



Financial Statements  
December 31, 2017

# Housing Authority of the City of Pueblo

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October 12, 2018

# Housing Authority of the City of Pueblo

Table of Contents  
December 31, 2017

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Independent Auditor’s Report.....	1
Management's Discussion and Analysis .....	4
Basic Financial Statements	
Statement of Net Position.....	11
Statement of Revenues, Expenses and Changes in Net Position.....	12
Statement of Cash Flows .....	13
Combining Statement of Net Position – Discretely Presented Component Units.....	15
Combining Statement of Revenues, Expenses, and Changes in Net Position – Discretely Presented Component Units.....	17
Notes to Financial Statements .....	18
Supplementary Information	
Combining Statement of Net Position.....	37
Combining Statement of Revenues, Expenses and Changes in Net Position.....	38
Schedule of Expenditures of Federal Awards .....	39
Notes to Schedule of Expenditures of Federal Awards.....	40
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 <i>Government Auditing Standards</i> .....	41
Independent Auditor’s Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance Required by the Uniform Guidance.....	43
Schedule of Findings and Questioned Costs.....	45
Financial Data Schedules	



## Independent Auditor's Report

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

### Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and the aggregate discretely presented component units of the Housing Authority of the City of Pueblo as of 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 as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

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

## **Opinions**

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

## **Other Matters**

### **Required Supplementary Information**

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

### **Other Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority of the City of Pueblo's financial statements. The accompanying supplementary schedules on pages 37 through 38 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the Financial Data Schedules (FDS) as required by the Housing and Urban Development Real Estate Assessment Center (REAC), and are not a required part of the financial statements.

The supplementary schedules on pages 37 through 38, the financial data schedules, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued a report dated September 29, 2018 on our consideration of Housing Authority of the City of Pueblo's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority's internal control over financial reporting and compliance.

*Eide Bailly LLP*

Bismarck, North Dakota  
September 29, 2018

The Housing Authority of the City of Pueblo (the Authority) offers readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the year ended December 31, 2017. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements, which begin on page 11.

### **Financial Highlights**

#### **2017**

- The assets of the Authority exceeded its liabilities as of December 31, 2017 by \$35,771,614, an increase of \$541,614 from December 31, 2016.
- As of December 31, 2017, the Authority had unrestricted net position of \$20,156,464.
- The Authority's unrestricted cash balance at December 31, 2017 was \$7,763,905, representing a decrease of \$6,342,308 from December 31, 2016.
- The Authority had HUD operating funding of \$14,825,753, HUD capital grants of \$1,605,137, and tenant rents of \$3,462,056 for 2017. The Authority paid out \$10,067,990 in housing assistance payments and \$8,632,499 in other operating expenses (excluding depreciation of \$1,810,996) in 2017.

#### **2016**

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

## Overview of the Financial Statements

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

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

## Financial Statements

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

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

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

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

## Departmental Financial Statements

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

## Supplemental Information

The supplemental information is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. The schedule of expenditures of federal awards can be found on page 39 of this report. Additional supplemental information includes the financial data schedules, which are required by the Housing and Urban Development Real Estate Assessment Center.

**Entity-Wide Financial Analysis**

**Statement of Net Position**

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

**Housing Authority of the City of Pueblo  
Authority-Wide Net Position as of December 31, 2017 and 2016  
(In thousands of dollars)**

	2017	2016
Current Assets	\$ 13,335	\$ 17,790
Other Assets	8,114	4,187
Net Capital Assets	21,386	22,448
 Total assets	 \$ 42,835	 \$ 44,425
 Current Liabilities	 \$ 2,403	 \$ 3,166
Long-Term Liabilities	4,661	6,029
Total liabilities	7,064	9,195
 Net Position		
Net investment in capital assets	15,615	15,507
Restricted	-	24
Unrestricted	20,156	19,699
Total net position	35,771	35,230
 Total Liabilities & Net Position	 \$ 42,835	 \$ 44,425

As noted earlier, net position may serve, over time, as a useful indicator of a government's financial position. In the case of the Authority, assets exceeded liabilities by \$35,771,614 as of December 31, 2017.

A large portion of the Authority's net position (44%) reflects its investment in capital assets (e.g. buildings, machinery, and equipment). The Authority uses these capital assets to provide housing and services to low-income tenants: consequently, these assets are not available for future spending. The unrestricted net position (\$20,156,464) of the Authority is available for future use to provide program services.

A condensed Statement of Changes in Net Position for the year ended December 31, 2017 and the 21 months ended December 31, 2016 is shown in the table below.

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

	2017	2016
Revenues		
HUD PHA grants	\$ 14,826	\$ 25,273
HUD capital grants	1,605	1,666
Other grants	56	126
Rental income	3,450	5,871
Other	1,290	1,448
Total revenue	21,227	34,384
Expenses		
Housing assistance payments	10,069	16,626
Administrative salaries and benefits	2,417	4,201
Maintenance salaries and benefits	1,657	2,634
Other administrative	638	1,040
Regular and extraordinary maintenance	1,788	2,770
Depreciation	1,811	3,195
Utilities	1,112	1,882
Taxes and insurance	404	802
Payments in lieu of taxes	177	298
Other	613	654
Total expenses	20,686	34,102
Change in Net Position	541	282
Net Position, Beginning of Period	35,230	31,874
Adjustment for Change in Reporting Unit	-	3,074
Net Position, Beginning of Period, After Adjustment	35,230	34,948
Net Position, End of Period	\$ 35,771	\$ 35,230

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

As noted earlier, the Authority uses departmental accounting to ensure and demonstrate compliance with finance-related legal requirements. Each of the departments has a specific objective and purpose to accomplish. The focus of the Authority's programs is to provide information on near-term inflows, outflows, and balances of spendable resources. During 2017, the Authority maintained eight departmental programs, although the major operations are described below:

1. **Public Housing:** Owns and operates 901 units of housing for rent to low-income families. The program ended 2017 with net position of \$18,477,844 of which \$12,246,911 (66%) is invested in capital assets; and \$6,230,933 is available as operating reserves. The main sources of revenue are rents charged to tenants, HUD annual operating subsidy, and capital grants.
2. **Central Office Cost Center:** Provides administrative support for all funds and has outside management contracts for Ashwood Apartments (25 units), Santa Fe Crossing Apartments (30 units), and Oakshire II Villas (29 units). The COCC also provided support and management for Rood Candy Apartments (35 units), which was acquired by the COCC on January 1, 2015 and Oakshire Hills, LLP (50 units), which was acquired on December 31, 2016. The net position is \$8,743,377. The sources of revenues are management and administrative fees charged.
3. **Vouchers:** The Authority managed 1,462 Vouchers (HCV) and 272 Mod Rehab Vouchers at year-end December 2017. In addition, the Authority provides 70 Veterans Affairs Supportive Housing (VASH) vouchers. The revenue source for the HCV, Mod Rehab and VASH vouchers is HUD in the amount of \$10,900,584.

## Capital Asset and Debt Administration

### Capital Assets

#### 2017

As of December 31, 2017, the Authority's investment in capital assets was \$21,386,334 (net of accumulated depreciation). During 2017, the significant additions to capital assets were \$605,076, consisting of structure expenditures for \$277,208, site improvements for \$174,306, and other equipment for \$153,562.

#### 2016

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

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

## **Long-Term Debt**

### **2017**

As of December 31, 2017, the Authority had long-term loans of \$4,563,343.

Loan activity during the current fiscal year is as follows:

- Principal payments on loans in 2017 totaled \$1,282,638 for the Authority.

### **2016**

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

Loan activity during the current fiscal year is as follows:

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

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

## **Economic Outlook**

Over 80% of the Housing Authority of the City of Pueblo's funding comes from the federal dollars in the form of operating subsidies, capital fund grants, Section 8 housing assistance payments, and other smaller grants. HUD controls the Section 8 funding by limiting the renewal funding and capping the administrative fee. Portable Section 8 activities and full leasing are other issues that can affect funding. The Voucher Management System is used by HUD to disperse the funding based on current reporting of actual activity. The HUD rules for project based management has meant changes for HACP as we continue using the Asset Management Project (AMP) number system and staff has been reorganized into management and maintenance teams aligned by AMP. The Housing Authority of the City of Pueblo changed their fiscal year-end to follow a calendar year schedule beginning with the period ending on December 31, 2016. The HACP will be vigilant in complying with these new rules and intends to continue meeting HUD reporting requirements for our fiscal year December 31, 2017.

The Capital Fund for 2017 of \$1.164 million was approved by the U.S. Department of Housing and Urban Development (HUD). These funds go towards modernization and management improvements and development. Under modernization the Pueblo Housing Authority expends the Capital Fund to upgrade various physical needs on a project by project basis. The Authority is still planning on the demolition and replacement of 212 units at the Sangre de Cristo project in the near future with the use of the Rental Assistance Demonstration (RAD) program, capital funds, low income housing tax credits, Federal Home Loan Bank grants, and Home grants from the State of Colorado and the City of Pueblo. The RAD program is being implemented as the Housing Authority receives notice from HUD that portions of the RAD financing plan has been approved. HACP did receive notice from CHFA in November 1, 2017 advising HACP of a reservation of credits in the amount of \$1,250,000 for the Uplands Townhomes project.

In 2017 and 2016, we continued to upgrade units in all Asset Management Projects (AMP) 100, 200, 300, and 400. In addition to the modernization process, the Authority continues to provide day to day operating services to our tenants at a level that will sustain a living environment at the highest quality. On the average, the agency modernizes 50 to 80 units annually. We continue to maintain our properties at a high standard by contracting with general contractors who in turn utilize subcontractors. This action creates jobs and through a multiplier generates dollars which in turn benefits the community both in a financial and economic sense.

The Housing Authority has become very effective in providing a Family Self-Sufficiency (FSS) program to families in public housing and to those using Section 8 Housing Choice Vouchers. A primary focus is to provide opportunities for the participants to gain more education, job training, child care and gainful employment. Currently, there are 60 families active in the FSS program and there have been 183 graduates, many of them have become home owners.

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

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

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

### **Contact Information**

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

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

Housing Authority of the City of Pueblo  
Statement of Net Position  
December 31, 2017

	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 7,763,905	\$ 5,946,840
Restricted cash	476,260	341,798
Accounts receivable		
HUD	34,280	-
Tenants, net of allowance	63,952	12,054
Related party	3,914,830	-
Interest on notes receivable	228,358	-
Other	43,530	-
Note receivables - current portion	388,642	-
Inventory	125,997	-
Prepaid expenses	294,796	855
Total Current Assets	<u>13,334,550</u>	<u>6,301,547</u>
Notes Receivable - Net of Current Portion	<u>7,662,776</u>	<u>-</u>
Accounts Receivable, Related Party - Long Term	<u>211,202</u>	<u>-</u>
Other Assets	<u>240,425</u>	<u>39,880</u>
Capital Assets		
Non-depreciable	4,023,445	3,820,320
Depreciable, net	17,362,889	10,302,411
Total Capital Assets	<u>21,386,334</u>	<u>14,122,731</u>
Total Assets	<u>\$ 42,835,287</u>	<u>\$ 20,464,158</u>

See Notes to Financial Statements

Housing Authority of the City of Pueblo  
Statement of Net Position  
December 31, 2017

	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>
<b>Liabilities and Net Position</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 223,907	\$ 1,055,204
Accounts payable - related party	-	3,042,509
Accrued wages payable	190,138	-
Accrued compensated absences	186,086	-
Accrued liabilities	80,329	131,045
Accrued interest payable	9,304	101,603
Unearned revenue	22,882	-
Tenants security deposits payable	281,590	71,202
Notes and mortgages payable - current	1,408,715	459,583
	<u>2,402,951</u>	<u>4,861,146</u>
<b>Long-Term Liabilities</b>		
Accrued compensated absences	459,116	-
Accrued payments in lieu of taxes	1,046,978	-
Developer fee payable	-	211,202
Accrued interest payable - long term portion	-	867,930
Notes and mortgages payable - net of current portion	3,154,628	8,864,035
	<u>4,660,722</u>	<u>9,943,167</u>
<b>Total Liabilities</b>	<u>7,063,673</u>	<u>14,804,313</u>
<b>Net Position</b>		
Net investment in capital assets	15,615,150	6,602,886
Unrestricted	20,156,464	(943,041)
	<u>35,771,614</u>	<u>5,659,845</u>
<b>Total Liabilities and Net Position</b>	<u>\$ 42,835,287</u>	<u>\$ 20,464,158</u>

Housing Authority of the City of Pueblo  
Statement of Revenues, Expenses and Changes in Net Position  
Year Ended December 31, 2017

