



Financial Statements
December 31, 2018

Jefferson County Housing Authority

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Independent Auditor's Report

To the Board of Commissioners
Jefferson County Housing Authority
Wheat Ridge, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and the discretely presented component units of Jefferson County Housing Authority (the "Authority") as of and for the year ended December 31, 2018, 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the 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 discretely presented component units of Jefferson County Housing Authority as of December 31, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Jefferson County Housing Authority's financial statements. The accompanying combining statements as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the audit requirements of 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 accompanying Financial Data Schedules (FDS) are presented for purposes of additional information as required by the Housing and Urban Development Real Estate Assessment Center (REAC) and are also not a required part of the financial statements.

The combining statements, the FDS, 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 audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements, the FDS and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated July 23, 2019, on our consideration of Jefferson County Housing Authority'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 the Authority's 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 Jefferson County Housing Authority's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Eide Sully LLP". The signature is written in a cursive, flowing style.

Boise, Idaho
July 23, 2019

Management's Discussion and Analysis

As management of the Jefferson County Housing Authority (the Authority or JCHA), 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 December 31, 2018. The Management Discussion and Analysis is designed to assist the reader in focusing on significant financial issues, to provide an overview of the Authority's financial activity and position, and to identify financial trends and concerns. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements and the additional information that we have furnished in our notes to the financial statements to obtain a full understanding of its financial position.

Financial Highlights

The Jefferson County Housing Authority continues to have a strong financial outlook.

- Total Net Position was \$32,285,932 at December 31, 2017 and \$34,568,862 at December 31, 2018, an increase of \$2,282,930. The increase in net position was primarily due to increased Net investment in capital assets in 2018, \$2,033,314. The change in net position in 2018 was a 7% increase from the beginning net position of \$32,285,932.
- The fiscal year ended with a current ratio of 2.8, allowing the Authority to meet its current obligations 2.8 times. The current ratio for 2017 was 3.4.
- Total Cash, Cash Equivalents and Investments were \$10,466,607 at fiscal year-end 2018 and \$12,592,727 at fiscal year-end 2017 for a net decrease of \$2,126,120.
- The Section 8 Housing Choice Voucher Annual contributions increased \$1,049,433 in 2018 to \$12,874,997, up from 2017's \$11,825,564.
- The year finished with a Net Increase in Net Position (Profit) of \$2,282,930. Operating and Nonoperating Revenues totaled \$24,160,861 (\$21,329,707 in prior year) and Operating and Non-Operating Expenditures totaled \$21,877,931 (\$19,529,970 in prior year). This represented a net increase of \$483,193 over 2017's performance.
- JCHA received an award of 40 new Mainstream/Non Elderly Disabled Housing Choice Vouchers effective November 2018.
- JCHA properties expended both its own funds and insurance proceeds in excess of \$1 million in 2018 to repair extraordinary damages caused by a hailstorm in 2017. Repairs continue in 2019.
- As the General Partner, the Authority began construction on land purchased in 2017, El Rancho Flats, adding 54 units to its management portfolio. The project is scheduled to open late in 2019.

Using the Financial Statements

The Basic Financial Statements consist of Management's Discussion and Analysis (this section) and a series of financial statements and notes to those statements. These statements are organized so that the reader can understand the Authority as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Position presents information on all the Authority's assets and liabilities. Under GASB 34, the difference between the Authority's assets and liabilities is Net Position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

Using the Financial Statements (continued)

The Statement of Revenues, Expenses and Changes in Net Position shows the reader operating revenues and expenses by the Authority as a whole. This is reported on a full accrual basis where income is reported when earned and expenses are reported as incurred. This report shows the reader the net increase (decrease) in Net Position (profit/loss). Operating income is made up of tenant rents, management fees, HUD operating subsidies, developer fees, and other income. Operating expenses are Section 8 landlord payments, salaries and benefits, office expenses, insurance, utilities, maintenance and depreciation. The difference between Operating Revenue and Operating Expenses is Net Operating Income (Loss) allowing us to see if the operations of the Authority are generating an increase or decrease. The next section shows non-operating revenues and expenses. Non-operating revenues and expenses are interest income, mortgage interest expense, capital grants, net income/loss from joint ventures, and gain/loss on disposal of capital assets, bringing us to the Change in Net Position (profit/loss) for the year just ended.

Each column of the combining statements beginning on page 40 is a program. A program is a self-balancing set of accounts recording cash and other financial resources together with all related liabilities and net position and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations or restrictions.

The Statement of Cash Flows provides our third statement which converts our accrual accounting to cash to let the reader know if the Authority, as a whole, increased or decreased in the cash position for 2018 and what the sources or uses of the cash were.

The Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements and can be found beginning on page 22, immediately after the Statement of Cash Flows.

Financial Analysis

STATEMENTS OF NET POSITION

	2018	2017	Dollar Change	Percent Change
ASSETS				
Current assets	\$ 14,592,148	\$ 16,359,906	\$ (1,767,758)	-10.8%
Notes receivable	11,333,203	9,551,445	1,781,758	18.7%
Other noncurrent assets	1,642,906	1,506,364	136,542	9.1%
Capital assets	26,653,006	25,645,738	1,007,268	3.9%
Total assets	<u>\$ 54,221,263</u>	<u>\$ 53,063,453</u>	<u>\$ 1,157,810</u>	<u>2.2%</u>
LIABILITIES				
Current liabilities	\$ 5,232,536	\$ 4,830,071	\$ 402,465	8.3%
Other payables	360,565	421,815	(61,250)	-14.5%
Mortgages payable	14,059,300	15,525,635	(1,466,335)	-9.4%
Total liabilities	<u>19,652,401</u>	<u>20,777,521</u>	<u>(1,125,120)</u>	<u>-5.4%</u>
NET POSITION				
Net investment in capital assets	8,322,472	6,289,158	2,033,314	32.3%
Restricted	35,831	101,963	(66,132)	-64.9%
Unrestricted	26,210,559	25,894,811	315,748	1.2%
Total net position	<u>34,568,862</u>	<u>32,285,932</u>	<u>2,282,930</u>	<u>7.1%</u>
Total liabilities and net position	<u>\$ 54,221,263</u>	<u>\$ 53,063,453</u>	<u>\$ 1,157,810</u>	<u>2.2%</u>

