

CENTER HOUSING AUTHORITY

FINANCIAL STATEMENTS

JUNE 30, 2018

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Green & Associates LLC

Certified Public Accountants & Business Consultants

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Center Housing Authority

We have audited the accompanying financial statements of the business type activities of Center Housing Authority as of and for the year ended June 30, 2018, which collectively comprise the Authority's basic financial statements as listed in the table of contents and the notes to the financial statements.

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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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, of the Center Housing Authority as of June 30, 2018, 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.

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Other-Matters

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of the Authority's Proportionate Share of the Net Pension Liability – PERA, Schedule of Pension Contributions – PERA, Schedule of the Authority's Proportionate Share of the Net OPEB Liability – PERA and Schedule of OPEB Contributions – PERA as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board 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.

The financial data schedule, as listed in the table of contents, is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

A handwritten signature in black ink that reads "G. & Associates LLP". The signature is written in a cursive, flowing style.

January 30, 2019
Brighton, CO

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management Discussion and Analysis

As management of the Center Housing Authority (Authority), we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended June 30, 2018.

Financial Highlights

The assets of the Authority exceeded its liabilities at the close of the most recent fiscal year by \$518,502.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statement. The Authority's financial statements comprise two components: 1) financial statements, and 2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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 an underlying event giving rise to the change occurs, regardless of the time of related cash flows.

Fund Financial Statements

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

The Authority has one proprietary fund, an Enterprise Fund. The Authority uses an Enterprise Fund to account for its low income affordable housing activities. Note 1 to the financial statements provides additional information on Authority's funds.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statement can be found beginning on page 9

Financial Analysis

As noted, Net Position may, over time serve as a useful indicator of the Authority's financial position. The largest portion of the Authority's Net Position reflects its investment in capital assets (e.g. land improvements, building, and equipment), less any related outstanding debt used to acquire those assets. The Authority uses these capital assets to provide affordable low rent housing to its tenants and are not available for future spending.

Condensed Statement of Net Position

	2018	2017	Change
ASSETS			
Current and other assets	\$ 294,144	\$ 287,920	\$ 6,224
Capital assets	523,633	564,691	(41,058)
Total Assets	<u>817,777</u>	<u>852,611</u>	<u>(34,834)</u>
Deferred Outflows of Resources	<u>22,675</u>	<u>63,768</u>	<u>(41,093)</u>
LIABILITIES			
Current liabilities	38,747	24,146	14,601
Long term liabilities	238,820	268,063	(29,243)
Total liabilities	<u>277,567</u>	<u>292,209</u>	<u>(14,642)</u>
Deferred Inflows of Resources	<u>44,383</u>	<u>2,579</u>	<u>41,804</u>
NET POSITION			
Net investment in capital assets	523,633	564,691	(41,058)
Restricted - HAP	8,315	-	8,315
Unrestricted	(13,446)	56,900	(70,346)
Total Net Position	<u>\$ 518,502</u>	<u>\$ 621,591</u>	<u>\$ (103,089)</u>

As of the current fiscal year, as well as in the previous fiscal year, the Authority is able to report a positive balance in the Net Position. Capital assets have decreased over the prior year. This is due to improvements added during year 2018 in an amount less than the depreciation incurred during 2018. Current assets have increased due to an increase in cash as a result of operations. Current liabilities have increased due to the normal timing of payments. Long Term liabilities have increased due to changes in the net pension liability. The net position decreased due to expenses exceeding revenues for the year.

Change in Net Position

	2018	2017	Increase (Decrease)
Revenue:			
Operating Revenue			
Charges for Services	\$ 147,031	\$ 157,310	\$ (10,279)
Grants and Contribution	215,030	248,460	(33,430)
Other Income	520	621	(101)
Total Revenue	<u>362,581</u>	<u>406,391</u>	<u>(43,810)</u>
Expenses:			
Operating Expenses	368,821	366,099	2,722
Non Operating Expenses	77,092	79,742	(2,650)
Total Expenses	<u>445,913</u>	<u>445,841</u>	<u>72</u>
Change in Net Position	(83,332)	(39,450)	(43,882)
Net Position-Beginning (RESTATED)	601,834	661,041	(59,207)
Net Position-Ending	<u>\$ 518,502</u>	<u>\$ 621,591</u>	<u>\$ (103,089)</u>

The revenue is decreased in 2018, from the prior year due to decrease in grants and capital contributions and rental income. The expenses are increased due to increase in general and administration, and maintenance and operation expenses and pension related expenses.

Cash Flows

	2018	2017	Increase (Decrease)
Cash Flows Used by Operating Activities	\$ (95,537)	\$ (123,558)	\$ 28,021
Cash Flows From (Used) by Non Capital Financing Activities	103,628	122,568	(18,940)
Cash Flows From (Used) by Capital and Related Financing Activities	(9,690)	(24,661)	14,971
Cash Flows From (Used) by Investing Activities	520	621	(101)
Change in Cash and Cash Equivalents	<u>(1,079)</u>	<u>(25,030)</u>	<u>23,951</u>
Cash and Cash Equivalents Beginning of Year	275,591	300,621	(25,030)
Cash and Cash Equivalents Ending of Year	<u>\$ 274,512</u>	<u>\$ 275,591</u>	<u>\$ (1,079)</u>

Capital Assets

The Authority's investment in capital assets as of June 30, 2018, amounts to \$523,633 (net of accumulated depreciation). This investment in capital assets included Land Improvements, Building and Equipment. The Authority's capital expenditures were \$36,794 during fiscal year 2018. Additional information on the Authority's capital assets can be found in note 3 to the financial statements.

Long Term Debt

At the end of the year, the Authority did not have any outstanding debt.

Economic Factors and Next Year's Revenue

The Authority does not receive any revenue by taxes. Due to changing market conditions there have been fluctuations in vacancy rates.

Request for Information

This financial report is designed to provide an overview of the Center Housing Authority's finances for all interested parties. Questions concerning any of the information provided in this report, or requests for additional information should be addressed to:

Center Housing Authority
138 S Worth Street
Center, CO 81125

BASIC FINANCIAL STATEMENTS

**CENTER HOUSING AUTHORITY
STATEMENT OF NET POSITION
JUNE 30, 2018**

ASSETS

Current Assets	
Cash and Cash Equivalents	\$ 265,996
Tenants Receivable (net of bad debt allowance)	50
Other Receivables	13,486
Prepaid Expenses	6,096
Cash Security Deposit - Restricted	8,516
Total Current Assets	<u>294,144</u>
Non Current Assets	
Capital Assets	
Land	66,730
Building and Improvements	3,017,853
Equipment	125,517
Less Accumulated Depreciation	(2,686,467)
Total Capital Assets Net of Depreciation	<u>523,633</u>
Total Noncurrent Assets	<u>523,633</u>
TOTAL ASSETS	<u><u>817,777</u></u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred Outflows - Pensions	22,535
Deferred Outflows - OPEB	140
Total Deferred Outflows of Resources	<u>22,675</u>