	Primary Government	Discretely Presented Component Units Year Ended Units
Operating Revenues		
HUD PHA grants	\$ 14,825,753	\$ -
Other grants	55,765	-
Rental income	3,450,056	678,032
Other	898,215	16,115
Total Operating Revenues	<u>19,229,789</u>	<u>694,147</u>
Operating Expenses		
Housing assistance payments	10,067,990	-
Administrative salaries and benefits	2,416,580	5,683
Maintenance salaries and benefits	1,656,881	-
Other administrative	637,877	77,909
Regular and extraordinary maintenance	1,788,351	112,346
Depreciation	1,810,996	570,173
Utilities	1,112,251	57,785
Taxes and insurance	404,439	51,495
Payments in lieu of taxes	176,901	-
Other	439,219	3,782
Total Operating Expenses	<u>20,511,485</u>	<u>879,173</u>
Operating Loss	<u>(1,281,696)</u>	<u>(185,026)</u>
Non-Operating Revenues (Expenses)		
Gain on sale of other assets	269,555	-
Interest income	122,625	36
Interest expense	(174,250)	(224,002)
Other	243	(7,291)
Total Non-Operating Revenues (Expenses)	<u>218,173</u>	<u>(231,257)</u>
Loss Before Capital and Other Contributions	<u>(1,063,523)</u>	<u>(416,283)</u>
Capital and Other Contributions		
HUD capital grant	1,605,137	-
Equity contributions	-	1,137,386
	<u>1,605,137</u>	<u>1,137,386</u>
Change in Net Position	541,614	721,103
Net Position, Beginning of Period	<u>35,230,000</u>	<u>4,938,742</u>
Net Position, End of Period	<u>\$ 35,771,614</u>	<u>\$ 5,659,845</u>

Housing Authority of the City of Pueblo  
Statement of Cash Flows  
Year Ended December 31, 2017

	Primary Government
Operating Activities	
HUD PHA grants	\$ 14,827,305
Other grants	55,765
Receipts from tenants	2,494,077
Other income	876,928
Housing assistance payments	(10,067,990)
Payments to employees	(4,002,055)
Payments to suppliers	(4,590,948)
	(406,918)
Net Cash used for Operating Activities	
Capital and Related Financing Activities	
HUD capital contributions	1,605,137
Principal payments on long-term debt	(1,282,638)
Interest on long-term debt	(174,305)
Net receipts from (payments to) related parties	(1,763,444)
Acquisition of capital assets	(749,722)
	(2,364,972)
Net Cash used for Capital and Related Financing Activities	
Investing Activities	
Investments in future developments	(98,737)
Proceeds received on the sale of investments in future developments	520,785
Receipts on notes receivable	15,000
Receipts on notes receivable - related party	54,917
Issuance of notes receivable - related party	(4,393,598)
Interest income	91,677
Other miscellaneous non-operating receipts	243
	(3,809,713)
Net Cash used for Investing Activities	
Net Change in Cash and Cash Equivalents	(6,581,603)
Cash and Cash Equivalents, Beginning of Period	14,821,768
Cash and Cash Equivalents, End of Period	\$ 8,240,165

Housing Authority of the City of Pueblo  
Statement of Cash Flows  
Year Ended December 31, 2017

	Primary Government
Reconciliation of Cash and Cash Equivalents	
Cash	\$ 7,763,905
Restricted Cash	476,260
	\$ 8,240,165
Reconciliation of Operating Loss to Net Cash Used For Operating Activities	
Operating loss	\$ (1,281,696)
Adjustments to reconcile operating loss to net cash used for operating activities	
Depreciation	1,810,996
Share of (earnings) losses from investments in tax credit projects	53
Changes in assets and liabilities	
(Increase) decrease in assets:	
Receivables	(45,727)
Inventory	13,978
Prepaid expenses	(56,480)
Increase (decrease) in liabilities:	
Accounts payable	86,003
Tenant security deposits payable	(7,547)
Accrued compensation	28,489
Accrued liabilities	(32,494)
Unearned revenue	(922,493)
	\$ (406,918)
Cash Flows from Operating Activities	

Housing Authority of the City of Pueblo  
Combining Statement of Net Position – Discretely Presented Component Units  
December 31, 2017

	<u>Ashwood Apartments</u>	<u>Santa Fe Crossing</u>	<u>Oakshire Hills II</u>	<u>Uplands Townhomes</u>	<u>Total</u>
Assets					
Current Assets					
Cash and cash equivalents	\$ 62,142	\$ 259,651	\$ 460,483	\$ 5,164,564	\$ 5,946,840
Restricted cash	99,991	66,811	174,996	-	341,798
Accounts receivable					
Tenants	977	3,104	7,973	-	12,054
Prepaid expenses	270	387	198	-	855
Total Current Assets	<u>163,380</u>	<u>329,953</u>	<u>643,650</u>	<u>5,164,564</u>	<u>6,301,547</u>
Other Assets	<u>16,226</u>	<u>-</u>	<u>23,654</u>	<u>-</u>	<u>39,880</u>
Capital Assets					
Non-depreciable	125,798	651,838	510,000	2,532,684	3,820,320
Depreciable, net	<u>2,340,622</u>	<u>3,974,059</u>	<u>3,987,730</u>	<u>-</u>	<u>10,302,411</u>
Total Capital Assets	<u>2,466,420</u>	<u>4,625,897</u>	<u>4,497,730</u>	<u>2,532,684</u>	<u>14,122,731</u>
Total Assets	<u><u>\$ 2,646,026</u></u>	<u><u>\$ 4,955,850</u></u>	<u><u>\$ 5,165,034</u></u>	<u><u>\$ 7,697,248</u></u>	<u><u>\$ 20,464,158</u></u>

Housing Authority of the City of Pueblo  
Combining Statement of Net Position – Discretely Presented Component Units  
December 31, 2017

	Ashwood Apartments	Santa Fe Crossing	Oakshire Hills II	Uplands Townhomes	Total
<b>Liabilities and Net Position</b>					
<b>Current Liabilities</b>					
Accounts payable	\$ 1,811	\$ 9,509	\$ 3,837	\$ 1,040,047	\$ 1,055,204
Accounts payable - related party	-	2,070,353	-	972,156	3,042,509
Accrued liabilities	-	131,045	-	-	131,045
Accrued interest payable	3,202	-	98,401	-	101,603
Tenants security deposits payable	9,487	22,865	38,850	-	71,202
Notes and mortgages payable - current	62,886	375,000	21,697	-	459,583
<b>Total Current Liabilities</b>	<b>77,386</b>	<b>2,608,772</b>	<b>162,785</b>	<b>2,012,203</b>	<b>4,861,146</b>
<b>Long-Term Liabilities</b>					
Developer fee payable	-	-	57,141	154,061	211,202
Accrued interest payable - long term portion	-	867,930	-	-	867,930
Notes and mortgages payable - net of current portion	616,888	2,140,544	1,713,005	4,393,598	8,864,035
<b>Total Long-Term Liabilities</b>	<b>616,888</b>	<b>3,008,474</b>	<b>1,770,146</b>	<b>4,547,659</b>	<b>9,943,167</b>
<b>Total Liabilities</b>	<b>694,274</b>	<b>5,617,246</b>	<b>1,932,931</b>	<b>6,559,862</b>	<b>14,804,313</b>
<b>Net Position</b>					
Net investment in capital assets	1,786,646	2,110,353	2,705,887	-	6,602,886
Unrestricted	165,106	(2,771,749)	526,216	1,137,386	(943,041)
<b>Total Net Position</b>	<b>1,951,752</b>	<b>(661,396)</b>	<b>3,232,103</b>	<b>1,137,386</b>	<b>5,659,845</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 2,646,026</b>	<b>\$ 4,955,850</b>	<b>\$ 5,165,034</b>	<b>\$ 7,697,248</b>	<b>\$ 20,464,158</b>

Housing Authority of the City of Pueblo

Combining Statement of Revenues, Expenses, and Changes in Net Position – Discretely Presented Component Units  
Year Ended December 31, 2017

	Ashwood Apartments	Santa Fe Crossing	Oakshire Hills II	Uplands Townhomes	Total
Operating Revenues					
Rental income	\$ 152,273	\$ 287,606	\$ 238,153	\$ -	\$ 678,032
Other	2,734	5,653	7,728	-	16,115
Total Operating Revenues	<u>155,007</u>	<u>293,259</u>	<u>245,881</u>	<u>-</u>	<u>694,147</u>
Operating Expenses					
Administrative salaries and benefits	2,601	-	3,082	-	5,683
Other administrative	16,231	30,304	31,374	-	77,909
Regular and extraordinary maintenance	24,219	62,558	25,569	-	112,346
Depreciation	94,017	238,714	237,442	-	570,173
Utilities	15,905	36,207	5,673	-	57,785
Taxes and insurance	5,152	27,773	18,570	-	51,495
Other	1,440	-	2,342	-	3,782
Total Operating Expenses	<u>159,565</u>	<u>395,556</u>	<u>324,052</u>	<u>-</u>	<u>879,173</u>
Operating Loss	<u>(4,558)</u>	<u>(102,297)</u>	<u>(78,171)</u>	<u>-</u>	<u>(185,026)</u>
Non-Operating Revenues (Expenses)					
Interest income	-	36	-	-	36
Interest expense	(24,070)	(109,578)	(90,354)	-	(224,002)
Other	(2,783)	(2,000)	(2,508)	-	(7,291)
Total Non-Operating Revenues (Expenses)	<u>(26,853)</u>	<u>(111,542)</u>	<u>(92,862)</u>	<u>-</u>	<u>(231,257)</u>
Loss Before Capital and Other Contributions	(31,411)	(213,839)	(171,033)	-	(416,283)
Capital and Other Contributions					
Equity Contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,137,386</u>	<u>1,137,386</u>
Change in Net Position	(31,411)	(213,839)	(171,033)	1,137,386	721,103
Net Position, Beginning of Year	<u>1,983,163</u>	<u>(447,557)</u>	<u>3,403,136</u>	<u>-</u>	<u>4,938,742</u>
Net Position, End of Year	<u>\$ 1,951,752</u>	<u>\$ (661,396)</u>	<u>\$ 3,232,103</u>	<u>\$ 1,137,386</u>	<u>\$ 5,659,845</u>

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

### **Nature of Organization**

The Housing Authority of the City of Pueblo (Authority) is a corporate body created in 1951 and uses available federal, state, and local resources to serve the residents of Pueblo, Colorado by upgrading and maintaining the existing housing stock, encouraging the construction of new housing affordable to low and moderate income households, and providing low and moderate income families and senior households with decent, safe, and affordable rental housing opportunities. The Authority owns and operates 901 units of family housing and administers 1,462 Section 8 housing choice vouchers, 272 Mod Rehab Section 8 Vouchers, and 70 Section 8 VASH Vouchers.

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

### **Reporting Entity**

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

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

### **Blended Component Units**

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

Also included in the financial reporting entity of the Authority as blended component units are Rood Candy Apartments, LLLP, Ashwood Development LLC, and Oakshire Hills, LLLP, which are wholly owned entities of the Authority. Separate financial statements for Rood Candy Apartments, LLLP, Ashwood Development LLC, and Oakshire Hills, LLLP are not issued.

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

### **Discretely Presented Component Units**

The component unit columns in the combined financial statements include the financial data of the Authority's four discretely presented component units as of December 31, 2017. These units are reported in separate columns to emphasize that they are legally separate from the Authority.

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

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

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

Uplands Townhomes, LLLP – the general partner of this partnership, El Centro Pueblo Development Corporation, Inc., is a non-profit organization controlled by the Housing Authority of the City of Pueblo. El Centro Pueblo Development Corporation, Inc. has an ownership percentage of .005%. As the general partner, the Authority has the day-to-day management responsibilities of the partnership. Separate financial statements were not issued as of December 31, 2017 for this entity.

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

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

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

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

### **Program Accounting**

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

### **Cash and Cash Equivalents**

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

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

### **Accounts Receivable**

Revenues are recorded when earned and are reported as accounts receivable until collected. Accounts receivable are expensed as bad debts at the time they are determined to be uncollectible. Management has established an allowance for doubtful accounts for amounts that may not be collectible in the future. Receivables are reported net of the related allowance of \$25,890 at December 31, 2017.

### **Notes and Other Receivables**

Notes and other receivables are carried at amounts advanced, net of a reserve for uncollectible accounts, if any. As of December 31, 2017, the Authority considered all notes and other receivables to be fully collectible, thus no allowance has been recorded at December 31, 2017.

### **Inventory**

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

### Capital Assets

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

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

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

The Authority reviews the carrying value of property and equipment for impairment whenever events and circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. In cases where undiscounted expected future cash flows are less than the carrying value, an impairment loss is recognized equal to an amount by which the carrying value exceeds the fair value of assets. The factors considered by management in performing this assessment include current operating results, trends and prospects, the manner in which the property is used, and the effects of obsolescence, demand, competition, and other economic factors. Based on this assessment there was no impairment at December 31, 2017.

### Other Assets

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

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

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

### Fraud Recovery

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

### Operating Revenues and Expenses

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

### **Restricted and Unrestricted Resources**

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

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

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

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

### **Unearned Revenues**

As of December 31, 2017, unearned revenue of \$22,882 consists of advance rental payments received.