- Total Assets at 2018 year-end were \$54,221,263, an increase of \$1,157,810 or 2.2% from the \$53,063,453 reported for 2017.
- Current Assets decreased by (\$1,767,758). Included in this decrease, was a decrease in Cash and Restricted Cash of (\$2,126,805), which included the expenditure of Public Housing Disposition funds for the purchase of Mountain View properties. Other decreases included a Developer Fee Receivable decrease of (\$391,464), Prepaid Expenses decrease of (\$26,861), and Notes Receivable Current Portion decrease of (\$39,865). Partially offsetting these decreases were increases in Due from Jeffco Housing Corporation of \$274,512, an increase in Investments of \$685, and an increase in Tenant and Other Accounts Receivable of \$542,040.
- Non-Current Assets increased \$2,925,568 with increases in Notes Receivable (Long-Term) of \$1,781,758, increases in Equity method investments of \$13,089, increases in Misc. Non-Current Assets of \$123,453, and an increase in Capital Assets of \$1,007,268.
- Current Liabilities at 2018 year-end were \$5,232,536, an increase of \$402,465 from 2017. The change is made up of increases in Tenant Security Deposits of \$4,136, in Accounts Payable of \$62,056, in Accrued Interest (Short-Term) of \$23,587, and in the Current Portion of Mortgages Payable (due to normal amortization) of \$440,289, offset with decreases in Prepaid Rents/Advanced Revenues of (\$3,593), the Due to the Jeffco Housing Corp of (\$47,051), in Accrued Liabilities of (\$30,608) and in the Current Portion of Compensated Absences of (\$46,351) due to resignations of long term employees.

Financial Analysis (Continued)

- Other long-term payables were \$360,565, a decrease of (\$61,250) from the prior year due to decreases of (\$49,606) in the Long-Term portion of Compensated Absences and (\$11,644) in Rehab Payable.
- Mortgages Payable (Long-Term) was \$14,059,300, a decrease of (\$1,466,335) from last year. This change was mainly due to normal amortization of mortgage principal payments.
- At December 31, 2018, assets exceeded liabilities by \$34,568,862. This is made up of \$8,322,472 in net investment in capital assets, \$35,831 in restricted housing assistance payments, and \$26,210,559 in unrestricted net position.

**STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION**

	2018	2017	Dollar Change	Percent Change
OPERATING REVENUES	\$ 23,239,018	\$ 21,147,278	\$ 2,091,740	9.9%
OPERATING EXPENSES	20,953,380	18,873,294	2,080,086	11.0%
NET OPERATING INCOME	<u>2,285,638</u>	<u>2,273,984</u>	<u>11,654</u>	<u>0.5%</u>
NET NON-OPERATING REVENUE (EXPENSES)	(2,708)	(474,247)	471,539	-99.4%
NET INCREASE (DECREASE) IN NET POSITION	<u>2,282,930</u>	<u>1,799,737</u>	<u>483,193</u>	<u>26.8%</u>
NET POSITION, Beginning of year	32,285,932	29,053,424	3,232,508	11.1%
PRIOR YEAR ADJUSTMENT IN PREVIOUSLY ISSUED FINANCIAL STATEMENTS	-	1,432,771	(1,432,771)	0.0%
NET POSITION, Beginning of year, as restated	<u>32,285,932</u>	<u>30,486,195</u>	<u>1,799,737</u>	<u>5.9%</u>
NET POSITION, End of year	<u>\$ 34,568,862</u>	<u>\$ 32,285,932</u>	<u>\$ 2,282,930</u>	<u>7.1%</u>

- Operating Revenues had an increase of \$2,091,740 due to the increase in Rental Income of \$345,112, an increase in Operating Subsidies of \$1,027,595, an increase in Other Grants of \$974,186, primarily due to receipt by JCHA of a Colorado Division of Housing grant for the development of El Rancho and a decrease in Other Income of (\$255,153).
- Operating Expenses increased by \$2,080,086 this year. This is from increases in HAP expense of \$1,065,200, in Administrative salaries and benefits \$193,900 (addition of Director of Development, Director of Real Estate Operations, and Director of Procurement to service needs of growing portfolio), in insurance of \$84,655, in Other administrative of \$159,148, in Utilities of \$12,153, in Depreciation of \$4,911, in Regular and extraordinary maintenance of \$256,873, and in Other Expenses of \$332,762. These increases are offset with a decrease of (\$29,516) in Maintenance salaries and benefits.

Financial Analysis (Continued)

Insurance and maintenance expense increases can both be associated with damages from a 2017 hail storm to JCHA properties.

- Non-Operating Revenues (Expenses) changed by \$471,539 in 2018. This change included a \$450,627 Gain on involuntary conversion of capital assets (hailstorm damage replacements), an increase in interest income of \$304,285 (loans to component units), a decrease in net income from joint ventures of (\$16,250), a decrease in loss on disposal of capital assets of \$752, and an increase in interest expense of (\$267,875). The increase in interest income as well as the increase in interest expense is due to the reporting of each related to the debt secured by JCHA on behalf of Jeffco Housing Corp (\$183,432).
- The Authority finished the year with a Change in Net Position of \$2,282,930.

CAPITAL ASSETS

	2018	2017	Dollar Change	Percent Change
Non-depreciable Assets				
Land/construction in progress	\$ 6,279,199	\$ 5,611,136	\$ 668,063	11.9%
Depreciable Assets				
Buildings and improvements	33,594,199	32,745,546	848,653	2.6%
Equipment and furniture	2,788,501	2,767,542	20,959	0.8%
Total depreciable assets	36,382,700	35,513,088	869,612	2.4%
Less Accumulated Depreciation	(16,008,893)	(15,478,486)	(530,407)	3.4%
Total Capital Assets, Being Depreciated, Net	20,373,807	20,034,602	339,205	1.7%
Total Capital Assets, Net	<u>\$ 26,653,006</u>	<u>\$ 25,645,738</u>	<u>\$ 1,007,268</u>	<u>3.9%</u>

As of December 31, 2018, the Authority had \$26,653,006 invested in a broad range of capital assets, including sites, buildings, and equipment. As of December 31, 2017, this amount was \$25,645,738, an increase of \$1,007,268. Some of the significant activity in capital assets is described below in the Program Analysis and Highlights. See Note 6 in the footnotes portion of the financial statements for additional information.