LIABILITIES

Current Liabilities	
Accounts Payable	16,645
Other Accrued Liabilities	8,534
Tenant Security Deposits	8,516
Accrued Compensated Absences	5,052
Total Current Liabilities	<u>38,747</u>
Noncurrent Liabilities:	
Net Pension Liability	218,960
Net OPEB Liability	19,860
Total Noncurrent Liabilities	<u>238,820</u>
TOTAL LIABILITIES	<u><u>277,567</u></u>

DEFERRED INFLOWS OF RESOURCES

Deferred Inflows- Pensions	44,050
Deferred Inflows- OPEB	333
Total Deferred Inflows of Resources	<u>44,383</u>

NET POSITION

Net Investment in Capital Assets	523,633
Restricted - HAP	8,315
Unrestricted	(13,446)
TOTAL NET POSITION	<u><u>\$ 518,502</u></u>

See the accompanying Independent Auditors' Report

CENTER HOUSING AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2018

OPERATING REVENUES:	
Dwelling Rental	\$ 136,068
Other Income	10,963
TOTAL OPERATING REVENUES	<u>147,031</u>
OPERATING EXPENSES:	
General and Administrative	174,677
Utilities	15,791
Maintenance and Operation	100,501
Depreciation	77,852
TOTAL OPERATING EXPENSES	<u>368,821</u>
OPERATING (LOSS)	<u>(221,790)</u>
NON OPERATING REVENUES (EXPENSES):	
Governmental Grants	187,926
Housing Assistance Payments	(77,092)
Interest Income	520
TOTAL NONOPERATING REVENUE (EXPENSE)	<u>111,354</u>
INCOME BEFORE CAPITAL CONTRIBUTIONS	(110,436)
Capital Contributions - HUD	27,104
CHANGE IN NET POSITION	<u>(83,332)</u>
NET POSITION - BEGINNING (RESTATED)	601,834
NET POSITION - ENDING	<u><u>\$ 518,502</u></u>

See the accompanying Independent Auditors' Report

**CENTER HOUSING AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2018**

Cash Flows From Operating Activities:	
Cash Received from Tenants	\$ 147,450
Cash Paid to Employees	(117,222)
Cash Paid to Suppliers	(125,765)
	<u>(95,537)</u>
Net Cash (Used) by Operating Activities	
Cash Flows From Noncapital Financing Activities:	
Government Grants	180,720
Housing Assistance Payments	(77,092)
	<u>103,628</u>
Net Cash Provided by Non-Capital Financing Activities	
Cash Flows From Capital and Related Financing Activities:	
Purchase of Property, Plant and Equipment	(36,794)
HUD Capital Grant	27,104
	<u>(9,690)</u>
Net Cash (Used) by Capital and Related Financing Activities	
Cash Flows from Investing Activities:	
Interest Income	520
	<u>520</u>
Net Cash Provided by the Investing Activities	
Net Increase (Decrease) in Cash and Cash Equivalents	
	(1,079)
Cash and Cash Equivalents, Beginning	
	<u>275,591</u>
Cash and Cash Equivalents, Ending	
	<u><u>\$ 274,512</u></u>
Detail of cash and cash equivalents:	
Cash	265,996
Cash -security deposit	8,516
	<u>\$ 274,512</u>
Reconciliation of Operating Income to Net Cash Used for Operating Activities:	
Operating Loss	
	\$ (221,790)
Adjustments to Reconcile Operating Loss to Net Cash Used for Operating Activities:	
Depreciation	77,852
Pension related changes	33,897
Changes in Assets and Liabilities:	
Accounts Receivable - Tenants	368
Prepaid Expenses	(465)
Accounts Payable	13,767
Security Deposit	51
Other Accrued Liabilities	1,023
Compensated Absences	(240)
	<u>\$ (95,537)</u>
Net Cash (Used) by Operating Activities	

See the accompanying Independent Auditors' Report

Center Housing Authority
Notes to Financial Statements
June 30, 2018

Note 1 Summary of Significant Accounting Policies

The Center Housing Authority (the Authority) was established in 1974 in order to provide low income housing. The Authority is managed by a Board of Commissioners. The financial statements of the Authority have been prepared in conformity with accounting principles generally accepted in the United States of America (US GAAP). The significant accounting policies of the Authority are described below.

Reporting Entity

In evaluating how to define the government, for financial reporting purposes, the Authority's management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in Governmental Accounting Standards Board ("GASB") Statement No. 14, "The Financial Reporting Entity" as amended by GASB No. 39. GASB pronouncements set forth the financial accountability of governmental organizations elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency. Based upon the application of these criteria, no entities will be included in the Authority's reporting entity.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Enterprise fund accounting is utilized by the Authority in accordance with accounting principles generally accepted in the United States of America.

Enterprise funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recorded when incurred. Depreciation is computed and recorded as an operating expense. Expenditures for capital outlay are recognized as increases in capital assets. Retirement of bonds is recorded as a reduction of liabilities.

The Authority distinguishes *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services in connection with the Authority's principal ongoing operations. The principal operating revenues of the Authority are charges to tenants for rent. Operating expenses include the cost of providing low income housing, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The Authority applies GASB pronouncements in the financial statements. The Authority follows the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34 *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. Statement No. 34 establishes standards for external financial reporting for all state and local governmental entities which includes a management's discussion and analysis section; a statement of net position; a statement of revenues, expenses, and changes in net position; and a statement of cash flows.

It requires the classification of net position into three components: Net investment in capital assets; restricted; and unrestricted. When both restricted and unrestricted assets are available to be used it is the Authority's policy to utilize restricted assets first.

Center Housing Authority
Notes to Financial Statements (Continued)
June 30, 2018

Note 1 Summary of Significant Accounting Policies (Continued)
Basis of Accounting (continued)

Proprietary Fund – The Authority’s operations are accounted for in a single enterprise fund. Enterprise Funds account for those operations financed and operated in a manner similar to private business or where the Authority has decided that determination of revenues earned, costs incurred, and net income is necessary for management accountability. The Authority has the following programs within the Enterprise Fund.

Low Rent- This program consists of 30 public housing units. Under this program HUD provides funding under an annual contribution contract and the capital fund program.

Rural Development – This program consists of a 10-unit apartment complex financed by the U.S. Department of Agriculture.

Housing Choice Vouchers – This program consists of the administration of 25 section 8 affordable housing vouchers.

State and Local Funds - Accounts for general operations and revenues of the Authority.

Assets and Liabilities

Investments – investments are recorded at fair value, which approximates cost.

Receivables – all receivables are reported at their book value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Capital assets - assets are stated at cost or estimated cost. The capitalization threshold for fixed assets is \$5,000. Depreciation over the estimated useful lives of the assets is computed using the straight-line method. The estimated useful lives are 10-40 years for buildings and improvements, and 3-10 years for equipment.

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash equivalents are defined as investments (including restricted assets) with maturity of three months or less at date of acquisition. The Authority considers certificates of deposit with maturities of more than three months at date of purchase as investments.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts and disclosures. Accordingly, actual results may differ from the estimates.

Compensated Absences

The Authority’s personnel policies permit employees to accrue compensated absences. Permanent employees will be compensated for 1/3 of their sick time and all of their accrued vacation upon termination of their employment with the Authority.