### **Components of Net Position**

Components of net position include the following:

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

### **Business and Credit Risk**

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

### **Budgetary**

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

### **Accounting Estimates**

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

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

### **Primary Government**

#### **Deposits**

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The institution is allowed to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at equal to 102% of the uninsured deposits. The general depository agreement required by annual contract with HUD has additional collateral requirements, which the Authority met in 2017.

#### **Custodial Credit Risk**

Custodial credit risk is the risk that, in the event of a bank failure, the Authority's deposits may not be returned to it. At December 31, 2017, the Authority's carrying amount of deposits was \$8,240,165 and the bank balance was \$8,461,707. Of the bank balances, \$1,009,991 was covered by Federal Depository Insurance, \$7,451,716 was properly collateralized with securities held by a pledging financial institution's agent in the government's name.

#### **Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates of certificates of deposit will adversely affect the fair value of investments. The risk as addressed by ensuring that all certificates of deposit held by the Authority as of December 31, 2017 mature within 1 year.

**Investments**

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

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

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

**Discretely Presented Component Units**

**Custodial Credit Risk**

Custodial credit risk is the risk that, in the event of a bank failure, the discretely presented component units’ deposits may not be returned. At December 31, 2017, the discretely presented component units’ carrying amount of deposits was \$6,288,638 and the bank balance was \$6,288,638. Of the bank balances, \$912,133 was covered by Federal Depository Insurance. The remaining balance of \$5,376,505 was not insured and is exposed to custodial credit risk. Management does not believe that the deposits are exposed to a significant level of risk.

**Note 3 - Restricted Cash**

**Primary Government**

Restricted cash as of December 31, 2017 consists of the following:

Tenant security deposits	\$ 281,590
Replacement reserves	70,128
Operating reserves	84,424
FSS escrows	40,118
	\$ 476,260
	\$ 476,260

**Discretely Presented Component Units**

Restricted cash as of December 31, 2017 consists of the following:

Tenant security deposits	\$ 71,202
Replacement reserves	133,068
Operating reserves	137,528
	\$ 341,798
	\$ 341,798

**Note 4 - Notes Receivable**

Notes Receivable from Tax Credit Projects (Note 9)

Ashwood Apartments, LLLP	
1% note receivable, yearly payments to the extent of available cash flow with entire balance due December 2038	\$ 91,189
Ashwood Apartments, LLLP	
1% note receivable, yearly payments to the extent of available cash flow with entire balance due December 2038	240,000
Ashwood Apartments, LLLP	
5.75% note receivable, due in monthly installments of \$2,334, including interest, due January 2030	348,585
	679,774
Santa Fe Crossing, LLLP	
0% note receivable, yearly payments to the extent of available cash flow with entire balance due December 2019	503,211
6.49% note receivable, due in monthly installments of \$6,064, including interest, due December 2021	339,724
6.49% note receivable, due in monthly installments of \$8,132, including interest, due December 2021	647,609
0% note receivable, due in monthly installments of \$3,826, including interest, due December 2018	375,000
	1,865,544

Oakshire Hills II, LLLP - Villas	
2.64% City Home mortgage note receivable due in annual payments from available cash flow, balance due June 2032	250,000
2.64% Division of Housing mortgage note receivable, due in annual payments from available cash flow, balance due June 2032	250,000
4% note receivable, due in annual payments of \$25,507 on March 1st, due June 2027	488,313
	988,313
Uplands Townhomes, LLLP	
2% note receivable, due in annual payments from available cash flow commencing December 2019, balance due December 2054	4,123,598
2.64% note receivable, principal and interest due upon maturity of December 2054	270,000
	4,393,598
Total Notes Receivable from Tax Credit Projects	7,927,229
Other Notes Receivable	
Lucky Star Limited Partnership, LLLP	105,000
Individual Loan Programs	19,189
	124,189
	8,051,418
Less current portion	(388,642)
	\$ 7,662,776

**Note 5 - Capital Assets**

**Primary Government**

The following is a summary of property, structures, and equipment for the year ended December 31, 2017:

	Balance 12/31/16	Additions	Deletions	Balance 12/31/17
Non-Depreciable				
Land	\$ 4,023,445	\$ -	\$ -	\$ 4,023,445
Total non-depreciable capital assets	<u>4,023,445</u>	<u>-</u>	<u>-</u>	<u>4,023,445</u>
Depreciable				
Buildings and improvements	58,385,570	172,645	-	58,558,215
Furniture, equipment and machinery - dwelling	713,192	-	-	713,192
Furniture, equipment and machinery - administrative	1,436,248	153,562	-	1,589,810
Leasehold improvements	7,548,989	423,515	-	7,972,504
Total depreciable capital assets	<u>68,083,999</u>	<u>749,722</u>	<u>-</u>	<u>68,833,721</u>
Less accumulated depreciation for:				
Buildings and improvements	(42,946,968)	(1,389,486)	-	(44,336,454)
Furniture, equipment and machinery - dwellings	(598,641)	(51,504)	-	(650,145)
Furniture, equipment and machinery - administrative	(1,363,778)	(41,465)	-	(1,405,243)
Leasehold improvements	(4,750,449)	(328,541)	-	(5,078,990)
Total accumulated depreciation	<u>(49,659,836)</u>	<u>(1,810,996)</u>	<u>-</u>	<u>(51,470,832)</u>
Net Depreciable Capital Assets	<u>18,424,163</u>	<u>(1,061,274)</u>	<u>-</u>	<u>17,362,889</u>
Total	<u>\$ 22,447,608</u>	<u>\$ (1,061,274)</u>	<u>\$ -</u>	<u>\$ 21,386,334</u>

**Discretely Presented Component Units**

The following is a summary of property, structures, and equipment for the year ended December 31, 2017:

	Balance 12/31/16	Additions	Deletions	Balance 12/31/17
Non-Depreciable				
Land	\$ 1,287,636	\$ -	\$ -	\$ 1,287,636
Construction in progress	-	2,532,684	-	2,532,684
Total	<u>1,287,636</u>	<u>2,532,684</u>	<u>-</u>	<u>3,820,320</u>
Depreciable				
Buildings and improvements	15,096,075	12,114	-	15,108,189
Furniture and equipment	276,271	-	-	276,271
Total depreciable capital assets	<u>15,372,346</u>	<u>12,114</u>	<u>-</u>	<u>15,384,460</u>
Less: Accumulated Depreciation	<u>(4,511,876)</u>	<u>(570,173)</u>	<u>-</u>	<u>(5,082,049)</u>
Net Depreciable Capital Assets	<u>10,860,470</u>	<u>(558,059)</u>	<u>-</u>	<u>10,302,411</u>
Total	<u>\$ 12,148,106</u>	<u>\$ 1,974,625</u>	<u>\$ -</u>	<u>\$ 14,122,731</u>

**Note 6 - PILOT Agreement**

The Authority has entered into an agreement with the City of Pueblo, Colorado where the Authority may retain all payments in lieu of taxes required to be paid to the City and instead be used for certain allowable expenditures, as defined in the agreement. As of December 31, 2017, the Authority has recorded a payable in the amount of \$1,046,978 for payments in lieu of taxes withheld by the Authority and not incurred for allowable expenditures under the agreement.

**Note 7 - Long-Term Debt**

**Primary Government**

For the year ended December 31, 2017, the following changes occurred in long-term debt:

	Balance 12/31/16	Increases	Decreases	Balance 12/31/17	Due Within One Year
Notes Payable	<u>\$ 5,845,981</u>	<u>\$ -</u>	<u>\$ (1,282,638)</u>	<u>\$ 4,563,343</u>	<u>\$ 1,408,715</u>

**Discretely Presented Component Units**

For the year ended December 31, 2017, the following changes occurred in long-term debt:

	Balance 12/31/16	Increases	Decreases	Balance 12/31/17	Due Within One Year
Notes Payable	\$ 4,991,753	\$ 4,393,598	\$ (61,733)	\$ 9,323,618	\$ 459,583

**Primary Government**

Notes payable as of December 31, 2017, consisted of the following:

4.04% bond payable to Wells Fargo Bank, due in monthly installments of \$18,851, including interest, unpaid principal and interest due July 2018, secured by a Deed of Trust on various properties - see (a)	\$ 1,156,559
1% note payable to the U.S. Department of Agriculture, due in monthly installments of \$1,312, including interest, unpaid principal and interest due due June 2029, secured by a Deed of Trust	170,969
3.3% note payable to Sunflower Bank, due in monthly installments of 28,495, including interest, unpaid principal and interest due May 2029, secured by a cost savings guaranty bond and assignment of contract and contractual rights	3,235,815
	\$ 4,563,343

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

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

**Discretely Presented Component Units**

Notes payable as of December 31, 2017, consisted of the following:

**Ashwood Apartments**

1% Division of Housing mortgage note payable to the Housing Authority of the City of Pueblo (HACP), due in annual payments from available cash flow, to December 31, 2038, secured by a mortgage on the property and an assignment of rents	\$ 91,189
1% HOME loan to HACP, due in annual payments from available cash flow, to December 31, 2038, secured by mortgage on property the and an assignment of rents	240,000
5.75% mortgage note payable to HACP, due in monthly installments of \$2,334, including interest beginning in January 2010, to January 2030, secured by a mortgage on the property and an assignment of rents	348,585
	\$ 679,774

**Santa Fe Crossing**

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

**Oakshire Hills II**

4% Land note payable to HACP, due in annual payments of \$25,507 on March 1st, due June 2027, secured by a second deed of trust	\$ 488,313
2.64% Division of Housing mortgage note payable to HACP, due in annual payments from available cash flow, balance due June 2032, secured by a second deed of trust	250,000
2.64% City Home mortgage note payable to HACP, due in annual payments from available cash flow, balance due June 2032, secured by a second deed of trust	250,000
5.598% mortgage note payable to Sunflower Bank, due in monthly installments of \$5,212 beginning May 2013, through April 2028, secured by a deed of trust on all property and equipment, a security agreement and an assignment of rents and leases	746,389
	<u>\$ 1,734,702</u>

**Uplands Townhomes**

2% note payable to HACP, due in annual payments of principal and interest to the extent of available cash flow, commencing December 2019, due December 2054, secured by a deed of trust	\$ 4,123,598
2.64% land note payable to HACP, principal and interest due December 2054, secured by a deed of trust	270,000
	<u>\$ 4,393,598</u>

**Primary Government**

The estimated debt requirements to maturity as of December 31, 2017 are as follows:

	Principal	Interest	Total
2018	\$ 1,408,715	\$ 131,069	\$ 1,539,784
2019	260,347	97,341	357,688
2020	268,812	88,877	357,689
2021	277,560	80,129	357,689
2022	286,599	71,089	357,688
2023 - 2027	1,579,534	208,909	1,788,443
2028 - 2032	481,776	11,022	492,798
	<u>\$ 4,563,343</u>	<u>\$ 688,436</u>	<u>\$ 5,251,779</u>
Total			

**Discretely Presented Component Units**

The estimated debt requirements to maturity as of December 31, 2017 are as follows:

	Principal
2018	\$ 459,583
2019	1,220,907
2020	32,744
2021	1,021,656
2022	35,994
2023 - 2027	641,943
2028 - 2032	1,116,744
2033 - 2037	108,305
2038 - 2042	292,144
2043 - 2047	-
2048 - 2052	-
2053 - 2057	4,393,598
	\$ 9,323,618
Total	

**Note 8 - Annual Contributions Contract**

The Authority has an annual contributions contract for Section 8 HAP and adjustments vary based on requirements. The maximum contract was \$8,381,044 for the year ended December 31, 2017.

**Note 9 - Related Party Transactions**

**Investment in Tax Credit Projects**

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

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

As the general partner in the tax credit projects, the non-profit organizations manage the day to day operations of the projects; however, any significant changes to the operations must be approved by the limited partners. Under the partnership agreements, the Authority and the non-profit organizations have certain rights and obligations, including guarantees relating to operating and construction deficits. Total investment in tax credit projects was \$141,109 as of December 31, 2017.

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

The Authority has receivables from the tax credit projects mentioned above for developer fees, construction advances, and operating advances. As of December 31, 2017 the Authority was owed \$4,126,032 from the four tax credit projects.

As disclosed in Note 4, the Authority is owed \$7,927,229 on various notes receivable from the three tax credit projects mentioned above. As of December 31, 2017, the Authority was owed \$228,358 in accrued interest on the notes receivable.

### **Developer Fee Income**

During 2017, the Authority earned \$154,061 in developer fees during the construction of Uplands Townhomes, LLLP. The remaining fee is to be earned throughout construction and will total \$1,200,000.

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

The Authority provides management services to the tax credit projects mentioned above. Under the management agreements, the Authority is to be paid management fees totaling 8% of gross receipts on Ashwood Apartments, LLLP, 8.5% of gross receipts on Santa Fe Crossing LLLP, and 9% of rental income for Oakshire Hills II LLLP. During 2017, the Authority received \$58,728 in property management fees from the three tax credit projects that are in operations.