CONDENSED STATEMENT OF CHANGES IN LONG-TERM DEBT

	2018	2017	Dollar Change	Percent Change
Mortgages Payable - Current	\$ 4,271,234	\$ 3,830,945	\$ 440,289	11.5%
Mortgages Payable	14,059,300	15,525,635	(1,466,335)	-9.4%
Total	<u>\$ 18,330,534</u>	<u>\$ 19,356,580</u>	<u>\$ (1,026,046)</u>	<u>-5.3%</u>

Financial Analysis (Continued)

As of December 31, 2018 and 2017, the Authority had \$18,330,534 and \$19,356,580, respectively, of outstanding long-term debt for a net decrease of (\$1,026,046). Details of the mortgages can be found in Note 8 in the footnotes section of the financial statements.

The Authority's Program Analysis and Highlights

General Fund Program

The General Fund Program is responsible for development of new units in Jefferson County. The General Fund Program has a net position of \$10,807,612 at year end 2018. The Authority purchased three building lots in Golden adjacent to Mountain View and applied for tax credits from the Colorado Housing and Finance Authority to develop this land, known as Flats at Ford Street. The project did not receive a reservation of credits in 2018, but reapplied in 2019. The Authority has been awarded tax credits for a new project called El Rancho Flats, closed on a partnership and began construction in 2018. This project will likely see certificates of occupancy obtained in late 2019.

Public and Indian Housing Program

During 2006, HUD granted a disposition request to the Authority for the 65 units of Public Housing that the Authority owned and operated for rent to low-income individuals and families. The properties were sold to the Jeffco Housing Corporation. At year-end 2018, the Program has a net position of \$6,514,018. By December 31, 2019, JCHA anticipates having spent the majority of remaining disposition proceeds. An extension of time to spend the remaining proceeds will be requested from HUD if not entirely expended by the end of 2019.

Housing Choice Vouchers Program

Through Annual Contribution Contracts with HUD, the Authority receives funding to subsidize the rent of low income families in the private market and earns an administrative fee to cover the Program's operating costs. In 2018, the Authority received funding for a baseline of 18,120 vouchers and leased an average of 1,355 rental vouchers per month to low-income clients in Jefferson County including 50 VASH vouchers. In November of 2018, JCHA began receiving additional budget authority to fund 40 new Mainstream/Non Elderly Disabled Vouchers. The Authority receives administrative fees as part of this Program and the Program has a net position of \$215,428. For calendar year 2018, HUD provided JCHA with an annual adjustment factor of 14.3%, increasing its HCV Housing Assistance Payment budget authority.

Housing Rehab Program

The Housing Rehab Program utilizes grants and affordable loans to do necessary repairs and rehabilitation to the homes of eligible households in Jefferson County. The Housing Rehab Program provides financial and technical assistance to low/moderate income homeowner households. The Housing Rehab Program has a net position at fiscal year-end 2018 of \$2,039,297.

The Authority's Program Analysis and Highlights (Continued)

Section 8 New Construction Program

The Authority owns and operates two senior apartment buildings located in Evergreen and Golden, Colorado. Both buildings receive subsidies from HUD under the Section 8 New Construction program. This program enables seniors (age 62 or older) to pay thirty percent of their income towards rent.

Canyon Gate Apartments: Canyon Gate Apartments is a 53-unit complex located in Golden, Colorado. Canyon Gate Apartments had a decrease in net position of (\$110,564) and a net position at year-end of \$108,697. Decrease in position is primarily related to expense for the eradication of a bed bug infestation in 2018.

Green Ridge Meadow Apartments: Green Ridge Meadow Apartments is a 79-unit complex in Evergreen, Colorado. Green Ridge had an increase in net position of \$83,512 at year-end and a net position at December 31, 2018, of \$985,311.

Below Market Rental Housing

The Authority owns:

Caesar Square Apartments: a 108-unit apartment building in Wheat Ridge, Colorado. Caesar Square Apartments finished the year with a net income before transfers of \$368,549 and had a net position of \$2,516,949 at December 31, 2018. The occupancy rate for 2018 was 96.5%. Plans for 2019 include transferring this property into a component unit and making an application to the Colorado Housing and Finance Authority for 4% and State Low Income Housing Tax Credits with Private Activity Bond Debt to facilitate a major property rehab project.

Mountain View Apartments: a 15-unit building in Golden, Colorado finished the year with 100% occupancy. At December 31, 2018, Mountain View Apartments had a net income before transfers of \$18,927, and a net position of \$407,337. Hail damage from 2017 remains unrepaired, as the property is being taken out of service in 2019 and is being held for redevelopment as part of the Flats at Ford Street. This property is expected to be taken out of service in 2019 until completion of the redevelopment.

Kendall Apartments: a 21-unit apartment building in Wheat Ridge, Colorado finished the year with 92.9% occupancy. Kendall Apartments finished the year with a net loss before transfers of (\$5,736) and has a net position of \$1,254,791.

Viking Square Apartments: a 55-unit apartment building in Arvada, Colorado had an occupancy rate of 96%. Planned improvements for 2019 include balance improvements at an anticipated cost of \$170,000. Viking Square ended 2018 with a total net position of \$771,627 after a net income before transfers of \$150,455 for the year.

Aspen Ridge: a 105-unit apartment building in Arvada, Colorado finished the year with an occupancy rate of 98.2%. Aspen Ridge finished the year with a net income before transfers of \$325,962 and had a net position of \$2,386,551 at 2018 year-end.

The Authority's Program Analysis and Highlights (Continued)

Below Market Rental Housing (Continued)

Redwood Village: a 50-unit apartment building in Westminster, Colorado finished the year with 98.6% occupancy. Redwood Village, at December 31, 2018, had a net income before transfers of \$70,392, and a net position of \$709,954.

Parkview Village: Is a 96-unit apartment complex in Arvada, Colorado was managed by a third party for all of 2018. Beginning June of 2019, the Authority resumed internal management of Parkview Village. At the end of 2018, Parkview Village had a net income before transfers of \$437,808 and a net position of \$1,615,766.

Glendale Apartments: a 120-unit apartment building in Westminster, Colorado was occupied at 97.8%. Glendale Apartments finished the year with a net Income before transfers of \$164,575 and a net position of \$3,872,448 at year-end.

Harlan Street Apartments: a 6-unit apartment building in Lakewood, Colorado was occupied at 95.9%. Harlan Street Apartments finished the year with a net income before transfers of \$10,169 and a net position at year-end of \$363,076.

