,111	669,460	5,365	5,393
Net position, End of Period	<u>\$ 5,649</u>	<u>132,200</u>	<u>161,967</u>	<u>273,412</u>	<u>13,076</u>	<u>669,813</u>	<u>5,592</u>	<u>5,569</u>

See accompanying notes to basic financial statements.

Housing Authority of the City and County of Denver  
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Blended Component Units  
December 31, 2017

	SLP Housing III Inc	SLP Housing IV Inc	SLP Housing VI Inc	SLP Housing VII Inc	SLP Housing VIII Inc	MVEC Housing Inc	SLR Housing Inc	CSG Housing Inc
Operating revenues:								
Rental revenues	\$ —	—	—	—	—	—	—	—
Intergovernmental	—	—	—	—	—	—	—	—
Property Management fee revenue	—	—	—	—	—	—	—	—
Other revenues	—	—	—	—	—	—	—	—
Charges for services	—	—	—	—	—	—	—	—
Total operating revenues	—	—	—	—	—	—	—	—
Operating expenses:								
Administrative	—	—	—	—	—	—	—	—
Management fees	—	—	—	—	—	—	—	—
Tenant services	—	—	—	—	—	—	—	—
Utilities	—	—	—	—	—	—	—	—
Ordinary maintenance	—	—	—	—	—	—	—	—
General	1,321	1,474	1,911	1,911	1,912	2,162	2,118	1,683
Nonroutine maintenance	—	—	—	—	—	—	—	—
Depreciation	—	—	—	—	—	—	—	—
Housing assistance payments	—	—	—	—	—	—	—	—
Cost of sales and services	—	—	—	—	—	—	—	—
Other operating expenses	—	—	—	—	—	—	—	—
Total operating expenses	1,321	1,474	1,911	1,911	1,912	2,162	2,118	1,683
Operating income (loss)	(1,321)	(1,474)	(1,911)	(1,911)	(1,912)	(2,162)	(2,118)	(1,683)
Nonoperating revenues (expenses):								
Intergovernmental	—	—	—	—	—	—	—	—
Interest revenue	41	41	51	18	18	41	41	41
Net increase (decrease) in the fair value of investments	(11)	(10)	(13)	(5)	(5)	(11)	(11)	(11)
Interest expense	—	—	—	—	—	—	—	—
Amortization Expense	—	—	—	—	—	—	—	—
Other items, net gain/loss	—	—	—	—	—	—	—	—
Loss on assets held for sale	—	—	—	—	—	—	—	—
Acquisition of entity gain (loss)	—	—	—	—	—	—	—	—
Gain (loss) on disposition of assets	—	—	—	—	—	—	—	—
Nonoperating revenues (expenses), net	30	31	38	13	13	30	30	30
Income (loss) before other revenues, expenses, gains, losses, and transfers	(1,291)	(1,443)	(1,873)	(1,898)	(1,899)	(2,132)	(2,088)	(1,653)
Transfers in (out)	1,500	1,600	2,000	2,000	2,000	2,400	2,300	1,900
Equity transfer	—	—	—	—	—	—	—	—
Capital grants - Capital Fund	—	—	—	—	—	—	—	—
Capital grants - other than Capital Fund	—	—	—	—	—	—	—	—
Capital contributions from general and limited partners	—	—	—	—	—	—	—	—
Change in net position	209	157	127	102	101	268	212	247
Net position, January 1	\$ 5,338	5,353	6,714	2,621	2,621	5,393	5,431	5,310
Net position, End of Period	\$ 5,547	5,510	6,841	2,723	2,722	5,661	5,643	5,557

See accompanying notes to basic financial statements.

Housing Authority of the City and County of Denver  
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Blended Component Units  
December 31, 2017

	Curtis Park Horse Barn Inc	Youth Employment Academy	Osage Café LLC	DHA Park Hill LLC	Chestnut Housing LLC	DLIHDC	1035 Osage Inc.	DHA Energy LLC
Operating revenues:								
Rental revenues	\$ —	—	—	—	—	—	—	—
Intergovernmental	—	—	—	—	—	—	—	—
Property Management fee revenue	—	—	—	—	—	—	—	—
Other revenues	256,045	283,586	160,456	—	—	—	6,347,470	—
Charges for services	—	—	—	—	—	—	—	—
Total operating revenues	<u>256,045</u>	<u>283,586</u>	<u>160,456</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>6,347,470</u>	<u>—</u>
Operating expenses:								
Administrative	2,099	12,718	5,882	164	—	—	—	754
Management fees	16,424	—	—	—	—	—	57,562	—
Tenant services	—	214,855	227,132	—	—	—	—	—
Utilities	3,282	845	5,513	—	—	—	—	—
Ordinary maintenance	24,168	—	450	—	—	—	—	—
General	35,162	5,906	5,430	—	—	—	199,520	—
Nonroutine maintenance	8,100	—	—	—	—	—	—	—
Depreciation	192,039	5,491	941	—	—	—	—	—
Housing assistance payments	—	—	—	—	—	—	—	—
Cost of sales and services	—	—	—	—	—	—	—	—
Other operating expenses	—	—	—	—	—	—	—	—
Total operating expenses	<u>281,274</u>	<u>239,815</u>	<u>245,348</u>	<u>164</u>	<u>—</u>	<u>—</u>	<u>257,082</u>	<u>754</u>
Operating income (loss)	<u>(25,229)</u>	<u>43,771</u>	<u>(84,892)</u>	<u>(164)</u>	<u>—</u>	<u>—</u>	<u>6,090,388</u>	<u>(754)</u>
Nonoperating revenues (expenses):								
Intergovernmental	—	—	—	—	—	—	—	—
Interest revenue	1,330	1,764	—	595	21	—	—	—
Net increase (decrease) in the fair value of investments	108	(465)	286	(236)	(5)	—	—	2,061
Interest expense	(42,604)	—	(871)	—	—	—	—	(1,604)
Amortization Expense	—	—	—	—	—	—	—	—
Other items, net gain/loss	—	—	—	—	—	—	—	—
Loss on assets held for sale	—	—	—	—	—	—	—	—
Acquisition of entity gain (loss)	—	—	—	—	—	—	—	—
Gain (loss) on disposition of assets	—	—	—	—	—	—	—	—
Nonoperating revenues (expenses), net	<u>(41,166)</u>	<u>1,299</u>	<u>(585)</u>	<u>359</u>	<u>16</u>	<u>—</u>	<u>—</u>	<u>457</u>
Income (loss) before other revenues, expenses, gains, losses, and transfers	<u>(66,395)</u>	<u>45,070</u>	<u>(85,477)</u>	<u>195</u>	<u>16</u>	<u>—</u>	<u>6,090,388</u>	<u>(297)</u>
Transfers in (out)	—	(48,303)	90,000	—	—	—	—	1,000
Equity transfer	—	—	—	—	—	—	—	—
Capital grants - Capital Fund	—	—	—	—	—	—	—	—
Capital grants - other than Capital Fund	—	—	—	—	—	—	—	—
Capital contributions from general and limited partners	—	—	—	—	—	—	—	—
Change in net position	<u>(66,395)</u>	<u>(3,233)</u>	<u>4,523</u>	<u>195</u>	<u>16</u>	<u>—</u>	<u>6,090,388</u>	<u>703</u>
Net position, January 1	\$ 371,719	272,306	(41,801)	154,234	2,810	—	—	—
Net position, End of Period	\$ <u>305,324</u>	<u>269,073</u>	<u>(37,278)</u>	<u>154,429</u>	<u>2,826</u>	<u>—</u>	<u>6,090,388</u>	<u>703</u>

See accompanying notes to basic financial statements.

Housing Authority of the City and County of Denver  
NOTES TO BASIC FINANCIAL STATEMENTS  
Blended Component Units  
December 31, 2017

	Denver Affordable Energy, Inc	DHA Vida Housing I	DHA Vida Housing II	Vida Commercial Partners	DHA Vida, LLC	SVED	Total
Operating revenues:							
Rental revenues	\$ —	—	—	—	—	—	369,927
Intergovernmental	—	—	—	—	—	—	745,214
Property Management fee revenue	—	—	—	—	—	—	7,934
Other revenues	—	—	—	547,796	—	10,300	8,139,930
Charges for services	—	—	—	—	—	—	—
Total operating revenues	—	—	—	547,796	—	10,300	9,263,005
Operating expenses:							
Administrative	8,082	—	—	82,740	—	198,518	535,771
Management fees	—	—	—	6,833	—	—	157,794
Tenant services	—	—	—	—	—	—	584,051
Utilities	—	—	—	—	—	—	116,976
Ordinary maintenance	—	—	—	—	—	—	529,361
General	11,943	—	—	—	5,535	23,115	421,221
Nonroutine maintenance	—	—	—	—	—	—	270,201
Depreciation	—	—	—	—	—	—	458,592
Housing assistance payments	—	—	—	—	—	—	—
Cost of sales and services	—	—	—	—	—	—	—
Other operating expenses	—	—	—	—	—	—	—
Total operating expenses	20,025	—	—	89,573	5,535	221,633	3,073,967
Operating income (loss)	(20,025)	—	—	458,223	(5,535)	(211,333)	6,189,038
Nonoperating revenues (expenses):							
Intergovernmental	—	—	—	—	—	—	—
Interest revenue	—	—	—	—	—	—	16,868
Net increase (decrease) in the fair value of investments	45	—	—	—	—	—	(2,961)
Interest expense	—	—	—	—	—	(12,947)	(58,026)
Amortization Expense	(15,529)	—	—	—	—	—	(15,529)
Other items, net gain/loss	—	—	—	—	—	—	—
Loss on assets held for sale	—	—	—	—	—	—	—
Acquisition of entity gain (loss)	—	—	—	—	—	—	—
Gain (loss) on disposition of assets	—	—	—	—	5,000,000	—	4,995,663
Nonoperating revenues (expenses), net	(15,484)	—	—	—	5,000,000	(12,947)	4,936,015
Income (loss) before other revenues, expenses, gains, losses, and transfers	(35,509)	—	—	458,223	4,994,465	(224,280)	11,125,053
Transfers in (out)	1,500	100	100	—	—	—	1,690,297
Equity transfer	—	—	—	—	—	(257,375)	(257,375)
Capital grants - Capital Fund	—	—	—	—	—	—	—
Capital grants - other than Capital Fund	—	—	—	—	—	—	—
Capital contributions from general and limited partners	—	—	—	—	—	—	—
Change in net position	(34,009)	100	100	458,223	4,994,465	(481,655)	12,557,975
Net position, January 1	\$ —	—	—	—	—	—	11,103,542
Net position, End of Period	\$ (34,009)	100	100	458,223	4,994,465	(481,655)	23,661,517

See accompanying notes to basic financial statements.

Housing Authority of the City and County of Denver  
NOTES TO BASIC FINANCIAL STATEMENTS  
Blended Component Units  
December 31, 2017

	Denver Housing Corporation	Denver Community Ventures	Globeville Workforce Housing	Arrowhead Housing Inc.	Arrowhead Housing II Inc.	Arrowhead Housing III Inc.	Arrowhead Housing IV Inc.	Arrowhead Housing V Inc.
Cash flows from operating activities:								
Receipts from HUD	\$ 745,214	—	—	—	—	—	—	—
Receipts from tenants and others	675,728	211,217	53,092	—	1,600	6,334	—	—
Payments to employees	(242,888)	1,432	—	—	—	—	—	—
Payments to vendors and suppliers	(1,000,380)	(168,291)	(54,870)	(2,271)	(3,871)	(8,017)	(1,872)	(1,542)
Net cash provided by (used in) operating activities	177,674	44,358	(1,778)	(2,271)	(2,271)	(1,683)	(1,872)	(1,542)
Cash flows from noncapital financing activities:								
Intergovernmental operating subsidy and grants	—	—	—	—	—	—	—	—
Advances between funds	—	—	—	—	—	—	—	—
Transfers in (out)	1,600,000	5,000	4,100	2,500	2,500	1,900	2,100	1,700
Net cash provided by (used in) noncapital financing activities	1,600,000	5,000	4,100	2,500	2,500	1,900	2,100	1,700
Cash flows from capital and related financing activities:								
Issuance of note payable	—	—	—	—	—	—	—	—
Principal payments on debt	—	—	—	—	—	—	—	—
Interest payments	—	—	—	—	—	—	—	—
Other financing and project development costs	—	—	—	—	—	—	—	—
Capital grants	—	—	—	—	—	—	—	—
Acquisition and construction of capital assets	(2,407,920)	—	—	—	—	—	—	—
Proceeds from capital contributions	—	—	—	—	—	—	—	—
Proceeds from sale of assets	(15,511)	—	—	—	—	—	—	—
Net cash provided by (used in) capital and related financing activities	(2,423,431)	—	—	—	—	—	—	—
Cash flows from investing activities:								
Issuance of notes receivable	—	—	—	—	—	—	—	—
Receipt of payments on notes receivable	—	—	—	—	—	—	—	—
Short-term loan	—	—	—	—	—	—	—	—
Proceeds from sales and maturities of investments	3,978,726	30,254	3,921	334	1,741	1,745	313	377
Purchase of investments	(4,872,865)	(40,288)	(3,255)	(603)	(2,150)	(2,142)	(580)	(577)
Investment in partnership	—	—	(2,990)	—	—	—	—	—
Purchase of partnership interest	—	—	—	—	—	—	—	—
Interest received	8,605	300	2	214	192	180	50	42
Net cash provided by (used in) investing activities	(885,534)	(9,734)	(2,322)	(55)	(217)	(217)	(217)	(158)
Net increase (decrease) in cash and cash equivalents	(1,531,291)	39,624	—	174	12	—	11	—
Cash and cash equivalents, January 1	4,256,300	155,489	—	868,595	122,795	—	108,060	—
Cash and cash equivalents, December 31	\$ 2,725,009	195,113	—	868,769	122,807	—	108,071	—

See accompanying notes to basic financial statements.

Housing Authority of the City and County of Denver  
NOTES TO BASIC FINANCIAL STATEMENTS  
Blended Component Units  
December 31, 2017

	Denver Housing Corporation	Denver Community Ventures	Globeville Workforce Housing	Arrowhead Housing Inc.	Arrowhead Housing II Inc.	Arrowhead Housing III Inc.	Arrowhead Housing IV Inc.	Arrowhead Housing V Inc.
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:								
Operating income (loss)	\$ (141,090)	51,035	(3,219)	(2,271)	(671)	4,650	(1,872)	(1,542)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:								
Depreciation and amortization	259,722	—	399	—	—	—	—	—
Changes in operating assets and liabilities:								
Accounts receivable								
Tenants	(956)	—	—	—	—	—	—	—
Intergovernmental	—	—	—	—	—	—	—	—
Other	265,040	(8,800)	—	—	—	—	—	—
Due from other funds	—	—	—	—	—	—	—	—
Due from DCU	(15,976)	—	—	—	(1,600)	(6,333)	—	—
Inventories	—	—	—	—	—	—	—	—
Prepaid items	—	—	(926)	—	—	—	—	—
Accounts payable	(77,971)	(2,603)	1,992	—	—	—	—	—
Compensated absences payable	—	—	—	—	—	—	—	—
Accrued liabilities	2,904	1,432	(24)	—	—	—	—	—
Unearned Revenue	(114,796)	3,294	—	—	—	—	—	—
Due to other funds	—	—	—	—	—	—	—	—
Family Self Sufficiency escrow	—	—	—	—	—	—	—	—
Tenant security deposits	797	—	—	—	—	—	—	—
Escrow held for others	—	—	—	—	—	—	—	—
Net cash provided by (used in) operating activities	\$ 177,674	44,358	(1,778)	(2,271)	(2,271)	(1,683)	(1,872)	(1,542)
Noncash investing, capital, and financing activities:								
Increase (decrease) in fairvalue of investments	(3,694)	(100)	2	(11)	(44)	(44)	(10)	(11)
See accompanying notes to basic financial statements.								

Housing Authority of the City and County of Denver  
NOTES TO BASIC FINANCIAL STATEMENTS  
Blended Component Units  
December 31, 2017

	Three Towers Partners	Curtis Park Housing Inc.	DLIHDC DC	Housing Development Partners Inc.	DHA Limited Partner	Westwood Housing Inc.	1099 Osage Housing Inc.	SL Housing II Inc
Cash flows from operating activities:								
Receipts from HUD	\$ —	—	—	—	—	—	—	—
Receipts from tenants and others	—	36	14,280	79,132	1,890	—	—	—
Payments to employees	—	—	—	(11,341)	—	—	—	—
Payments to vendors and suppliers	(2,420)	(2,264)	(5,818)	(25,775)	—	(1,410)	(1,604)	(1,654)
Net cash provided by (used in) operating activities	(2,420)	(2,228)	8,462	42,016	1,890	(1,410)	(1,604)	(1,654)
Cash flows from noncapital financing activities:								
Intergovernmental operating subsidy and grants	—	—	—	—	—	—	—	—
Advances between funds	—	—	—	—	—	—	—	—
Transfers in (out)	2,700	2,500	—	—	—	1,600	1,800	1,800
Net cash provided by (used in) noncapital financing activities	2,700	2,500	—	—	—	1,600	1,800	1,800
Cash flows from capital and related financing activities:								
Issuance of note payable	—	—	—	—	—	—	—	—
Principal payments on debt	—	—	—	—	—	—	—	—
Interest payments	—	—	—	—	—	—	—	—
Other financing and project development costs	—	—	—	—	—	—	—	—
Capital grants	—	—	—	—	—	—	—	—
Acquisition and construction of capital assets	—	—	—	—	—	—	—	—
Proceeds from capital contributions	—	—	—	—	—	—	—	—
Proceeds from sale of assets	—	—	—	—	—	—	—	—
Net cash provided by (used in) capital and related financing activities	—	—	—	—	—	—	—	—
Cash flows from investing activities:								
Issuance of notes receivable	—	—	—	—	—	—	—	—
Receipt of payments on notes receivable	—	—	—	—	—	—	—	—
Short-term loan	—	—	—	—	—	—	—	—
Proceeds from sales and maturities of investments	312	320	18,926	132,380	132	349	354	369
Purchase of investments	(632)	(633)	(3,615)	(176,001)	(2,123)	(581)	(592)	(556)
Investment in partnership	—	—	(25,000)	(10)	—	—	—	—
Purchase of partnership interest	—	—	—	—	—	—	—	—
Interest received	40	41	1,227	1,615	101	174	42	41
Net cash provided by (used in) investing activities	(280)	(272)	(8,462)	(42,016)	(1,890)	(58)	(196)	(146)
Net increase (decrease) in cash and cash equivalents	—	—	—	—	—	132	—	—
Cash and cash equivalents, January 1	—	—	—	—	—	664,092	—	—
Cash and cash equivalents, December 31	\$ —	—	—	—	—	664,224	—	—

See accompanying notes to basic financial statements.