In addition, the Authority is reimbursed for various office expenses, caretaker payroll and benefits, and other maintenance costs incidental to the operations of the three tax credit projects that are in operations. During 2017, the Authority was reimbursed \$120,300 from the three tax credit projects for these expenses.

### **Note 10 - Defined Contribution Money Purchase Pension Plan**

The Authority contributes to a single employer defined contribution money purchase pension plan on behalf of its employees. The Authority contributes seven percent of each participating employee's compensation. The employee's matching seven percent is paid by the Authority as compensation under an existing agreement. Employees are eligible to participate in the Plan after six months of service as an employee, and become fully vested after five years of service. Employer matching contributions were \$210,974, \$198,798, and \$198,624 for the years ended December 31, 2017, 2016, and 2015, respectively. All of the plan's investments at December 31, 2017 of \$8,004,145 are managed by Principal Financial Group.

### **Note 11 - Management Services**

As mentioned in Note 9, the Authority provides management services for Ashwood Apartments, LLLP, Central Apartments LLLP, Santa Fe Crossing LLLP, and Oakshire Hills II LLLP. In addition, the Authority provides management services for Union Plaza and Richmond Apartments. Union Plaza and Richmond apartments pay for all direct charges and then reimburse the Authority through a management fee agreement for the salaries, employee benefits, and other overhead items.

**Note 12 - Risk Management**

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

**Note 13 - Condensed Component Unit Information**

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

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

The Authority does not consider any of the blended component units to be major component units. Condensed component unit information for the Authority's blended component units as of December 31, 2017 are as follows:

**Condensed Statement of Net Position**

Assets		
Current assets	\$	1,166,439
Capital assets		4,208,827
Notes receivable		436,240
Other assets		161,734
		161,734
Total assets	\$	5,973,240
Liabilities		
Current liabilities	\$	532,480
Noncurrent liabilities		1,207,841
		1,207,841
Total liabilities		1,740,321
Net Position		4,232,919
Total liabilities and net position	\$	5,973,240

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

Operating Revenues		
Tenant rent		\$ 579,683
Management fees		15,000
Other		14,109
		608,792
Total operating revenues		608,792
Operating Expenses		
Maintenance salaries and benefits		38,469
Other administrative		115,031
Regular and extraordinary maintenance		92,564
Depreciation		351,759
Utilities		67,106
Taxes and insurance		31,827
		696,756
Total operating expenses		696,756
Operating Loss		(87,964)
Nonoperating Income (Expenses)		
Interest income		2,499
Interest expense		(26,803)
		(24,304)
Total nonoperating expense		(24,304)
Change in Net Position		(112,268)
Net Position, Beginning of Year		4,345,187
Net Position, End of Period		\$ 4,232,919

**Condensed Statement of Cash Flows**

Net Cash Provided by	
Operating activities	\$ 242,668
Capital and related financing activities	(527,938)
Investing activities	<u>136</u>
Net decrease in cash and cash equivalents	(285,134)
Cash and Cash Equivalents, Beginning of Period	<u>1,214,056</u>
Cash and Cash Equivalents, End of Period	<u>\$ 928,922</u>



Supplementary Information  
December 31, 2017

# Housing Authority of the City of Pueblo

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	Low Rent Public Housing	Section 8 Rental Voucher Program	Section 8 Mod Rehab Program	COCC Fund Program
<b>Assets</b>				
<b>Current Assets</b>				
Cash and cash equivalents	\$ 3,540,907	\$ 1,203,773	\$ 454,239	\$ 763,355
Restricted cash	191,095	40,118	-	-
Accounts receivable				
HUD	34,280	-	-	-
Tenants, net of allowance	53,446	-	-	-
Related party - current portion	751,478	-	-	1,920,352
Interest on note receivables	-	-	-	459,526
Other	6,597	-	-	27,403
Notes receivable - current portion	-	-	-	388,642
Interprogram balances	-	-	119,566	369,303
Inventory	33,448	-	-	89,293
Prepaid expenses	-	-	-	279,994
	<u>4,611,251</u>	<u>1,243,891</u>	<u>573,805</u>	<u>4,297,868</u>
Total current assets				
Notes receivable, net of current portion	4,123,598	-	-	4,310,779
Accounts receivable, related party - long term	-	-	-	211,202
Investment in tax credit projects	-	-	-	-
Investments in projects in development	-	-	-	99,316
Non-depreciable capital assets	3,310,198	-	-	241,683
Depreciable capital assets, net	12,172,528	-	-	174,534
	<u>24,217,575</u>	<u>1,243,891</u>	<u>573,805</u>	<u>9,335,382</u>
<b>Total Assets</b>				
<b>Liabilities and Net Position</b>				
<b>Current Liabilities</b>				
Accounts payable	\$ 116,749	\$ 12,131	\$ -	\$ 68,751
Accounts payable - HUD	-	-	-	-
Accounts payable - related party	-	-	-	5,000
Accrued wages payable	49,298	-	2,302	134,907
Accrued compensated absences	56,753	13,258	-	116,075
Accrued liabilities	19,864	41,670	10,485	2,444
Accrued interest payable	6,084	-	-	275
Interprogram balances	95,148	154,401	-	-
Unearned revenue	13,091	-	-	-
Tenants security deposits payable	191,095	-	-	-
Notes and mortgages payable - current	238,057	-	-	-
Total current liabilities	<u>786,139</u>	<u>221,460</u>	<u>12,787</u>	<u>327,452</u>
Accrued compensated absences	157,378	26,974	-	264,553
Accrued payments in lieu of taxes	1,046,978	-	-	-
Notes and mortgages - net of current portion	2,997,758	-	-	-
<b>Total Liabilities</b>	<u>4,988,253</u>	<u>248,434</u>	<u>12,787</u>	<u>592,005</u>
<b>Net Position</b>				
Net investment in capital assets	12,246,911	-	-	416,217
Restricted	-	-	-	-
Unrestricted	<u>6,982,411</u>	<u>995,457</u>	<u>561,018</u>	<u>8,327,160</u>
<b>Total Net Position</b>	<u>19,229,322</u>	<u>995,457</u>	<u>561,018</u>	<u>8,743,377</u>
<b>Total Liabilities and Net Position</b>	<u>\$ 24,217,575</u>	<u>\$ 1,243,891</u>	<u>\$ 573,805</u>	<u>\$ 9,335,382</u>

Housing Authority of the City of Pueblo  
Combining Statement of Net Position  
December 31, 2017

Farm Worker Housing	Mineral Palace Tower	Family Self Sufficiency	Blended Component Units	Eliminations	Total
\$ 156,352	\$ 716,357	\$ -	\$ 928,922	\$ -	\$ 7,763,905
8,100	33,589	-	203,358	-	476,260
-	-	-	-	-	34,280
58	3,464	-	6,984	-	63,952
-	1,243,000	-	5,000	(5,000)	3,914,830
-	-	-	21,459	(252,627)	228,358
4,115	-	5,415	-	-	43,530
-	-	-	-	-	388,642
-	-	-	-	(488,869)	-
159	2,381	-	716	-	125,997
-	14,802	-	-	-	294,796
<u>168,784</u>	<u>2,013,593</u>	<u>5,415</u>	<u>1,166,439</u>	<u>(746,496)</u>	<u>13,334,550</u>
-	-	-	436,240	(1,207,841)	7,662,776
-	-	-	-	-	211,202
-	-	-	161,734	(20,625)	141,109
-	-	-	-	-	99,316
66,700	134,819	-	270,045	-	4,023,445
<u>493,219</u>	<u>583,826</u>	<u>-</u>	<u>3,938,782</u>	<u>-</u>	<u>17,362,889</u>
<u>\$ 728,703</u>	<u>\$ 2,732,238</u>	<u>\$ 5,415</u>	<u>\$ 5,973,240</u>	<u>\$ (1,974,962)</u>	<u>\$ 42,835,287</u>
\$ 937	\$ 18,889	\$ 1,510	\$ 4,940	\$ -	\$ 223,907
-	-	-	-	-	-
-	-	-	-	(5,000)	-
340	3,291	-	-	-	190,138
-	-	-	-	-	186,086
-	4,635	-	1,231	-	80,329
142	1,817	-	253,613	(252,627)	9,304
2,510	18,813	52	217,945	(488,869)	-
633	3,213	-	5,945	-	22,882
8,100	33,589	-	48,806	-	281,590
14,099	1,156,559	-	-	-	1,408,715
26,761	1,240,806	1,562	532,480	(746,496)	2,402,951
-	6,358	3,853	-	-	459,116
-	-	-	-	-	1,046,978
156,870	-	-	1,207,841	(1,207,841)	3,154,628
<u>183,631</u>	<u>1,247,164</u>	<u>5,415</u>	<u>1,740,321</u>	<u>(1,954,337)</u>	<u>7,063,673</u>
388,950	(437,914)	-	3,000,986	-	15,615,150
-	-	-	-	-	-
156,122	1,922,988	-	1,231,933	(20,625)	20,156,464
<u>545,072</u>	<u>1,485,074</u>	<u>-</u>	<u>4,232,919</u>	<u>(20,625)</u>	<u>35,771,614</u>
<u>\$ 728,703</u>	<u>\$ 2,732,238</u>	<u>\$ 5,415</u>	<u>\$ 5,973,240</u>	<u>\$ (1,974,962)</u>	<u>\$ 42,835,287</u>

	Low Rent Public Housing	Section 8 Rental Voucher Program	Section 8 Rehab Program	COCC Fund Program
<b>Operating Revenues</b>				
HUD PHA grants	\$ 3,492,622	\$ 9,130,084	\$ 1,770,500	\$ -
Other grants	-	-	-	-
Rental income	2,411,748	-	-	-
Fraud recovery	-	30,600	1,164	-
Management fees	-	-	-	1,688,341
Other	367,496	51,209	-	242,587
<b>Total Operating Revenues</b>	<b>6,271,866</b>	<b>9,211,893</b>	<b>1,771,664</b>	<b>1,930,928</b>
<b>Operating Expenses</b>				
Housing assistance payments	15,372	8,394,538	1,658,080	-
Administrative salaries and benefits	492,562	452,198	85,329	1,340,939
Maintenance salaries and benefits	1,355,223	-	-	125,263
Other administrative	1,057,877	359,537	75,994	225,386
Regular and extraordinary maintenance	1,409,854	2,470	-	42,304
Depreciation	1,274,291	1,036	-	18,698
Utilities	853,233	-	-	8,183
Taxes and insurance	285,234	9,850	1,695	34,040
Payments in lieu of taxes	176,901	-	-	-
Other	588,709	350	-	3,331
<b>Total Operating Expenses</b>	<b>7,509,256</b>	<b>9,219,979</b>	<b>1,821,098</b>	<b>1,798,144</b>
<b>Operating Income (Loss)</b>	<b>(1,237,390)</b>	<b>(8,086)</b>	<b>(49,434)</b>	<b>132,784</b>
<b>Non-Operating Revenues (Expenses)</b>				
Gain on sale of other assets	-	-	-	269,555
Interest income	2,983	182	88	142,541
Interest expense	(112,994)	-	-	(7,420)
Other	-	-	224	19
<b>Total Non-Operating Revenues (Expenses)</b>	<b>(110,011)</b>	<b>182</b>	<b>312</b>	<b>404,695</b>
<b>Income (Loss) Before Capital and Other Contributions</b>	<b>(1,347,401)</b>	<b>(7,904)</b>	<b>(49,122)</b>	<b>537,479</b>
<b>Capital and Other Contributions</b>				
HUD capital grant	1,605,137	-	-	-
	257,736	(7,904)	(49,122)	537,479
<b>Transfers</b>	<b>56,087</b>	<b>(56,087)</b>	<b>-</b>	<b>-</b>
<b>Change in Net Position</b>	<b>313,823</b>	<b>(63,991)</b>	<b>(49,122)</b>	<b>537,479</b>
<b>Net Position, Beginning of Period</b>	<b>18,915,499</b>	<b>1,059,448</b>	<b>610,140</b>	<b>8,205,898</b>
<b>Net Position, End of Period</b>	<b>\$ 19,229,322</b>	<b>\$ 995,457</b>	<b>\$ 561,018</b>	<b>\$ 8,743,377</b>

Housing Authority of the City of Pueblo  
Combining Statement of Revenues, Expenses and Changes in Net Position  
Year Ended December 31, 2017