Discretely Presented Component Units

Lewis Court Apartments, LLLP: Lewis Court Apartments, LLLP is a tax credit partnership which owns and operates a 50-unit low-income housing tax credit development in Golden, Colorado. Lewis Court Apartments, LLLP had a net position of \$7,415,697 at fiscal year-end 2018. Separately audited financial statements of Lewis Court Apartments, LLLP are available by contacting the Authority. In 2018, Lewis Court's roof was replaced due to 2017 hailstorm damage.

Hidden Lake Homes, LLLP: Hidden Lake Homes LLLP is a tax credit partnership which owns and operates a 72-unit low-income housing tax credit development in Westminster, Colorado. Hidden Lake Homes, LLLP had a net position of \$12,869,618 at fiscal year-end 2018. Maintenance expenses are expected to begin increasing, as the property is not outside of the Builder's Warranty period. Separately audited financial statements of Hidden Lake Homes LLLP are available by contacting the Authority.

El Rancho, LLLP: El Rancho, LLLP is a tax credit partnership which is constructing a 54-unit low-income housing tax credit development in Evergreen, Colorado. The project is expected to be completed in late 2019.

Joint Venture

The Authority, in partnership with Metro West Housing Solutions, formally Lakewood Housing Authority owns Cedar Gardens/Cedar Avenue Apartments, a 72-unit complex in Lakewood, Colorado. Plans for 2019 for Cedar Gardens include a dissolution of this Joint Venture with a cash buyout to JCHA and assumption of Federal Home Loan Bank of Topeka debt by Metro West Housing Solutions.

Requests for Information

The financial report is designed to provide a general overview of the Jefferson County Housing Authority's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Jefferson County Housing Authority
Attn: Finance Department
7490 West 45th Avenue
Wheat Ridge, CO 8003

Jefferson County Housing Authority
Statement of Net Position
December 31, 2018

	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 3,552,398	\$ 544,678
Restricted cash and cash equivalents	6,794,113	1,403,678
Investments	120,096	-
Accounts receivable		
Tenants	138,677	3,888
Other	765,823	89,030
Developer fees	1,008,536	-
Due from Jeffco Housing Corporation	1,843,297	-
Accrued interest receivable - short-term	1,417	-
Prepaid expenses	14,430	349
Notes receivable - short-term	353,361	-
Total Current Assets	<u>14,592,148</u>	<u>2,041,623</u>
Accrued Interest Receivable - Long-Term	<u>348,383</u>	<u>-</u>
Notes Receivable	<u>11,333,203</u>	<u>-</u>
Other Assets, Net of Accumulated Amortization	<u>11,712</u>	<u>134,849</u>
Equity Method Investments	<u>1,282,811</u>	<u>-</u>
Capital Assets		
Non-depreciable	6,279,199	9,135,047
Depreciable, net	<u>20,373,807</u>	<u>23,892,114</u>
Total Capital Assets	<u>26,653,006</u>	<u>33,027,161</u>
Total Assets	<u>\$ 54,221,263</u>	<u>\$ 35,203,633</u>

Jefferson County Housing Authority
Statement of Net Position
December 31, 2018

	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>
Liabilities and Net Position		
Current Liabilities		
Accounts payable	\$ 479,511	\$ 69,113
Accounts payable - construction	-	607,959
Construction note payable	-	1,395,735
Developer fees payable	-	1,008,536
Accrued liabilities	-	138,768
Accrued compensated absences	36,000	-
Accrued interest payable - short-term	23,587	-
Accrued interest payable - JCHA - short-term	-	1,417
Advanced revenues	2,368	-
Tenant security deposits payable	265,933	21,800
Due to Jeffco Housing Corporation	153,903	-
Notes and mortgages payable - current portion	4,271,234	66,555
	<u>5,232,536</u>	<u>3,309,883</u>
Long-Term Liabilities		
Accrued compensated absences	110,871	-
Accrued interest payable - JCHA	-	348,382
Accrued interest payable - Jeffco Housing Corporation	-	385,328
Rehab payable	249,694	-
Notes and mortgages payable - net of current portion	14,059,300	9,319,698
	<u>14,419,865</u>	<u>10,053,408</u>
Total Current Liabilities	<u>5,232,536</u>	<u>3,309,883</u>
Total Long-Term Liabilities	<u>14,419,865</u>	<u>10,053,408</u>
Total Liabilities	<u>19,652,401</u>	<u>13,363,291</u>
Net Position		
Net investment in capital assets	8,322,472	22,245,173
Restricted	35,831	-
Unrestricted	26,210,559	(404,831)
	<u>34,568,862</u>	<u>21,840,342</u>
Total Net Position	<u>34,568,862</u>	<u>21,840,342</u>
Total Liabilities and Net Position	<u>\$ 54,221,263</u>	<u>\$ 35,203,633</u>

Jefferson County Housing Authority
Statement of Revenues, Expenses and Changes in Net Position
Year Ended December 31, 2018

	Primary Government	Discretely Presented Component Units
Operating Revenues		
HUD PHA grants	\$ 1,570,376	\$ -
HAP income	12,874,997	-
Other grants	1,128,066	-
Rental income	6,600,153	1,122,279
Management fees	158,677	-
Developer fees	348,492	-
Other	558,257	89,212
Total operating revenues	<u>23,239,018</u>	<u>1,211,491</u>
Operating Expenses		
Housing assistance payments	12,945,149	-
Administrative salaries and benefits	1,628,930	57,600
Maintenance salaries and benefits	1,188,264	130,490
Regular and extraordinary maintenance	1,609,361	193,718
Other administrative	1,049,460	258,715
Depreciation and amortization	1,063,225	1,058,177
Utilities	694,372	133,896
Insurance	328,920	58,486
Other expenses	445,699	-
Total operating expenses	<u>20,953,380</u>	<u>1,891,082</u>
Operating Income (Loss)	<u>2,285,638</u>	<u>(679,591)</u>
Non-Operating Revenues (Expenses)		
Interest income	468,676	3,286
Net income from joint ventures	12,989	-
Loss on disposal of capital assets	(10,449)	-
Gain (loss) on involuntary conversion of capital assets	450,627	(32,729)
Interest expense	(924,551)	(516,698)
Total Non-Operating Expenses	<u>(2,708)</u>	<u>(546,141)</u>
Change in Net Position Before Equity Contributions	2,282,930	(1,225,732)
Equity Contributions	-	12,643,480
Change in Net Position	<u>2,282,930</u>	<u>11,417,748</u>
Net Position, Beginning of Year	<u>32,285,932</u>	<u>10,422,594</u>
Net Position, End of Year	<u>\$ 34,568,862</u>	<u>\$ 21,840,342</u>