Center Housing Authority
Notes to Financial Statements (Continued)
June 30, 2018

Note 1 Summary of Significant Accounting Policies (Continued)

Budgets and Budgetary Accounting

Budgets are adopted on a cash basis. Annual appropriated budgets are adopted for the fund. All annual appropriations lapse at fiscal year-end.

The Authority adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

- State law requires budgets for all funds. The budget includes proposed expenditures and the means of financing them. All budgets lapse at year-end.
- Prior to June 30, the budget is adopted by formal resolution.
- Budgets are required to be filed with the State of Colorado within thirty days after the beginning of the fiscal year.
- Expenditures may not legally exceed appropriations at the fund level.
- The Authority Board must approve revisions that alter the total expenditures of any fund.
- Budgeted amounts reported in the accompanying financial statements are as originally adopted by the Authority Board or revised by the Authority Board.

Short-Term Inter-program Receivables/Payables and Transfers

During the course of operations, transactions may occur between individual programs for the goods provided or services rendered. These receivables and payables are classified as due from other programs or due to other programs on the balance sheet and have been eliminated in the government wide statement of net position. The outstanding balances between programs result mainly from the time lag between the dates that (1) transactions are recorded in the accounting system, and (2) payments between programs are made. The composition of inter program balances as of June 30, 2018, is as follows:

<u>Due From Other Programs</u>		<u>Due (to) Other Programs</u>			
<u>Program</u>	<u>Low Rent</u>	<u>Rural Development</u>	<u>Housing Choice Vouchers</u>	<u>State and Local</u>	<u>Total</u>
Low Rent	\$ -	\$ (8,410)	\$ (4,552)	\$ (1,808)	\$ (14,770)
Rural Development	8,410				8,410
Housing Choice Vouchers	4,552	-	-	-	4,552
State and Local	1,808	-	-	-	1,808
Total	<u>\$ 14,770</u>	<u>\$ (8,410)</u>	<u>\$ (4,552)</u>	<u>\$ (1,808)</u>	<u>\$ -</u>

Note 2 Cash and Investments

Restricted Cash

Security deposits received from tenants are classified as restricted on the Statement of Net Position in the amount of \$8,516 as of June 30, 2018.

Cash Deposits

As of June 30, 2018, the Authority's cash deposits had a carrying balance of \$274,512 and corresponding bank balance of \$274,691, of which \$250,000 was FDIC insured

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. The eligible collateral is specified under the PDPA. PDPA allows the institution to create a single collateral

Center Housing Authority
Notes to Financial Statements (Continued)
June 30, 2018

Note 2 Cash and Investments (Continued)

pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least equal to 102% of the uninsured deposits. The Authority had \$24,691 collateralized under PDPA at June 30, 2018, accordingly the Authority was not exposed to credit risk.

The Colorado Divisions of Banking and Financial Services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority does not have a deposit policy for custodial credit risk. As of June 30, 2018, none of the Authority's bank deposits were exposed to custodial credit risk.

Investments

Colorado statutes specify in which investment instruments the units of local government may invest:

- Obligations of the United States and certain United States government agency securities.
- Certain international agency securities.
- General obligation and revenue bonds of United States local government entities.
- Bankers' acceptances of certain banks.
- Commercial paper.
- Local government investment pools.
- Written repurchase agreements collateralized by certain authorized securities.
- Certain money market funds.
- Guaranteed investment contracts.

The Authority has not adopted a formal investment policy.

Note 3 Capital Assets

The following is a summary of fixed assets at June 30, 2018:

	Beginning Balance	Increase	Decrease	Ending Balance
Non-depreciable				
Land	\$ 66,730	\$ -	\$ -	\$ 66,730
Total non-depreciable	<u>66,730</u>	<u>-</u>	<u>-</u>	<u>66,730</u>
Capital assets, being depreciated:				
Buildings and improvements	2,982,024	35,829	-	3,017,853
Equipment	124,552	965	-	125,517
Total capital assets being depreciated	<u>3,106,576</u>	<u>36,794</u>	<u>-</u>	<u>3,143,370</u>
Total Capital Assets	3,173,306	36,794	-	3,210,100
Less accumulated depreciation	<u>(2,608,615)</u>	<u>(77,852)</u>	<u>-</u>	<u>(2,686,467)</u>
Net Capital Assets	<u>\$ 564,691</u>	<u>\$ (41,058)</u>	<u>\$ -</u>	<u>\$ 523,633</u>

Center Housing Authority
Notes to Financial Statements (Continued)
June 30, 2018

Note 4 Tenant Receivable

Following is detail of Tenant Receivable

	Low Rent	Rural Development	Total
Tenant Receivable	\$ 50	\$ 534	\$ 584
Bad Debt Allowance	-	(534)	(534)
Net Receivable	<u>\$ 50</u>	<u>\$ -</u>	<u>\$ 50</u>

Note 5 Defined Benefit Pension Plan

Summary of Significant Accounting Policies

Pensions. The Authority participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense,

During the 2018 legislative session, the Colorado General Assembly passed significant pension reform through Senate Bill (SB) 18-200: Concerning Modifications To *the Public Employees' Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan Within the Next Thirty Years*. Governmental accounting standards require the net pension liability and related amounts of the LGDTF for financial reporting purposes be measured using the plan provisions in effect as of the LGDTF's measurement date of December 31, 2017. As such, the following disclosures do not include the changes to plan provisions required by SB 18-200 with the exception of the section titled Changes between the measurement date of the net pension liability and June 30, 2018.

General Information about the Pension Plan

Plan description. Eligible employees of the Authority are provided with pensions through the Local Government Division Trust Fund (LGDTF)—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code.

Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits provided. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

The lifetime retirement benefit for all eligible retiring employees under the PERA Benefit Structure is the greater of the:

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit

Center Housing Authority
Notes to Financial Statements (Continued)
June 30, 2018

Note 5 Defined Benefit Pension Plan (Continued)

- The value of the retiring employee's member contribution account plus a 100 percent match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

The lifetime retirement benefit for all eligible retiring employees under the Denver Public Schools (DPS) benefit structure is the greater of the

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit
- \$15 times the first 10 years of service credit plus \$20 times service credit over 10 years plus a monthly amount equal to the annuitized member contribution account balance based on life expectancy and other actuarial factors.