Farm Worker Housing	Mineral Palace Tower	Family Self Sufficiency	Blended Component Units	Eliminations	Total
\$ 2,742	\$ 387,001	\$ 42,804	\$ -	\$ -	\$ 14,825,753
55,765	-	-	-	-	55,765
39,919	430,706	-	579,683	(12,000)	3,450,056
-	-	-	-	-	31,764
-	-	-	15,000	(1,377,266)	326,075
860	19,310	-	14,109	(155,195)	540,376
<u>99,286</u>	<u>837,017</u>	<u>42,804</u>	<u>608,792</u>	<u>(1,544,461)</u>	<u>19,229,789</u>
-	-	-	-	-	10,067,990
4,105	(460)	41,907	-	-	2,416,580
12,664	125,262	-	38,469	-	1,656,881
15,480	177,559	279	115,031	(1,389,266)	637,877
32,027	209,132	-	92,564	-	1,788,351
44,105	121,107	-	351,759	-	1,810,996
21,733	161,996	-	67,106	-	1,112,251
5,356	35,819	618	31,827	-	404,439
-	-	-	-	-	176,901
953	1,071	-	-	(155,195)	439,219
<u>136,423</u>	<u>831,486</u>	<u>42,804</u>	<u>696,756</u>	<u>(1,544,461)</u>	<u>20,511,485</u>
<u>(37,137)</u>	<u>5,531</u>	<u>-</u>	<u>(87,964)</u>	<u>-</u>	<u>(1,281,696)</u>
-	-	-	-	-	269,555
19	80	-	2,499	(25,767)	122,625
(1,622)	(51,178)	-	(26,803)	25,767	(174,250)
-	-	-	-	-	243
<u>(1,603)</u>	<u>(51,098)</u>	<u>-</u>	<u>(24,304)</u>	<u>-</u>	<u>218,173</u>
<u>(38,740)</u>	<u>(45,567)</u>	<u>-</u>	<u>(112,268)</u>	<u>-</u>	<u>(1,063,523)</u>
-	-	-	-	-	1,605,137
<u>(38,740)</u>	<u>(45,567)</u>	<u>-</u>	<u>(112,268)</u>	<u>-</u>	<u>541,614</u>
-	-	-	-	-	-
<u>(38,740)</u>	<u>(45,567)</u>	<u>-</u>	<u>(112,268)</u>	<u>-</u>	<u>541,614</u>
<u>583,812</u>	<u>1,530,641</u>	<u>-</u>	<u>4,345,187</u>	<u>(20,625)</u>	<u>35,230,000</u>
<u>\$ 545,072</u>	<u>\$ 1,485,074</u>	<u>\$ -</u>	<u>\$ 4,232,919</u>	<u>\$ (20,625)</u>	<u>\$ 35,771,614</u>

Housing Authority of the City of Pueblo  
 Schedule of Expenditures of Federal Awards  
 Year Ended December 31, 2017

<u>Federal Agency/Pass-Through Grantor Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Federal Expenditures</u>
United States Department of Agriculture (USDA)			
Rural Rental Assistance Payments	10.427	N/A	\$ 55,765
Farm Labor Housing Loan	10.405	N/A	<u>183,770</u>
USDA expenditure total			<u>239,535</u>
Housing Choice Voucher Cluster			
U.S. Department of Housing and Urban Development			
Housing - Choice Vouchers	14.871	N/A	<u>9,152,384</u>
Section 8 Project-based Cluster			
Lower Income Housing Assistance Program -			
Section 8 Moderate Rehabilitation	14.856	N/A	1,770,500
<i>Passed through the Colorado Housing</i>			
<i>Finance Authority</i>			
Section 8 New Construction and		DEN-951	
Substantial Rehabilitation	14.182	D-77-216	387,001
Total Section 8 Cluster			<u>2,157,501</u>
Low Rent Public Housing	14.850	N/A	<u>3,492,622</u>
Family Self-Sufficiency Program	14.896	N/A	<u>42,804</u>
Capital Fund Program	14.872	N/A	<u>1,605,137</u>
U.S. Department of Housing and Urban			
Development Housing expenditure total			<u>16,450,448</u>
Total Federal Expenditures			<u><u>\$ 16,689,983</u></u>

**Note A – Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of the Housing Authority of the City of Pueblo (the Authority) under programs of the federal government for the year ended December 31, 2017. The information 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* (Uniform Guidance).

**Note B – Significant Accounting Policies**

Expenditures reported in the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance. No federal financial assistance has been provided to subrecipients.

**Note C – Indirect Cost Rate**

The Authority does not draw for indirect administrative expenses and has not elected to use the 10% de minimus cost rate.

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

The balances and transactions related to the Farm Labor Housing loan program, CFDA Number 10.405, are included in the Housing Authority of the City of Pueblo's basic financial statements. The balance of the loan outstanding as of December 31, 2017 is \$170,969.



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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the business-type activities and aggregate discretely presented component units of the Housing Authority of the City of Pueblo (Authority) as of 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 September 29, 2018. The financial statements of the discretely presented component units were not audited in accordance with *Government Auditing Standards*.

**Internal Control over Financial Reporting**

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified a certain deficiency in internal control that we consider to be a material weakness.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency identified as 2017-A as described in the accompanying schedule of findings and questioned costs to be a material weakness.

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.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Housing Authority of the City of Pueblo'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*.

### **Housing Authority of the City of Pueblo's Response to Finding**

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

### **Purpose of this Report**

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

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

Bismarck, North Dakota  
September 29, 2018



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

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

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

We have audited Housing Authority of the City of Pueblo's (Authority) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Authority's major federal programs for the year ended December 31, 2017. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### **Management's Responsibility**

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

### **Auditor's Responsibility**

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

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

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

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended December 31, 2017.

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

Management of the Housing Authority of the City of Pueblo is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Housing Authority of the City of Pueblo'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 Housing Authority of the City of Pueblo's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses and significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2017-001, 2017-002, and 2017-003 that we consider to be significant deficiencies.

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

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



Bismarck, North Dakota  
September 29, 2018

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

**FINANCIAL STATEMENTS**

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

**FEDERAL AWARDS**

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

**Identification of major program:**

<u>Name of Federal Program</u>	<u>CFDA Number</u>
Section 8 Housing Choice Vouchers	14.871
Section 8 New Construction and Substantial Rehabilitation and Lower Income Housing Assistance Program - Section 8 Moderate Rehabilitation	14.182/14.856
Dollar threshold used to distinguish between Type A and Type B programs:	\$ 750,000
Auditee qualified as low-risk auditee?	Yes

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**Section II – Financial Statement Findings**

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**2017-A Preparation of Financial Statements and Material Adjusting Journal Entries**

**Material Weakness in Internal Control over Financial Reporting**

*Criteria:* A good system of internal control contemplates an adequate system for recording and processing adjusting journal entries that are significant or material to the financial statements in order to prepare accurate and complete financial statements for the Authority.

*Condition:* As part of the audit, we proposed material audit adjustments to the financial statements that were not detected by management, resulting in incorrect financial statements for the Authority in the interim. The auditors were requested to prepare the financial statements, and did, draft the financial statements and accompanying notes to the financial statements.

*Effect:* The control deficiency could result in a misstatement to the financial statements that would not be prevented or detected and disclosures to the financial statements could be incomplete.

*Cause:* Due to oversight by management, not all adjustments or transactions were recorded to the financial statements. Additionally, the Authority's control process did not allow for the preparation of the financial statements and accompanying notes.

*Recommendation:* We recommend that all necessary adjustments and transactions are recorded by management prior to our audit and the financial statements are prepared, including all notes.

*Views of Responsible Officials:* Management agrees with the finding.

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

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**2017-001 U.S. Department of Housing and Urban Development - CFDA #14.871  
Section 8 Housing Choice Vouchers  
Applicable Federal Award Number and Year – Section 8 Housing Choice Vouchers - 2017**

**Allowable Activities and Allowable Costs**

**Significant Deficiency in Internal Control over Compliance**

*Criteria:* The Program requires the Authority to determine total rent payments using income verifications and calculations.

*Condition:* During our testing of tenant files, we identified 3 instances with incorrect rent calculations. The Authority's quality control review process failed to detect these 3 incorrect rent calculations.

*Questioned Costs:* None Reported.

*Context/Sampling:* A non-statistical sample of 60 participants were selected for testing. 3 out of the 60 tenant files had errors, which resulted in a monthly error of \$75.

*Effect:* Failure to implement a proper control review process could result in incorrect calculations of income which could cause errors in rental assistance calculations.

*Cause:* Due to a lack of oversight by file managers, household income amounts were incorrectly calculated. The calculations were also used on the HUD 50058 form.

*Repeat Finding from Prior Year:* No.

*Recommendation:* The Authority should ensure that the quality control reviews are detailed and follow criteria to ensure errors would be identified and corrected.

*Views of Responsible Officials:* Management agrees with the finding.

**2017-002 U.S. Department of Housing and Urban Development - CFDA #14.871  
Section 8 Housing Choice Vouchers  
Applicable Federal Award Number and Year – Section 8 Housing Choice Vouchers - 2017**

**Special Tests and Provisions**

**Significant Deficiency in Internal Control over Compliance**

*Criteria:* The Program requires the Authority to complete re-inspections on completed HQS inspections as a quality control.

*Condition:* The Authority was unable to provide documentation that re-inspections were performed.

*Questioned Costs:* None Reported.

*Context/Sampling:* None.

*Effect:* Failure to implement a proper control processes to maintain documentation of completed re-inspections could lead to uncorrected issues within the units that are inspected.

*Cause:* Due to oversight by management, documentation of the re-inspections was not maintained for future reference.

*Repeat Finding from Prior Year:* No.

*Recommendation:* The Authority should ensure that all documentation is maintained to ensure proper compliance with the program.

*Views of Responsible Officials:* Management agrees with the finding.

**2017-003 U.S. Department of Housing and Urban Development - CFDA #14.182/14.856  
Section 8 New Construction and Substantial Rehabilitation and Lower Income Housing  
Assistance Program – Section 8 Moderate Rehabilitation  
Applicable Federal Award Number and Year – Section 8 Moderate Rehab - 2017**

**Eligibility**

**Significant Deficiency in Internal Control over Compliance**

*Criteria:* The Program requires the Authority to determine eligibility of participants of the program through annual and interim review of participant information.

*Condition:* During our testing of tenant files, we identified 2 instances with incorrect rent calculations and 3 instances with missing or uncompleted checklists.

*Questioned Costs:* None Reported.

*Context/Sampling:* A non-statistical sample of 60 participants were selected for testing. 2 out of the 60 tenant files had incorrect rent calculations and 3 out of the 60 tenant files were missing or had uncompleted checklists.

*Effect:* Failure to implement a proper control process could result in incorrect calculations of income which could cause errors in eligibility determinations.

*Cause:* Due to a lack of oversight by file managers, appropriate checklists were not completed and retained in participant files.

*Repeat Finding from Prior Year:* No.

*Recommendation:* The Authority should ensure that all checklists are being appropriately completed and retained to document eligibility determinations.

*Views of Responsible Officials:* Management agrees with the finding.



Financial Data Schedules (FDS)  
December 31, 2017

# Housing Authority of the City of Pueblo

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2017

	Project Total	14.896 PIH Family Self-Sufficiency Program	10.427 Rural Rental Assistance Payments	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented
111 Cash - Unrestricted	\$3,540,906		\$156,353	\$1,203,775	\$5,946,840
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted				\$40,115	\$270,596
114 Cash - Tenant Security Deposits	\$191,096		\$8,100		\$71,202
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$3,732,002	\$0	\$164,453	\$1,243,890	\$6,288,638
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects	\$34,280				\$0
124 Accounts Receivable - Other Government					
125 Accounts Receivable - Miscellaneous	\$758,175		\$4,115		\$0
126 Accounts Receivable - Tenants	\$77,152		\$1,126		\$14,473
126.1 Allowance for Doubtful Accounts - Tenants	-\$23,704		-\$1,069		-\$2,419
126.2 Allowance for Doubtful Accounts - Other	\$0		\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud					
129 Accrued Interest Receivable					
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$845,903	\$0	\$4,172	\$0	\$12,054
131 Investments - Unrestricted					
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets					\$854
143 Inventories	\$33,448		\$159		

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2017

	Project Total	14.896 PIH Family Self-Sufficiency Program	10.427 Rural Rental Assistance Payments	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented
143.1 Allowance for Obsolete Inventories	\$0		\$0		
144 Inter Program Due From	\$3,898	\$5,415		\$0	
145 Assets Held for Sale					
150 Total Current Assets	\$4,615,251	\$5,415	\$168,784	\$1,243,890	\$6,301,546
161 Land	\$3,310,198		\$66,700		\$1,287,635
162 Buildings	\$43,066,065		\$1,237,928		\$14,282,321
163 Furniture, Equipment & Machinery - Dwellings	\$468,988				\$203,754
164 Furniture, Equipment & Machinery - Administration	\$784,506			\$184,731	\$72,517
165 Leasehold Improvements	\$7,705,566		\$118,548		\$904,652
166 Accumulated Depreciation	-\$39,852,595		-\$863,257	-\$184,731	-\$5,160,832
167 Construction in Progress					\$2,532,685
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$15,482,728	\$0	\$559,919	\$0	\$14,122,732
171 Notes, Loans and Mortgages Receivable - Non-Current	\$4,123,598				
172 Notes, Loans, & Mortgages Receivable - Non Current - Past					
173 Grants Receivable - Non Current					
174 Other Assets	\$0				\$39,880
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$19,606,326	\$0	\$559,919	\$0	\$14,162,612
200 Deferred Outflow of Resources					
290 Total Assets and Deferred Outflow of Resources	\$24,221,577	\$5,415	\$728,703	\$1,243,890	\$20,464,158