Jefferson County Housing Authority
Statement of Cash Flows
Year Ended December 31, 2018

	Primary Government
Operating Activities	
HUD PHA grants	\$ 1,570,376
HAP income	12,874,997
Other grants	1,128,066
Receipts from tenants	6,560,124
Management fee income	(115,835)
Developer fee income	739,956
Other income	56,789
Housing assistance payments	(12,945,149)
Payments to employees	(2,913,151)
Payments to suppliers	(4,128,198)
	2,827,975
Net Cash from Operating Activities	
Capital and Related Financing Activities	
Purchase of investments	(685)
Principal payments on long-term debt	(1,059,074)
Contribution to equity method investments	(100)
Proceeds from long-term debt borrowings	33,028
Interest paid on long-term debt	(900,964)
Acquisition of capital assets	(6,198,290)
Insurance proceeds received	916,939
Proceeds from sale of capital assets	2,093,266
	(5,115,880)
Net Cash used for Capital and Related Financing Activities	
Investing Activities	
Issuance of notes receivable	(686,102)
Payments received on notes receivable	501,979
Interest income	345,223
	161,100
Net Cash used for Investing Activities	
Net Change in Cash and Cash Equivalents	(2,126,805)
Cash and Cash Equivalents, Beginning of Year	12,473,316
Cash and Cash Equivalents, End of Year	\$ 10,346,511

Jefferson County Housing Authority
Statement of Cash Flows
Year Ended December 31, 2018

	Primary Government
Reconciliation of Cash and Cash Equivalents	
Cash	\$ 3,552,398
Restricted Cash	6,794,113
Total Cash and Cash Equivalents	\$ 10,346,511
Reconciliation of operating income to net cash from operating activities	
Operating income	\$ 2,285,638
Adjustments to reconcile operating income to net cash from operating activities	
Depreciation	1,063,225
Changes in assets and liabilities	
(Increase) decrease in receivables	(425,088)
(Increase) decrease in prepaid expenses	26,861
Increase (decrease) in accounts payable	50,412
Increase (decrease) in accrued expenses	(126,565)
Increase (decrease) in advanced revenues	(3,593)
Increase (decrease) in due to Jeffco Corporation	(47,051)
Increase (decrease) in security deposits payable	4,136
Net Cash from Operating Activities	\$ 2,827,975
Supplemental Schedule of Noncash Capital and Related Financing Activities	
Noncash sale of property to related party through issuance of notes receivable	\$ 1,557,770

Jefferson County Housing Authority
Combining Statement of Net Position – Component Units
December 31, 2018

	Lewis Court Apartments, LLLP	Hidden Lake Homes, LLLP	El Rancho, LLLP	Total
Assets				
Current Assets				
Cash and cash equivalents	\$ 219,692	\$ 274,398	\$ 50,588	\$ 544,678
Restricted cash and cash equivalents	798,724	604,954	-	1,403,678
Accounts receivable				
Tenants	511	3,377	-	3,888
Other	89,030	-	-	89,030
Prepaid expenses	176	173	-	349
Total Current Assets	1,108,133	882,902	50,588	2,041,623
Other Assets, net of accumulated amortization	30,151	104,698	-	134,849
Capital Assets				
Non-depreciable	1,210,369	2,239,457	5,685,221	9,135,047
Depreciable, net	8,316,967	15,575,147	-	23,892,114
Total Capital Assets	9,527,336	17,814,604	5,685,221	33,027,161
Total Assets	\$ 10,665,620	\$ 18,802,204	\$ 5,735,809	\$ 35,203,633

Jefferson County Housing Authority
Combining Statement of Net Position – Component Units
December 31, 2018

	Lewis Court Apartments, LLLP	Hidden Lake Homes, LLLP	El Rancho, LLLP	Total
Liabilities and Net Position				
Current Liabilities				
Accounts payable	\$ 3,415	\$ 65,698	\$ -	\$ 69,113
Accounts payable - construction	-	-	607,959	607,959
Construction note payable	-	-	1,395,735	1,395,735
Developer fees payable	-	1,008,536	-	1,008,536
Accrued liabilities	114,160	24,608	-	138,768
Accrued interest payable - short-term	-	-	-	-
Accrued interest payable - JCHA - short-term	1,417	-	-	1,417
Tenant security deposits payable	15,800	6,000	-	21,800
Notes, mortgages and bonds payable - current portion	12,398	54,157	-	66,555
Total Current Liabilities	147,190	1,158,999	2,003,694	3,309,883
Long-Term Liabilities				
Accrued interest payable - JCHA	208,980	120,084	19,318	348,382
Accrued interest payable - Jeffco Housing Corporation	385,328	-	-	385,328
Notes, mortgages and bonds payable - net of current portion	2,508,425	4,653,503	2,157,770	9,319,698
Total Long-Term Liabilities	3,102,733	4,773,587	2,177,088	10,053,408
Total Liabilities	3,249,923	5,932,586	4,180,782	13,363,291
Net Position				
Net investment in capital assets	7,006,513	13,106,944	2,131,716	22,245,173
Restricted	-	-	-	-
Unrestricted	409,184	(237,326)	(576,689)	(404,831)
Total Net Position	7,415,697	12,869,618	1,555,027	21,840,342
Total Liabilities and Net Position	\$ 10,665,620	\$ 18,802,204	\$ 5,735,809	\$ 35,203,633

Jefferson County Housing Authority
Combining Statement of Revenues, Expenses and Changes in Net Position – Component Units
Year Ended December 31, 2018