Housing Authority of the City and County of Denver  
NOTES TO BASIC FINANCIAL STATEMENTS  
Blended Component Units  
December 31, 2017

	Three Towers Partners	Curtis Park Housing Inc.	DLIHDC DC	Housing Development Partners Inc.	DHA Limited Partner	Westwood Housing Inc.	1099 Osage Housing Inc.	SL Housing II Inc
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:								
Operating income (loss)	\$ (2,420)	(2,228)	8,462	53,024	1,890	(1,410)	(1,604)	(1,654)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:								
Depreciation and amortization	—	—	—	—	—	—	—	—
Changes in operating assets and liabilities:								
Accounts receivable								
Tenants	—	—	—	—	—	—	—	—
Intergovernmental	—	—	—	—	—	—	—	—
Other	—	—	—	(14,602)	—	—	—	—
Due from other funds	—	—	—	—	—	—	—	—
Due from DCU	—	—	—	—	—	—	—	—
Inventories	—	—	—	—	—	—	—	—
Prepaid items	—	—	—	—	—	—	—	—
Accounts payable	—	—	—	3,167	—	—	—	—
Compensated absences payable	—	—	—	—	—	—	—	—
Accrued liabilities	—	—	—	427	—	—	—	—
Unearned Revenue	—	—	—	—	—	—	—	—
Due to other funds	—	—	—	—	—	—	—	—
Family Self Sufficiency escrow	—	—	—	—	—	—	—	—
Tenant security deposits	—	—	—	—	—	—	—	—
Escrow held for others	—	—	—	—	—	—	—	—
Net cash provided by (used in) operating activities	\$ (2,420)	(2,228)	8,462	42,016	1,890	(1,410)	(1,604)	(1,654)
Noncash investing, capital, and financing activities:								
Increase (decrease) in fairvalue of investments	(11)	(11)	(256)	(429)	(26)	(11)	(11)	(11)
See accompanying notes to basic financial statements.								

Housing Authority of the City and County of Denver  
NOTES TO BASIC FINANCIAL STATEMENTS  
Blended Component Units  
December 31, 2017

	SL Housing III Inc	SL Housing IV Inc	SLP Housing VI Inc	SLP Housing VII Inc	SLP Housing VIII Inc	MVEC Housing Inc.	SLR Housing Inc	CSG Housing Inc
Cash flows from operating activities:								
Receipts from HUD	\$ —	—	—	—	—	—	—	—
Receipts from tenants and others	—	—	—	—	—	—	—	—
Payments to employees	—	—	—	—	—	—	—	—
Payments to vendors and suppliers	(1,321)	(1,474)	(1,911)	(1,911)	(1,912)	(2,162)	(2,118)	(1,683)
Net cash provided by (used in) operating activities	(1,321)	(1,474)	(1,911)	(1,911)	(1,912)	(2,162)	(2,118)	(1,683)
Cash flows from noncapital financing activities:								
Intergovernmental operating subsidy and grants	—	—	—	—	—	—	—	—
Advances between funds	—	—	—	—	—	—	—	—
Transfers in (out)	1,500	1,600	2,000	2,000	2,000	2,400	2,300	1,900
Net cash provided by (used in) noncapital financing activities	1,500	1,600	2,000	2,000	2,000	2,400	2,300	1,900
Cash flows from capital and related financing activities:								
Issuance of note payable	—	—	—	—	—	—	—	—
Principal payments on debt	—	—	—	—	—	—	—	—
Interest payments	—	—	—	—	—	—	—	—
Other financing and project development costs	—	—	—	—	—	—	—	—
Capital grants	—	—	—	—	—	—	—	—
Acquisition and construction of capital assets	—	—	—	—	—	—	—	—
Proceeds from capital contributions	—	—	—	—	—	—	—	—
Proceeds from sale of assets	—	—	—	—	—	—	—	—
Net cash provided by (used in) capital and related financing activities	—	—	—	—	—	—	—	—
Cash flows from investing activities:								
Issuance of notes receivable	—	—	—	—	—	—	—	—
Receipt of payments on notes receivable	—	—	—	—	—	—	—	—
Short-term loan	—	—	—	—	—	—	—	—
Proceeds from sales and maturities of investments	352	373	499	169	169	333	375	335
Purchase of investments	(572)	(540)	(639)	(276)	(276)	(612)	(598)	(593)
Investment in partnership	—	—	—	—	—	—	—	—
Purchase of partnership interest	—	—	—	—	—	—	—	—
Interest received	41	41	51	18	19	41	41	41
Net cash provided by (used in) investing activities	(179)	(126)	(89)	(89)	(88)	(238)	(182)	(217)
Net increase (decrease) in cash and cash equivalents	—	—	—	—	—	—	—	—
Cash and cash equivalents, January 1	—	—	—	—	—	—	—	—
Cash and cash equivalents, December 31	\$ —	—	—	—	—	—	—	—

See accompanying notes to basic financial statements.

Housing Authority of the City and County of Denver  
NOTES TO BASIC FINANCIAL STATEMENTS  
Blended Component Units  
December 31, 2017

	SL Housing III Inc	SL Housing IV Inc	SLP Housing VI Inc	SLP Housing VII Inc	SLP Housing VIII Inc	MVEC Housing Inc.	SLR Housing Inc	CSG Housing Inc
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:								
Operating income (loss)	\$ (1,321)	(1,474)	(1,911)	(1,911)	(1,912)	(2,162)	(2,118)	(1,683)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:								
Depreciation and amortization	—	—	—	—	—	—	—	—
Changes in operating assets and liabilities:								
Accounts receivable								
Tenants	—	—	—	—	—	—	—	—
Intergovernmental	—	—	—	—	—	—	—	—
Other	—	—	—	—	—	—	—	—
Due from other funds	—	—	—	—	—	—	—	—
Due from DCU	—	—	—	—	—	—	—	—
Inventories	—	—	—	—	—	—	—	—
Prepaid items	—	—	—	—	—	—	—	—
Accounts payable	—	—	—	—	—	—	—	—
Compensated absences payable	—	—	—	—	—	—	—	—
Accrued liabilities	—	—	—	—	—	—	—	—
Unearned Revenue	—	—	—	—	—	—	—	—
Due to other funds	—	—	—	—	—	—	—	—
Family Self Sufficiency escrow	—	—	—	—	—	—	—	—
Tenant security deposits	—	—	—	—	—	—	—	—
Escrow held for others	—	—	—	—	—	—	—	—
Net cash provided by (used in) operating activities	\$ (1,321)	(1,474)	(1,911)	(1,911)	(1,912)	(2,162)	(2,118)	(1,683)
Noncash investing, capital, and financing activities:								
Increase (decrease) in fairvalue of investments	(11)	(10)	(13)	(5)	(5)	(11)	(11)	(11)
See accompanying notes to basic financial statements.								

Housing Authority of the City and County of Denver  
NOTES TO BASIC FINANCIAL STATEMENTS  
Blended Component Units  
December 31, 2017

	Curtis Park Horse Barn Inc	Youth Employment Academy	Osage Café LLC	DHA Park Hill LLC	DHA Chestnut LLC	DLIHDC	1035 Osage Inc.	DHA Energy LLC
Cash flows from operating activities:								
Receipts from HUD	\$ —	500	—	—	—	—	—	—
Receipts from tenants and others	255,598	266,035	162,468	99,869	—	—	6,347,455	—
Payments to employees	—	(166,492)	(145,701)	—	—	—	—	—
Payments to vendors and suppliers	(30,790)	(66,233)	(119,449)	(164)	—	—	(40,054)	(754)
Net cash provided by (used in) operating activities	<u>224,808</u>	<u>33,810</u>	<u>(102,682)</u>	<u>99,705</u>	<u>—</u>	<u>—</u>	<u>6,307,401</u>	<u>(754)</u>
Cash flows from noncapital financing activities:								
Intergovernmental operating subsidy and grants	—	—	—	—	—	—	—	—
Advances between funds	—	—	—	—	—	—	—	—
Transfers in (out)	—	(48,303)	90,000	—	—	—	—	1,000
Net cash provided by (used in) noncapital financing activities	<u>—</u>	<u>(48,303)</u>	<u>90,000</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,000</u>
Cash flows from capital and related financing activities:								
Issuance of note payable	—	1,855,953	—	—	—	—	29,698,000	—
Principal payments on debt	—	—	—	—	—	—	—	—
Interest payments	(42,602)	—	(872)	—	—	—	—	(1,604)
Other financing and project development costs	—	—	—	—	—	—	—	—
Capital grants	—	—	—	—	—	—	—	—
Acquisition and construction of capital assets	—	(63,751)	—	—	—	—	(4,281,949)	—
Proceeds from capital contributions	—	—	—	—	—	—	—	—
Proceeds from sale of assets	—	—	—	—	—	—	—	—
Net cash provided by (used in) capital and related financing activities	<u>(42,602)</u>	<u>1,792,202</u>	<u>(872)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>25,416,051</u>	<u>(1,604)</u>
Cash flows from investing activities:								
Issuance of notes receivable	—	—	—	—	—	—	—	—
Receipt of payments on notes receivable	—	—	—	—	—	—	—	—
Short-term loan	—	—	—	—	—	—	—	—
Proceeds from sales and maturities of investments	124,833	141,260	235,637	53,669	228	—	48,445	883,643
Purchase of investments	(55,227)	(174,979)	(235,351)	(153,969)	(249)	—	(68,299)	(882,275)
Investment in partnership	—	—	—	—	—	—	—	(10)
Purchase of partnership interest	—	—	—	—	—	—	—	—
Interest received	1,329	1,764	—	595	21	—	—	—
Net cash provided by (used in) investing activities	<u>70,935</u>	<u>(31,955)</u>	<u>286</u>	<u>(99,705)</u>	<u>—</u>	<u>—</u>	<u>(19,854)</u>	<u>1,358</u>
Net increase (decrease) in cash and cash equivalents	253,141	1,745,754	(13,268)	—	—	—	31,703,598	—
Cash and cash equivalents, January 1	<u>650,504</u>	<u>157,966</u>	<u>17,008</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Cash and cash equivalents, December 31	<u>\$ 903,645</u>	<u>1,903,720</u>	<u>3,740</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>31,703,598</u>	<u>—</u>

See accompanying notes to basic financial statements.

Housing Authority of the City and County of Denver  
NOTES TO BASIC FINANCIAL STATEMENTS  
Blended Component Units  
December 31, 2017

	Curtis Park Horse Barn Inc	Youth Employment Academy	Osage Café LLC	DHA Park Hill LLC	DHA Chestnut LLC	DLIHDC	1035 Osage Inc.	DHA Energy LLC
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:								
Operating income (loss)	\$ (25,229)	43,771	(84,892)	(164)	—	—	6,090,388	(754)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:								
Depreciation and amortization	192,039	5,491	941	—	—	—	—	—
Changes in operating assets and liabilities:								
Accounts receivable								
Tenants	—	—	—	—	—	—	—	—
Intergovernmental	—	500	—	—	—	—	—	—
Other	(447)	(1,576)	2,012	99,869	—	—	(15)	—
Due from other funds	—	—	—	—	—	—	—	—
Due from DCU	—	—	—	—	—	—	—	—
Inventories	—	—	(3,522)	—	—	—	—	—
Prepaid items	—	335	(610)	—	—	—	—	—
Accounts payable	(1,118)	952	(803)	—	—	—	—	—
Compensated absences payable	—	—	—	—	—	—	—	—
Accrued liabilities	4,563	312	1,707	—	—	—	160,516	—
Unearned Revenue	—	(15,975)	—	—	—	—	—	—
Due to other funds	55,000	—	(17,515)	—	—	—	56,512	—
Family Self Sufficiency escrow	—	—	—	—	—	—	—	—
Tenant security deposits	—	—	—	—	—	—	—	—
Escrow held for others	—	—	—	—	—	—	—	—
Net cash provided by (used in) operating activities	\$ 224,808	33,810	(102,682)	99,705	—	—	6,307,401	(754)
Noncash investing, capital, and financing activities:								
Increase (decrease) in fairvalue of investments	108	(465)	286	(236)	(5)	—	—	2,061
See accompanying notes to basic financial statements.								

Housing Authority of the City and County of Denver  
NOTES TO BASIC FINANCIAL STATEMENTS  
Blended Component Units  
December 31, 2017

	Denver Affordable Energy, Inc	DHA Vida Housing I	DHA Vida Housing II	Vida Commercial Partners	DHA Vida, LLC	SVED	Total
Cash flows from operating activities:							
Receipts from HUD	\$ —	—	—	—	—	—	745,714
Receipts from tenants and others	—	—	—	547,796	—	9,987	8,732,517
Payments to employees	—	—	—	—	—	(143,712)	(708,702)
Payments to vendors and suppliers	(431,112)	—	—	529,482	(5,535)	(16,953)	(1,478,113)
Net cash provided by (used in) operating activities	(431,112)	—	—	1,077,278	(5,535)	(150,678)	7,291,416
Cash flows from noncapital financing activities:							
Intergovernmental operating subsidy and grants	—	—	—	—	—	—	—
Advances between funds	—	—	—	—	—	—	—
Transfers in (out)	1,500	100	100	—	—	(257,375)	1,432,922
Net cash provided by (used in) noncapital financing activities	1,500	100	100	—	—	(257,375)	1,432,922
Cash flows from capital and related financing activities:							
Issuance of note payable	500,000	—	—	11,550,000	—	1,936,000	45,539,953
Principal payments on debt	—	—	—	—	—	—	—
Interest payments	—	—	—	—	—	(12,947)	(58,025)
Other financing and project development costs	—	—	—	—	—	—	—
Capital grants	—	—	—	—	—	—	—
Acquisition and construction of capital assets	—	—	—	(2,466,075)	—	—	(9,219,695)
Proceeds from capital contributions	—	—	—	—	—	—	—
Proceeds from sale of assets	—	—	—	—	5,000,000	—	4,984,489
Net cash provided by (used in) capital and related financing activities	500,000	—	—	9,083,925	5,000,000	1,923,053	41,246,722
Cash flows from investing activities:							
Issuance of notes receivable	—	—	—	—	—	(1,465,000)	(1,465,000)
Receipt of payments on notes receivable	—	—	—	—	—	—	—
Short-term loan	—	—	—	—	—	—	—
Proceeds from sales and maturities of investments	19,219	100	—	396,923	2,592,869	50,133	8,720,117
Purchase of investments	(73,088)	(100)	—	(525,996)	(2,592,869)	(50,133)	(9,923,834)
Investment in partnership	(16,519)	(100)	(100)	—	(4,994,465)	—	(5,039,194)
Purchase of partnership interest	—	—	—	—	—	—	—
Interest received	—	—	—	—	—	—	16,868
Net cash provided by (used in) investing activities	(70,388)	(100)	(100)	(129,073)	(4,994,465)	(1,465,000)	(7,691,043)
Net increase (decrease) in cash and cash equivalents	—	—	—	10,032,130	—	50,000	42,280,017
Cash and cash equivalents, January 1	—	—	—	—	—	—	7,000,809
Cash and cash equivalents, December 31	\$ —	—	—	10,032,130	—	50,000	49,280,826

See accompanying notes to basic financial statements.

Housing Authority of the City and County of Denver  
NOTES TO BASIC FINANCIAL STATEMENTS  
Blended Component Units  
December 31, 2017

	Denver Affordable Energy, Inc	DHA Vida Housing I	DHA Vida Housing II	Vida Commercial Partners	DHA Vida, LLC	SVED	Total
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:							
Operating income (loss)	\$ (20,025)	—	—	458,223	(5,535)	(211,333)	6,189,038
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:							
Depreciation and amortization	—	—	—	—	—	—	458,592
Changes in operating assets and liabilities:							
Accounts receivable							
Tenants	—	—	—	—	—	—	(956)
Intergovernmental	—	—	—	—	—	—	500
Other	—	—	—	—	—	(313)	341,168
Due from other funds	—	—	—	—	—	—	—
Due from DCU	—	—	—	—	—	—	(23,909)
Inventories	—	—	—	—	—	—	(3,522)
Prepaid items	(411,087)	—	—	—	—	—	(412,288)
Accounts payable	—	—	—	37,239	—	—	(39,145)
Compensated absences payable	—	—	—	—	—	—	—
Accrued liabilities	—	—	—	4,448	—	980	177,265
Unearned Revenue	—	—	—	—	—	—	(127,477)
Due to other funds	—	—	—	577,368	—	59,988	731,353
Family Self Sufficiency escrow	—	—	—	—	—	—	—
Tenant security deposits	—	—	—	—	—	—	797
Escrow held for others	—	—	—	—	—	—	—
Net cash provided by (used in) operating activities	\$ (431,112)	—	—	1,077,278	(5,535)	(150,678)	7,291,416
Noncash investing, capital, and financing activities:							
Increase (decrease) in fairvalue of investments	45	—	—	—	—	—	(2,961)
See accompanying notes to basic financial statements.							

Housing Authority of the City and County of Denver  
Combining Financial Schedules  
Primary Government  
December 31, 2017

Assets & Deferred Outflow of Resources	General administrative	Low rent	Denver housing program	Component Units	Section 8	Grants	Internal services	Combining entries	Total
Current assets:									
Cash and cash equivalents	\$ 2,485,297	907,231	1,391,975	3,111,351	500	—	200	—	7,896,554
Investments	3,093,703	15,921,928	12,667,346	2,670,150	1,641,153	205,013	—	—	36,199,293
Receivables:									
Tenants	—	258,360	9,489	6,444	—	—	—	—	274,293
Interest	85,513	—	70,216	—	—	—	—	—	155,729
Intergovernmental	—	386,945	508,761	—	—	126,430	—	—	1,022,136
Other	1,146,100	965,832	519,450	142,313	91,172	15,254	8,010	—	2,888,131
Current portion of notes receivable	—	—	579,553	—	—	—	—	—	579,553
Due from other funds	1,715,340	—	1,098,868	—	—	—	2,259,307	(5,073,515)	—
Due from DCU	21,312	173,173	1,331,761	34,586	—	—	—	—	1,560,832
Inventories	5,978	—	—	5,504	—	—	84,606	—	96,088
Prepaid items	12,751	35,264	—	413,962	—	—	27,329	—	489,306
Restricted:									
Cash	—	11,265,321	4,544,461	2,572,701	—	—	—	—	18,382,483
Investments	—	3,513,144	769,836	51,586	903,252	—	—	—	5,237,818
Total current assets	<u>8,565,994</u>	<u>33,427,198</u>	<u>23,491,716</u>	<u>9,008,597</u>	<u>2,636,077</u>	<u>346,697</u>	<u>2,379,452</u>	<u>(5,073,515)</u>	<u>74,782,216</u>
Noncurrent assets:									
Noncurrent portion of notes receivable	—	141,265,390	90,657,698	1,956,145	—	3,380,000	—	(3,535,559)	233,723,674
Due from DCU	—	35,926	9,281,144	547,696	—	—	—	—	9,864,766
Deferred amount on financing	—	—	—	—	—	—	—	—	—
Other	—	—	468,621	5,425,493	—	—	—	(4,994,465)	899,649
Restricted:									
Cash	—	—	—	43,596,774	—	—	—	—	43,596,774
Investments	—	—	—	—	—	—	—	—	—
Capital assets:									
Land	—	21,214,278	30,882,759	3,857,246	—	—	—	—	55,954,283
Buildings	—	219,005,677	7,048,896	8,217,622	—	—	—	—	234,272,195
Accumulated depreciation – buildings	—	(162,761,462)	(4,031,189)	(3,242,609)	—	—	—	—	(170,035,260)
Improvements	—	30,089,450	2,158,105	124,400	—	—	—	—	32,371,955
Accumulated depreciation – improvements	—	(21,734,046)	(687,010)	(29,248)	—	—	—	—	(22,450,304)
Machinery and equipment	834,498	2,107,016	24,345	244,945	274,455	—	663,281	—	4,148,540
Accumulated depreciation – machinery and equipment	(803,792)	(2,089,006)	(24,345)	(204,627)	(255,709)	—	(634,107)	—	(4,011,586)
Construction in progress	—	4,053,381	1,462,010	9,898,149	—	—	—	—	15,413,540
Total capital assets	<u>30,706</u>	<u>89,885,288</u>	<u>36,833,571</u>	<u>18,865,878</u>	<u>18,746</u>	<u>—</u>	<u>29,174</u>	<u>—</u>	<u>145,663,363</u>
Total noncurrent assets	<u>30,706</u>	<u>231,186,604</u>	<u>137,241,034</u>	<u>70,391,986</u>	<u>18,746</u>	<u>3,380,000</u>	<u>29,174</u>	<u>(8,530,024)</u>	<u>433,748,226</u>
Total assets	<u>8,596,700</u>	<u>264,613,802</u>	<u>160,732,750</u>	<u>79,400,583</u>	<u>2,654,823</u>	<u>3,726,697</u>	<u>2,408,626</u>	<u>(13,603,539)</u>	<u>508,530,442</u>
Deferred Outflow of Resources									
Total deferred outflow of resources	—	—	—	—	—	—	—	—	—
Total assets and deferred outflow of resources	<u>\$ 8,596,700</u>	<u>264,613,802</u>	<u>160,732,750</u>	<u>79,400,583</u>	<u>2,654,823</u>	<u>3,726,697</u>	<u>2,408,626</u>	<u>(13,603,539)</u>	<u>508,530,442</u>

See accompanying notes to basic financial statements.