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2017

	Project Total	14.896 PIH Family Self-Sufficiency Program	10.427 Rural Rental Assistance Payments	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented
311 Bank Overdraft					
312 Accounts Payable <= 90 Days	\$116,751	\$1,509	\$937		\$1,055,204
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable	\$49,298		\$340	\$12,134	
322 Accrued Compensated Absences - Current Portion	\$56,752			\$13,258	
324 Accrued Contingency Liability					
325 Accrued Interest Payable	\$6,084		\$142		\$101,603
331 Accounts Payable - HUD PHA Programs	\$0				
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government					
341 Tenant Security Deposits	\$191,095		\$8,100		\$71,202
342 Unearned Revenue	\$13,091		\$633		\$0
343 Current Portion of Long-term Debt - Capital	\$238,057		\$14,099		\$459,583
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities	\$19,967		\$0	\$41,672	\$3,042,509
346 Accrued Liabilities - Other					\$131,045
347 Inter Program - Due To	\$99,045	\$53	\$2,510	\$154,401	
348 Loan Liability - Current					
310 Total Current Liabilities	\$790,140	\$1,562	\$26,761	\$221,465	\$4,861,146
351 Long-term Debt, Net of Current - Capital Projects/Mortgage	\$2,997,758		\$156,870		\$8,864,035
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other	\$1,046,978				\$211,202
354 Accrued Compensated Absences - Non Current	\$157,379	\$3,853		\$26,974	
355 Loan Liability - Non Current					\$867,930
356 FASB 5 Liabilities					

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2017

	Project Total	14.896 PIH Family Self-Sufficiency Program	10.427 Rural Rental Assistance Payments	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented
357 Accrued Pension and OPEB Liabilities					
350 Total Non-Current Liabilities	\$4,202,115	\$3,853	\$156,870	\$26,974	\$9,943,167
300 Total Liabilities	\$4,992,255	\$5,415	\$183,631	\$248,439	\$14,804,313
400 Deferred Inflow of Resources					
508.4 Net Investment in Capital Assets	\$12,246,912	\$0	\$388,950	\$0	\$6,602,886
511.4 Restricted Net Position	\$0	\$0		\$0	
512.4 Unrestricted Net Position	\$6,982,410	\$0	\$156,122	\$995,451	-\$943,041
513 Total Equity - Net Assets / Position	\$19,229,322	\$0	\$545,072	\$995,451	\$5,659,845
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$24,221,577	\$5,415	\$728,703	\$1,243,890	\$20,464,158

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2017

	6.2 Component Unit - Blended	14.182 N/C S/R Section 8 Programs	10.415 Rural Rental Housing Loans	14.856 Lower Income Housing Assistance Program Section 8 Moderate	COCC
111 Cash - Unrestricted	\$928,922	\$716,357		\$454,239	\$763,355
112 Cash - Restricted - Modernization and Development				\$0	
113 Cash - Other Restricted	\$154,552			\$0	
114 Cash - Tenant Security Deposits	\$48,806	\$33,589		\$0	
115 Cash - Restricted for Payment of Current Liabilities				\$0	
100 Total Cash	\$1,132,280	\$749,946	\$0	\$454,239	\$763,355
121 Accounts Receivable - PHA Projects				\$0	
122 Accounts Receivable - HUD Other Projects				\$0	
124 Accounts Receivable - Other Government				\$0	
125 Accounts Receivable - Miscellaneous	\$5,000	\$1,243,000		\$2,178	\$1,947,755
126 Accounts Receivable - Tenants	\$8,641	\$4,580		\$0	
126.1 Allowance for Doubtful Accounts - Tenants	-\$1,656	-\$1,116		\$0	
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0		\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current				\$0	\$388,642
128 Fraud Recovery				\$0	
128.1 Allowance for Doubtful Accounts - Fraud				\$0	
129 Accrued Interest Receivable	\$21,459			\$0	\$459,526
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$33,444	\$1,246,464	\$0	\$2,178	\$2,795,923
131 Investments - Unrestricted				\$0	
132 Investments - Restricted				\$0	
135 Investments - Restricted for Payment of Current Liability				\$0	
142 Prepaid Expenses and Other Assets		\$14,802		\$0	\$279,994
143 Inventories	\$716	\$2,380		\$0	\$89,294
143.1 Allowance for Obsolete Inventories	\$0	\$0		\$0	\$0

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2017

	6.2 Component Unit - Blended	14.182 N/C S/R Section 8 Programs	10.415 Rural Rental Housing Loans	14.856 Lower Income Housing Assistance Program Section 8 Moderate	COCC
144 Inter Program Due From				\$126,779	\$369,303
145 Assets Held for Sale				\$0	
150 Total Current Assets	\$1,166,440	\$2,013,592	\$0	\$583,196	\$4,297,869
161 Land	\$270,045	\$134,819		\$0	\$241,683
162 Buildings	\$9,743,212	\$3,916,441		\$0	\$53,420
163 Furniture, Equipment & Machinery - Dwellings	\$224,558			\$19,647	
164 Furniture, Equipment & Machinery - Administration		\$66,187		\$12,495	\$562,116
165 Leasehold Improvements	\$526,887	\$108,412		\$0	\$39,976
166 Accumulated Depreciation	-\$6,555,876	-\$3,507,213		-\$32,142	-\$480,978
167 Construction in Progress				\$0	
168 Infrastructure				\$0	
160 Total Capital Assets, Net of Accumulated Depreciation	\$4,208,826	\$718,646	\$0	\$0	\$416,217
171 Notes, Loans and Mortgages Receivable - Non-Current	\$436,240			\$0	\$4,521,981
172 Notes, Loans, & Mortgages Receivable - Non Current - Past				\$0	
173 Grants Receivable - Non Current				\$0	
174 Other Assets	\$161,734			\$0	\$99,316
176 Investments in Joint Ventures				\$0	
180 Total Non-Current Assets	\$4,806,800	\$718,646	\$0	\$0	\$5,037,514
200 Deferred Outflow of Resources				\$0	
290 Total Assets and Deferred Outflow of Resources	\$5,973,240	\$2,732,238	\$0	\$583,196	\$9,335,383
311 Bank Overdraft				\$0	

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2017

	6.2 Component Unit - Blended	14.182 N/C S/R Section 8 Programs	10.415 Rural Rental Housing Loans	14.856 Lower Income Housing Assistance Program Section 8 Moderate	COCC
312 Accounts Payable <= 90 Days	\$4,939	\$18,891		\$0	\$68,751
313 Accounts Payable >90 Days Past Due				\$0	
321 Accrued Wage/Payroll Taxes Payable		\$3,291		\$2,302	\$137,290
322 Accrued Compensated Absences - Current Portion				\$0	\$116,075
324 Accrued Contingency Liability				\$0	
325 Accrued Interest Payable	\$253,612	\$1,817		\$0	\$275
331 Accounts Payable - HUD PHA Programs				\$0	
332 Account Payable - PHA Projects				\$0	
333 Accounts Payable - Other Government				\$0	
341 Tenant Security Deposits	\$48,806	\$33,589		\$0	
342 Unearned Revenue	\$5,945	\$3,213		\$0	
343 Current Portion of Long-term Debt - Capital		\$1,156,559	\$0	\$0	
344 Current Portion of Long-term Debt - Operating Borrowings				\$0	
345 Other Current Liabilities	\$3,058	\$4,635		\$10,484	
346 Accrued Liabilities - Other	\$0			\$0	
347 Inter Program - Due To	\$216,120	\$18,813		\$9,392	\$5,061
348 Loan Liability - Current				\$0	
310 Total Current Liabilities	\$532,480	\$1,240,808	\$0	\$22,178	\$327,452
351 Long-term Debt, Net of Current - Capital Projects/Mortgage	\$1,207,841	\$0		\$0	
352 Long-term Debt, Net of Current - Operating Borrowings				\$0	
353 Non-current Liabilities - Other				\$0	
354 Accrued Compensated Absences - Non Current		\$6,358		\$0	\$264,553
355 Loan Liability - Non Current				\$0	
356 FASB 5 Liabilities				\$0	
357 Accrued Pension and OPEB Liabilities				\$0	

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2017

	6.2 Component Unit - Blended	14.182 N/C S/R Section 8 Programs	10.415 Rural Rental Housing Loans	14.856 Lower Income Housing Assistance Program Section 8 Moderate	COCC
350 Total Non-Current Liabilities	\$1,207,841	\$6,358	\$0	\$0	\$264,553
300 Total Liabilities	\$1,740,321	\$1,247,166	\$0	\$22,178	\$592,005
400 Deferred Inflow of Resources				\$0	
508.4 Net Investment in Capital Assets	\$3,000,986	-\$437,912	\$0	\$0	\$416,217
511.4 Restricted Net Position			\$0	\$0	
512.4 Unrestricted Net Position	\$1,231,933	\$1,922,984	\$0	\$561,018	\$8,327,161
513 Total Equity - Net Assets / Position	\$4,232,919	\$1,485,072	\$0	\$561,018	\$8,743,378
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$5,973,240	\$2,732,238	\$0	\$583,196	\$9,335,383

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2017

	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$13,710,747		\$13,710,747
112 Cash - Restricted - Modernization and Development			
113 Cash - Other Restricted	\$465,263		\$465,263
114 Cash - Tenant Security Deposits	\$352,793		\$352,793
115 Cash - Restricted for Payment of Current Liabilities			
100 Total Cash	\$14,528,803	\$0	\$14,528,803
121 Accounts Receivable - PHA Projects			
122 Accounts Receivable - HUD Other Projects	\$34,280		\$34,280
124 Accounts Receivable - Other Government			
125 Accounts Receivable - Miscellaneous	\$3,960,223		\$3,960,223
126 Accounts Receivable - Tenants	\$105,972		\$105,972
126.1 Allowance for Doubtful Accounts -Tenants	-\$29,964		-\$29,964
126.2 Allowance for Doubtful Accounts - Other	\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$388,642		\$388,642
128 Fraud Recovery			
128.1 Allowance for Doubtful Accounts - Fraud			
129 Accrued Interest Receivable	\$480,985	-\$252,627	\$228,358
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$4,940,138	-\$252,627	\$4,687,511
131 Investments - Unrestricted			
132 Investments - Restricted			
135 Investments - Restricted for Payment of Current Liability			
142 Prepaid Expenses and Other Assets	\$295,650		\$295,650
143 Inventories	\$125,997		\$125,997
143.1 Allowance for Obsolete Inventories	\$0		\$0

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2017

	Subtotal	ELIM	Total
144 Inter Program Due From	\$505,395	-\$505,395	\$0
145 Assets Held for Sale			
150 Total Current Assets	\$20,395,983	-\$758,022	\$19,637,961
161 Land	\$5,311,080		\$5,311,080
162 Buildings	\$72,299,387		\$72,299,387
163 Furniture, Equipment & Machinery - Dwellings	\$916,947		\$916,947
164 Furniture, Equipment & Machinery - Administration	\$1,682,552		\$1,682,552
165 Leasehold Improvements	\$9,404,041		\$9,404,041
166 Accumulated Depreciation	-\$56,637,624		-\$56,637,624
167 Construction in Progress	\$2,532,685		\$2,532,685
168 Infrastructure			
160 Total Capital Assets, Net of Accumulated Depreciation	\$35,509,068	\$0	\$35,509,068
171 Notes, Loans and Mortgages Receivable - Non-Current	\$9,081,819	-\$1,207,841	\$7,873,978
172 Notes, Loans, & Mortgages Receivable - Non Current - Past			
173 Grants Receivable - Non Current			
174 Other Assets	\$300,930	-\$20,625	\$280,305
176 Investments in Joint Ventures			
180 Total Non-Current Assets	\$44,891,817	-\$1,228,466	\$43,663,351
200 Deferred Outflow of Resources			
290 Total Assets and Deferred Outflow of Resources	\$65,287,800	-\$1,986,488	\$63,301,312
311 Bank Overdraft			