	Lewis Court Apartments, LLLP	Hidden Lake Homes, LLLP	El Rancho, LLLP	Total
Operating Revenues				
Rental income	\$ 429,189	\$ 693,090	\$ -	\$ 1,122,279
Other	3,348	85,864	-	89,212
Total operating revenues	432,537	778,954	-	1,211,491
Operating Expenses				
Administrative salaries and benefits	16,519	41,081	-	57,600
Maintenance salaries and benefits	39,200	91,290	-	130,490
Regular and extraordinary maintenance	103,879	89,839	-	193,718
Other administrative	108,259	150,456	-	258,715
Depreciation and amortization	276,795	781,382	-	1,058,177
Utilities	47,766	86,130	-	133,896
Insurance	13,970	44,516	-	58,486
Total operating expenses	606,388	1,284,694	-	1,891,082
Operating Loss	(173,851)	(505,740)	-	(679,591)
Non-Operating Revenues (Expenses)				
Interest income	348	2,938	-	3,286
Loss on involuntary conversion of capital assets	(32,729)	-	-	(32,729)
Interest expense	(113,014)	(403,684)	-	(516,698)
Total Non-Operating Revenues (Expenses)	(145,395)	(400,746)	-	(546,141)
Change in Net Position Before Equity Contributions	(319,246)	(906,486)	-	(1,225,732)
Equity Contributions	-	11,088,453	1,555,027	12,643,480
Change in Net Position	(319,246)	10,181,967	1,555,027	11,417,748
Net Position, Beginning of Year	7,734,943	2,687,651	-	10,422,594
Net Position, End of Year	\$ 7,415,697	\$ 12,869,618	\$ 1,555,027	\$ 21,840,342

Note 1 - Nature of Operations and Significant Accounting Policies

General

The Jefferson County Housing Authority (the Authority) is a corporate body politic created in 1975 and uses available federal, state and local resources to serve the residents of Jefferson County, 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 835 units of affordable housing in Jefferson County and administers an average of 1,510 housing choice vouchers per month including 50 VASH vouchers, and 40 Non-Elderly (NED).

The Authority is governed by a five-member Board of Commissioners.

Reporting Entity

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

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

The Authority is associated with the Cedar Avenue/Cedar Gardens Apartments as a joint venture with Metro West Housing Solutions (see Note 5 for details).

Blended Component Units

Lewis Court LLC (LCLLC), Hidden Lake Homes GP LLC (HLLLC), and El Rancho GP LLC (ERLLC) are entities created by the Authority to facilitate the financing of construction for Lewis Court Apartments, LLLP (Lewis Court), Hidden Lake Homes LLLP (Hidden Lake), and El Rancho LLLP (El Rancho). The sole member of LCLLC, HLLLC and ERLLC is the Authority which is able to impose its will on the organizations. LCLLC, HLLLC and ERLLC have no employees and all functions are provided by employees of the Authority. LCLLC, HLLLC and ERLLC are fiscally dependent upon the Authority because the Authority approves the annual budgets, the Authority can significantly influence the projects, and LCLLC, HLLLC, and ERLLC provide services entirely to the Authority. Accordingly, LCLLC, HLLLC and ERLLC are included in the financial reporting entity of the Authority as blended component units.

Discretely Presented Component Units

The component unit column of the financial statements includes the financial data of the Authority's discretely presented component units as of December 31, 2018. These units are reported in a separate column to emphasize that they are legally separate from the Authority.

Lewis Court Apartments, LLLP (Lewis Court) was formed for the purpose of owning and operating a 50-unit low-income housing project in Golden, Colorado. Lewis Court is a tax credit partnership which borrowed proceeds of the Authority's NSP redevelopment grant. The general partner of Lewis Court, Lewis Court LLC, is wholly owned by the Authority. Lewis Court LLC has an ownership percentage of .01%.

Hidden Lake Homes LLLP (Hidden Lake) was formed for the purpose of owning and operating a 72-unit affordable housing project in Westminster, Colorado. Hidden Lake is a tax credit partnership which borrowed proceeds of the Authority's HOME and CDBG grants. The general partner of Hidden Lake, Hidden Lake Homes GP LLC, is wholly owned by the Authority. Hidden Lake Homes GP LLC has an ownership percentage of .01%.

El Rancho LLLP (El Rancho) was formed for the purpose of owning and operating a 54-unit affordable housing project in Evergreen, Colorado. El Rancho is a tax credit partnership which borrowed proceeds of the Authority's HOME and CDBG grants. The general partner of El Rancho, El Rancho GP LLC, is wholly owned by the Authority. El Rancho GP LLC has an ownership percentage of .01%.

The financial activity of the discretely presented component units are presented in the Authority's basic financial statements. Complete financial statements of the individual component units have been issued separately and can be obtained by contacting the Authority at 303-422-8600.

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 (PHAs). To uniformly and consistently assess the PHAs, 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 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.

Cash and Cash Equivalents

For the purposes 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.

Investments

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

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.

Notes and Interest Receivable

Notes and interest receivable are carried at amounts advanced, net of reserve for uncollectable accounts, if any. As of December 31, 2018, the Authority considered all notes and interest receivables to be fully collectable.

Equity Method Investments

Investments in partnerships are accounted for under the equity method. Investments are stated at cost less any distributions.

Capital Assets

Land, buildings and improvements, and equipment are recorded at cost, including indirect development costs. The Authority uses a capitalization threshold of \$1,500. Donated fixed assets are valued at their estimated fair value on the date donated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend lives are not capitalized.

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

Buildings and improvements	30-40 years
Furniture and equipment	5-10 years

Long-lived assets held and used by an entity are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. No impairment loss has been recognized for the year ended December 31, 2018.

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 revenue, net income/loss from joint ventures, and gain/loss on disposal of capital assets which are considered non-operating for financial reporting purposes.

Restricted and Unrestricted Resources

When both restricted and unrestricted net position is available, the Authority applies restricted resources first.

Compensated Absences

The Authority provides paid leave for its regular full-time employees for vacations, holidays, illness and certain other qualifying absences. Employees are limited to a maximum of one calendar year's accrual. Personal leave may be accrued up to a maximum of 960 hours for employees hired before May 8, 2018. Employees hired after May 8, 2018 may accrue up to a maximum of 150 hours of vacation leave and 150 hours of sick leave. These compensated absences are recognized as salary costs in the financial statements when earned. Compensated absences which have been earned but not paid as of year-end have been accrued in the accompanying financial statements. Any accrued compensated absence amounts are paid out to employees upon termination of employment.

The amount of accrued compensated absences at December 31, 2018, was \$146,871 for the Authority.

Advanced Revenues

As of December 31, 2018, the Authority's advanced revenue consisted of prepaid rent from tenants of \$2,368.

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 issued to finance the acquisition, improvement, or construction of those assets.
- Restricted Net Position – Consists of assets and deferred outflows less related liabilities and deferred inflows reported in the statement of net position that are subject to restraints on their use by HUD.
- Unrestricted Net Position – Consists of assets and deferred outflows less related liabilities and deferred inflows reported in the statement of net position that are not subject to restraints on their use.