In all cases the service retirement benefit is limited to 100 percent of highest average salary and also cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50 percent or 100 percent on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

As of December 31, 2017, benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S. Benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007 and all benefit recipients of the DPS benefit structure receive an annual increase of 2 percent, unless PERA has a negative investment year, in which case the annual increase for the next three years is the lesser of 2 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the prior calendar year. Benefit recipients under the PERA benefit structure who began eligible employment after January 1, 2007 receive an annual increase of the lesser of 2 percent or the average CPI-W for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve (AIR) for the LGDTF.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the retirement benefit formula shown above considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

Contributions provisions as of June 30, 2018: Eligible employees and the Authority are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. § 24-51-401, *et seq.* Eligible employees are required **Note 5 Defined**

**Center Housing Authority
Notes to Financial Statements (Continued)
June 30, 2018**

Benefit Pension Plan (Continued)

to contribute 8 percent of their PERA-includable salary. The employer contribution requirements are summarized in the table below:

	Rate
Employer Contribution Rate ¹	10.00%
Amount of Employer Contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f) ¹	(1.02)%
Amount Apportioned to the LGDTF ¹	8.98%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411 ¹	2.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411 ¹	1.50%
Total Employer Contribution Rate to the LGDTF ¹	12.68%

¹Rates are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the Authority is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from the Authority were \$16,046 for the year ended June 30, 2018.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2018, the Authority reported a liability of \$218,960 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016. Standard update procedures were used to roll forward the total pension liability to December 31, 2017. The Authority proportion of the net pension liability was based on the Authority's contributions to the LGDTF for the calendar year 2017 relative to the total contributions of participating employers to the LGDTF.

At December 31, 2017, the Authority's proportion was .0196654822 percent, which was a decrease of .0001859515 percent as measured at December 31, 2016. For the year ended June 30, 2018, the Authority recognized pension expense of \$33,602. At June 30, 2018, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Center Housing Authority
Notes to Financial Statements (Continued)
June 30, 2018

Note 5 Defined Benefit Pension Plan (Continued)

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 13,698	\$ 0
Changes of assumptions or other inputs	\$ 2,314	\$ 0
Net difference between projected and actual earnings on pension plan investments	\$ 0	\$ 42,561
Changes in proportion and differences between contributions recognized and proportionate share of contributions	\$ 0	\$ 1,489
Contributions subsequent to the measurement date	\$ 6,523	N?A
Total	\$ 22,535	\$ 44,050

The Authority reported \$6,523 as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date which will be recognized as a reduction of the net pension liability for the year ended June 30, 2018.

<u>Year Ended</u>	<u>Pension Expense</u>
2019	\$ 15,104
2020	(5,360)
2021	(15,478)
2022	(15,781)
2023	-
Total	<u>\$ (21,515)</u>

Actuarial assumptions. The total pension liability in the December 31, 2016 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	3.50 – 10.45 percent
Long-term investment Rate of Return, net of pension plan investment expenses, including price inflation	7.25 percent
Discount rate	7.25 percent
Future post-retirement benefit increases:	
PERA Benefit Structure hired prior to 1/1/07; and DPS Benefit Structure (automatic)	2.00 percent
PERA Benefit Structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

Healthy mortality assumptions for active members reflect the RP-2014 White Collar Employee

Center Housing Authority
Notes to Financial Statements (Continued)
June 30, 2018

Note 5 Defined Benefit Pension Plan (Continued)

Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

Healthy, post-retirement mortality assumptions reflect the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73 percent factor applied to rates for ages less than 80, a 108 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78 percent factor applied to rates for ages less than 80, a 109 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

For disabled retirees, the mortality assumption was based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The actuarial assumptions used in the December 31, 2016, valuations were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, as well as, the October 28, 2016, actuarial assumptions workshop and were adopted by the PERA Board during the November 18, 2016, Board meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2016. Several factors were considered in evaluating the long-term rate of return assumption for the LGDTF, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

As of the most recent adoption of the long-term expected rate of return by the PERA Board, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Center Housing Authority
Notes to Financial Statements (Continued)
June 30, 2018

Note 5 Defined Benefit Pension Plan (Continued)

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
U.S. Equity – Large Cap	21.20%	4.30%
U.S. Equity – Small Cap	7.42%	4.80%
Non U.S. Equity – Developed	18.55%	5.20%
Non U.S. Equity – Emerging	5.83%	5.40%
Core Fixed Income	19.32%	1.20%
High Yield	1.38%	4.30%
Non U.S. Fixed Income – Developed	1.84%	0.60%
Emerging Market Debt	0.46%	3.90%
Core Real Estate	8.50%	4.90%
Opportunity Fund	6.00%	3.80%
Private Equity	8.50%	6.60%
Cash	1.00%	0.20%
Total	100.00%	

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25%.

Discount rate. The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50%.
- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date, including current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point, the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions included reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.

Center Housing Authority
Notes to Financial Statements (Continued)
June 30, 2018

Note 5 Defined Benefit Pension Plan (Continued)

- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial fiduciary net position, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. As the ad hoc post-retirement benefit increases financed by the AIR are defined to have a present value at the long-term expected rate of return on plan investments equal to the amount transferred for their future payment, AIR transfers to the fiduciary net position and the subsequent AIR benefit payments have no impact on the Single Equivalent Interest Rate (SEIR) determination process when the timing of AIR cash flows is not a factor (i.e., the plan's fiduciary net position is not projected to be depleted). When AIR cash flow timing is a factor in the SEIR determination process (i.e., the plan's fiduciary net position is projected to be depleted), AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the end of the month.

Based on the above assumptions and methods, LGDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent. There was no change in the discount rate from the prior measurement date.

Sensitivity of the Authority proportionate share of the net pension liability to changes in the discount rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

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

Discount Rate:	6.25%	7.25%	8.25%
Proportionate share of the net pension liability	\$348,734	\$218,960	\$110,777

Pension plan fiduciary net position. Detailed information about the LGDTF's fiduciary net position is available in PERA's comprehensive annual financial report which can be obtained at www.copera.org/investments/pera-financial-reports.

Changes between the measurement date of the net pension liability June 30, 2018

During the 2018 legislative session, the Colorado General Assembly passed significant pension reform through SB 18-200: *Concerning Modifications To the Public Employees' Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan Within the Next Thirty Years*. The bill was signed into law by Governor Hickenlooper on June 4, 2018. SB 18-200 makes changes to the plans administered

Center Housing Authority
Notes to Financial Statements (Continued)
June 30, 2018

Note 5 Defined Benefit Pension Plan (Continued)

by PERA with the goal of eliminating the unfunded actuarial accrued liability of the Division Trust Funds and thereby reach a 100 percent funded ratio for each division within the next 30 years.

A brief description of some of the major changes to plan provisions required by SB 18-200 are listed below. A full copy of the bill can be found online at www.leg.colorado.gov.

- Increases employee contribution rates by a total of 2 percent (to be phased in over a period of 3 years starting on July 1, 2019).
- Modifies the retirement benefits, including temporarily suspending and reducing the annual increase for all current and future retirees, modifying the highest average salary for employees with less than five years of service credit on December 31, 2019 and raises the retirement age for new employees.
- Member contributions, employer contributions, and the annual increases will be adjusted based on certain statutory parameters beginning July 1, 2020, and then each year thereafter, to help keep PERA on path to full funding in 30 years.
- Expands eligibility to participate in the PERA DC Plan to new members hired on or after January 1, 2019, in the Local Government Division. Beginning January 1, 2021, and every year thereafter, employer contribution rates for the LGDTF will be adjusted to include a defined contribution supplement based on the employer contribution amount paid to defined contribution plan participant accounts that would have otherwise gone to the defined benefit trusts to pay down the unfunded liability plus any defined benefit investment earnings thereon.