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2017

	Subtotal	ELIM	Total
312 Accounts Payable <= 90 Days	\$1,266,982		\$1,266,982
313 Accounts Payable >90 Days Past Due			
321 Accrued Wage/Payroll Taxes Payable	\$204,655		\$204,655
322 Accrued Compensated Absences - Current Portion	\$186,085		\$186,085
324 Accrued Contingency Liability			
325 Accrued Interest Payable	\$363,533	-\$252,627	\$110,906
331 Accounts Payable - HUD PHA Programs	\$0		\$0
332 Account Payable - PHA Projects			
333 Accounts Payable - Other Government			
341 Tenant Security Deposits	\$352,792		\$352,792
342 Unearned Revenue	\$22,882		\$22,882
343 Current Portion of Long-term Debt - Capital	\$1,868,298		\$1,868,298
344 Current Portion of Long-term Debt - Operating Borrowings			
345 Other Current Liabilities	\$3,122,325		\$3,122,325
346 Accrued Liabilities - Other	\$131,045		\$131,045
347 Inter Program - Due To	\$505,395	-\$505,395	\$0
348 Loan Liability - Current			
310 Total Current Liabilities	\$8,023,992	-\$758,022	\$7,265,970
351 Long-term Debt, Net of Current - Capital Projects/Mortgage	\$13,226,504	-\$1,207,841	\$12,018,663
352 Long-term Debt, Net of Current - Operating Borrowings			
353 Non-current Liabilities - Other	\$1,258,180		\$1,258,180
354 Accrued Compensated Absences - Non Current	\$459,117		\$459,117
355 Loan Liability - Non Current	\$867,930		\$867,930
356 FASB 5 Liabilities			
357 Accrued Pension and OPEB Liabilities			

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2017

	Subtotal	ELIM	Total
350 Total Non-Current Liabilities	\$15,811,731	-\$1,207,841	\$14,603,890
300 Total Liabilities	\$23,835,723	-\$1,965,863	\$21,869,860
400 Deferred Inflow of Resources			
508.4 Net Investment in Capital Assets	\$22,218,039		\$22,218,039
511.4 Restricted Net Position	\$0		\$0
512.4 Unrestricted Net Position	\$19,234,038	-\$20,625	\$19,213,413
513 Total Equity - Net Assets / Position	\$41,452,077	-\$20,625	\$41,431,452
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$65,287,800	-\$1,986,488	\$63,301,312

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2017

	Project Total	14.896 PIH Family Self-Sufficiency Program	10.427 Rural Rental Assistance Payments	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented
70300 Net Tenant Rental Revenue	\$2,411,747		\$38,595		\$678,030
70400 Tenant Revenue - Other	\$172,077		\$1,324		\$16,117
70500 Total Tenant Revenue	\$2,583,824	\$0	\$39,919	\$0	\$694,147
70600 HUD PHA Operating Grants	\$4,642,723	\$42,804	\$2,742	\$9,128,263	
70610 Capital Grants	\$455,036				
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					
70800 Other Government Grants			\$55,765		
71100 Investment Income - Unrestricted	\$2,984		\$18	\$175	\$36
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery				\$30,600	
71500 Other Revenue	\$198,673		\$860	\$53,030	\$1,137,386
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted				\$7	
70000 Total Revenue	\$7,883,240	\$42,804	\$99,304	\$9,212,075	\$1,831,569
91100 Administrative Salaries	\$381,720		\$2,958	\$327,773	\$3,897

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2017

	Project Total	14.896 PIH Family Self-Sufficiency Program	10.427 Rural Rental Assistance Payments	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented
91200 Auditing Fees	\$19,958		\$1,659	\$4,130	\$2,560
91300 Management Fee	\$720,533		\$11,880	\$172,776	\$14,956
91310 Book-keeping Fee	\$77,369			\$129,420	
91400 Advertising and Marketing					
91500 Employee Benefit contributions - Administrative	\$110,843	\$279	\$1,148	\$124,430	\$11
91600 Office Expenses	\$98,890		\$1,689	\$53,209	\$61,518
91700 Legal Expense	\$27,049		\$252		
91800 Travel	\$2,281				
91810 Allocated Overhead					
91900 Other					
91000 Total Operating - Administrative	\$1,438,643	\$279	\$19,586	\$811,738	\$82,942
92000 Asset Management Fee	\$108,120				
92100 Tenant Services - Salaries		\$29,546			
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services		\$12,338			
92400 Tenant Services - Other	\$6,585	\$23		\$350	
92500 Total Tenant Services	\$6,585	\$41,907	\$0	\$350	\$0
93100 Water	\$491,010		\$18,827		\$18,875
93200 Electricity	\$299,094		\$2,760		\$29,041
93300 Gas	\$63,131		\$146		\$2,006
93400 Fuel					
93500 Labor					
93600 Sewer					
93700 Employee Benefit Contributions - Utilities					

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2017

	Project Total	14.896 PIH Family Self-Sufficiency Program	10.427 Rural Rental Assistance Payments	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented
93800 Other Utilities Expense					\$7,863
93000 Total Utilities	\$853,235	\$0	\$21,733	\$0	\$57,785
94100 Ordinary Maintenance and Operations - Labor	\$912,356		\$8,967		\$41,693
94200 Ordinary Maintenance and Operations - Materials and	\$396,659		\$5,953	\$823	\$13,565
94300 Ordinary Maintenance and Operations Contracts	\$721,469	\$0	\$26,074	\$1,648	\$54,635
94500 Employee Benefit Contributions - Ordinary Maintenance	\$442,864		\$3,697		\$2,453
94000 Total Maintenance	\$2,473,348	\$0	\$44,691	\$2,471	\$112,346
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs					
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance	\$199,280		\$4,088	\$709	\$34,359
96120 Liability Insurance	\$45,250		\$904	\$1,789	\$4,420
96130 Workmen's Compensation	\$26,673	\$618	\$181	\$6,468	\$607
96140 All Other Insurance	\$14,032		\$182	\$886	\$1,068
96100 Total insurance Premiums	\$285,235	\$618	\$5,355	\$9,852	\$40,454
96200 Other General Expenses	\$206,958				\$10,508
96210 Compensated Absences					
96300 Payments in Lieu of Taxes	\$176,901				\$11,041
96400 Bad debt - Tenant Rents	\$107,145		\$953		\$179
96500 Bad debt - Mortgages					

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2017

	Project Total	14.896 PIH Family Self-Sufficiency Program	10.427 Rural Rental Assistance Payments	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented
96600 Bad debt - Other					
96800 Severance Expense					
96000 Total Other General Expenses	\$491,004	\$0	\$953	\$0	\$21,728
96710 Interest of Mortgage (or Bonds) Payable			\$1,621		\$224,002
96720 Interest on Notes Payable (Short and Long Term)	\$112,994				
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$112,994	\$0	\$1,621	\$0	\$224,002
96900 Total Operating Expenses	\$5,769,164	\$42,804	\$93,939	\$824,411	\$539,257
97000 Excess of Operating Revenue over Operating Expenses	\$2,114,076	\$0	\$5,365	\$8,387,664	\$1,292,312
97100 Extraordinary Maintenance	\$292,726		\$0		\$1,036
97200 Casualty Losses - Non-capitalized	\$273,952				
97300 Housing Assistance Payments	\$15,372			\$8,353,449	
97350 HAP Portability-In				\$41,089	
97400 Depreciation Expense	\$1,274,290		\$44,105	\$1,036	\$570,173
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$7,625,504	\$42,804	\$138,044	\$9,219,985	\$1,110,466
10010 Operating Transfer In	\$1,480,146				
10020 Operating transfer Out	-\$1,480,146				

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2017

	Project Total	14.896 PIH Family Self-Sufficiency Program	10.427 Rural Rental Assistance Payments	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented
10030 Operating Transfers from/to Primary Government					
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In	\$56,087				
10094 Transfers between Project and Program - Out				-\$56,087	
10100 Total Other financing Sources (Uses)	\$56,087	\$0	\$0	-\$56,087	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$313,823	\$0	-\$38,740	-\$63,997	\$721,103
11020 Required Annual Debt Principal Payments	\$236,390	\$0	\$14,099	\$0	\$0
11030 Beginning Equity	\$18,915,499	\$0	\$583,812	\$1,059,448	\$4,938,742
11040 Prior Period Adjustments, Equity Transfers and Correction	\$0				\$0
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity				\$1,069,779	
11180 Housing Assistance Payments Equity				-\$74,328	

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2017

	Project Total	14.896 PIH Family Self-Sufficiency Program	10.427 Rural Rental Assistance Payments	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented
11190 Unit Months Available	10812	0	216	18240	1008
11210 Number of Unit Months Leased	10324	0	212	17256	1002
11270 Excess Cash	\$3,321,318				
11610 Land Purchases	\$0				
11620 Building Purchases	\$172,643				
11630 Furniture & Equipment - Dwelling Purchases	\$0				
11640 Furniture & Equipment - Administrative Purchases	\$78,639				
11650 Leasehold Improvements Purchases	\$359,051				
11660 Infrastructure Purchases	\$0				
13510 CFFP Debt Service Payments	\$0				
13901 Replacement Housing Factor Funds	\$0				

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2017

	6.2 Component Unit - Blended	14.182 N/C S/R Section 8 Programs	10.415 Rural Rental Housing Loans	14.856 Lower Income Housing Assistance Program Section 8 Moderate	COCC
70300 Net Tenant Rental Revenue	\$579,683	\$427,636		\$0	\$0
70400 Tenant Revenue - Other	\$14,108	\$3,070		\$0	
70500 Total Tenant Revenue	\$593,791	\$430,706	\$0	\$0	\$0
70600 HUD PHA Operating Grants		\$387,001		\$1,770,500	
70610 Capital Grants				\$0	
70710 Management Fee				\$0	\$1,027,279
70720 Asset Management Fee				\$0	\$108,120
70730 Book Keeping Fee				\$0	\$241,867
70740 Front Line Service Fee				\$0	
70750 Other Fees				\$0	
70700 Total Fee Revenue				\$0	\$1,377,266
70800 Other Government Grants				\$0	
71100 Investment Income - Unrestricted	\$2,499	\$80		\$88	\$688
71200 Mortgage Interest Income				\$0	\$141,853
71300 Proceeds from Disposition of Assets Held for Sale				\$0	
71310 Cost of Sale of Assets				\$0	
71400 Fraud Recovery				\$1,163	
71500 Other Revenue	\$15,000	\$19,310		\$224	\$553,680
71600 Gain or Loss on Sale of Capital Assets				\$0	\$269,555
72000 Investment Income - Restricted				\$0	
70000 Total Revenue	\$611,290	\$837,097	\$0	\$1,771,975	\$2,343,042
91100 Administrative Salaries	\$2,853	-\$669		\$62,064	\$960,855
91200 Auditing Fees	\$3,300	\$2,531		\$2,471	\$2,531

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2017

	6.2 Component Unit - Blended	14.182 N/C S/R Section 8 Programs	10.415 Rural Rental Housing Loans	14.856 Lower Income Housing Assistance Program Section 8 Moderate	COCC
91300 Management Fee	\$82,297	\$161,499		\$44,662	
91310 Book-keeping Fee		\$11,603		\$23,475	
91400 Advertising and Marketing				\$0	
91500 Employee Benefit contributions - Administrative		\$210		\$23,263	\$360,672
91600 Office Expenses	\$24,491	\$1,673		\$5,385	\$193,644
91700 Legal Expense		\$253		\$0	\$21,218
91800 Travel				\$0	\$7,993
91810 Allocated Overhead				\$0	
91900 Other				\$0	
91000 Total Operating - Administrative	\$112,941	\$177,100	\$0	\$161,320	\$1,546,913
92000 Asset Management Fee				\$0	
92100 Tenant Services - Salaries				\$0	
92200 Relocation Costs				\$0	
92300 Employee Benefit Contributions - Tenant Services				\$0	
92400 Tenant Services - Other		\$482		\$0	\$25
92500 Total Tenant Services	\$0	\$482	\$0	\$0	\$25
93100 Water	\$9,628	\$41,349		\$0	\$647
93200 Electricity	\$49,304	\$105,460		\$0	\$6,572
93300 Gas	\$8,175	\$15,187		\$0	\$965
93400 Fuel				\$0	
93500 Labor				\$0	
93600 Sewer				\$0	
93700 Employee Benefit Contributions - Utilities				\$0	
93800 Other Utilities Expense				\$0	

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2017

	6.2 Component Unit - Blended	14.182 N/C S/R Section 8 Programs	10.415 Rural Rental Housing Loans	14.856 Lower Income Housing Assistance Program Section 8 Moderate	COCC
93000 Total Utilities	\$67,107	\$161,996	\$0	\$0	\$8,184
94100 Ordinary Maintenance and Operations - Labor	\$24,804	\$82,902		\$0	\$64,929
94200 Ordinary Maintenance and Operations - Materials and	\$22,531	\$39,614		\$0	\$29,906
94300 Ordinary Maintenance and Operations Contracts	\$70,034	\$115,315		\$0	\$12,393
94500 Employee Benefit Contributions - Ordinary Maintenance	\$13,665	\$42,361		\$0	\$60,333
94000 Total Maintenance	\$131,034	\$280,192	\$0	\$0	\$167,561
95100 Protective Services - Labor				\$0	
95200 Protective Services - Other Contract Costs				\$0	\$3,306
95300 Protective Services - Other				\$0	
95500 Employee Benefit Contributions - Protective Services				\$0	
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$3,306
96110 Property Insurance	\$26,101	\$25,142		\$106	\$2,545
96120 Liability Insurance	\$4,317	\$6,629		\$321	\$3,013
96130 Workmen's Compensation	\$499	\$2,534		\$1,205	\$25,429
96140 All Other Insurance	\$911	\$1,515		\$65	\$3,053
96100 Total insurance Premiums	\$31,828	\$35,820	\$0	\$1,697	\$34,040
96200 Other General Expenses				\$0	
96210 Compensated Absences	\$91			\$0	\$19,414
96300 Payments in Lieu of Taxes				\$0	
96400 Bad debt - Tenant Rents	\$997	\$589		\$0	
96500 Bad debt - Mortgages				\$0	
96600 Bad debt - Other				\$0	