Housing Authority of the City and County of Denver  
Combining Financial Schedules  
Primary Government  
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<b>Liabilities, Deferred Inflow of Resources &amp; Net Position</b>	<b>General administrative</b>	<b>Low rent</b>	<b>housing program</b>	<b>Component Units</b>	<b>Section 8</b>	<b>Grants</b>	<b>Internal services</b>	<b>Combining entries</b>	<b>Total</b>
<b>Current liabilities:</b>									
Accounts payable	\$ 384,448	919,853	326,842	3,024,209	55,055	15,109	18,707	—	4,744,223
Current portion of compensated absences payable	841,833	—	—	—	—	—	—	—	841,833
Accrued liabilities	182,660	839,085	1,315,239	183,170	34,278	15,368	32,517	—	2,602,317
Unearned revenue	—	209,626	563,303	157,010	—	177,352	—	—	1,107,291
Intergovernmental payables	—	—	—	—	25,678	—	—	—	25,678
Accrued interest payable	—	57,090	102,479	—	—	—	—	—	159,569
Current portion of long-term debt	—	1,711,873	4,045,060	—	—	—	—	—	5,756,933
Due to other funds	76,191	3,672,650	405,000	792,246	—	127,428	—	(5,073,515)	—
Due to DCU	—	60,007	1,033,145	—	—	—	—	—	1,093,152
	<u>1,485,132</u>	<u>7,470,184</u>	<u>7,791,068</u>	<u>4,156,635</u>	<u>115,011</u>	<u>335,257</u>	<u>51,224</u>	<u>(5,073,515)</u>	<u>16,330,996</u>
<b>Current liabilities payable from restricted assets:</b>									
Accrued interest payable	—	—	—	—	—	—	—	—	—
HAP Payable	—	—	—	—	46,660	—	—	—	46,660
Current portion of long-term debt	—	370,000	90,000	—	—	—	—	—	460,000
Family Self Sufficiency escrow	—	222,256	—	—	167,708	—	—	—	389,964
Tenant security deposits	—	283,217	18,590	51,586	—	—	—	—	353,393
Escrow held for others	—	—	—	—	—	—	—	—	—
Current liabilities payable from restricted assets	—	875,473	108,590	51,586	214,368	—	—	—	1,250,017
Total current liabilities	<u>1,485,132</u>	<u>8,345,657</u>	<u>7,899,658</u>	<u>4,208,221</u>	<u>329,379</u>	<u>335,257</u>	<u>51,224</u>	<u>(5,073,515)</u>	<u>17,581,013</u>
<b>Noncurrent liabilities:</b>									
Compensated absences payable	114,795	—	—	—	—	—	—	—	114,795
Due to DCU	—	—	695,087	—	—	—	—	—	695,087
Accrued liabilities	—	7,692	1,139,669	24,616	—	—	—	—	1,171,977
Unearned Revenue	—	599,939	4,994,465	2,339,670	—	—	—	(4,994,465)	2,939,609
Notes and bonds payable	—	27,199,864	63,056,003	49,166,559	—	—	—	(3,535,559)	135,886,867
Family Self Sufficiency escrow	—	286,184	—	—	318,114	—	—	—	604,298
Total noncurrent liabilities	<u>114,795</u>	<u>28,093,679</u>	<u>69,885,224</u>	<u>51,530,845</u>	<u>318,114</u>	<u>—</u>	<u>—</u>	<u>(8,530,024)</u>	<u>141,412,633</u>
Total liabilities	<u>1,599,927</u>	<u>36,439,336</u>	<u>77,784,882</u>	<u>55,739,066</u>	<u>647,493</u>	<u>335,257</u>	<u>51,224</u>	<u>(13,603,539)</u>	<u>158,993,646</u>
Deferred inflow of resources	—	—	—	—	—	—	—	—	—
<b>Net position:</b>									
Investment in capital assets	30,706	60,603,551	21,864,798	10,153,678	18,746	—	29,174	—	92,700,653
<b>Restricted</b>									
Housing Assistance Payments - Section 8	—	—	—	—	367,328	—	—	—	367,328
Operating Reserve Fund	—	—	713,852	1,835,903	—	—	—	—	2,549,755
ACC Reserve	—	1,010,324	1,265,029	1,412,747	—	—	—	—	3,688,100
Master Payment Fund	—	—	—	4,302,590	—	—	—	—	4,302,590
Replacement Reserve Fund	—	553,867	396,960	18,216	—	—	—	—	969,043
Debt Service Reserve Fund	—	29	1,991,311	716,091	—	—	—	—	2,707,431
Interest Reserve Fund	—	—	—	315,569	—	—	—	—	315,569
Escrow Fund	—	—	87,384	50,000	—	—	—	—	137,384
Disposition Proceeds	—	9,701,100	—	—	—	—	—	—	9,701,100
Redemption Bond Fund	—	—	26,768	—	—	—	—	—	26,768
Bond Proceeds Fund	—	—	63,156	—	—	—	—	—	63,156
Other	—	2,721,488	751,247	—	3,442	—	—	—	3,476,177
Unrestricted	<u>6,966,067</u>	<u>153,584,107</u>	<u>55,787,363</u>	<u>4,856,723</u>	<u>1,617,814</u>	<u>3,391,440</u>	<u>2,328,228</u>	<u>—</u>	<u>228,531,742</u>
Total net position	<u>6,996,773</u>	<u>228,174,466</u>	<u>82,947,868</u>	<u>23,661,517</u>	<u>2,007,330</u>	<u>3,391,440</u>	<u>2,357,402</u>	<u>—</u>	<u>349,536,796</u>
Total liabilities, deferred inflow of resources and net position	<u>\$ 8,596,700</u>	<u>264,613,802</u>	<u>160,732,750</u>	<u>79,400,583</u>	<u>2,654,823</u>	<u>3,726,697</u>	<u>2,408,626</u>	<u>(13,603,539)</u>	<u>508,530,442</u>

See accompanying notes to basic financial statements.

Housing Authority of the City and County of Denver  
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	General administrative	Low rent	Denver housing program	Component Units	Section 8	Grants	Internal services	Combining entries	Total
Operating revenues:									
Rental revenues	\$ —	10,287,539	190,370	369,927	—	—	—	—	10,847,836
Intergovernmental	—	19,687,639	587,992	745,214	73,096,989	1,209,687	—	—	95,327,521
Property Management fee revenue	6,932,104	—	4,206,692	7,934	—	—	—	(4,833,955)	6,312,775
Other revenues	729,871	1,392,923	2,442,536	8,139,930	2,483,419	141,342	2,266	(8,033,166)	7,299,121
Charges for services	95,258	—	—	—	—	—	3,345,519	(2,444,541)	996,236
Total operating revenues	<u>7,757,233</u>	<u>31,368,101</u>	<u>7,427,590</u>	<u>9,263,005</u>	<u>75,580,408</u>	<u>1,351,029</u>	<u>3,347,785</u>	<u>(15,311,662)</u>	<u>120,783,489</u>
Operating expenses:									
Administrative	6,716,238	3,830,079	1,991,401	535,771	2,842,398	155,324	—	(177,780)	15,893,431
Management fees	—	3,913,261	606,216	157,794	1,148,523	—	—	(5,749,383)	76,411
Tenant services	326,800	781,737	162,283	584,051	—	1,196,560	—	(86,271)	2,965,160
Utilities	—	4,613,521	55,127	116,976	—	—	—	—	4,785,624
Ordinary maintenance	38,290	8,232,722	346,136	529,361	—	—	—	(2,075,824)	7,070,685
General	118,911	1,925,300	75,700	421,221	60,583	353	—	(14,993)	2,587,075
Nonroutine maintenance	—	586,549	42,531	270,201	—	—	—	—	899,281
Depreciation	33,766	6,934,113	377,572	458,592	11,659	—	24,275	—	7,839,977
Housing assistance payments	—	—	—	—	71,400,380	—	—	—	71,400,380
Cost of sales and services	—	—	—	—	—	—	3,088,913	(272,029)	2,816,884
Other operating expenses	—	4,164,802	92,324	—	—	—	—	—	4,257,126
Total operating expenses	<u>7,234,005</u>	<u>34,982,084</u>	<u>3,749,290</u>	<u>3,073,967</u>	<u>75,463,543</u>	<u>1,352,237</u>	<u>3,113,188</u>	<u>(8,376,280)</u>	<u>120,592,034</u>
Operating income (loss)	<u>523,228</u>	<u>(3,613,983)</u>	<u>3,678,300</u>	<u>6,189,038</u>	<u>116,865</u>	<u>(1,208)</u>	<u>234,597</u>	<u>(6,935,382)</u>	<u>191,455</u>
Nonoperating revenues (expenses):									
Intergovernmental	—	—	—	—	—	—	—	—	—
Interest revenue	71,664	470,914	1,509,588	16,868	17,574	1,208	—	(14,458)	2,073,358
Net increase (decrease) in the fair value of investments	(12,283)	(31,695)	(26,023)	(2,961)	(2,322)	—	—	—	(75,284)
Interest expense	—	(1,073,210)	(1,907,897)	(58,026)	—	—	—	14,458	(3,024,675)
Financing expense	—	—	(7,461,123)	—	—	—	—	6,935,382	(525,741)
Amortization expense	—	—	(17,143)	(15,529)	—	—	—	—	(32,672)
Extraordinary items, net gain/loss	—	1,505,835	(800,000)	—	—	—	—	—	705,835
Loss on assets held for sale	—	—	—	—	—	—	—	—	—
Acquisition of entity gain (loss)	—	—	—	—	—	—	—	—	—
Gain (loss) on disposition of assets	—	4,974,141	45,761	4,995,663	—	—	131,964	—	10,147,529
Nonoperating revenues (expenses), net	<u>59,381</u>	<u>5,845,985</u>	<u>(8,656,837)</u>	<u>4,936,015</u>	<u>15,252</u>	<u>1,208</u>	<u>131,964</u>	<u>6,935,382</u>	<u>9,268,350</u>
Income (loss) before other revenues, expenses, gains, losses, and transfers	<u>582,609</u>	<u>2,232,002</u>	<u>(4,978,537)</u>	<u>11,125,053</u>	<u>132,117</u>	<u>—</u>	<u>366,561</u>	<u>—</u>	<u>9,459,805</u>
Transfers in (out)	(498,423)	306,170	(1,498,044)	1,690,297	—	—	—	—	—
Equity transfer	—	—	257,375	(257,375)	—	—	—	—	—
Capital grants - Capital Fund	—	3,094,503	—	—	—	—	—	—	3,094,503
Capital grants - other than Capital Fund	—	37,787	1,933,474	—	—	—	—	—	1,971,261
Capital contributions from general and limited partners	—	—	—	—	—	—	—	—	—
Changes in net position	84,186	5,670,462	(4,285,732)	12,557,975	132,117	—	366,561	—	14,525,569
Net position, January 1	6,912,587	222,504,004	87,233,600	11,103,542	1,875,213	3,391,440	1,990,841	—	335,011,227
Net position, End of Period	<u>\$ 6,996,773</u>	<u>228,174,466</u>	<u>82,947,868</u>	<u>23,661,517</u>	<u>2,007,330</u>	<u>3,391,440</u>	<u>2,357,402</u>	<u>—</u>	<u>349,536,796</u>

See accompanying notes to basic financial statements.

Housing Authority of the City and County of Denver  
Combining Financial Schedules  
Primary Government  
December 31, 2017

	General administrative	Low rent	Denver housing program	Component Units	Section 8	Grants	Internal services	Combining entries	Total
Cash flows from operating activities:									
Receipts from HUD	\$ —	19,595,435	138,964	745,714	67,162,755	1,280,959	—	—	88,923,827
Receipts from tenants and others	6,962,037	10,456,409	11,810,530	8,732,517	2,094,197	158,090	3,342,625	(20,306,127)	23,250,278
Payments to employees	(6,546,113)	(6,912,040)	(1,433,050)	(708,702)	(2,100,779)	(1,044,009)	(178,083)	—	(18,922,776)
Payments to vendors and suppliers	(4,238,986)	(17,046,330)	(6,315,948)	(1,478,113)	(73,207,725)	(441,015)	(3,296,506)	8,376,280	(97,648,343)
Net cash provided by (used in) operating activities	(3,823,062)	6,093,474	4,200,496	7,291,416	(6,051,552)	(45,975)	(131,964)	(11,929,847)	(4,397,014)
Cash flows from noncapital financing activities:									
Intergovernmental nonoperating subsidy and grants	—	—	—	—	—	—	—	—	—
Advances between funds	—	—	—	—	—	—	—	—	—
Transfers in (out)	(498,423)	306,170	(1,240,669)	1,432,922	—	—	—	—	—
Net cash provided by (used in) noncapital financing activities	(498,423)	306,170	(1,240,669)	1,432,922	—	—	—	—	—
Cash flows from capital and related financing activities:									
Issuance of note payable	—	2,069,000	44,237,053	45,539,953	—	—	—	—	91,846,006
Principal payments on debt	—	(5,892,007)	(7,254,050)	—	—	—	—	—	(13,146,057)
Interest payments	—	(1,077,173)	(1,883,004)	(58,025)	—	—	—	14,458	(3,003,744)
Other financing and project development costs	—	—	(7,461,123)	—	—	—	—	6,935,382	(525,741)
Capital grants	—	3,132,290	1,933,474	—	—	—	—	—	5,065,764
Acquisition and construction of capital assets	—	(4,395,215)	(11,314,838)	(9,219,695)	(5,216)	—	—	—	(24,934,964)
Proceeds from capital contributions	—	—	—	—	—	—	—	—	—
Proceeds from sale of assets	—	6,155,003	68,930	4,984,489	—	—	131,964	—	11,340,386
Net cash provided by (used in) capital and related financing activities	—	(8,102)	18,326,442	41,246,722	(5,216)	—	131,964	6,949,840	66,641,650
Cash flows from investing activities:									
Issuance of notes receivable	—	(3,066,871)	(34,196,428)	(1,465,000)	—	—	—	—	(38,728,299)
Receipt of payments on notes receivable	—	52,054	3,845,190	—	—	—	—	—	3,897,244
Short-term loan	—	—	—	—	—	—	—	—	—
Proceeds from sales and maturities of investments	57,126,067	11,430,978	13,851,077	8,720,117	16,047,507	493,197	—	(79,000,000)	28,668,943
Purchase of investments	(58,882,101)	(11,248,546)	(4,909,390)	(9,923,834)	(10,008,313)	(448,430)	—	79,000,000	(16,420,614)
Investment in partnership	—	—	(22,916)	(5,039,194)	—	—	—	4,994,465	(67,645)
Purchase of partnership interest	—	—	—	—	—	—	—	—	—
Interest received	53,534	470,914	1,504,100	16,868	17,574	1,208	—	(14,458)	2,049,740
Net cash provided by (used in) investing activities	(1,702,500)	(2,361,471)	(19,928,367)	(7,691,043)	6,056,768	45,975	—	4,980,007	(20,600,631)
Net increase (decrease) in cash and cash equivalents	(6,023,985)	4,030,071	1,357,902	42,280,017	—	—	—	—	41,644,005
Cash and cash equivalents, January 1	8,509,282	8,142,481	4,578,534	7,000,809	500	—	200	—	28,231,806
Cash and cash equivalents, December 31	\$ 2,485,297	12,172,552	5,936,436	49,280,826	500	—	200	—	69,875,811

See accompanying notes to basic financial statements.

Housing Authority of the City and County of Denver  
Combining Financial Schedules  
Primary Government  
December 31, 2017

	General administrative	Low rent	Denver housing program	Component Units	Section 8	Grants	Internal services	Combining entries	Total
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:									
Operating income (loss)	\$ 523,228	(3,613,983)	3,678,300	6,189,038	116,865	(1,208)	234,597	(6,935,382)	191,455
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:									
Depreciation	33,766	6,934,113	377,572	458,592	11,659	—	24,275		7,839,977
Changes in operating assets and liabilities:									
Accounts receivable									
Tenants	—	(72,632)	(4,257)	(956)	—	—	—		(77,845)
Intergovernmental	—	(92,204)	(449,028)	500	—	71,272	—		(469,460)
Other	(795,196)	(827,619)	(254,327)	341,168	(48,745)	23,090	(5,160)		(1,566,789)
Due from other funds	(1,715,340)	—	(1,037,975)	—	—	—	(329,987)	3,083,302	—
Due from DCU	(2,601)	(6,807)	(4,822,159)	(23,909)	—	—	—		(4,855,476)
Inventories	(360)	—	—	(3,522)	—	—	(14,559)		(18,441)
Prepaid items	21,610	48,434	273,731	(412,288)	455	—	9,565		(58,493)
Accounts payable	(245,537)	(152,273)	(325,427)	(39,145)	29,562	(49,545)	(51,840)		(834,205)
Compensated absences payable	16,709	—	—	—	—	—	—		16,709
Accrued liabilities	(13,923)	204,529	912,599	177,265	(2,333)	(2,960)	1,145		1,276,322
Unearned Revenue	—	(65,595)	5,226,485	(127,477)	(340,477)	(6,341)	—	(4,994,465)	(307,870)
Intergovernmental payable	—	—	—	—	(5,934,234)	—	—		(5,934,234)
Due to other funds	(1,645,418)	3,672,650	405,000	731,353	—	(80,283)	—	(3,083,302)	—
Due to DCU	—	—	217,609	—	—	—	—		217,609
Family Self Sufficiency escrow	—	61,816	—	—	115,696	—	—		177,512
Tenant security deposits	—	3,045	2,373	797	—	—	—		6,215
Escrow held for others	—	—	—	—	—	—	—		—
Net cash provided by (used in) operating activities	\$ (3,823,062)	6,093,474	4,200,496	7,291,416	(6,051,552)	(45,975)	(131,964)	(11,929,847)	(4,397,014)
Noncash investing, capital, and financing activities:									
Increase (decrease) in fairvalue of investments	(12,283)	(31,695)	(26,023)	(2,961)	(2,322)	—	—	—	(75,284)

See accompanying notes to basic financial statements.