June 30, 2018 the Authority reported a liability of \$233,219 for its proportionate share of the net pension liability which was measured using the plan provisions in effect as of the pension plan's year-end based on a discount rate of 7.25%. For comparative purposes, the following schedule presents an estimate of what the Authority's proportionate share of the net pension liability and associated discount rate would have been had the provisions of SB 18-200, applicable to the LGDTF, become law on December 31, 2017. This pro forma information was prepared using the fiduciary net position of the LGDTF as of December 31, 2017. Future net pension liabilities reported could be materially different based on changes in investment markets, actuarial assumptions, plan experience and other factors.

Note 6 Defined Benefit Other Post Employment Benefit (OPEB) Plan
Summary of Significant Accounting Policies

OPEB. The Authority participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

Center Housing Authority
Notes to Financial Statements (Continued)
June 30, 2018

Note 6 Defined Benefit Other Post Employment Benefit (OPEB) Plan (Continued)

General Information about the OPEB Plan

Plan description. Eligible employees of the Authority are provided with OPEB through the HCTF—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. Title 24, Article 51, Part 12 of the C.R.S., as amended, sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits provided. The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. For members who retire having service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four Divisions (State, School, Local Government and Judicial), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

C.R.S. § 24-51-1202 et seq. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

Enrollment in the PERACare is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

PERA Benefit Structure

The maximum service-based premium subsidy is \$230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The basis for the maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5 percent reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

Center Housing Authority
Notes to Financial Statements (Continued)
June 30, 2018

Note 6 Defined Benefit Other Post Employment Benefit (OPEB) Plan (Continued)

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. § 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

DPS Benefit Structure

The maximum service-based premium subsidy is \$230 per month for retirees who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for retirees who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The basis for the maximum subsidy, in each case, is for retirees with retirement benefits based on 20 or more years of service credit. There is a 5 percent reduction in the subsidy for each year less than 20. The retiree pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For retirees who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, the HCTF or the DPS HCTF pays an alternate service-based premium subsidy. Each individual retiree meeting these conditions receives the maximum \$230 per month subsidy reduced appropriately for service less than 20 years, as described above. Retirees who do not have Medicare Part A pay the difference between the total premium and the monthly subsidy.

Contributions. Pursuant to Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School, Local Government, and Judicial Divisions are required to contribute at a rate of 1.02 percent of PERA-includable salary into the HCTF.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the Authority is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the Authority were \$1,291 for the year ended June 30, 2018.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2018 the Authority reported a liability of \$19,860 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2016. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2017. The Authority proportion of the net OPEB liability was based on Authority contributions to the HCTF for the calendar year 2017 relative to the total contributions of participating employers to the HCTF. At December 31, 2017, the Authority proportion was .0015281187 percent, which was a decrease of .0000042514% from its proportion measured as of December 31, 2016.

Center Housing Authority
Notes to Financial Statements (Continued)
June 30, 2018

Note 6 Defined Benefit Other Post Employment Benefit (OPEB) Plan (Continued)

For the year ended June 30, 2018, the Authority recognized OPEB expense of \$295. At June 30, 2018, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$94	\$0
Changes of assumptions or other inputs	\$0	\$0
Net difference between projected and actual earnings on OPEB plan investments	\$0	\$333
Changes in proportion and differences between contributions recognized and proportionate share of contributions	\$46	\$0
Contributions subsequent to the measurement date	\$0	N/A
Total	\$140	\$333

\$0 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended</u>	<u>Pension Expense</u>
2019	\$ (56)
2020	(56)
2021	(56)
2022	(65)
2023	40
Total	<u>\$ (193)</u>

Actuarial assumptions. The total OPEB liability in the December 31, 2016 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	3.50 percent in aggregate
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25 percent
Discount rate	7.25 percent

Note 6 Defined Benefit Other Post Employment Benefit (OPEB) Plan (Continued)

Center Housing Authority
Notes to Financial Statements (Continued)
June 30, 2018

Health care cost trend rates

PERA benefit structure:		
Service-based premium subsidy		0.00 percent
PERACare Medicare plans		5.00 percent
Medicare Part A premiums		3.00 percent for 2017, gradually rising to 4.25 percent in 2023
DPS benefit structure:		
Service-based premium subsidy		0.00 percent
PERACare Medicare plans		N/A
Medicare Part A premiums		N/A

Calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each actuarial valuation and on the pattern of sharing of costs between employers of each fund to that point.

Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and heuristics developed by health plan actuaries and administrators, and projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services. Effective December 31, 2016, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

The PERA benefit structure health care cost trend rates that were used to measure the total OPEB liability are summarized in the table below:

Year	PERACare Medicare Plans	Medicare Part A Premiums
2017	5.00%	3.00%
2018	5.00%	3.25%
2019	5.00%	3.50%
2020	5.00%	3.75%
2021	5.00%	4.00%
2022	5.00%	4.00%
2023	5.00%	4.25%
2024+	5.00%	4.25%

Center Housing Authority
Notes to Financial Statements (Continued)
June 30, 2018

Note 6 Defined Benefit Other Post Employment Benefit (OPEB) Plan (Continued)

Mortality assumptions for the determination of the total pension liability for each of the Division Trust Funds as shown below are applied, as applicable, in the determination of the total OPEB liability for the HCTF. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

Healthy mortality assumptions for active members were based on the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

Healthy, post-retirement mortality assumptions for the State and Local Government Divisions were based on the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73 percent factor applied to rates for ages less than 80, a 108 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78 percent factor applied to rates for ages less than 80, a 109 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

Healthy, post-retirement mortality assumptions for the School and Judicial Divisions were based on the RP-2014 White Collar Healthy Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 93 percent factor applied to rates for ages less than 80, a 113 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 68 percent factor applied to rates for ages less than 80, a 106 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

For disabled retirees, the mortality assumption was based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The following economic and demographic assumptions were specifically developed for, and used in, the measurement of the obligations for the HCTF:

- The assumed rates of PERACare participation were revised to reflect more closely actual experience.
- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2017 plan year.

Center Housing Authority
Notes to Financial Statements (Continued)
June 30, 2018

Note 6 Defined Benefit Other Post Employment Benefit (OPEB) Plan (Continued)

- The percentages of PERACare enrollees who will attain age 65 and older ages and are assumed to not qualify for premium-free Medicare Part A coverage were revised to more closely reflect actual experience.
- The percentage of disabled PERACare enrollees who are assumed to not qualify for premium-free Medicare Part A coverage were revised to reflect more closely actual experience.
- Assumed election rates for the PERACare coverage options that would be available to future PERACare enrollees who will qualify for the “No Part A Subsidy” when they retire were revised to more closely reflect actual experience.
- Assumed election rates for the PERACare coverage options that will be available to those current PERACare enrollees, who qualify for the “No Part A Subsidy” but have not reached age 65, were revised to more closely reflect actual experience.
- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.
- The rates of PERACare coverage election for spouses of eligible inactive members and future retirees were revised to more closely reflect actual experience.
- The assumed age differences between future retirees and their participating spouses were revised to reflect more closely actual experience.