Business and Credit Risk

The Authority provides housing on account to clients which are located in Jefferson County, Colorado.

Budgetary

The Authority's annual budgets are the annual contracts, which are with, and approved by, HUD. 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 statement in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications

Certain reclassifications of amounts previously reported have been made to beginning balances in the accompanying financial statements to maintain consistency with the current year presentation. The reclassifications had no impact on net position or the change in net position.

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 regulators. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The PDPA allows the institution 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 uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. The general depository agreement required by the annual contract with HUD has additional requirements, which the Authority met in 2018.

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, 2018, the Authority's carrying amount of deposits was \$10,346,511 and bank balances totaled \$10,408,435. Of the bank balances, \$575,933 was covered by Federal Depository Insurance and the remaining balance of \$9,832,502 was covered under the Public Deposit Protection Act and was not exposed to custodial credit risk.

Investments

Authorized Investments

The Authority's investment policy follows the general provisions of the Colorado Revised Statutes (C.R.S. 24-75-601) and HUD regulations, whichever is more restrictive.

The Colorado Revised Statutes limit investment maturities to three years or five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- Obligations of the United States and certain U.S. government agency securities and the World Bank
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Certain corporate bonds

- Written repurchase agreements collateralized by certain authorized securities
- Certain reverse repurchase agreements
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As of December 31, 2018, investments held by the Authority are held in a certificate of deposit totaling \$120,096 with a maturity date in excess of one year. This certificate of deposit is classified as an investment on the statement of net position and is valued at amortized cost plus accrued interest.

Note 3 - Restricted Cash

Primary Government

Restricted cash consists of cash and cash equivalents balances restricted for use in the Housing Choice Voucher program; held in escrow to comply with the requirements of HUD programs and the Community Development Financial Institutions program; held to comply with bond requirements; held for tenant security deposits; and held in connection with the sale of public housing.

Note 4 - Notes Receivable

In certain instances, the Authority has entered into loan agreements to assist affiliated organizations in financing housing projects. The loans are secured by the property and/or rents of the projects. Terms of the agreements for the receivables and related liabilities were designed to have no net effect on the finances of the Authority. Loan payments on the corresponding notes payable for Jeffco Housing Corporation are made directly to the respective financial institutions by Jeffco Housing Corporation.

Primary Government

Notes Receivable - Jeffco Housing Corporation:

5.00% note receivable, due in monthly installments of \$10,314, including interest, with a maturity date of October 2031, secured by a deed of trust on the Allison Village property	\$ 1,162,812
5.60% note receivable, due in monthly installments of \$2,713, including interest, with a maturity date of July 2021, secured by a deed of trust on the West 46th property	75,603
4.60% note receivable, due in monthly installments of \$11,873, including interest, with a maturity date of November 2023, secured by a deed of trust on the Arvada Cottages property	625,079

4.80% note receivable, due in monthly installments of \$10,838, including interest, with a maturity date of June 2019, secured by a deed of trust on the Hilltop Apartments property	\$ 63,826
5.25% note receivable, due in monthly installments of \$9,766, including interest, with a maturity date of August 2029, secured by a deed of trust on the Parkview West property	963,965
Non-interest-bearing note receivable, no monthly payments due if all loan covenants are met, loan may be forgiven by the Authority at a future date, secured by a deed of trust on the Orchard Valley property	67,331
Non-interest-bearing note receivable, proceeds previously used to purchase Public Housing, remaining balance due on demand	1,432,771
	4,391,387

Notes Receivable - Hidden Lake Homes LLLP:

3.00% note receivable, due in annual installments to the extent of available cash flow, with a maturity date of December 2046, secured by a deed of trust on the Hidden Lake property	900,000
3.00% note receivable, due in annual installments to the extent of available cash flow, with a maturity date of December 2046, secured by a deed of trust on the Hidden Lake property	600,000
	1,500,000

Notes Receivable - Lewis Court Apartments LLLP:

8.00% note receivable, due in monthly installments of \$2,201, including interest, with a maturity date of August 2043, secured by a deed of trust on the Lewis Court property	180,823
4.19% note receivable, due in annual installments to the extent of available cash flow, with a maturity date of December 2042, secured by a deed of trust on the Lewis Court property	1,100,000
	1,280,823

Notes Receivable - El Rancho LLLP:

2.95% note receivable, due in annual installments to the extent of available cash flow, with a maturity date of December 2048, secured by a deed of trust on the El Rancho property	1,557,770
2.00% note receivable, due in annual installments to the extent of available cash flow, with a maturity date of December 2048, secured by a deed of trust on the El Rancho property	600,000
	2,157,770

Notes Receivable - Other

Rehab Program notes receivable - see (A) and (B) below	\$ 2,392,201
Less allowance for uncollectible notes receivable	(35,617)
	2,356,584
Total Notes Receivable, net of allowance for uncollectible notes receivable	11,686,564
Less current portion of notes receivable	(353,361)
	\$ 11,333,203

(A) – The Authority has made loans with CDBG and HOME funds to homeowners through its Rehab Program. At December 31, 2018, the balance of notes receivable with deferred payments totaled \$2,217,181, and the balance of notes receivable with payments currently due bearing interest at rates ranging from 0% to 5%, totaled \$175,020. Due to the nature of the loans and because the Authority’s security interest is considered low priority, management has established an allowance for doubtful accounts of \$35,617 at December 31, 2018. This allowance is re-evaluated and adjusted on an annual basis.

(B) – The Authority is required to return funds previously advanced by Jefferson County for use in the Rehab Program, therefore, a related payable in the amount of \$249,694 is included as a long-term liability at December 31, 2018. This balance will be repaid as the underlying notes receivable are paid in full either through pay down of the notes by the note holders or sale of the underlying properties.

Note 5 - Equity Method Investments

At December 31, 2018, the Authority’s equity method investments consisted of the following:

<u>Discretely Presented Component Units:</u>	
Hidden Lake Homes, LLLP	\$ 700,000
El Rancho, LLLP	100
	700,100
<u>Other:</u>	
Cedars Joint Venture - see (A) below	582,711
	\$ 1,282,811

(A) The Authority has entered into a joint venture with Metro West Housing Solutions to purchase and rehabilitate two multifamily housing projects, Cedar Gardens Apartments and Cedar Avenue Apartments. Each partner’s investment share is an equal 50/50 split. Profits and losses from the projects’ operations are divided equally between the partners. HOME funds received by the Authority were used for the acquisition and rehabilitation of the projects and the projects are subject to the various regulations and restrictions of the HOME program. During 2018, the Authority experienced a gain of approximately \$13,000 from the joint venture.