Housing Authority of the City and County of Denver  
Combining Financial Schedules  
Primary Government – Grants  
December 31, 2017

Assets & Deferred Outflow of Resources	Service coordinator grant	Housing Counseling grant	Resident opportunity and support services	CDBG	WIA Youth Program	Tiger II Planning Grant	Colorado Health Foundation grant	CSBG	Kresge Sun Valley Community Connectors	Jobs Plus	Colorado Access Care	FEMA	Total
Current assets:													
Cash and cash equivalents	\$ —	—	—	—	—	—	—	—	—	—	—	—	—
Investments	—	6,534	—	11,173	—	—	2,540	—	184,766	—	—	—	205,013
Receivables:													
Tenants	—	—	—	—	—	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—	—	—	—	—	—
Intergovernmental	9,296	—	14,633	18,140	—	—	—	56,847	—	27,514	—	—	126,430
Other	—	13,665	—	939	—	—	—	—	—	—	650	—	15,254
Current portion of notes receivable	—	—	—	—	—	—	—	—	—	—	—	—	—
Due from other funds	—	—	—	—	—	—	—	—	—	—	—	—	—
Due from DCU	—	—	—	—	—	—	—	—	—	—	—	—	—
Inventories	—	—	—	—	—	—	—	—	—	—	—	—	—
Prepaid items	—	—	—	—	—	—	—	—	—	—	—	—	—
Restricted:													
Cash	—	—	—	—	—	—	—	—	—	—	—	—	—
Investments	—	—	—	—	—	—	—	—	—	—	—	—	—
Total current assets	9,296	20,199	14,633	30,252	—	—	2,540	56,847	184,766	27,514	650	—	346,697
Noncurrent assets:													
Noncurrent portion of notes receivable	—	—	—	3,380,000	—	—	—	—	—	—	—	—	3,380,000
Other	—	—	—	—	—	—	—	—	—	—	—	—	—
Restricted:													
Cash	—	—	—	—	—	—	—	—	—	—	—	—	—
Investments	—	—	—	—	—	—	—	—	—	—	—	—	—
Capital assets:													
Land	—	—	—	—	—	—	—	—	—	—	—	—	—
Buildings	—	—	—	—	—	—	—	—	—	—	—	—	—
Accumulated depreciation – buildings	—	—	—	—	—	—	—	—	—	—	—	—	—
Improvements	—	—	—	—	—	—	—	—	—	—	—	—	—
Accumulated depreciation – improvements	—	—	—	—	—	—	—	—	—	—	—	—	—
Machinery and equipment	—	—	—	—	—	—	—	—	—	—	—	—	—
Accumulated depreciation – machinery and equipment	—	—	—	—	—	—	—	—	—	—	—	—	—
Construction in progress	—	—	—	—	—	—	—	—	—	—	—	—	—
Total capital assets	—	—	—	—	—	—	—	—	—	—	—	—	—
Total noncurrent assets	—	—	—	3,380,000	—	—	—	—	—	—	—	—	3,380,000
Total assets	9,296	20,199	14,633	3,410,252	—	—	2,540	56,847	184,766	27,514	650	—	3,726,697
Deferred Outflow of Resources													
Total deferred outflow of resources	—	—	—	—	—	—	—	—	—	—	—	—	—
Total assets and deferred outflow of resources \$	9,296	20,199	14,633	3,410,252	—	—	2,540	56,847	184,766	27,514	650	—	3,726,697

See accompanying notes to basic financial statements.

Housing Authority of the City and County of Denver  
Combining Financial Schedules  
Primary Government – Grants  
December 31, 2017

Liabilities, Deferred Inflow of Resources & Net Position	Service coordinator grant	Housing Counseling grant	Resident opportunity and support services	CDBG	WIA Youth Program	Tiger II Planning Grant	Colorado Health Foundation grant	CSBG	Kresge Sun Valley Community Connectors	Jobs Plus	Colorado Access Care	FEMA	Total
<b>Current liabilities:</b>													
Accounts payable	\$ 1,285	—	—	—	—	—	—	100	7,724	5,938	62	—	15,109
Current portion of compensated absences payable	—	—	—	—	—	—	—	—	—	—	—	—	—
Accrued liabilities	1,626	229	4,727	1,180	—	—	920	1,611	1,310	3,765	—	—	15,368
Unearned revenue	—	—	—	—	—	—	1,620	—	175,732	—	—	—	177,352
Intergovernmental payables	—	—	—	—	—	—	—	—	—	—	—	—	—
Accrued interest payable	—	—	—	—	—	—	—	—	—	—	—	—	—
Current portion of long-term debt	—	—	—	—	—	—	—	—	—	—	—	—	—
Due to other funds	6,385	19,970	9,906	17,632	—	—	—	55,136	—	17,811	588	—	127,428
	<u>9,296</u>	<u>20,199</u>	<u>14,633</u>	<u>18,812</u>	<u>—</u>	<u>—</u>	<u>2,540</u>	<u>56,847</u>	<u>184,766</u>	<u>27,514</u>	<u>650</u>	<u>—</u>	<u>335,257</u>
<b>Current liabilities payable from restricted assets:</b>													
Accrued interest payable	—	—	—	—	—	—	—	—	—	—	—	—	—
Current portion of long-term debt	—	—	—	—	—	—	—	—	—	—	—	—	—
Family Self Sufficiency escrow	—	—	—	—	—	—	—	—	—	—	—	—	—
Tenant security deposits	—	—	—	—	—	—	—	—	—	—	—	—	—
Escrow held for others	—	—	—	—	—	—	—	—	—	—	—	—	—
Current liabilities payable from restricted assets	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Current liabilities	<u>9,296</u>	<u>20,199</u>	<u>14,633</u>	<u>18,812</u>	<u>—</u>	<u>—</u>	<u>2,540</u>	<u>56,847</u>	<u>184,766</u>	<u>27,514</u>	<u>650</u>	<u>—</u>	<u>335,257</u>
<b>Noncurrent liabilities:</b>													
Compensated absences payable	—	—	—	—	—	—	—	—	—	—	—	—	—
Notes and bonds payable	—	—	—	—	—	—	—	—	—	—	—	—	—
Total noncurrent liabilities	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total liabilities	<u>9,296</u>	<u>20,199</u>	<u>14,633</u>	<u>18,812</u>	<u>—</u>	<u>—</u>	<u>2,540</u>	<u>56,847</u>	<u>184,766</u>	<u>27,514</u>	<u>650</u>	<u>—</u>	<u>335,257</u>
Deferred inflow of resources	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Net position:</b>													
Invested in capital assets	—	—	—	—	—	—	—	—	—	—	—	—	—
Restricted	—	—	—	—	—	—	—	—	—	—	—	—	—
Unrestricted	—	—	—	3,391,440	—	—	—	—	—	—	—	—	3,391,440
Total net position	<u>—</u>	<u>—</u>	<u>—</u>	<u>3,391,440</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>3,391,440</u>
Total liabilities, deferred inflow of resources and net position	<u>\$ 9,296</u>	<u>20,199</u>	<u>14,633</u>	<u>3,410,252</u>	<u>—</u>	<u>—</u>	<u>2,540</u>	<u>56,847</u>	<u>184,766</u>	<u>27,514</u>	<u>650</u>	<u>—</u>	<u>3,726,697</u>

See accompanying notes to basic financial statements.

Housing Authority of the City and County of Denver  
Combining Financial Schedules  
Primary Government – Grants  
December 31, 2017

	Service coordinator grant	Housing Counseling grant	Resident opportunity and support services	CDBG	WIA Youth Program	Tiger II Planning Grant	Colorado Health Foundation grant	CSBG	Kresge Sun Valley Community Connectors	Jobs Plus	Colorado Access Care	FEMA	Total
Operating revenues:													
Rental revenues	\$ —	—	—	—	—	—	—	—	—	—	—	—	—
Intergovernmental	103,371	31,601	337,005	92,841	—	—	—	162,424	—	440,427	42,018	—	1,209,687
Property Management fee revenue	—	—	—	—	—	—	—	—	—	—	—	—	—
Other revenues	—	—	—	—	—	—	47,074	—	94,268	—	—	—	141,342
Charges for services	—	—	—	—	—	—	—	—	—	—	—	—	—
Total operating revenues	103,371	31,601	337,005	92,841	—	—	47,074	162,424	94,268	440,427	42,018	—	1,351,029
Operating expenses:													
Administrative	10,673	10,438	(380)	14,690	—	—	3,398	10,533	12,108	90,081	3,783	—	155,324
Management fees	—	—	—	—	—	—	—	—	—	—	—	—	—
Tenant services	92,698	21,163	337,385	78,151	—	—	43,901	151,891	83,143	349,993	38,235	—	1,196,560
Utilities	—	—	—	—	—	—	—	—	—	—	—	—	—
Ordinary maintenance	—	—	—	—	—	—	—	—	—	—	—	—	—
General	—	—	—	—	—	—	—	—	—	353	—	—	353
Nonroutine maintenance	—	—	—	—	—	—	—	—	—	—	—	—	—
Depreciation	—	—	—	—	—	—	—	—	—	—	—	—	—
Housing assistance payments	—	—	—	—	—	—	—	—	—	—	—	—	—
Cost of sales and services	—	—	—	—	—	—	—	—	—	—	—	—	—
Other operating expenses	—	—	—	—	—	—	—	—	—	—	—	—	—
Total operating expenses	103,371	31,601	337,005	92,841	—	—	47,299	162,424	95,251	440,427	42,018	—	1,352,237
Operating income (loss)	—	—	—	—	—	—	(225)	—	(983)	—	—	—	(1,208)
Nonoperating revenues (expenses):													
Intergovernmental	—	—	—	—	—	—	—	—	—	—	—	—	—
Interest revenue	—	—	—	—	—	—	225	—	983	—	—	—	1,208
Net increase (decrease) in the fair value of investments	—	—	—	—	—	—	—	—	—	—	—	—	—
Interest expense	—	—	—	—	—	—	—	—	—	—	—	—	—
Loss on assets held for sale	—	—	—	—	—	—	—	—	—	—	—	—	—
Gain (loss) on disposition of assets	—	—	—	—	—	—	—	—	—	—	—	—	—
Nonoperating revenues (expenses), net	—	—	—	—	—	—	225	—	983	—	—	—	1,208
Income (loss) before other revenues, expenses, gains, losses, and transfers	—	—	—	—	—	—	—	—	—	—	—	—	—
Transfers in (out)	—	—	—	—	—	—	—	—	—	—	—	—	—
Equity Transfer	—	—	—	—	—	—	—	—	—	—	—	—	—
Capital grants - Capital Fund	—	—	—	—	—	—	—	—	—	—	—	—	—
Capital grants - other than Capital Fund	—	—	—	—	—	—	—	—	—	—	—	—	—
Capital contributions from general and limited partners	—	—	—	—	—	—	—	—	—	—	—	—	—
Changes in net position	—	—	—	—	—	—	—	—	—	—	—	—	—
Net position, January 1	\$ —	—	—	3,391,440	—	—	—	—	—	—	—	—	3,391,440
Net position, December 31	\$ —	—	—	3,391,440	—	—	—	—	—	—	—	—	3,391,440

See accompanying notes to basic financial statements.

Housing Authority of the City and County of Denver  
Combining Financial Schedules  
Primary Government – Grants  
December 31, 2017

	Service coordinator grant	Housing Counseling grant	Resident opportunity and support services	CDBG	WIA Youth Program	Tiger II Planning Grant	Colorado Health Foundation grant	CSBG	Kresge Sun Valley Community Connectors	Jobs Plus	Colorado Access Care	FEMA	Total
Cash flows from operating activities:													
Receipts from HUD	\$ 128,421	31,601	339,954	129,583	—	—	—	164,234	—	445,148	42,018	—	1,280,959
Receipts from tenants and others	—	17,299	—	(939)	—	—	—	—	135,000	—	6,730	—	158,090
Payments to employees	(98,240)	(28,822)	(339,954)	(81,840)	—	—	(43,693)	(116,567)	(43,392)	(253,447)	(38,054)	—	(1,044,009)
Payments to vendors and suppliers	(30,181)	(13,544)	—	(47,107)	—	—	(3,785)	(47,667)	(42,825)	(191,701)	(10,694)	(53,511)	(441,015)
Net cash provided by (used in) operating activities	—	6,534	—	(303)	—	—	(47,478)	—	48,783	—	—	(53,511)	(45,975)
Cash flows from noncapital financing activities:													
Intergovernmental operating subsidy and grants	—	—	—	—	—	—	—	—	—	—	—	—	—
Advances between funds	—	—	—	—	—	—	—	—	—	—	—	—	—
Transfers in (out)	—	—	—	—	—	—	—	—	—	—	—	—	—
Net cash provided by (used in) noncapital financing activities	—	—	—	—	—	—	—	—	—	—	—	—	—
Cash flows from capital and related financing activities:													
Issuance of note payable	—	—	—	—	—	—	—	—	—	—	—	—	—
Principal payments on debt	—	—	—	—	—	—	—	—	—	—	—	—	—
Interest payments	—	—	—	—	—	—	—	—	—	—	—	—	—
Capital grants	—	—	—	—	—	—	—	—	—	—	—	—	—
Acquisition and construction of capital assets	—	—	—	—	—	—	—	—	—	—	—	—	—
Proceeds from capital contributions	—	—	—	—	—	—	—	—	—	—	—	—	—
Proceeds from sale of assets	—	—	—	—	—	—	—	—	—	—	—	—	—
Net cash provided by (used in) capital and related financing activities	—	—	—	—	—	—	—	—	—	—	—	—	—
Cash flows from investing activities:													
Issuance of notes receivable	—	—	—	—	—	—	—	—	—	—	—	—	—
Receipt of payments on notes receivable	—	—	—	—	—	—	—	—	—	—	—	—	—
Short-term loan	—	—	—	—	—	—	—	—	—	—	—	—	—
Proceeds from sales and maturities of investments	28,098	78,610	—	68,084	—	—	78,533	59,651	95,252	—	—	84,969	493,197
Purchase of investments	(28,098)	(85,144)	—	(67,781)	—	—	(31,280)	(59,651)	(145,018)	—	—	(31,458)	(448,430)
Investment in partnership	—	—	—	—	—	—	—	—	—	—	—	—	—
Purchase of partnership interest	—	—	—	—	—	—	—	—	—	—	—	—	—
Interest received	—	—	—	—	—	—	225	—	983	—	—	—	1,208
Net cash provided by (used in) investing activities	—	(6,534)	—	303	—	—	47,478	—	(48,783)	—	—	53,511	45,975
Net increase (decrease) in cash and cash equivalents	—	—	—	—	—	—	—	—	—	—	—	—	—
Cash and cash equivalents, January 1	—	—	—	—	—	—	—	—	—	—	—	—	—
Cash and cash equivalents, December 31	\$ —	—	—	—	—	—	—	—	—	—	—	—	—

See accompanying notes to basic financial statements.

Housing Authority of the City and County of Denver  
Combining Financial Schedules  
Primary Government – Grants  
December 31, 2017

	Service coordinator grant	Housing Counseling grant	Resident opportunity and support services	CDBG	WIA Youth Program	Tiger II Planning Grant	Colorado Health Foundation grant	CSBG	Kresge Sun Valley Community Connectors	Jobs Plus	Colorado Access Care	FEMA	Total
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:													
Operating income (loss)	\$ —	—	—	—	—	—	(225)	—	(983)	—	—	—	(1,208)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:													
Depreciation and amortization	—	—	—	—	—	—	—	—	—	—	—	—	—
Changes in operating assets and liabilities:													
Accounts receivable													
Tenants	—	—	—	—	—	—	—	—	—	—	—	—	—
Intergovernmental	25,050	—	2,949	36,742	—	—	—	1,810	—	4,721	—	—	71,272
Other	—	17,299	—	(939)	—	—	—	—	—	—	6,730	—	23,090
Due from other funds	—	—	—	—	—	—	—	—	—	—	—	—	—
Due from DCU	—	—	—	—	—	—	—	—	—	—	—	—	—
Inventories	—	—	—	—	—	—	—	—	—	—	—	—	—
Prepaid items	—	—	—	—	—	—	—	—	—	—	—	—	—
Accounts payable	1,285	—	—	(5,372)	—	—	—	(1,050)	7,724	1,468	(89)	(53,511)	(49,545)
Compensated absences payable	—	—	—	—	—	—	—	—	—	—	—	—	—
Accrued liabilities	(3)	(185)	(2,570)	1,123	—	—	(180)	(868)	1,310	(802)	(785)	—	(2,960)
Intergovernmental payable	—	—	—	—	—	—	—	—	—	—	—	—	—
Due to other funds	(26,332)	(10,580)	(379)	(31,857)	—	—	—	108	—	(5,387)	(5,856)	—	(80,283)
Unearned Revenue	—	—	—	—	—	—	(47,073)	—	40,732	—	—	—	(6,341)
Family Self Sufficiency escrow	—	—	—	—	—	—	—	—	—	—	—	—	—
Tenant security deposits	—	—	—	—	—	—	—	—	—	—	—	—	—
Escrow held for others	—	—	—	—	—	—	—	—	—	—	—	—	—
Net cash provided by (used in) operating activities	\$ —	6,534	—	(303)	—	—	(47,478)	—	48,783	—	—	(53,511)	(45,975)
Noncash investing, capital, and financing activities:													
Increase (decrease) in fairvalue of investments	—	—	—	—	—	—	—	—	—	—	—	—	—

See accompanying notes to basic financial statements.

# HOUSING AUTHORITY OF THE CITY AND COUNTY OF DENVER

## NOTES TO COMBINING FINANCIAL SCHEDULES

Year ended December 31, 2017

### **The following are descriptions of the columns in the Combining Financial Schedules:**

**General Administrative** - Used to account for certain administrative costs not allocated to other areas.

**Low Rent** - Used to account for the administration, operation, maintenance, improvement, and construction of DHA's low-income public housing units under declaration of trust with HUD.

**Denver Housing Program** - Used to account for the administration, operation, maintenance, improvement, and construction of DHA's independently owned low-income housing units.

**Section 8** - Used to account for Housing Assistance Payments made to landlords on behalf of eligible low-income clients.

**Internal Services** - Used to account for goods and services provided to the other areas on a cost-reimbursement basis.

### **Grants**

**Service Coordinator Grant** - Used to account for supportive or medical services provided to disabled and/or elderly residents that allow them to continue to live independently.

**Housing Counseling Grant** - Used to provide homeownership counseling to potential home buyers.

**Resident Opportunity and Support Services** - Used to account for activities that help residents work toward self-sufficiency such as employment, career building, life skills, homeownership, and money management.

**CDBG Grant** - Used to account for Community Development Block Grant activities as identified in the contractual agreement including but not limited to development, construction, infrastructure, housing and other eligible costs as defined by the federal government.

**WIA Youth Program** - Used to account for educational and employment resources provided to public housing youth.

**Tiger II Planning Grant** - Used to account for affordable housing development land costs and predevelopment planning costs of projects within one half mile of transit stations and high frequency bus corridors.

**Colorado Health Foundation Grant** - Used to account for the implementation of the Healthy Development Measurement Tool as part of the redevelopment of the South Lincoln/Mariposa Redevelopment project in an effort to improve the health and well-being of the residents of the site through changes to the built environment and programming.

**HOUSING AUTHORITY OF THE CITY AND COUNTY OF DENVER**

**NOTES TO COMBINING FINANCIAL SCHEDULES**

Year ended December 31, 2017

**CSBG Grant** – Used to account for Community Services Block Grant Funds. The grant will provide services that address the objective of employment, specifically providing job skills and removing barriers to long term or sustainable employment.