The actuarial assumptions used in the December 31, 2016, valuations were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, as well as, the October 28, 2016, actuarial assumptions workshop and were adopted by the PERA Board during the November 18, 2016, Board meeting. In addition, certain actuarial assumptions pertaining to per capita health care costs and their related trends are analyzed and reviewed by PERA’s actuary, as needed.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA’s Board on October 28, 2016.

Several factors were considered in evaluating the long-term rate of return assumption for the HCTF, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

Center Housing Authority
Notes to Financial Statements (Continued)
June 30, 2018

Note 6 Defined Benefit Other Post Employment Benefit (OPEB) Plan (Continued)

As of the most recent adoption of the long-term expected rate of return by the PERA Board, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
U.S. Equity – Large Cap	21.20%	4.30%
U.S. Equity – Small Cap	7.42%	4.80%
Non U.S. Equity – Developed	18.55%	5.20%
Non U.S. Equity – Emerging	5.83%	5.40%
Core Fixed Income	19.32%	1.20%
High Yield	1.38%	4.30%
Non U.S. Fixed Income – Developed	1.84%	0.60%
Emerging Market Debt	0.46%	3.90%
Core Real Estate	8.50%	4.90%
Opportunity Fund	6.00%	3.80%
Private Equity	8.50%	6.60%
Cash	1.00%	0.20%
Total	100.00%	

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25%.

Sensitivity of the Authority proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates. The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
PERACare Medicare trend rate	4.00%	5.00%	6.00%
Initial Medicare Part A trend rate	2.00%	3.00%	4.00%
Ultimate Medicare Part A trend rate	3.25%	4.25%	5.25%
Net OPEB Liability	\$19,313	\$19,860	\$20,518

Discount rate. The discount rate used to measure the total OPEB liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

Center Housing Authority
Notes to Financial Statements (Continued)
June 30, 2018

Note 6 Defined Benefit Other Post Employment Benefit (OPEB) Plan (Continued)

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2017, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date. For future plan members, employer contributions were reduced by the estimated amount of total service costs for future plan members.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Transfers of a portion of purchase service agreements intended to cover the costs associated with OPEB benefits were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the end of the month.

Based on the above assumptions and methods, the projection test indicates the HCTF's fiduciary net position was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent.

Sensitivity of the Authority proportionate share of the net OPEB liability to changes in the discount rate. The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$19,313	\$19,860	\$20,518

OPEB plan fiduciary net position. Detailed information about the HCTF's fiduciary net position is available in PERA's comprehensive annual financial report which can be obtained at www.copera.org/investments/pera-financial-reports.

Center Housing Authority
Notes to Financial Statements (Continued)
June 30, 2018

Note 7 Restricted Net Position

The Authority has restricted net position of \$8,315 at June 30, 2018 relating to money received under the section 8 voucher program that had yet to be spent. This money can only be used to provide housing assistance payments under the section 8 program.

Note 8 Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damages to, and destruction of assets; errors and omissions; injuries to employee; and natural disasters. The Authority carries commercial insurance for these risks of loss. The Authority has not experienced losses that exceeded commercial coverage in any of the last three years.

Note 9 Contingencies

The Authority participates in a number of federal, state, and local programs that are funded by grants received from other governmental units. Expenses financed by grants are subject to audit by the appropriate grantor government. If expenses are disallowed due to noncompliance with grant program regulations, the Authority may be required to reimburse the grantor government. As of June 30, 2018, significant amounts of grant expenses have not been audited, but the Authority believes that disallowed expenses, if any, will not have a material effect on any of the individual funds or the overall financial position of the Authority.

Note 10 TABOR

In November 1992, Colorado voters passed the Tabor Amendment (Amendment 1) to the State Constitution which limits state and local government tax powers and imposes spending limitations. Fiscal year 1993 provides the basis for limits in future years to which may be applied allowable increases for inflation and student enrollment. Revenue received in excess of the limitations may be required to be refunded, unless the local electorate votes to retain the revenue. The Tabor Amendment is subject to many interpretations, however, the Authority believes it is exempt because it receives no taxes and is funded primarily by federal grants and contributions.

Note 11 Economic Dependency

The Authority is economically dependent on annual contributions and grants received from HUD. The extent of this funding from HUD depends upon appropriations from the Federal government.

Note 12 Prior Period Adjustment

For the year ended June 30, 2018 the Authority implemented GASB Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The implementation of the new accounting standard required the beginning fund balance to be restated. The restatement resulted in a decrease of net position in the amount of \$22,031. There was no effect on Statement of Revenues, Expenses and Changes in Net Position for the year ended.

REQUIRED SUPPLEMENTAL INFORMATION

Center Housing Authority
Required Supplementary Information
Schedule of the Authority's Proportionate Share of the Net Pension Liability - PERA
Last 10 Fiscal Years *

	2018	2017	2016	2015	2014
Authority's proportion of the net pension liability	0.0196654822%	0.0198514337%	0.0204680670%	0.0209438169%	0.0218089127%
Authority's proportional share of the net pension liability	\$ 218,960	\$ 268,063	\$ 225,496	\$ 187,721	\$ 179,470
Authority's covered payroll	126,549	128,398	116,253	113,041	116,343
Total pension liability	5,396,516,000	5,123,847,000	4,762,090,000	4,647,777,000	4,517,239,000
Plan fiduciary net position	4,283,086,000	3,773,506,000	3,660,509,000	3,751,468,000	3,508,312,000
Net pension liability	<u>\$ 1,113,430,000</u>	<u>\$ 1,350,341,000</u>	<u>\$ 1,101,581,000</u>	<u>\$ 896,309,000</u>	<u>\$ 1,008,927,000</u>
Plan fiduciary net position as a percentage of the total pension liability	79.4%	73.6%	76.9%	80.7%	77.7%
Net pension liability as a percentage of covered payroll	173%	209%	194%	166%	154%

** The remaining years will be presented when they become available until 10 years are shown.

**Center Housing Authority
 Required Supplementary Information
 Schedule of Pension Contributions - PERA
 Last 10 Fiscal Years ****

	2018	2017	2016	2015	2014
Statutorily Required Contribution	16,046	16,281	14,741	14,334	14,753
Contributions in Relation to the Statutorily Required Contribution	16,046	16,281	14,741	14,334	14,753
<hr/>					
Contribution Deficiency (Excess)	-	-	-	-	-
<hr/> <hr/>					
Covered Payroll	126,549	128,398	116,253	113,041	116,343
Contributions as a % of Covered Payroll	12.68%	12.68%	12.68%	12.68%	12.68%

** The remaining years will be presented when they become available until 10 years are shown.

Center Housing Authority
Required Supplementary Information
Schedule of the Authority's Proportionate Share of the OPEB Liability - PERA
Last 10 Fiscal Years **

	2018	2017
Authority's proportion of the net OPEB liability	0.0015281187%	0.0015281187%
Authority's proportional share of the net OPEB liability	\$ 19,859	\$ 19,757
Authority's covered payroll	126,549	128,398
Total OPEB liability	1,575,822,000	1,556,762,000
Plan fiduciary net position	276,222,000	260,228,000
Net OPEB liability	\$ 1,299,600,000	\$ 1,296,534,000
Plan fiduciary net position as a percentage of the total OPEB liability	17.5%	16.7%
Net OPEB liability as a percentage of covered payroll	16%	15%