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2017

	6.2 Component Unit - Blended	14.182 N/C S/R Section 8 Programs	10.415 Rural Rental Housing Loans	14.856 Lower Income Housing Assistance Program Section 8 Moderate	COCC
96800 Severance Expense				\$0	
96000 Total Other General Expenses	\$1,088	\$589	\$0	\$0	\$19,414
96710 Interest of Mortgage (or Bonds) Payable	\$26,802	\$51,177		\$0	\$7,420
96720 Interest on Notes Payable (Short and Long Term)				\$0	
96730 Amortization of Bond Issue Costs				\$0	
96700 Total Interest Expense and Amortization Cost	\$26,802	\$51,177	\$0	\$0	\$7,420
96900 Total Operating Expenses	\$370,800	\$707,356	\$0	\$163,017	\$1,786,863
97000 Excess of Operating Revenue over Operating Expenses	\$240,490	\$129,741	\$0	\$1,608,958	\$556,179
97100 Extraordinary Maintenance	\$999	\$54,203		\$0	
97200 Casualty Losses - Non-capitalized				\$0	
97300 Housing Assistance Payments				\$1,658,080	
97350 HAP Portability-In				\$0	
97400 Depreciation Expense	\$351,759	\$121,107		\$0	\$18,699
97500 Fraud Losses				\$0	
97600 Capital Outlays - Governmental Funds				\$0	
97700 Debt Principal Payment - Governmental Funds				\$0	
97800 Dwelling Units Rent Expense				\$0	
90000 Total Expenses	\$723,558	\$882,666	\$0	\$1,821,097	\$1,805,562
10010 Operating Transfer In				\$0	
10020 Operating transfer Out				\$0	
10030 Operating Transfers from/to Primary Government				\$0	

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2017

	6.2 Component Unit - Blended	14.182 N/C S/R Section 8 Programs	10.415 Rural Rental Housing Loans	14.856 Lower Income Housing Assistance Program Section 8 Moderate	COCC
10040 Operating Transfers from/to Component Unit				\$0	
10050 Proceeds from Notes, Loans and Bonds				\$0	
10060 Proceeds from Property Sales				\$0	
10070 Extraordinary Items, Net Gain/Loss				\$0	
10080 Special Items (Net Gain/Loss)				\$0	
10091 Inter Project Excess Cash Transfer In				\$0	
10092 Inter Project Excess Cash Transfer Out				\$0	
10093 Transfers between Program and Project - In				\$0	
10094 Transfers between Project and Program - Out				\$0	
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$112,268	-\$45,569	\$0	-\$49,122	\$537,480
11020 Required Annual Debt Principal Payments	\$0	\$182,237	\$14,099	\$0	\$0
11030 Beginning Equity	\$4,345,187	\$1,530,641	\$0	\$610,140	\$8,205,898
11040 Prior Period Adjustments, Equity Transfers and Correction	\$0			\$0	\$0
11050 Changes in Compensated Absence Balance				\$0	
11060 Changes in Contingent Liability Balance				\$0	
11070 Changes in Unrecognized Pension Transition Liability				\$0	
11080 Changes in Special Term/Severance Benefits Liability				\$0	
11090 Changes in Allowance for Doubtful Accounts - Dwelling				\$0	
11100 Changes in Allowance for Doubtful Accounts - Other				\$0	
11170 Administrative Fee Equity				\$0	
11180 Housing Assistance Payments Equity				\$0	
11190 Unit Months Available	1020	1584	0	3240	0

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2017

	6.2 Component Unit - Blended	14.182 N/C S/R Section 8 Programs	10.415 Rural Rental Housing Loans	14.856 Lower Income Housing Assistance Program_Section 8 Moderate	COCC
11210 Number of Unit Months Leased	1017	1547	0	3130	0
11270 Excess Cash				\$0	
11610 Land Purchases				\$0	\$0
11620 Building Purchases				\$0	\$0
11630 Furniture & Equipment - Dwelling Purchases				\$0	\$0
11640 Furniture & Equipment - Administrative Purchases				\$0	\$0
11650 Leasehold Improvements Purchases				\$0	\$0
11660 Infrastructure Purchases				\$0	\$0
13510 CFFP Debt Service Payments				\$0	\$0
13901 Replacement Housing Factor Funds				\$0	\$0

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2017

	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$4,135,691		\$4,135,691
70400 Tenant Revenue - Other	\$206,696	-\$12,000	\$194,696
70500 Total Tenant Revenue	\$4,342,387	-\$12,000	\$4,330,387
70600 HUD PHA Operating Grants	\$15,974,033		\$15,974,033
70610 Capital Grants	\$455,036		\$455,036
70710 Management Fee	\$1,027,279	-\$1,027,279	\$0
70720 Asset Management Fee	\$108,120	-\$108,120	\$0
70730 Book Keeping Fee	\$241,867	-\$241,867	\$0
70740 Front Line Service Fee			
70750 Other Fees			
70700 Total Fee Revenue	\$1,377,266	-\$1,377,266	\$0
70800 Other Government Grants	\$55,765		\$55,765
71100 Investment Income - Unrestricted	\$6,568		\$6,568
71200 Mortgage Interest Income	\$141,853	-\$25,767	\$116,086
71300 Proceeds from Disposition of Assets Held for Sale			
71310 Cost of Sale of Assets			
71400 Fraud Recovery	\$31,763		\$31,763
71500 Other Revenue	\$1,978,163	-\$155,195	\$1,822,968
71600 Gain or Loss on Sale of Capital Assets	\$269,555		\$269,555
72000 Investment Income - Restricted	\$7		\$7
70000 Total Revenue	\$24,632,396	-\$1,570,228	\$23,062,168
91100 Administrative Salaries	\$1,741,451		\$1,741,451
91200 Auditing Fees	\$39,140		\$39,140

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2017

	Subtotal	ELIM	Total
91300 Management Fee	\$1,208,603	-\$1,027,279	\$181,324
91310 Book-keeping Fee	\$241,867	-\$241,867	\$0
91400 Advertising and Marketing			
91500 Employee Benefit contributions - Administrative	\$620,856		\$620,856
91600 Office Expenses	\$440,499	-\$12,000	\$428,499
91700 Legal Expense	\$48,772		\$48,772
91800 Travel	\$10,274		\$10,274
91810 Allocated Overhead			
91900 Other			
91000 Total Operating - Administrative	\$4,351,462	-\$1,281,146	\$3,070,316
92000 Asset Management Fee	\$108,120	-\$108,120	\$0
92100 Tenant Services - Salaries	\$29,546		\$29,546
92200 Relocation Costs			
92300 Employee Benefit Contributions - Tenant Services	\$12,338		\$12,338
92400 Tenant Services - Other	\$7,465		\$7,465
92500 Total Tenant Services	\$49,349	\$0	\$49,349
93100 Water	\$580,336		\$580,336
93200 Electricity	\$492,231		\$492,231
93300 Gas	\$89,610		\$89,610
93400 Fuel			
93500 Labor			
93600 Sewer			
93700 Employee Benefit Contributions - Utilities			
93800 Other Utilities Expense	\$7,863		\$7,863

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2017

	Subtotal	ELIM	Total
93000 Total Utilities	\$1,170,040	\$0	\$1,170,040
94100 Ordinary Maintenance and Operations - Labor	\$1,135,651		\$1,135,651
94200 Ordinary Maintenance and Operations - Materials and	\$509,051		\$509,051
94300 Ordinary Maintenance and Operations Contracts	\$1,001,568	-\$155,195	\$846,373
94500 Employee Benefit Contributions - Ordinary Maintenance	\$565,373		\$565,373
94000 Total Maintenance	\$3,211,643	-\$155,195	\$3,056,448
95100 Protective Services - Labor			
95200 Protective Services - Other Contract Costs	\$3,306		\$3,306
95300 Protective Services - Other			
95500 Employee Benefit Contributions - Protective Services			
95000 Total Protective Services	\$3,306	\$0	\$3,306
96110 Property Insurance	\$292,330		\$292,330
96120 Liability Insurance	\$66,643		\$66,643
96130 Workmen's Compensation	\$64,214		\$64,214
96140 All Other Insurance	\$21,712		\$21,712
96100 Total insurance Premiums	\$444,899	\$0	\$444,899
96200 Other General Expenses	\$217,466		\$217,466
96210 Compensated Absences	\$19,505		\$19,505
96300 Payments in Lieu of Taxes	\$187,942		\$187,942
96400 Bad debt - Tenant Rents	\$109,863		\$109,863
96500 Bad debt - Mortgages			
96600 Bad debt - Other			

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2017

	Subtotal	ELIM	Total
96800 Severance Expense			
96000 Total Other General Expenses	\$534,776	\$0	\$534,776
96710 Interest of Mortgage (or Bonds) Payable	\$311,022	-\$25,767	\$285,255
96720 Interest on Notes Payable (Short and Long Term)	\$112,994		\$112,994
96730 Amortization of Bond Issue Costs			
96700 Total Interest Expense and Amortization Cost	\$424,016	-\$25,767	\$398,249
96900 Total Operating Expenses	\$10,297,611	-\$1,570,228	\$8,727,383
97000 Excess of Operating Revenue over Operating Expenses	\$14,334,785	\$0	\$14,334,785
97100 Extraordinary Maintenance	\$348,964		\$348,964
97200 Casualty Losses - Non-capitalized	\$273,952		\$273,952
97300 Housing Assistance Payments	\$10,026,901		\$10,026,901
97350 HAP Portability-In	\$41,089		\$41,089
97400 Depreciation Expense	\$2,381,169		\$2,381,169
97500 Fraud Losses			
97600 Capital Outlays - Governmental Funds			
97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense			
90000 Total Expenses	\$23,369,686	-\$1,570,228	\$21,799,458
10010 Operating Transfer In	\$1,480,146	-\$1,480,146	\$0
10020 Operating transfer Out	-\$1,480,146	\$1,480,146	\$0
10030 Operating Transfers from/to Primary Government			

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2017

	Subtotal	ELIM	Total
10040 Operating Transfers from/to Component Unit			
10050 Proceeds from Notes, Loans and Bonds			
10060 Proceeds from Property Sales			
10070 Extraordinary Items, Net Gain/Loss			
10080 Special Items (Net Gain/Loss)			
10091 Inter Project Excess Cash Transfer In			
10092 Inter Project Excess Cash Transfer Out			
10093 Transfers between Program and Project - In	\$56,087	-\$56,087	\$0
10094 Transfers between Project and Program - Out	-\$56,087	\$56,087	\$0
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$1,262,710	\$0	\$1,262,710
11020 Required Annual Debt Principal Payments	\$446,825		\$446,825
11030 Beginning Equity	\$40,189,367		\$40,189,367
11040 Prior Period Adjustments, Equity Transfers and Correction	\$0		\$0
11050 Changes in Compensated Absence Balance			
11060 Changes in Contingent Liability Balance			
11070 Changes in Unrecognized Pension Transition Liability			
11080 Changes in Special Term/Severance Benefits Liability			
11090 Changes in Allowance for Doubtful Accounts - Dwelling			
11100 Changes in Allowance for Doubtful Accounts - Other			
11170 Administrative Fee Equity	\$1,069,779		\$1,069,779
11180 Housing Assistance Payments Equity	-\$74,328		-\$74,328
11190 Unit Months Available	36120		36120

Housing Authority of the City of Pueblo (CO002)

PUEBLO, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2017

	Subtotal	ELIM	Total
11210 Number of Unit Months Leased	34488		34488
11270 Excess Cash	\$3,321,318		\$3,321,318
11610 Land Purchases	\$0		\$0
11620 Building Purchases	\$172,643		\$172,643
11630 Furniture & Equipment - Dwelling Purchases	\$0		\$0
11640 Furniture & Equipment - Administrative Purchases	\$78,639		\$78,639
11650 Leasehold Improvements Purchases	\$359,051		\$359,051
11660 Infrastructure Purchases	\$0		\$0
13510 CFFP Debt Service Payments	\$0		\$0
13901 Replacement Housing Factor Funds	\$0		\$0