**Kresge Sun Valley Community Connectors** – Used to account for community connector programs in the Sun Valley neighborhood. Targeted activities include healthy living, incorporate multicultural values, community development, and revitalization efforts,

**Jobs Plus** – Used to account for employment related activities and support services.

**Colorado Access Care** – Used to account for a Care Management Coordinator grant.

**FEMA** - Used to account for FEMA funds. Funds were received to cover damages caused by severe rain storms.

## **STATISTICAL SECTION**

Financial Trends

Revenue Capacity

Debt Capacity

Demographic and Economic Information

Operating Information

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**HOUSING AUTHORITY OF THE CITY AND COUNTY OF  
DENVER**

STATISTICAL SECTION

Year ended December 31, 2017

This part of DHA's CAFR presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the DHA's overall financial health.

<b>Contents</b>	<b>Tables</b>
Financial Trends	1 - 2
<i>These schedules contain trend information to help the reader understand how DHA's financial performance and well-being have changed overtime.</i>	
Revenue Capacity	3
<i>These schedules contain information to help the reader assess DHA's most significant revenue sources.</i>	
Debt Capacity	4
<i>These schedules present information to help the reader assess the affordability of DHA's current levels of outstanding debt and ability to issue additional debt in the future.</i>	
Demographic and Economic Information	5 - 6
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which DHA's financial activities take place.</i>	
Operating Information	7 - 10
<i>These schedules contain data to help the reader understand how the information in DHA's financial report relates to the services DHA provides and the activities it performs.</i>	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**Table 1****HOUSING AUTHORITY OF THE CITY AND  
COUNTY OF DENVER**

Net Position

Last Ten Fiscal Years

(Unaudited)

<b>Fiscal year</b>	<b>Invested in capital assets</b>	<b>Restricted</b>	<b>Unrestricted</b>	<b>Total</b>
2008	222,399,507	13,802,998	34,941,339	271,143,844
2009	243,028,773	14,660,467	34,895,360	292,584,600
2010	122,582,870	13,390,611	137,774,324	273,747,805
2011	127,934,399	27,474,554	138,155,198	293,564,151
2012	103,496,423	27,251,676	180,751,209	311,499,308
2013	94,748,261	18,694,271	206,238,937	319,681,469
2014	71,783,654	13,361,850	245,907,506	331,053,010
2015	84,648,215	18,889,788	233,613,117	337,151,120
2016	78,916,242	17,976,093	238,118,892	335,011,227
2017	(7,326,713)	55,287,361	301,640,673	349,601,321

Source: Previous years' CAFR and current year financial statements.

Table 2

**HOUSING AUTHORITY OF THE CITY AND  
COUNTY OF DENVER**

Changes in Net Position

Last Ten Fiscal Years

(Unaudited)

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Operating revenue:										
Rental revenue	\$ 11,778,650	12,910,836	9,716,663	9,368,384	9,165,664	8,935,658	8,861,833	9,656,259	10,341,104	10,847,836
Intergovernmental	53,838,717	56,941,923	81,736,794	86,843,711	83,855,671	79,506,566	83,468,787	84,706,103	96,039,758	95,351,254
Property management fee revenue	2,682,498	1,701,894	4,559,215	6,629,310	5,875,609	9,551,648	7,104,568	4,861,500	2,880,261	6,312,775
Other revenues	2,606,632	2,707,340	2,765,199	4,065,115	4,770,730	4,734,667	7,516,635	4,305,261	5,178,792	8,274,781
Charges for services	—	—	240,614	—	—	—	—	—	—	—
Total operating revenue	<u>70,906,497</u>	<u>74,261,993</u>	<u>99,018,485</u>	<u>106,906,520</u>	<u>103,667,674</u>	<u>102,728,539</u>	<u>106,951,823</u>	<u>103,529,123</u>	<u>114,439,915</u>	<u>120,786,646</u>
Operating expenses:										
Administrative	13,995,471	15,076,107	15,737,461	14,501,523	14,709,431	14,437,755	14,627,797	15,385,058	15,456,815	15,490,439
Utilities	6,545,651	6,034,343	5,789,825	5,750,809	5,474,782	5,259,573	5,094,373	4,634,553	4,591,705	4,785,624
Ordinary maintenance	7,518,980	7,798,568	7,611,346	7,453,330	7,677,140	6,545,659	6,532,125	6,959,783	7,148,564	7,070,685
General expenses	1,524,109	2,299,028	1,789,203	1,777,847	1,503,600	1,553,962	1,878,464	1,708,444	1,740,278	2,590,231
Depreciation	13,364,857	15,278,934	10,633,846	10,812,957	10,262,287	10,008,669	9,971,622	9,086,723	8,657,874	7,817,771
Housing assistance payments	48,699,692	49,811,669	53,180,049	54,031,436	56,106,857	57,326,754	58,072,049	59,391,064	68,019,911	71,400,380
Other operating expenses	3,665,844	4,123,356	6,006,467	8,521,829	8,480,615	9,750,608	10,124,262	12,412,002	12,436,060	11,014,858
Total operating expenses	<u>95,314,604</u>	<u>100,422,005</u>	<u>100,748,197</u>	<u>102,849,731</u>	<u>104,214,712</u>	<u>104,882,980</u>	<u>106,300,692</u>	<u>109,577,627</u>	<u>118,051,207</u>	<u>120,169,988</u>
Operating loss	<u>(24,408,107)</u>	<u>(26,160,012)</u>	<u>(1,729,712)</u>	<u>4,056,789</u>	<u>(547,038)</u>	<u>(2,154,441)</u>	<u>651,131</u>	<u>(6,048,504)</u>	<u>(3,611,292)</u>	<u>616,658</u>
Nonoperating revenue and expenses:										
Intergovernmental	16,056,861	18,438,635	-	-	-	-	-	-	-	-
Interest revenue	2,517,406	747,513	1,519,323	2,560,798	1,189,578	656,128	1,435,392	2,958,399	1,655,002	2,073,358
Net increase (decrease) in the fair value of investments	38,578	(65,237)	(16,912)	(4,213)	(5,276)	(7,652)	8,295	(60,869)	16,394	(75,284)
Interest expense	(3,172,530)	(4,725,797)	(2,048,240)	(2,909,722)	(1,352,344)	(1,139,674)	(2,258,217)	(2,585,537)	(2,352,121)	(2,985,353)
Amortization expense	-	(104,201)	(50,645)	(50,645)	(232,023)	(36,128)	(10,760)	-	(10,760)	(32,672)
Other expense	-	-	-	-	-	(7,905)	(47,430)	(169,301)	-	(925,741)
Extraordinary items, net gain/loss	-	-	-	-	-	-	-	-	-	1,505,835
Loss on assets held for sale	-	-	-	-	-	-	-	-	-	(54,336)
Acquisition of entity gain (loss)	-	-	-	-	-	-	-	-	143,557	(800,000)
Gain (loss) on disposition of assets	(686,578)	(155,548)	2,229,265	(5,132,151)	3,706,284	683,568	5,467,486	3,601,671	(1,088,684)	10,201,865
Nonoperating revenues – net	<u>14,753,737</u>	<u>14,135,365</u>	<u>1,632,791</u>	<u>(5,535,933)</u>	<u>3,306,219</u>	<u>148,337</u>	<u>4,594,766</u>	<u>3,744,363</u>	<u>(1,636,612)</u>	<u>8,907,672</u>
Net gain (loss)	<u>(9,654,370)</u>	<u>(12,024,647)</u>	<u>(96,921)</u>	<u>(1,479,144)</u>	<u>2,759,181</u>	<u>(2,006,104)</u>	<u>5,245,897</u>	<u>(2,304,141)</u>	<u>(5,247,904)</u>	<u>9,524,330</u>
Transfers	-	-	-	-	-	(530,081)	-	-	-	-
Capital contributions	<u>17,701,715</u>	<u>33,465,403</u>	<u>23,476,097</u>	<u>21,295,490</u>	<u>15,175,976</u>	<u>10,718,346</u>	<u>6,125,644</u>	<u>8,402,251</u>	<u>3,108,011</u>	<u>5,065,764</u>
Change in net position	<u>8,047,345</u>	<u>21,440,756</u>	<u>23,379,176</u>	<u>19,816,346</u>	<u>17,935,157</u>	<u>8,182,161</u>	<u>11,371,541</u>	<u>6,098,110</u>	<u>(2,139,893)</u>	<u>14,590,094</u>
Net Position at beginning of year	<u>263,096,499</u>	<u>271,143,844</u>	<u>250,368,629</u>	<u>273,747,805</u>	<u>293,564,151</u>	<u>311,499,308</u>	<u>319,681,469</u>	<u>331,053,010</u>	<u>337,151,120</u>	<u>335,011,227</u>
Net position at end of year	<u>\$ 271,143,844</u>	<u>292,584,600</u>	<u>273,747,805</u>	<u>293,564,151</u>	<u>311,499,308</u>	<u>319,681,469</u>	<u>331,053,010</u>	<u>337,151,120</u>	<u>335,011,227</u>	<u>349,601,321</u>

Source: Previous years' CAFR and current year financial statements.

**HOUSING AUTHORITY OF THE CITY AND  
COUNTY OF DENVER**

Debt Service Coverage

Last Ten Years

(Unaudited)

	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Revenues	\$ 103,361,949	121,862,761	124,127,373	122,666,076	122,149,869	113,579,173	117,672,233	115,675,745	115,911,314	135,117,603
Expenses (excluding depreciation)	81,949,747	85,143,071	90,114,351	92,036,774	93,952,425	94,874,311	96,329,070	100,490,904	109,393,333	112,752,057
Revenue available for debt service	\$ 21,412,202	36,719,690	34,013,022	30,629,302	28,197,444	18,704,862	21,343,163	15,184,841	6,517,981	22,365,546
Debt service requirements:										
Principal	\$ 2,584,727	21,471,074	2,385,683	2,218,073	1,552,874	1,640,087	4,244,319	1,982,942	2,132,331	6,216,933
Interest	2,472,467	2,350,149	1,674,062	1,271,114	1,342,573	1,342,040	2,035,362	1,981,033	2,088,457	3,240,380
Total	\$ 5,057,194	23,821,223	4,059,745	3,489,187	2,895,447	2,982,127	6,279,681	3,963,975	4,220,788	9,457,313
Debt service coverage	4.23	1.54	8.38	8.78	9.74	6.27	3.40	3.83	1.54	2.36

Source: Previous years' CAFR and current year financial statements.

Table 4

**HOUSING AUTHORITY OF THE CITY AND  
COUNTY OF DENVER**

Ratio of Debt to Capital Assets

Last Ten Fiscal Years

(Unaudited)

Fiscal year	Notes payable	Bonds payable	Line of credit	Total debt	Capital assets	Ratio of total debt to capital assets
2008	39,345,729	36,273,319	550,000	76,169,048	298,568,555	25.5
2009	44,010,708	22,160,000	450,000	66,620,708	309,649,481	21.5
2010	15,660,304	20,810,000	6,210,000	42,680,304	165,263,174	25.8
2011	15,128,151	13,525,000	—	28,653,151	156,587,550	18.3
2012	34,392,025	6,270,000	2,680,187	43,342,212	146,838,635	29.5
2013	35,896,149	6,075,000	12,913,579	54,884,728	149,632,989	36.7
2014	37,031,473	18,330,000	12,514,281	67,875,754	139,659,408	48.6
2015	35,112,720	18,105,000	3,395,104	56,612,824	128,501,039	44.1
2016	33,547,006	23,019,364	8,155,104	64,721,474	125,628,352	51.5
2017	95,092,435	21,025,366	25,985,999	142,103,800	145,663,363	97.6

Note: Total debt amount includes short-term portion due within one year.

Source: Previous years' CAFR and current year financial statements.

Table 5

**HOUSING AUTHORITY OF THE CITY AND  
COUNTY OF DENVER**

Resident Demographics: Population Statistics

Last Ten Fiscal Years

(Unaudited)

**Public Housing and Non-HUD Housing Programs**

<b>Fiscal year</b>	<b>Number of minors (ages 0-18)</b>	<b>Number of adults (ages 19-61)</b>	<b>Number of elderly (age 62+)</b>	<b>Total number of residents</b>
2008	4,625	3,470	1,357	9,452
2009	4,732	3,853	1,485	10,070
2010	4,564	3,970	1,565	10,099
2011	4,564	3,855	1,526	9,945
2012	4,311	3,855	1,526	9,692
2013	4,316	3,738	1,536	9,590
2014	4,322	3,752	1,544	9,618
2015	4,358	3,725	1,610	9,693
2016	4,467	3,817	1,688	9,972
2017	4,478	3,765	1,781	10,024

**Section 8 Program**

<b>Fiscal year</b>	<b>Number of minors (ages 0-18)</b>	<b>Number of adults (ages 19-61)</b>	<b>Number of elderly (age 62+)</b>	<b>Total number of residents</b>
2008	7,639	5,775	1,232	14,646
2009	8,093	6,401	1,254	15,748
2010	7,754	6,385	1,292	15,431
2011	7,788	6,606	1,320	15,714
2012	7,904	6,862	1,398	16,164
2013	7,910	6,932	1,410	16,252
2014	8,045	7,027	1,561	16,633
2015	7,702	6,787	1,515	16,004
2016	7,745	6,799	1,557	16,101
2017	7,293	6,597	1,644	15,534

Source: DHA budget documents for the related year.

Table 6

**HOUSING AUTHORITY OF THE CITY AND  
COUNTY OF DENVER**

Other Demographics/Statistics (1)

(Unaudited)

<u>Year</u>	<u>Denver population</u>	<u>Personal income (expressed in millions)</u>	<u>Per capita personal income</u>	<u>School enrollment</u>	<u>DHA residents (1)</u>	<u>Denver unemployment rate</u>
2008	598,707 (3)	31,308	52,788	75,269	23,680	7.0
2009	610,345 (3)	31,512	51,630	78,352	25,711	8.3
2010	600,158 (3)	n/a	n/a	79,423	25,698	8.9
2011	619,285 (3)	n/a	n/a	81,870 (4)	25,659	9.2
2012	634,265 (3)	n/a	n/a	84,424 (4)	25,749	7.3
2013	649,495 (3)	50,313 (3)	33,251 (3)	87,398 (4)	25,864	6.0
2014	649,495 (3)	51,800 (3)	34,423 (3)	81,438 (5)	26,290	4.0 (6)
2015	663,862 (3)	n/a	n/a	87,398 (4)	25,757	5.0 (6)
2016	693,060 (3)	56,258 (3)	36,616 (3)	92,331 (7)	26,073	2.7 (6)
2017	704,621 (3)	n/a	n/a	92,331 (7)	25,558	3.0 (6)

1. Includes all DHA housing programs.

2. Estimated by Denver Regional Council of Governments.

3. Estimated by U.S. Census Bureau. State & County QuickFacts. (2017). <https://www.census.gov/quickfacts/fact/table/denvercountycolorado,US/PST045216>

4. Denver Public Schools Facts Sheet. (October

5. Denver Public Schools. (2015) Indeed. <http://www.indeed.com/cmp/Denver-Public-Schools>

6. Department of Numbers, Bureau of Labor Statistics. (February 2016). <http://www.deptofnumbers.com/unemployment/colorado/denver/>

7. Denver Public Schools Facts & Figures (October 2016) [www.dpsk12.org/about-dps/facts-figures/#1473890264817-1aa2ce27-4615](http://www.dpsk12.org/about-dps/facts-figures/#1473890264817-1aa2ce27-4615)

Sources: DHA budget documents for the related year.

Table 7

**HOUSING AUTHORITY OF THE CITY AND  
COUNTY OF DENVER**

Number of DHA Dwelling Rental Units

December 31, 2017

(Unaudited)

<u>Fiscal year</u>	<u>Low rent housing</u>	<u>Section 8 program</u>	<u>Globeville units</u>	<u>*Bean Towers &amp; Park Ave</u>	<u>*Mariposa Units</u>	<u>Mountain View Units</u>	<u>CSG Units</u>	<u>DHC</u>	<u>DHP</u>	<u>Total</u>
2008	3,893	5,644	62	123	—	—		568	107	10,397
2009	3,882	5,756	62	184	—	—		568	109	10,561
2010	3,916	5,909	62	243	—	—		568	57	10,755
2011	3,920	6,091	62	243	—	—		568	57	10,941
2012	4,067	6,388	62	302	—	—		568	57	11,444
2013	3,825	6,572	62	302	—	253		315	57	11,386
2014	3,981	6,690	62	302	120	253	216	99	57	11,780
2015	3,904	6,849	62	302	178	253	220	99	57	11,924
2016	3,937	6,872	62	302	239	253	220	99	57	12,041
2017	3,951	6,923	62	302	291	253	220	99	57	12,158

Source: DHA comprehensive operating budget document.

\*Excludes public housing units which are included in low rent housing.

Table 8

**HOUSING AUTHORITY OF THE CITY AND  
COUNTY OF DENVER**

Property Characteristics and Unit Composition  
(Includes Nondwelling Units)

December 31, 2017

(Unaudited)

<u>Name of development</u>	<u>Address</u>	<u>Number of units</u>	<u>Year built or acquired</u>
Public Housing Units:			
Columbine Homes	201 S. Yuma	200	1953
Westridge Homes	3537 W. 13th Ave.	200	1952
Quigg Newton Homes	4407 Mariposa St.	380	1952
Sun Valley Homes/Annex	990 Alcott Way	333	1952
The Villages at Curtis Park	1107 27th Street	135	2002
South Lincoln Homes (Demolished)	1000 Navajo Street	—	1954
Westwood Homes	3401 W. Kentucky	192	1953
Walsh Manor	1790 W. Mosier Pl.	89	1963
Walsh Manor Annex	1775 W. Mosier Pl.	100	1971
A. B. Hirschfeld Towers	333 W. Ellsworth	209	1967
Barney Lancelot Ford Heights	2024 Clarkson St.	147	1968
John R. Mulroy Apts.	3550 W. 13th Ave.	50	1969
Thomas F. Connole Apartments	1710 Williams St.	100	1971
North Lincoln – Midrise/Row Type	1425 Mariposa St.	206	1995
Thomas W. Bean LP (ACC units only)	2350 Cleveland Pl.	160	2005
Benedict Park Ave 1B (ACC units only)	2300-2380 Court St &	30	2006
Benedict Park Ave 3B (ACC units only)	2301-2381 Cleveland	30	2008
Benedict Park Ave 4B (ACC units only)	2301-2381 Cleveland	30	2009
Benedict Park Ave 5B (ACC units only)	2301-2381 Cleveland	30	2011
Tapiz at Mariposa	1099 Osage	100	2012
Dispersed East	Scattered Sites	340	1890 – 1988
Dispersed West	Scattered Sites	323	1890 – 1985
Dispersed South	Scattered Sites	360	1911 – 1986
South Lowell	4725 S. Lowell Blvd.	96	1973/2013
Mariposa Phase II	933-943,989,1011 Navajo St.	29	2013
Mariposa Phase III	933-943,989,1011 Navajo St.	31	2014
Mariposa Phase IV	1295 W. 10th Avenue	19	2015
Mariposa Phase VI	1295 W. 10th Avenue	36	2016
Mariposa Phase VII	1295 W. 10th Avenue	14	2017
Total Public Housing units		<u>3,969</u>	
Denver Housing Corporation (DHC):			
Pacific Place	2020 S Vallejo St.	25	1979
Dispersed New Const. & Rehab	Various	74	1904 – 1979
Total DHC/DHCRPs		<u>99</u>	
Denver Housing Program (DHP):			
*Lincoln Park 57	Various	57	1981 – 1982
Total DHP		<u>57</u>	
Globeville:			
351 East 51st Avenue	351 East 51st Avenue	41	2004
351 East 51st Avenue	351 East 51st Avenue	21	2005
Total Globeville		<u>62</u>	
Mountain View Redevelopment LLLP:			
Mountain View	1212 S Federal	154	1979
Eliot Cottages	1222 S Federal	100	1979
Total Mountain View		<u>254</u>	
CSG Redevelopment Partners			
Syracuse Plaza	4333 S Syracuse	100	1979
Casa Loma	3850 Alcott St.	87	1980
Goldsmith Village	4343 S Syracuse	35	1979
Total Mountain View		<u>222</u>	
Bean Towers LP (tax credit only units)			
Villages at Curtis Park	1107 27th Street	188	2002 - 2005
Benedict Park Place Block 1B (tax credit and market rate only)	305 Park Avenue West	94	2007
Benedict Park Place Block 3B (tax credit and market rate only)	305 Park Avenue West	61	2008
Benedict Park Place Block 4B (tax credit and market rate only)	305 Park Avenue West	59	2009
Benedict Park Place Block 5B (tax credit and market rate only)	305 Park Avenue West	59	2009
Mariposa Partners II LLLP (tax credit and market rate only)	933-943,989,1011 Navajo St.	64	2013
Mariposa Partners III LLLP (tax credit and market rate only)	1295 W. 10th Avenue	56	2014
Mariposa Partners IV LLLP (tax credit and market rate only)	1295 W. 10th Avenue	58	2014
Mariposa Partners VI LLLP (tax credit and market rate only)	1295 W. 10th Avenue	58	2016
Mariposa Partners VII LLLP (tax credit and market rate only)	1295 W. 10th Avenue	31	2017
Mariposa Partners VIII LLLP (tax credit and market rate only)	1295 W. 10th Avenue	21	2017
Total units		<u>5,441</u>	

Source: DHA comprehensive operating budget document.