** The remaining years will be presented when they become available until 10 years are shown.

**Center Housing Authority
 Required Supplementary Information
 Schedule of OPEB Contributions - PERA
 Last 10 Fiscal Years ****

Measurement date for the year ending December 31,	2018	2017
Statutorily Required Contribution	1,291	1,310
Contributions in Relation to the Statutorily Required Contribution	1,291	1,310
Contribution Deficiency (Excess)	-	-
Covered Payroll	126,549	128,398
Contributions as a % of Covered Payroll	1.02%	1.02%

** The remaining years will be presented when they become available until 10 years are shown.

SUPPLEMENTAL SECTION

Center Housing Authority (CO043)
CENTER, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2018

	Project Total	10.415 Rural Rental Housing Loans	14.871 Housing Choice Vouchers	2 State/Local	Subtotal	Total
111 Cash - Unrestricted	\$1,066	\$11	\$5,789	\$16,205	\$23,071	\$23,071
112 Cash - Restricted - Modernization and Development						
113 Cash - Other Restricted			\$11,669		\$11,669	\$11,669
114 Cash - Tenant Security Deposits	\$6,150	\$2,365			\$8,515	\$8,515
115 Cash - Restricted for Payment of Current Liabilities						
100 Total Cash	\$7,216	\$2,376	\$17,458	\$16,205	\$43,255	\$43,255
121 Accounts Receivable - PHA Projects	\$14,770				\$14,770	\$14,770
122 Accounts Receivable - HUD Other Projects	\$13,486				\$13,486	\$13,486
124 Accounts Receivable - Other Government						
125 Accounts Receivable - Miscellaneous						
126 Accounts Receivable - Tenants	\$50	\$535			\$585	\$585
126.1 Allowance for Doubtful Accounts - Tenants	\$0	-\$535			-\$535	-\$535
126.2 Allowance for Doubtful Accounts - Other						
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	\$28,306	\$0	\$0	\$0	\$28,306	\$28,306
131 Investments - Unrestricted	\$19,255	\$212,002			\$231,257	\$231,257
132 Investments - Restricted						
135 Investments - Restricted for Payment of Current Liability						
142 Prepaid Expenses and Other Assets	\$4,732	\$1,364			\$6,096	\$6,096
143 Inventories						
143.1 Allowance for Obsolete Inventories						
144 Inter Program Due From						
145 Assets Held for Sale						
150 Total Current Assets	\$59,509	\$215,742	\$17,458	\$16,205	\$308,914	\$308,914
161 Land	\$55,260	\$11,470			\$66,730	\$66,730
162 Buildings	\$2,330,864	\$623,388			\$2,954,252	\$2,954,252
163 Furniture, Equipment & Machinery - Dwellings	\$46,232	\$3,101			\$49,333	\$49,333
164 Furniture, Equipment & Machinery - Administration	\$84,618	\$12,593			\$97,211	\$97,211
165 Leasehold Improvements	\$42,576				\$42,576	\$42,576
166 Accumulated Depreciation	-\$2,151,119	-\$535,348			-\$2,686,467	-\$2,686,467
167 Construction in Progress						
168 Infrastructure						
160 Total Capital Assets, Net of Accumulated Depreciation	\$408,431	\$115,204	\$0	\$0	\$523,635	\$523,635
171 Notes, Loans and Mortgages Receivable - Non-Current						
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due						
173 Grants Receivable - Non Current						
174 Other Assets						
176 Investments in Joint Ventures						
180 Total Non-Current Assets	\$408,431	\$115,204	\$0	\$0	\$523,635	\$523,635
200 Deferred Outflow of Resources	\$15,205	\$5,866	\$1,265	\$339	\$22,675	\$22,675
290 Total Assets and Deferred Outflow of Resources	\$463,145	\$336,812	\$18,723	\$16,544	\$855,224	\$855,224
311 Bank Overdraft						
312 Accounts Payable <= 90 Days	\$14,315	\$1,856	\$89	\$60	\$16,320	\$16,320
313 Accounts Payable >90 Days Past Due						
321 Accrued Wage/Payroll Taxes Payable	\$7,057	\$1,169	\$308		\$8,534	\$8,534
322 Accrued Compensated Absences - Current Portion	\$3,483	\$1,263	\$306		\$5,052	\$5,052
324 Accrued Contingency Liability						
325 Accrued Interest Payable						
331 Accounts Payable - HUD PHA Programs						
332 Account Payable - PHA Projects			\$4,552	\$1,808	\$6,360	\$6,360

Center Housing Authority (CO043)
 CENTER, CO
 Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2018

333	Accounts Payable - Other Government						
341	Tenant Security Deposits	\$6,150	\$2,365		\$8,515	\$8,515	
342	Unearned Revenue						
343	Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue						
344	Current Portion of Long-term Debt - Operating Borrowings						
345	Other Current Liabilities	\$328			\$328	\$328	
346	Accrued Liabilities - Other						
347	Inter Program - Due To		\$8,410		\$8,410	\$8,410	
348	Loan Liability - Current						
310	Total Current Liabilities	\$31,333	\$15,063	\$5,255	\$1,868	\$53,519	\$53,519
351	Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue						
352	Long-term Debt, Net of Current - Operating Borrowings						
353	Non-current Liabilities - Other						
354	Accrued Compensated Absences - Non Current						
355	Loan Liability - Non Current						
356	FASB 5 Liabilities						
357	Accrued Pension and OPEB Liabilities	\$160,145	\$61,783	\$13,325	\$3,567	\$238,820	\$238,820
350	Total Non-Current Liabilities	\$160,145	\$61,783	\$13,325	\$3,567	\$238,820	\$238,820
300	Total Liabilities	\$191,478	\$76,846	\$18,580	\$5,435	\$292,339	\$292,339
400	Deferred Inflow of Resources	\$29,761	\$11,482	\$2,477	\$663	\$44,383	\$44,383
508.4	Net Investment in Capital Assets	\$408,431	\$115,204	\$0	\$0	\$523,635	\$523,635
511.4	Restricted Net Position	\$0		\$8,315	\$0	\$8,315	\$8,315
512.4	Unrestricted Net Position	-\$146,525	\$133,280	-\$10,649	\$10,446	-\$13,448	-\$13,448
513	Total Equity - Net Assets / Position	\$261,906	\$248,484	-\$2,334	\$10,446	\$518,502	\$518,502
600	Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$463,145	\$336,812	\$18,723	\$16,544	\$855,224	\$855,224

Center Housing Authority (CO043)
 CENTER, CO
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2018