Table 9

**HOUSING AUTHORITY OF THE CITY AND  
COUNTY OF DENVER**

Staff Headcount by Division  
Last Ten Fiscal Years  
(Unaudited)

Fiscal year	Executive		Finance/Administration		Housing Management		Section 8		Total	
	Regular	Temporary	Regular	Temporary	Regular	Temporary	Regular	Temporary	Regular	Temporary
2008	24	—	20	—	165	28	31	55	240	83
2009	20	3	20	—	165	36	32	41	237	80
2010	23	1	21	—	164	28	34	36	242	65
2011	27	36	23	1	166	29	31	1	247	67
2012	26	32	23	2	166	32	34	1	249	67
2013	34	35	23	2	168	34	35	1	260	72
2014	34	42	25	—	167	33	32	1	258	76
2015	30	45	30	—	167	37	30	1	257	83
2016	31	45	30	—	168	36	30	1	259	82
2017	31	41	30	—	168	36	30	1	259	78

Note: Various divisional restructurings occurred during the last ten years, accounting for the significant variances of employee counts between divisions.

Source: DHA's operating budget documents for the related fiscal year.

Table 10

**HOUSING AUTHORITY OF THE CITY AND  
COUNTY OF DENVER**  
Principal Employers for the City and County of Denver  
Current Year and Nine Years Ago <sup>(1)</sup>  
(Unaudited)

	2016			2007		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Denver Public School District #1	12,924	1	3.0%	9,298	2	2.6%
City and County of Denver	10,781	2	2.5%	11,602	1	3.3%
State of Colorado Central Payroll	9,588	3	2.2%	9,183	3	2.6%
Denver Health & Hospital Authority	6,541	4	1.5%	3,982	8	1.1%
United Airlines, Inc.	5,777	5	1.3%	5,455	6	1.5%
CHC Payroll Agent, Inc. (HCA Health One)	4,196	6	1.0%	3,199	9	0.9%
University of Denver	3,866	7	0.9%			
U. S. D. A. National Finance Center	3,852	8	0.9%	8,833	4	2.5%
Defense Civilian Pay System	3,323	9				
University of Colorado Central	3,317	10	0.8%	6,060	5	1.7%
Frontier Airlines Inc.				4,171	7	1.2%
King Soopers	—	—	0.8%	2,509	10	0.1%
Total	<u>64,165</u>		<u>14.9%</u>	<u>64,292</u>		<u>17.5%</u>

Source: City and County of Denver CAFR, FY 12/31/2016

(1) Current year data is unavailable at the time of the preparation of the CAFR.

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**SINGLE AUDIT SECTION**

Independent Auditor's Reports

Schedule of Expenditures and Federal Awards

Schedule of Findings and Questioned Costs

Status of Prior Year Findings

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Report on Internal Control Over Financial  
Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements  
Performed in Accordance with *Government  
Auditing Standards*

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Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of  
Financial Statements Performed in Accordance with *Government Auditing Standards*

**Independent Auditor's Report**

To Management and the Board of Commissioners  
Housing Authority of the City and County of Denver

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the aggregate discretely presented component units of the Housing Authority of the City and County of Denver (the "Authority") as of and for the year ended December 31, 2017 and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated June 27, 2018. The financial statements of the discretely presented component units, with the exception of CSG Redevelopment Partners, LLLP, were not audited in accordance with *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

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

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

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

**Compliance and Other Matters**

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

To Management and the Board of Commissioners  
Housing Authority of the City and County of Denver

**Purpose of this Report**

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

*Plante & Moran, PLLC*

June 27, 2018

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Report on Compliance for Each Major Federal  
Program and Report on Internal Control Over  
Compliance

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## Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance

### Independent Auditor's Report

To the Board of Commissioners  
Housing Authority of the City and County of Denver

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

We have audited the Housing Authority of the City and County of Denver's (the "Authority") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on the Authority's major federal program for the year ended December 31, 2017. The Authority's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### **Management's Responsibility**

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

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

Our responsibility is to express an opinion on compliance for each of the Authority's major federal programs based on our audit of the types of compliance requirements referred to above.

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

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

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

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2017.

#### Report on Internal Control Over Compliance

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

To the Board of Commissioners  
Housing Authority of the City and County of Denver

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

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

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

*Plante & Moran, PLLC*

June 27, 2018

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**HOUSING AUTHORITY OF THE CITY AND COUNTY OF DENVER**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Year ended December 31, 2017

	<u>CFDA Number</u>	<u>Pass-through Grantor's Number</u>	<u>Federal Expenditures</u>	<u>Total Amount Provided to Subrecipients</u>
U.S. Department of Housing and Urban Development:				
Section 8 housing choice voucher program cluster	14.871		\$ 74,337,538	\$ —
Section 8 project-based cluster:				
Lower income housing assistance program	14.856		553,077	—
Section 8 moderate rehabilitation	14.249		560,698	—
Section 8 New Construction/Substantial Rehabilitation	14.182		<u>1,252,929</u>	<u>—</u>
Total Section 8 project-based cluster			<u>2,366,704</u>	<u>—</u>
CNI Grant - HOPE VI cluster	14.889		490,739	—
Multifamily housing service coordinators	14.191		103,372	—
FSS Service Coordinator	14.896		337,006	—
Low rent subsidy	14.850		17,376,113	—
Public housing capital fund	14.872		4,953,077	—
Jobs-Plus pilot initiative	14.895		440,427	—
U.S. Department of Housing and Urban Development:				
Passed through from the City and County of Denver:				
Community Development Block Grant cluster	14.218			
		201626721	67,848	—
		201732843	20,000	—
		201100871	<u>4,992</u>	<u>—</u>
Total Community Development Block Grant cluster			<u>92,840</u>	<u>—</u>
Passed through from Colorado Housing Finance Authority:				
Housing Counseling Grant	14.169			
		HC160841001	19,347	—
		HC170841001	<u>12,254</u>	<u>—</u>
Total Housing Counseling Grant			<u>31,601</u>	<u>—</u>
HOME Grant	14.239	201524663	620,000	—
Total U.S. Department of Housing and Urban Development			<u>101,149,417</u>	<u>—</u>
U.S. Department of Health and Human Services				
Passed through from the City and County of Denver:				
Community Services Block Grant	93.569	201627132	162,424	—
Total federal expenditures			<u>\$ 101,311,841</u>	<u>\$ —</u>

See accompanying notes to schedule of expenditures of federal awards.

# HOUSING AUTHORITY OF THE CITY AND COUNTY OF DENVER

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year ended December 31, 2017

### (1) Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the Housing Authority of the City and County of Denver (Denver Housing Authority) under programs of the federal government for the year ended December 31, 2017. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Because the Schedule presents only a selected portion of the operations of Denver Housing Authority, it is not intended to and does not present the financial position, changes in net assets or cash flows as of December 31, 2017.

### (2) Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the same basis of accounting as the basic financial statements. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87 or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

Denver Housing Authority has not elected to use the 10-percent de minimus indirect cost rate to recover indirect costs as allowed under the Uniform Guidance.

### (3) Reconciliation from Statement of Revenues, Expenses, and Changes in Net Position to the Schedules of Expenditures of Federal Awards

Operating intergovernmental revenues	95,327,521
Capital Funds - Capital Fund	3,094,503
Capital Funds - Other	1,971,261
	<u>100,393,285</u>
State HGD funds	(450,000)
Federal Home Loan Bank - Affordable Housing Program	(863,474)
Housing Choice Voucher port ins	2,354,324
RCS	(1,460)
Denver's Road Home	(78,816)
Colorado Access Care	(42,018)
	<u>101,311,841</u>

**HOUSING AUTHORITY OF THE CITY AND COUNTY OF  
DENVER**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

Year ended December 31, 2017

**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified that are not considered to be material weaknesses?  Yes  None reported

Noncompliance material to financial statements noted?  Yes  No

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified that are not considered to be material weaknesses?  Yes  None reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516 (a)?  Yes  No

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
14.871	Section 8 Housing Choice Voucher Program

Dollar threshold used to distinguish between type A and type B programs: \$3,000,000

Auditee qualified as low-risk auditee?  Yes  No

**HOUSING AUTHORITY OF THE CITY AND COUNTY OF  
DENVER**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

(CONTINUED)

Year ended December 31, 2017

**Section II - Financial Statement Audit Findings**

None

**Section III - Federal Program Audit Findings**

None

**HOUSING AUTHORITY OF THE CITY AND COUNTY OF DENVER**  
**HUD FUNDED CAPITAL PROGRAMS OPEN AND CLOSE OUT ACTIVITY SCHEDULES**

Year ended December 31, 2017

**December 31, 2017 Closed Project**

Year	Capital Grant Program FFY 2014
Proj No.	CO06P001501-14
2011	
2012	
2013	
2014	125,040
2015	2,877,610
2016	1,250,911
2017	337,136
<b>Total</b>	<b>4,590,697</b>
Approved Funding	4,590,697

**December 31, 2017 Open Project**

Year	Capital Grant Program	Capital Grant Program	Replacement Housing	Capital Grant Program	HOPE VI South Lincoln	Choice Neighborhood
	FFY 2015	FFY 2016	Factor Grant (1st Increment) FFY 2016	FFY 2017	Park Homes	Initiative Grant Sun Valley Homes
Proj No.	CO06P001501-15	CO01P001501-16	CO01R001501-16	CO01P001501-17	CO06URD001I110	CO8A001CNG116
2011					808,959	
2012					7,886,616	
2013					4,472,317	
2014					2,549,348	
2015	61,750				4,871,619	
2016	2,394,655	-	-		1,411,141	-
2017	1,989,364	2,626,577	-	-	-	490,739
<b>Total</b>	<b>4,445,769</b>	<b>2,626,577</b>	<b>-</b>	<b>-</b>	<b>22,000,000</b>	<b>490,739</b>
Approved Funding	4,720,429	4,933,863	21,229	4,817,855	22,000,000	30,000,000

**HOUSING AUTHORITY OF THE CITY AND COUNTY OF DENVER**  
**HUD FUNDED CAPITAL PROGRAMS CLOSE OUT SCHEDULES**

Year ended December 31, 2017

**Actual Modernization  
 Cost Certificate**

U.S. Department of Housing  
 and Urban Development  
 Office of Public and Indian Housing

OMB Approval No. 2577-0157 (exp. 01/31/2017)

**Capital Fund Program (CFP)**

Public reporting burden for this collection of information is estimated to average 7 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Paperwork Reduction Project (2577-0044 and 0157), Office of Information Technology, U.S. Department of Housing and Urban Development, Washington, DC 20410-3600. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

Do not send this form to the above address.

This collection of information requires that each Housing Authority (HA) submit information to enable HUD to initiate the fiscal closeout process. The information will be used by HUD to determine whether the modernization grant is ready to be audited and closed out. The information is essential for audit verification and fiscal close out. Responses to the collection are required by regulation. The information requested does not lend itself to confidentiality.

PHA Name: City & County of Denver Housing Authority	Modernization Project Number: CO06P001501-14
--	---

The PHA hereby certifies to the Department of Housing and Urban Development as follows:

1. That the total amount of Modernization Cost (herein called the "Actual Modernization Cost") of the Modernization Grant, is as shown below:

A. Funds Approved	\$ 4,590,697.00
B. Funds Disbursed	\$ 4,590,697.00
C. Funds Expended (Actual Modernization Cost)	\$ 4,590,697.00
D. Amount to be Recaptured (A-C)	\$ 0.00
E. Excess of Funds Disbursed (B-C)	\$ 0.00

- That all modernization work in connection with the Modernization Grant has been completed;
- That the entire Actual Modernization Cost or liabilities therefor incurred by the PHA have been fully paid;
- That there are no undischarged mechanics', laborers', contractors', or material-men's liens against such modernization work on file in any public office where the same should be filed in order to be valid against such modernization work;
- That the time in which such liens could be filed has expired; and
- That for any years in which the grantee is subject to the audit requirements of the Single Audit Act, 31 U.S.C. § 7501 et seq., as amended, the grantee has or will perform an audit in compliance with said requirements.
- Please mark one:

- A. This grant will be included in the PHA's next fiscal year audit per the requirements of the Single Audit Act.
- B. This grant will not be included in the PHA's next fiscal year audit per the requirements of the Single Audit Act.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name & Title of Authorized Signatory (type or print clearly):  
 Ismael Guerrero, Executive Director

Signature of Executive Director (or Authorized Designee): X 	Date: 02/28/2017
--	---------------------

For HUD Use Only

The Cost Certificate is approved for audit (if box 7A is marked):

Approved for Audit (Director, Office of Public Housing) X	Date:
--	-------

The costs shown above agree with HUD verified costs (if box 7A or 7B is marked):

Approved: (Director, Office of Public Housing) X	Date:
---	-------

**HUD FINANCIAL DATA SCHEDULE (FDS)**  
(As required by HUD Uniform Financial Reporting Standards § 24 CFR, Part 5)

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# Housing Authority of the City and County of Denver

## FINANCIAL DATA SCHEDULE

Year ended December 31, 2017

Line item #	Account description	Public Housing and Capital Fund	Central Office Cost Center	Section 8 mod rehab CO001 MR0004	Section 8 mod rehab SRO	Housing choice vouchers	Disaster housing assistance program
111	Cash – unrestricted	\$ 907,231	2,485,497	—	—	500	—
113	Cash – other restricted	11,265,322	—	—	—	—	—
114	Cash – tenant security deposits	—	—	—	—	—	—
100	Total cash	<u>12,172,553</u>	<u>2,485,497</u>	<u>—</u>	<u>—</u>	<u>500</u>	<u>—</u>
122	Accounts receivable – HUD other projects	292,325	—	—	—	—	—
124	Accounts receivable – other government	—	—	—	—	—	—
125	Accounts receivable – miscellaneous	883,220	1,154,110	—	—	91,172	—
126	Accounts receivable – tenants – dwelling rents	258,360	—	—	—	—	—
127	Notes, loans, and mortgages receivable – current	—	—	—	—	—	—
128	Fraud recovery	175,764	—	—	—	14,685	—
128.1	Allowance for doubtful accounts – fraud	(93,154)	—	—	—	(14,685)	—
129	Accrued interest receivable	—	85,513	—	—	—	—
120	Total receivables, net of allowances for doubtful accounts	<u>1,516,515</u>	<u>1,239,623</u>	<u>—</u>	<u>—</u>	<u>91,172</u>	<u>—</u>
131	Investments – unrestricted	15,921,926	3,093,703	10,561	12,280	1,516,841	101,471
132	Investments restricted	2,721,486	—	—	—	405,133	—
135	Investments – rest. for payment of current liab	791,656	—	—	—	494,677	3,441
142	Prepaid expenses and other assets	35,264	40,080	—	—	—	—
143	Inventories	—	92,638	—	—	—	—
143.1	Allowance for obsolete inventories	—	(2,055)	—	—	—	—
144	Interprogram due from	376,953	3,995,959	—	—	—	—
150	Total current assets	<u>33,536,353</u>	<u>10,945,445</u>	<u>10,561</u>	<u>12,280</u>	<u>2,508,323</u>	<u>104,912</u>
161	Land	21,214,279	—	—	—	—	—
162	Buildings	219,005,676	—	—	—	—	—
163	Furniture, equipment, and machinery – dwellings	208,384	—	—	—	—	—
164	Furniture, equipment, and machinery – administration	1,898,634	1,497,779	—	—	274,455	—
165	Leasehold improvements	30,089,453	—	—	—	—	—
166	Accumulated depreciation	(186,584,517)	(1,437,899)	—	—	(255,709)	—
167	Construction in progress	4,015,595	—	—	—	—	—
160	Total fixed assets, net of accumulated depreciation	<u>89,847,504</u>	<u>59,880</u>	<u>—</u>	<u>—</u>	<u>18,746</u>	<u>—</u>
171	Notes, loans, and mortgages receivable – noncurrent	141,265,391	—	—	—	—	—
174	Other assets	—	—	—	—	—	—
176	Investments in joint ventures	—	—	—	—	—	—
180	Total noncurrent assets	<u>231,112,895</u>	<u>59,880</u>	<u>—</u>	<u>—</u>	<u>18,746</u>	<u>—</u>
190	Total assets	<u>264,649,248</u>	<u>11,005,325</u>	<u>10,561</u>	<u>12,280</u>	<u>2,527,069</u>	<u>104,912</u>
200	Deferred outflow of resources	—	—	—	—	—	—
290	Total assets & deferred outflow of resources	<u>264,649,248</u>	<u>11,005,325</u>	<u>10,561</u>	<u>12,280</u>	<u>2,527,069</u>	<u>104,912</u>
312	Accounts payable <= 90 days	846,756	390,015	51	88	54,917	—
321	Accrued wage/payroll taxes payable	102,155	158,467	—	—	34,278	—
322	Accrued compensated absences – current portion	—	841,833	—	—	—	—
325	Accrued interest payable	57,092	—	—	—	—	—
331	Accounts payable – HUD PHA programs	—	—	10,368	11,869	8,855	3,441
341	Tenant security deposits	283,217	—	—	—	—	—
342	Unearned revenues	209,627	—	—	—	37,805	—
343	Current portion of long-term debt	2,081,873	—	—	—	—	—
345	Other current liabilities	222,255	—	—	—	167,708	—
346	Accrued liabilities – other	736,930	69,850	—	—	—	—
347	Interprogram due to	3,878,987	76,191	—	—	—	—
310	Total current liabilities	<u>8,418,892</u>	<u>1,536,356</u>	<u>10,419</u>	<u>11,957</u>	<u>303,563</u>	<u>3,441</u>
351	Long-term debt, net of current	27,199,862	—	—	—	—	—
353	Noncurrent liabilities – other	893,814	—	—	—	318,114	—
354	Accrued compensated absences – noncurrent	—	114,795	—	—	—	—
350	Total noncurrent liabilities	<u>28,093,676</u>	<u>114,795</u>	<u>—</u>	<u>—</u>	<u>318,114</u>	<u>—</u>
300	Total liabilities	<u>36,512,568</u>	<u>1,651,151</u>	<u>10,419</u>	<u>11,957</u>	<u>621,677</u>	<u>3,441</u>
400	Deferred inflow of resources	—	—	—	—	—	—
508.4	Net investment in capital assets	60,565,769	59,880	—	—	18,746	—
511.4	Restricted net position	14,272,992	—	—	—	367,328	3,441
512.4	Unrestricted net position	153,297,919	9,294,294	142	323	1,519,318	98,030
513	Total equity/net position	<u>228,136,680</u>	<u>9,354,174</u>	<u>142</u>	<u>323</u>	<u>1,905,392</u>	<u>101,471</u>
600	Total liabilities, deferred inflow of resources and equity/net position	<u>\$ 264,649,248</u>	<u>11,005,325</u>	<u>10,561</u>	<u>12,280</u>	<u>2,527,069</u>	<u>104,912</u>

Note: FDS submission to HUD is by AMP and the total for the program is reported here.