	Project Total	10.415 Rural Rental Housing Loans	14.871 Housing Choice Vouchers	2 State/Local	Subtotal	Total
70300 Net Tenant Rental Revenue	\$96,279	\$39,694			\$135,973	\$135,973
70400 Tenant Revenue - Other	\$95				\$95	\$95
70500 Total Tenant Revenue	\$96,374	\$39,694	\$0	\$0	\$136,068	\$136,068
70600 HUD PHA Operating Grants	\$39,455		\$99,815		\$139,270	\$139,270
70610 Capital Grants	\$27,104				\$27,104	\$27,104
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		\$48,657			\$48,657	\$48,657
71100 Investment Income - Unrestricted	\$46	\$461	\$0		\$507	\$507
71200 Mortgage Interest Income						
71300 Proceeds from Disposition of Assets Held for Sale						
71310 Cost of Sale of Assets						
71400 Fraud Recovery						
71500 Other Revenue	\$3,649	\$1,478		\$5,261	\$10,388	\$10,388
71600 Gain or Loss on Sale of Capital Assets						
72000 Investment Income - Restricted			\$13		\$13	\$13
70000 Total Revenue	\$166,628	\$90,290	\$99,828	\$5,261	\$362,007	\$362,007
91100 Administrative Salaries	\$58,793	\$22,843	\$7,061		\$88,697	\$88,697
91200 Auditing Fees	\$2,030	\$630	\$840		\$3,500	\$3,500
91300 Management Fee		\$85			\$85	\$85
91310 Book-keeping Fee						
91400 Advertising and Marketing	\$95				\$95	\$95
91500 Employee Benefit contributions - Administrative	\$49,018	\$18,259	\$4,832	\$99	\$72,208	\$72,208
91600 Office Expenses	\$6,120	\$1,232	\$212	\$27	\$7,591	\$7,591
91700 Legal Expense						
91800 Travel	\$1,762			\$219	\$1,981	\$1,981
91810 Allocated Overhead						
91900 Other	\$4,222	\$2,526	\$1,848	\$850	\$9,446	\$9,446
91000 Total Operating - Administrative	\$122,040	\$45,575	\$14,793	\$1,195	\$183,603	\$183,603
92000 Asset Management Fee						
92100 Tenant Services - Salaries						
92200 Relocation Costs						
92300 Employee Benefit Contributions - Tenant Services						
92400 Tenant Services - Other	\$127				\$127	\$127
92500 Total Tenant Services	\$127	\$0	\$0	\$0	\$127	\$127
93100 Water	\$591	\$4,894			\$5,485	\$5,485
93200 Electricity	\$1,270	\$10,277			\$11,547	\$11,547
93300 Gas	\$3,163	\$178			\$3,341	\$3,341
93400 Fuel						
93500 Labor						
93600 Sewer						
93700 Employee Benefit Contributions - Utilities						
93800 Other Utilities Expense	\$490	\$3,436			\$3,926	\$3,926
93000 Total Utilities	\$5,514	\$18,785	\$0	\$0	\$24,299	\$24,299
94100 Ordinary Maintenance and Operations - Labor	\$24,829	\$9,479		\$1,890	\$36,198	\$36,198
94200 Ordinary Maintenance and Operations - Materials and Other	\$6,882	\$705			\$7,587	\$7,587
94300 Ordinary Maintenance and Operations Contracts	\$9,384	\$5,459		\$105	\$14,948	\$14,948
94500 Employee Benefit Contributions - Ordinary Maintenance	\$20,474	\$8,501		\$800	\$29,775	\$29,775
94000 Total Maintenance	\$61,569	\$24,144	\$0	\$2,795	\$88,508	\$88,508

Center Housing Authority (CO043)
 CENTER, CO
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2018

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	\$0
96110 Property Insurance	\$4,623	\$2,075			\$6,698	\$6,698
96120 Liability Insurance						
96130 Workmen's Compensation	\$3,367	\$707			\$4,074	\$4,074
96140 All Other Insurance	\$961	\$264			\$1,225	\$1,225
96100 Total Insurance Premiums	\$8,951	\$3,046	\$0	\$0	\$11,997	\$11,997
96200 Other General Expenses	\$467				\$467	\$467
96210 Compensated Absences	\$773	\$417			\$1,190	\$1,190
96300 Payments in Lieu of Taxes						
96400 Bad debt - Tenant Rents		\$535			\$535	\$535
96500 Bad debt - Mortgages						
96600 Bad debt - Other						
96800 Severance Expense						
96000 Total Other General Expenses	\$1,240	\$952	\$0	\$0	\$2,192	\$2,192
96710 Interest of Mortgage (or Bonds) Payable						
96720 Interest on Notes Payable (Short and Long Term)						
96730 Amortization of Bond Issue Costs						
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$199,441	\$92,502	\$14,793	\$3,990	\$310,726	\$310,726
97000 Excess of Operating Revenue over Operating Expenses	-\$32,813	-\$2,212	\$85,035	\$1,271	\$51,281	\$51,281
97100 Extraordinary Maintenance						
97200 Casualty Losses - Non-capitalized						
97300 Housing Assistance Payments			\$77,092		\$77,092	\$77,092
97350 HAP Portability-In						
97400 Depreciation Expense	\$50,970	\$26,882			\$77,852	\$77,852
97500 Fraud Losses						
97600 Capital Outlays - Governmental Funds						
97700 Debt Principal Payment - Governmental Funds						
97800 Dwelling Units Rent Expense						
90000 Total Expenses	\$250,411	\$119,384	\$91,885	\$3,990	\$465,670	\$465,670
10010 Operating Transfer In						
10020 Operating transfer Out						
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)	\$575				\$575	\$575
10091 Inter Project Excess Cash Transfer In						
10092 Inter Project Excess Cash Transfer Out						
10093 Transfers between Program and Project - In						
10094 Transfers between Project and Program - Out						
10100 Total Other financing Sources (Uses)	\$575	\$0	\$0	\$0	\$575	\$575
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$83,208	-\$29,094	\$7,943	\$1,271	-\$103,088	-\$103,088
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$382,292	\$297,435	-\$14,920	-\$15,668	\$649,139	\$649,139
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	-\$37,178	-\$19,857	\$4,643	\$24,843	-\$27,549	-\$27,549
11050 Changes in Compensated Absence Balance						
11060 Changes in Contingent Liability Balance						
11070 Changes in Unrecognized Pension Transition Liability						

Center Housing Authority (CO043)
 CENTER, CO
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2018

11080	Changes in Special Term/Severance Benefits Liability					
11090	Changes in Allowance for Doubtful Accounts - Dwelling Rents					
11100	Changes in Allowance for Doubtful Accounts - Other					
11170	Administrative Fee Equity			-\$10,649	-\$10,649	-\$10,649
11180	Housing Assistance Payments Equity			\$8,315	\$8,315	\$8,315
11190	Unit Months Available	360	120	300	780	780
11210	Number of Unit Months Leased	357	118	207	682	682
11270	Excess Cash	\$6,902			\$6,902	\$6,902
11810	Land Purchases	\$0			\$0	\$0
11620	Building Purchases	\$0			\$0	\$0
11630	Furniture & Equipment - Dwelling Purchases	\$17,608			\$17,608	\$17,608
11640	Furniture & Equipment - Administrative Purchases	\$3,416			\$3,416	\$3,416
11650	Leasehold Improvements Purchases	\$6,080			\$6,080	\$6,080
11660	Infrastructure Purchases	\$0			\$0	\$0
13510	CFFP Debt Service Payments	\$0			\$0	\$0
13901	Replacement Housing Factor Funds	\$0			\$0	\$0