Note: This is a summarized version of the FDS that was submitted to HUD.

See accompanying notes to basic financial statements.

# Housing Authority of the City and County of Denver

## FINANCIAL DATA SCHEDULE - CONTINUED

Year ended December 31, 2017

Line item #	Account description	Revitalization of severely distressed public housing	CNI	HOME	CDBG	N/C S/R Section 8	Multifamily housing service coordinators
111	Cash – unrestricted	\$ —	—	—	—	2,725,009	—
113	Cash – other restricted	—	—	—	—	178,600	—
114	Cash – tenant security deposits	—	—	—	—	—	—
100	Total cash	—	—	—	—	2,903,609	—
122	Accounts receivable – HUD other projects	—	94,620	—	—	—	—
124	Accounts receivable – other government	—	—	15,000	18,140	—	9,296
125	Accounts receivable – miscellaneous	—	—	—	939	—	—
126	Accounts receivable – tenants – dwelling rents	—	—	—	—	15,933	—
127	Notes, loans, and mortgages receivable – current	—	—	—	—	—	—
128	Fraud recovery	—	—	—	—	22,657	—
128.1	Allowance for doubtful accounts – fraud	—	—	—	—	(12,577)	—
129	Accrued interest receivable	—	—	—	—	—	—
120	Total receivables, net of allowances for doubtful accounts	—	94,620	15,000	19,079	26,013	9,296
131	Investments – unrestricted	—	—	2,711	11,173	2,123,381	—
132	Investments restricted	—	—	112,433	—	—	—
135	Investments – rest. for payment of current liab	—	—	—	—	42,940	—
142	Prepaid expenses and other assets	—	—	—	—	—	—
143	Inventories	—	—	—	—	—	—
143.1	Allowance for obsolete inventories	—	—	—	—	—	—
144	Interprogram due from	—	—	—	—	88,341	—
150	Total current assets	—	94,620	130,144	30,252	5,184,284	9,296
161	Land	—	—	—	—	4,628,450	—
162	Buildings	—	—	—	—	9,834,633	—
163	Furniture, equipment, and machinery – dwellings	—	—	—	—	615	—
164	Furniture, equipment, and machinery – administration	—	—	—	—	5,049	—
165	Leasehold improvements	—	—	—	—	218,405	—
166	Accumulated depreciation	—	—	—	—	(5,294,306)	—
167	Construction in progress	—	37,787	—	—	188,848	—
160	Total fixed assets, net of accumulated depreciation	—	37,787	—	—	9,581,694	—
171	Notes, loans, and mortgages receivable – noncurrent	—	—	8,396,500	3,380,000	—	—
174	Other assets	—	—	—	—	—	—
176	Investments in joint ventures	—	—	—	—	—	—
180	Total noncurrent assets	—	37,787	8,396,500	3,380,000	9,581,694	—
190	Total assets	—	132,407	8,526,644	3,410,252	14,765,978	9,296
200	Deferred outflow of resources	—	—	—	—	—	—
290	Total assets & deferred outflow of resources	—	132,407	8,526,644	3,410,252	14,765,978	9,296
312	Accounts payable <= 90 days	—	73,096	—	—	76,441	1,285
321	Accrued wage/payroll taxes payable	—	—	—	1,177	5,842	1,626
322	Accrued compensated absences – current portion	—	—	—	—	—	—
325	Accrued interest payable	—	—	—	—	—	—
331	Accounts payable – HUD PHA programs	—	—	—	—	—	—
341	Tenant security deposits	—	—	—	—	42,940	—
342	Unearned revenues	—	—	—	—	118,407	—
343	Current portion of long-term debt	—	—	—	—	110,722	—
345	Other current liabilities	—	—	—	—	—	—
346	Accrued liabilities – other	—	—	—	—	8,851	—
347	Interprogram due to	—	21,523	15,000	17,632	—	6,385
310	Total current liabilities	—	94,619	15,000	18,809	363,203	9,296
351	Long-term debt, net of current	—	—	—	—	1,533,052	—
353	Noncurrent liabilities – other	—	—	—	—	2,340,480	—
354	Accrued compensated absences – noncurrent	—	—	—	—	—	—
350	Total noncurrent liabilities	—	—	—	—	3,873,532	—
300	Total liabilities	—	94,619	15,000	18,809	4,236,735	9,296
400	Deferred inflow of resources	—	—	—	—	—	—
508.4	Net investment in capital assets	—	37,787	—	—	7,937,920	—
511.4	Restricted net position	—	—	112,433	—	178,600	—
512.4	Unrestricted net position	—	1	8,399,211	3,391,443	2,412,723	—
513	Total equity/net position	—	37,788	8,511,644	3,391,443	10,529,243	—
600	Total liabilities, deferred inflow of resources and equity/net position	\$ —	132,407	8,526,644	3,410,252	14,765,978	9,296

Note: FDS submission to HUD is by AMP and the total for the program is reported here.

Note: This is a summarized version of the FDS that was submitted to HUD.

See accompanying notes to basic financial statements.

## Housing Authority of the City and County of Denver

### FINANCIAL DATA SCHEDULE - CONTINUED

Year ended December 31, 2017

Line item #	Account description	Housing Counseling	Tiger II Planning	State/Local Grants	FSS Service Coordinator Grant	Community Services Block Grant	Jobs Plus
111	Cash – unrestricted	\$	—	—	—	—	—
113	Cash – other restricted	—	—	—	—	—	—
114	Cash – tenant security deposits	—	—	—	—	—	—
100	Total cash	—	—	—	—	—	—
122	Accounts receivable – HUD other projects	—	—	—	—	—	27,514
124	Accounts receivable – other government	—	—	—	14,633	56,847	—
125	Accounts receivable – miscellaneous	13,665	—	650	—	—	—
126	Accounts receivable – tenants – dwelling rents	—	—	—	—	—	—
127	Notes, loans, and mortgages receivable – current	—	—	—	—	—	—
128	Fraud recovery	—	—	—	—	—	—
128.1	Allowance for doubtful accounts – fraud	—	—	—	—	—	—
129	Accrued interest receivable	—	—	—	—	—	—
120	Total receivables, net of allowances for doubtful accounts	13,665	—	650	14,633	56,847	27,514
131	Investments – unrestricted	6,534	—	187,306	—	—	—
132	Investments restricted	—	—	—	—	—	—
135	Investments – rest. for payment of currant liab	—	—	—	—	—	—
142	Prepaid expenses and other assets	—	—	—	—	—	—
143	Inventories	—	—	—	—	—	—
143.1	Allowance for obsolete inventories	—	—	—	—	—	—
144	Interprogram due from	—	—	—	—	—	—
150	Total current assets	20,199	—	187,956	14,633	56,847	27,514
161	Land	—	—	—	—	—	—
162	Buildings	—	—	—	—	—	—
163	Furniture, equipment, and machinery – dwellings	—	—	—	—	—	—
164	Furniture, equipment, and machinery – administration	—	—	—	—	—	—
165	Leasehold improvements	—	—	—	—	—	—
166	Accumulated depreciation	—	—	—	—	—	—
167	Construction in progress	—	—	—	—	—	—
160	Total fixed assets, net of accumulated depreciation	—	—	—	—	—	—
171	Notes, loans, and mortgages receivable – noncurrent	—	—	—	—	—	—
174	Other assets	—	—	—	—	—	—
176	Investments in joint ventures	—	—	—	—	—	—
180	Total noncurrent assets	—	—	—	—	—	—
190	Total assets	20,199	—	187,956	14,633	56,847	27,514
200	Deferred outflow of resources	—	—	—	—	—	—
290	Total assets & deferred outflow of resources	20,199	—	187,956	14,633	56,847	27,514
312	Accounts payable <= 90 days	—	—	7,786	—	100	5,939
321	Accrued wage/payroll taxes payable	229	—	2,231	4,727	1,611	3,764
322	Accrued compensated absences – current portion	—	—	—	—	—	—
325	Accrued interest payable	—	—	—	—	—	—
331	Accounts payable – HUD PHA programs	—	—	—	—	—	—
341	Tenant security deposits	—	—	—	—	—	—
342	Unearned revenues	—	—	177,351	—	—	—
343	Current portion of long-term debt	—	—	—	—	—	—
345	Other current liabilities	—	—	—	—	—	—
346	Accrued liabilities – other	—	—	—	—	—	—
347	Interprogram due to	19,970	—	588	9,906	55,136	17,811
310	Total current liabilities	20,199	—	187,956	14,633	56,847	27,514
351	Long-term debt, net of current	—	—	—	—	—	—
353	Noncurrent liabilities – other	—	—	—	—	—	—
354	Accrued compensated absences – noncurrent	—	—	—	—	—	—
350	Total noncurrent liabilities	—	—	—	—	—	—
300	Total liabilities	20,199	—	187,956	14,633	56,847	27,514
400	Deferred inflow of resources	—	—	—	—	—	—
508.4	Net investment in capital assets	—	—	—	—	—	—
511.4	Restricted net position	—	—	—	—	—	—
512.4	Unrestricted net position	—	—	—	—	—	—
513	Total equity/net position	—	—	—	—	—	—
	Total liabilities, deferred inflow of resources and equity/net position	\$ 20,199	—	187,956	14,633	56,847	27,514

Note: FDS submission to HUD is by AMP and the total for the program is reported here.

Note: This is a summarized version of the FDS that was submitted to HUD.

See accompanying notes to basic financial statements.

## Housing Authority of the City and County of Denver

### FINANCIAL DATA SCHEDULE - CONTINUED

Year ended December 31, 2017

Line item #	Account description	FEMA	Business activities	Blended Component units	Discrete Component units	Elimination	Total
111	Cash – unrestricted	\$ —	1,391,977	386,341	3,773,660	—	11,670,215
113	Cash – other restricted	—	4,365,859	46,169,475	10,095,503	—	72,074,759
114	Cash – tenant security deposits	—	—	—	236,806	—	236,806
100	Total cash	—	5,757,836	46,555,816	14,105,969	—	83,981,780
122	Accounts receivable – HUD other projects	—	—	—	817	—	415,276
124	Accounts receivable – other government	—	493,761	—	—	—	607,677
125	Accounts receivable – miscellaneous	—	517,281	134,405	721,483	—	3,516,925
126	Accounts receivable – tenants – dwelling rents	—	—	—	128,822	—	403,115
127	Notes, loans, and mortgages receivable – current	—	579,553	—	—	—	579,553
128	Fraud recovery	—	—	—	76,725	—	289,831
128.1	Allowance for doubtful accounts – fraud	—	—	—	(49,889)	—	(170,305)
129	Accrued interest receivable	—	70,216	—	—	—	155,729
120	Total receivables, net of allowances for doubtful accounts	—	1,660,811	134,405	877,958	—	5,797,801
131	Investments – unrestricted	—	12,245,266	966,141	7,575,729	—	43,775,023
132	Investments restricted	—	638,816	—	—	—	3,877,868
135	Investments – rest. for payment of currant liab	—	3,833	23,403	319,256	—	1,679,206
142	Prepaid expenses and other assets	—	—	413,962	239,979	—	729,285
143	Inventories	—	—	5,505	—	—	98,143
143.1	Allowance for obsolete inventories	—	—	—	—	—	(2,055)
144	Interprogram due from	—	11,771,774	493,941	1,788,239	(18,515,207)	—
150	Total current assets	—	32,078,336	48,593,173	24,907,130	(18,515,207)	139,937,051
161	Land	—	30,111,555	—	679,946	—	56,634,230
162	Buildings	—	2,202,754	3,229,131	384,570,669	—	618,842,863
163	Furniture, equipment, and machinery – dwellings	—	—	—	3,365,738	—	3,574,737
164	Furniture, equipment, and machinery – administration	—	18,997	244,628	1,600,345	—	5,539,887
165	Leasehold improvements	—	2,038,184	25,912	20,295,116	—	52,667,070
166	Accumulated depreciation	—	(2,039,886)	(884,833)	(89,361,977)	—	(285,859,127)
167	Construction in progress	—	1,462,009	9,709,301	8,713,249	—	24,126,789
160	Total fixed assets, net of accumulated depreciation	—	33,793,613	12,324,139	329,863,086	—	475,526,449
171	Notes, loans, and mortgages receivable – noncurrent	—	82,261,197	1,956,145	—	(3,535,559)	233,723,674
174	Other assets	—	173,525	5,010,968	4,569,061	(4,994,465)	4,759,089
176	Investments in joint ventures	—	295,097	414,522	—	—	709,619
180	Total noncurrent assets	—	116,523,432	19,705,774	334,432,147	(8,530,024)	714,718,831
190	Total assets	—	148,601,768	68,298,947	359,339,277	(27,045,231)	854,655,882
200	Deferred outflow of resources	—	—	—	—	—	—
290	Total assets & deferred outflow of resources	—	148,601,768	68,298,947	359,339,277	(27,045,231)	854,655,882
312	Accounts payable <= 90 days	—	342,169	2,971,249	2,381,529	—	7,151,421
321	Accrued wage/payroll taxes payable	—	22,863	7,813	49,911	—	396,694
322	Accrued compensated absences – current portion	—	—	—	12,403	—	854,236
325	Accrued interest payable	—	63,156	—	229,663	—	349,911
331	Accounts payable – HUD PHA programs	—	—	—	—	—	34,533
341	Tenant security deposits	—	3,833	23,403	463,570	—	816,963
342	Unearned revenues	—	561,087	40,820	154,630	—	1,299,727
343	Current portion of long-term debt	—	4,024,339	—	6,686,212	—	12,903,146
345	Other current liabilities	—	—	—	30,384	—	420,347
346	Accrued liabilities – other	—	1,288,310	165,247	338,234	—	2,607,422
347	Interprogram due to	—	2,178,232	792,247	11,425,599	(18,515,207)	—
310	Total current liabilities	—	8,483,989	4,000,779	21,772,135	(18,515,207)	26,834,400
351	Long-term debt, net of current	—	61,522,951	49,166,559	227,547,349	(3,535,559)	363,434,214
353	Noncurrent liabilities – other	—	6,134,091	23,850	31,287,603	(4,994,465)	36,003,487
354	Accrued compensated absences – noncurrent	—	—	—	—	—	114,795
350	Total noncurrent liabilities	—	67,657,042	49,190,409	258,834,952	(8,530,024)	399,552,496
300	Total liabilities	—	76,141,031	53,191,188	280,607,087	(27,045,231)	426,386,896
400	Deferred inflow of resources	—	—	—	—	—	—
508.4	Net investment in capital assets	—	(31,753,677)	(36,842,420)	95,629,525	—	95,653,530
511.4	Restricted net position	—	5,004,675	46,169,475	10,157,611	—	76,266,555
512.4	Unrestricted net position	—	99,209,739	5,780,704	(27,054,946)	—	256,348,901
513	Total equity/net position	—	72,460,737	15,107,759	78,732,190	—	428,268,986
600	Total liabilities, deferred inflow of resources and equity/net position	\$ —	148,601,768	68,298,947	359,339,277	(27,045,231)	854,655,882

Note: FDS submission to HUD is by AMP and the total for the program is reported here.

Note: This is a summarized version of the FDS that was submitted to HUD.

See accompanying notes to basic financial statements.

# Housing Authority of the City and County of Denver

## FINANCIAL DATA SCHEDULE - CONTINUED

Year ended December 31, 2017

Line item #	Account description	Public Housing and Capital Fund	Central Office Cost Center	Section 8 mod rehab CO001 MR0004	Section 8 mod rehab SRO	Housing choice vouchers	Disaster housing assistance program
70300	Net tenant rental revenue	\$ 10,287,539	—	—	—	—	—
70400	Tenant revenue – other	404,554	—	—	—	—	—
70500	Total tenant revenue	10,692,093	—	—	—	—	—
70600	HUD PHA grants	19,234,686	—	553,077	560,698	71,983,214	—
70610	Capital grants	3,094,504	—	—	—	—	—
70700	Fee revenue	—	10,372,881	—	—	—	—
70800	Other government grants	—	—	—	—	—	—
71100	Investment income – unrestricted	91,790	59,381	275	296	14,680	—
71200	Mortgage interest income	346,530	—	—	—	—	—
71300	Proceeds from dispositions of assets held for sale	5,876,687	—	—	—	—	—
71400	Fraud recovery	—	—	—	—	58,560	—
71500	Other revenue	1,463,328	732,141	—	—	2,424,858	—
71600	Gain (loss) on sale of capital assets	(877,546)	131,964	—	—	—	—
72000	Investment income – restricted	898	—	—	—	—	—
70000	Total revenue	39,922,970	11,296,367	553,352	560,994	74,481,312	—
91100	Administrative salaries	1,940,709	4,284,732	22,652	38,253	1,529,773	—
91200	Auditing fees	70,884	5,600	257	444	25,314	—
91300	Management fee	3,002,754	—	7,236	12,264	687,283	—
91310	Bookkeeping fee	257,629	—	4,523	7,665	429,552	—
91500	Employee benefit contributions – administrative	620,616	1,259,717	7,428	12,454	475,955	—
91600	Office expenses	476,189	2,083,099	1,301	2,204	154,504	—
91700	Legal expense	49,529	45,849	51	86	6,060	—
91800	Travel	39,406	73,250	221	375	26,260	—
91900	Other	578,461	500,439	968	1,642	501,600	—
92000	Asset management fee	403,470	—	—	—	—	—
92100	Tenant services – salaries	370,965	267,835	—	—	—	—
92300	Employee benefit contributions – tenant services	96,368	47,924	—	—	—	—
92400	Tenant services – other	144,858	6,430	—	—	—	—
93100	Water	882,612	—	—	—	—	—
93200	Electricity	1,693,453	—	—	—	—	—
93300	Gas	1,166,538	—	—	—	—	—
93600	Sewer	870,920	—	—	—	—	—
93800	Other utilities expense	—	—	—	—	—	—
94100	Ordinary maintenance and operations – labor	2,624,009	—	—	—	—	—
94200	Ordinary maintenance and operations – materials	2,963,370	35,176	—	—	—	—
94300	Ordinary maintenance and operations – contract costs	1,730,158	1,465,722	—	—	—	—
94500	Employee benefit contributions – ordinary maint.	846,715	3,260	—	—	—	—
95200	Protective services – other contract costs	15,066	—	—	—	—	—
96100	Insurance premiums	1,424,349	181,402	850	1,434	82,362	—
96200	Other general expenses	273,444	—	—	—	—	—
96210	Compensated absences	29,607	28,720	136	227	10,169	—
96300	Payments in lieu of taxes	280,549	—	—	—	—	—
96400	Bad debt – tenant rents	(5,317)	—	—	—	—	—
96500	Bad debt – mortgages	25,000	—	—	—	—	—
96600	Bad debt – other	—	—	—	—	—	—
96710	Interest of mortgage (or bonds) payable	1,073,211	—	—	—	—	—
96730	Amortization of bond issue costs	—	—	—	—	—	—
96900	Total operating expenses	23,945,522	10,289,155	45,623	77,048	3,928,832	—
97000	Excess operating revenue over operating expenses	15,977,448	1,007,212	507,729	483,946	70,552,480	—
97100	Extraordinary maintenance	583,973	—	—	—	—	—
97200	Casualty losses – noncapitalized	473,886	—	—	—	—	—
97300	Housing assistance payments	—	—	507,729	483,946	70,408,706	—
97400	Depreciation expense	6,934,115	58,041	—	—	11,659	—
97800	Dwelling units rent expense	373,622	—	—	—	—	—
90000	Total expenses	32,311,118	10,347,196	553,352	560,994	74,349,197	—
10010	Operating transfers in	3,025,182	33,163	—	—	—	—
10020	Operating transfers out	(2,686,512)	(526,587)	—	—	—	—
10040	Operating transfers from/to component unit	(3,823,681)	(5,000)	—	—	—	—
10070	Extraordinary items, net gain/loss	1,505,835	—	—	—	—	—
10080	Special Items, Net Gain/Loss	—	—	—	—	—	—
10100	Total other financing sources (uses)	(1,979,176)	(498,424)	—	—	—	—
10000	Excess (deficiency) of operating revenue over (under) expenses	\$ 5,632,676	450,747	—	—	132,115	—
11020	Required annual debt principal payments	\$ 1,934,451	—	—	—	—	—
11030	Beginning equity	205,034,224	8,903,427	142	323	1,773,277	101,471
11040	Prior period adj. equity transfers, and corrections	17,469,780	—	—	—	—	—
11170	Admin fee equity	—	—	—	—	1,538,064	—
11180	Housing assistance payments equity	—	—	—	—	367,328	—
11190	Unit months available	31,648	—	624	1,056	81,624	—
11210	Number of unit months leased	31,175	—	603	1,022	71,635	—
11270	Excess cash	10,190,224	—	—	—	—	—

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See accompanying notes to basic financial statements.

# Housing Authority of the City and County of Denver

## FINANCIAL DATA SCHEDULE - CONTINUED

Year ended December 31, 2017

Line item #	Account description	Revitalization of severely distressed public housing				N/C S/R Section 8	Multifamily housing service coordinators
		public housing	CNI	HOME	CDBG		
70300	Net tenant rental revenue	\$ —	—	—	—	560,297	—
70400	Tenant revenue – other	—	—	—	—	11,829	—
70500	Total tenant revenue	—	—	—	—	572,126	—
70600	HUD PHA grants	—	452,952	—	—	1,252,929	103,372
70610	Capital grants	—	37,787	—	—	—	—
70700	Fee revenue	—	—	—	—	—	—
70800	Other government grants	—	—	620,000	92,840	—	—
71100	Investment income – unrestricted	—	—	—	—	6,974	—
71200	Mortgage interest income	—	—	—	—	—	—
71300	Proceeds from dispositions of assets held for sale	—	—	—	—	1,700,000	—
71400	Fraud recovery	—	—	—	—	—	—
71500	Other revenue	—	—	—	—	146,351	—
71600	Gain (loss) on sale of capital assets	—	—	—	—	(1,704,337)	—
72000	Investment income – restricted	—	—	—	—	135	—
70000	Total revenue	—	490,739	620,000	92,840	1,974,178	103,372
91100	Administrative salaries	—	191,717	—	8,318	90,027	4,404
91200	Auditing fees	—	—	—	—	5,002	—
91300	Management fee	—	—	—	—	105,644	—
91310	Bookkeeping fee	—	—	—	—	—	—
91500	Employee benefit contributions – administrative	—	31,700	—	2,583	38,300	1,252
91600	Office expenses	—	19,274	—	3,618	11,703	2,239
91700	Legal expense	—	—	—	—	1,545	—
91800	Travel	—	6,419	—	—	959	1,569
91900	Other	—	37,710	—	—	74,715	1,120
92000	Asset management fee	—	—	—	—	—	—
92100	Tenant services – salaries	—	119,337	—	57,463	—	68,909
92300	Employee benefit contributions – tenant services	—	34,666	—	13,415	—	22,490
92400	Tenant services – other	—	6,690	—	6,257	3,371	210
93100	Water	—	—	—	—	53,608	—
93200	Electricity	—	—	—	—	6,776	—
93300	Gas	—	—	—	—	4,946	—
93600	Sewer	—	—	—	—	52,642	—
93800	Other utilities expense	—	—	—	—	—	—
94100	Ordinary maintenance and operations – labor	—	—	—	—	181,654	—
94200	Ordinary maintenance and operations – materials	—	—	—	—	249,315	—
94300	Ordinary maintenance and operations – contract costs	—	—	—	—	196,615	—
94500	Employee benefit contributions – ordinary maint.	—	—	—	—	57,921	—
95200	Protective services – other contract costs	—	—	—	—	37	—
96100	Insurance premiums	—	4,853	—	1,025	121,009	1,130
96200	Other general expenses	—	—	—	—	—	—
96210	Compensated absences	—	585	—	161	1,766	49
96300	Payments in lieu of taxes	—	—	—	—	—	—
96400	Bad debt – tenant rents	—	—	—	—	(1,852)	—
96500	Bad debt – mortgages	—	—	—	—	—	—
96600	Bad debt – other	—	—	—	—	—	—
96710	Interest of mortgage (or bonds) payable	—	—	—	—	65,660	—
96730	Amortization of bond issue costs	—	—	—	—	—	—
96900	Total operating expenses	—	452,951	—	92,840	1,321,363	103,372
97000	Excess operating revenue over operating expenses	—	37,788	620,000	—	652,815	—
97100	Extraordinary maintenance	—	—	—	—	264,618	—
97200	Casualty losses – noncapitalized	—	—	—	—	—	—
97300	Housing assistance payments	—	—	—	—	—	—
97400	Depreciation expense	—	—	—	—	494,755	—
97800	Dwelling units rent expense	—	—	—	—	—	—
90000	Total expenses	—	452,951	—	92,840	2,080,736	103,372
10010	Operating transfers in	—	—	—	—	—	—
10020	Operating transfers out	—	—	—	—	—	—
10040	Operating transfers from/to component unit	—	—	—	—	—	—
10070	Extraordinary items, net gain/loss	—	—	—	—	—	—
10080	Special Items, Net Gain/Loss	—	—	—	—	—	—
10100	Total other financing sources (uses)	—	—	—	—	—	—
10000	Excess (deficiency) of operating revenue over (under) expenses	\$ —	37,788	620,000	—	(106,558)	—
11020	Required annual debt principal payments	\$ —	—	—	—	105,311	—
11030	Beginning equity	17,469,780	—	7,891,644	3,391,443	9,035,801	—
11040	Prior period adj. equity transfers, and corrections	(17,469,780)	—	—	—	—	—
11170	Admin fee equity	—	—	—	—	—	—
11180	Housing assistance payments equity	—	—	—	—	—	—
11190	Unit months available	—	—	—	—	1,872	—
11210	Number of unit months leased	—	—	—	—	1,819	—
11270	Excess cash	—	—	—	—	—	—

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Note: This is a summarized version of the FDS that was submitted to HUD.

See accompanying notes to basic financial statements.

# Housing Authority of the City and County of Denver

## FINANCIAL DATA SCHEDULE - CONTINUED

Year ended December 31, 2017

Line item #	Account description	Housing Counseling	Tiger II Planning	State/Local Grants	FSS Service Coordinator Grant	Community Services Block Grant	Jobs Plus
70300	Net tenant rental revenue	\$ —	—	—	—	—	—
70400	Tenant revenue – other	—	—	—	—	—	—
70500	Total tenant revenue	—	—	—	—	—	—
70600	HUD PHA grants	—	—	—	337,006	—	440,427
70610	Capital grants	—	—	—	—	—	—
70700	Fee revenue	—	—	—	—	—	—
70800	Other government grants	31,601	—	42,018	—	162,424	—
71100	Investment income – unrestricted	—	—	1,208	—	—	—
71200	Mortgage interest income	—	—	—	—	—	—
71300	Proceeds from dispositions of assets held for sale	—	—	—	—	—	—
71400	Fraud recovery	—	—	—	—	—	—
71500	Other revenue	—	—	141,342	—	—	—
71600	Gain (loss) on sale of capital assets	—	—	—	—	—	—
72000	Investment income – restricted	—	—	—	—	—	—
70000	Total revenue	31,601	—	184,568	337,006	162,424	440,427
91100	Administrative salaries	6,909	—	—	—	—	—
91200	Auditing fees	—	—	—	—	—	—
91300	Management fee	—	—	—	—	—	—
91310	Bookkeeping fee	—	—	—	—	—	—
91500	Employee benefit contributions – administrative	1,361	—	—	—	—	353
91600	Office expenses	601	—	908	(380)	—	6,376
91700	Legal expense	—	—	—	—	—	—
91800	Travel	1,430	—	—	—	—	9,300
91900	Other	—	—	18,382	—	10,533	74,404
92000	Asset management fee	—	—	—	—	—	—
92100	Tenant services – salaries	15,727	—	110,551	281,322	93,757	203,829
92300	Employee benefit contributions – tenant services	4,385	—	13,218	51,581	21,344	44,949
92400	Tenant services – other	747	—	39,782	—	35,323	97,966
93100	Water	—	—	—	—	—	—
93200	Electricity	—	—	—	—	—	—
93300	Gas	—	—	—	—	—	—
93600	Sewer	—	—	—	—	—	—
93800	Other utilities expense	—	—	—	—	—	—
94100	Ordinary maintenance and operations – labor	—	—	—	—	—	—
94200	Ordinary maintenance and operations – materials	—	—	—	—	—	—
94300	Ordinary maintenance and operations – contract costs	—	—	—	—	—	—
94500	Employee benefit contributions – ordinary maint.	—	—	—	—	—	—
95200	Protective services – other contract costs	—	—	—	—	—	—
96100	Insurance premiums	375	—	1,727	4,174	1,446	3,153
96200	Other general expenses	—	—	—	—	—	—
96210	Compensated absences	66	—	—	309	21	97
96300	Payments in lieu of taxes	—	—	—	—	—	—
96400	Bad debt – tenant rents	—	—	—	—	—	—
96500	Bad debt – mortgages	—	—	—	—	—	—
96600	Bad debt – other	—	—	—	—	—	—
96710	Interest of mortgage (or bonds) payable	—	—	—	—	—	—
96730	Amortization of bond issue costs	—	—	—	—	—	—
96900	Total operating expenses	31,601	—	184,568	337,006	162,424	440,427
97000	Excess operating revenue over operating expenses	—	—	—	—	—	—
97100	Extraordinary maintenance	—	—	—	—	—	—
97200	Casualty losses – noncapitalized	—	—	—	—	—	—
97300	Housing assistance payments	—	—	—	—	—	—
97400	Depreciation expense	—	—	—	—	—	—
97800	Dwelling units rent expense	—	—	—	—	—	—
90000	Total expenses	31,601	—	184,568	337,006	162,424	440,427
10010	Operating transfers in	—	—	—	—	—	—
10020	Operating transfers out	—	—	—	—	—	—
10040	Operating transfers from/to component unit	—	—	—	—	—	—
10070	Extraordinary items, net gain/loss	—	—	—	—	—	—
10080	Special Items, Net Gain/Loss	—	—	—	—	—	—
10100	Total other financing sources (uses)	—	—	—	—	—	—
10000	Excess (deficiency) of operating revenue over (under) expenses	\$ —	—	—	—	—	—
11020	Required annual debt principal payments	\$ —	—	—	—	—	—
11030	Beginning equity	—	638,950	—	—	—	—
11040	Prior period adj. equity transfers, and corrections	—	(638,950)	—	—	—	—
11170	Admin fee equity	—	—	—	—	—	—
11180	Housing assistance payments equity	—	—	—	—	—	—
11190	Unit months available	—	—	—	—	—	—
11210	Number of unit months leased	—	—	—	—	—	—
11270	Excess cash	—	—	—	—	—	—

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Note: This is a summarized version of the FDS that was submitted to HUD.

See accompanying notes to basic financial statements.

**Housing Authority of the City and County of Denver**  
**FINANCIAL DATA SCHEDULE - CONTINUED**  
Year ended December 31, 2017

Line item #	Account description	FEDERAL	Business activities	Blended Component units	Discrete Component units	Elimination	Total
70300	Net tenant rental revenue	\$ —	—	—	13,755,241	—	24,603,077
70400	Tenant revenue – other	—	—	—	135,009	—	551,392
70500	Total tenant revenue	—	—	—	13,890,250	—	25,154,469
70600	HUD PHA grants	—	—	—	3,484,958	—	98,403,319
70610	Capital grants	—	—	—	—	—	3,132,291
70700	Fee revenue	—	—	—	—	(7,278,496)	3,094,385
70800	Other government grants	—	1,393,750	—	25,000	—	2,367,633
71100	Investment income – unrestricted	—	111,034	7,436	32,676	(4,563)	321,187
71200	Mortgage interest income	—	1,169,112	—	—	(9,895)	1,505,747
71300	Proceeds from dispositions of assets held for sale	—	5,700	5,000,000	—	—	12,582,387
71400	Fraud recovery	—	—	—	—	—	58,560
71500	Other revenue	—	6,836,158	7,993,342	17,213,194	(8,033,166)	28,917,548
71600	Gain (loss) on sale of capital assets	—	40,061	—	(176,689)	—	(2,586,547)
72000	Investment income – restricted	—	7,950	1,565	4,070	—	14,618
70000	Total revenue	—	9,563,765	13,002,343	34,473,459	(15,326,120)	172,965,597
91100	Administrative salaries	—	935,520	142,719	1,226,575	—	10,422,308
91200	Auditing fees	—	—	13,150	122,083	—	242,734
91300	Management fee	—	569,964	9,683	1,046,837	(4,397,134)	1,044,531
91310	Bookkeeping fee	—	—	—	83,048	(699,365)	83,052
91500	Employee benefit contributions – administrative	—	215,128	14,300	394,247	—	3,075,394
91600	Office expenses	—	42,272	27,116	367,724	(142,147)	3,056,601
91700	Legal expense	—	85,617	26,211	53,725	(45,604)	223,069
91800	Travel	—	37,934	2,696	22,770	—	222,589
91900	Other	—	595,487	217,671	764,000	(303,408)	3,073,724
92000	Asset management fee	—	—	6,833	54,600	(403,470)	61,433
92100	Tenant services – salaries	—	102,225	245,951	—	—	1,937,871
92300	Employee benefit contributions – tenant services	—	28,394	60,009	—	—	438,743
92400	Tenant services – other	—	28,960	271,147	123,981	(86,271)	679,451
93100	Water	—	3,721	10,577	369,997	—	1,320,515
93200	Electricity	—	685	11,995	1,435,582	—	3,148,491
93300	Gas	—	—	1,794	376,802	—	1,550,080
93600	Sewer	—	12,175	13,186	464,736	—	1,413,659
93800	Other utilities expense	—	—	—	2,490	—	2,490
94100	Ordinary maintenance and operations – labor	—	1,114	—	1,344,850	—	4,151,627
94200	Ordinary maintenance and operations – materials	—	3,931	7,200	1,590,364	(2,075,824)	2,773,532
94300	Ordinary maintenance and operations – contract costs	—	137,057	32,459	2,297,733	(208,064)	5,651,680
94500	Employee benefit contributions – ordinary maint.	—	315	—	353,086	—	1,261,297
95200	Protective services – other contract costs	—	—	4,295	77,239	—	96,637
96100	Insurance premiums	—	53,324	130,522	1,121,558	—	3,134,693
96200	Other general expenses	—	7,470,581	205,555	646,840	(6,954,938)	1,641,482
96210	Compensated absences	—	5,177	434	10,295	—	87,819
96300	Payments in lieu of taxes	—	—	—	—	—	280,549
96400	Bad debt – tenant rents	—	—	—	66,272	—	59,103
96500	Bad debt – mortgages	—	—	—	—	—	25,000
96600	Bad debt – other	—	2,378	—	—	—	2,378
96710	Interest of mortgage (or bonds) payable	—	1,842,237	58,026	8,373,006	(9,895)	11,402,245
96730	Amortization of bond issue costs	—	17,143	15,529	81,668	—	114,340
96900	Total operating expenses	—	12,191,339	1,529,058	22,872,108	(15,326,120)	62,679,117
97000	Excess operating revenue over operating expenses	—	(2,627,574)	11,473,285	11,601,351	—	110,286,480
97100	Extraordinary maintenance	—	36,583	8,857	399,293	—	1,293,324
97200	Casualty losses – noncapitalized	—	—	—	71,320	—	545,206
97300	Housing assistance payments	—	—	—	—	—	71,400,381
97400	Depreciation expense	—	142,539	198,869	12,746,434	—	20,586,412
97800	Dwelling units rent expense	—	92,324	—	—	—	465,946
90000	Total expenses	—	12,462,785	1,736,784	36,089,155	(15,326,120)	156,970,386
10010	Operating transfers in	—	1,787,917	—	—	(4,846,262)	—
10020	Operating transfers out	—	(1,633,163)	—	—	4,846,262	—
10040	Operating transfers from/to component unit	—	(52,797)	90,297	3,791,181	—	—
10070	Extraordinary items, net gain/loss	—	(800,000)	—	693,346	—	1,399,181
10080	Special Items, Net Gain/Loss	—	—	—	—	—	—
10100	Total other financing sources (uses)	—	(698,043)	90,297	4,484,527	—	1,399,181
10000	Excess (deficiency) of operating revenue over (under) expenses	\$ —	(3,597,063)	11,355,856	2,868,831	—	17,394,392
11020	Required annual debt principal payments	\$ —	80,000	—	581,408	—	2,701,170
11030	Beginning equity	—	76,761,475	4,009,278	75,863,359	—	410,874,594
11040	Prior period adj, equity transfers, and corrections	—	896,325	(257,375)	—	—	—
11170	Admin fee equity	—	—	—	—	—	1,538,064
11180	Housing assistance payments equity	—	—	—	—	—	367,328
11190	Unit months available	—	—	—	27,386	—	144,210
11210	Number of unit months leased	—	—	—	26,816	—	133,070
11270	Excess cash	—	—	—	—	—	10,190,224

Note: FDS submission to HUD is by AMP and the total for the program is reported here.

Note: This is a summarized version of the FDS that was submitted to HUD.

See accompanying notes to basic financial statements.