Note 6 - Capital Assets

The following is a summary of property, structures and equipment for the year ended December 31, 2018:

Primary Government

	Balance January 1	Additions	Disposals	Balance December 31
Nondepreciable assets				
Land	\$ 5,367,395	\$ 2,252,603	\$ (1,564,557)	\$ 6,055,441
Construction in progress	243,741	1,751,274	(1,771,257)	223,758
Total capital assets not being depreciated	<u>5,611,136</u>	<u>4,003,877</u>	<u>(3,335,814)</u>	<u>6,279,199</u>
Depreciable assets				
Buildings and improvements	32,745,546	2,085,441	(1,236,788)	33,594,199
Equipment and furniture	2,767,542	108,972	(88,013)	2,788,501
Total buildings and improvements	<u>35,513,088</u>	<u>2,194,413</u>	<u>(1,324,801)</u>	<u>36,382,700</u>
Accumulated depreciation	<u>(15,478,486)</u>	<u>(1,063,225)</u>	<u>532,818</u>	<u>(16,008,893)</u>
Total capital assets being depreciated	<u>20,034,602</u>	<u>1,131,188</u>	<u>(791,983)</u>	<u>20,373,807</u>
Total capital assets, net	<u>\$ 25,645,738</u>	<u>\$ 5,135,065</u>	<u>\$ (4,127,797)</u>	<u>\$ 26,653,006</u>

Note 7 - Letters of Credit

The Authority has secured two irrevocable letters of credit with FirstBank totaling \$882,737 to guarantee certain construction items for the El Rancho project. The letters of credit expire August 30, 2020. No funds have been drawn on the letters of credit as of December 31, 2018.

Note 8 - Long-Term Debt

During the year ended December 31, 2018, the following changes occurred in long-term debt:

Primary Government

	Balance January 1	Increases	Decreases	Balance December 31	Due Within One Year
Notes and Mortgages Payable	<u>\$19,356,580</u>	<u>\$ 33,028</u>	<u>\$ (1,059,074)</u>	<u>\$18,330,534</u>	<u>\$ 4,271,234</u>

Long-term debt as of December 31, 2018, consists of the following:

Primary Government

Notes and Mortgages Payable

5.00% note payable, due in monthly installments of \$10,314, including interest, with a maturity date of October 2031, secured by a deed of trust on the Allison Village property	\$ 1,162,812
5.60% note payable, due in monthly installments of \$2,713, including interest, with a maturity date of July 2021, secured by a deed of trust on the West 46th property	75,603
4.60% note payable, due in monthly installments of \$11,873, including interest, with a maturity date of November 2023, secured by a deed of trust on the Arvada Cottages property	625,079
4.80% note payable, due in monthly installments of \$10,838, including interest, with a maturity date of June 2019, secured by a deed of trust on the Hilltop Apartments property	63,826
5.25% note payable, due in monthly installments of \$9,766, including interest, with a maturity date of August 2029, secured by a deed of trust on the Parkview West property	963,965
Non interest bearing note payable, entire principal balance to be forgiven October 27, 2020 if all low income requirements have been met through maturity, secured by a deed of trust on the Cedars property (Note 14)	280,000
4.75% note payable, due in monthly installments of \$20,117, including interest, with a maturity date of October 2027, secured by a deed of trust on the Aspen Ridge property	2,985,060
4.75% note payable, due in monthly installments of \$7,373, including interest, with a maturity date of October 2027, secured by a deed of trust on the Redwood Village property	1,094,003
3.65% note payable, due in monthly interest-only installments of \$8,517, with a maturity date of November 2021, by a deed of trust on the Viking Square property	2,800,000
6.00% note payable, interest due monthly, entire principal and accrued interest balance due August 2019, remaining loan funds may be drawn to full amount of \$3,100,000, secured by a deed of trust on the Caesar's Square property	2,763,028

4.50% mortgage note payable, due in monthly installments of \$20,518, including interest, with a maturity date of February 2032, secured by a deed of trust on the Glendale property and a security interest in all deposit accounts at the financing bank and its subsidiaries	\$ 2,424,199
5.25% note payable, due in monthly installments of \$20,346, including interest, with a maturity date of October 2029, by a deed of trust on the Parkview Village property	2,008,185
Non interest bearing note payable, principal due concurrently with the primary Parkview Village note payable in October 2029, secured by a deed of trust on the Parkview Village property	160,618
4.89% note payable, due in monthly installments of \$14,149, including interest, with a maturity date of August 2022, secured by a deed of trust on the Canyon Gate property	565,424
5.38% note payable, due in monthly installments of \$15,775, including interest, with a maturity date of December 2020, secured by a deed of trust on the Green Ridge Meadows property	<u>358,732</u>
Total Notes and Mortgages Payable	<u><u>\$ 18,330,534</u></u>

The estimated debt requirements to maturity are as follows:

Primary Government

	Principal	Interest	Total
2019	\$ 4,271,234	\$ 861,310	\$ 5,132,544
2020	1,056,285	641,746	1,698,031
2021	3,700,701	590,854	4,291,555
2022	902,483	441,244	1,343,727
2023	797,335	394,493	1,191,828
2024-2028	6,263,780	1,243,060	7,506,840
2029-2032	<u>1,338,716</u>	<u>113,814</u>	<u>1,452,530</u>
Total	<u><u>\$ 18,330,534</u></u>	<u><u>\$ 4,286,521</u></u>	<u><u>\$ 22,617,055</u></u>

Note 9 - Compensated Absences

A summary of the activity in the Authority’s compensated absences for the year ended December 31, 2018, is as follows:

	Balance January 1	Increases	Decreases	Balance December 31	Due Within One Year
Compensated absences	\$ 242,828	\$ 66,309	\$ (162,266)	\$ 146,871	\$ 36,000

Note 10 - Restricted Net Position

As of December 31, 2018, restricted net position consisted of \$35,831 in housing choice vouchers received but not yet paid to eligible individuals.

Note 11 - Annual Contributions Contract

The Authority has an annual contributions contract for housing choice vouchers and adjustments vary based on requirements. The maximum contract was \$13,524,555 for the year ended December 31, 2018.

Note 12 - Employee Retirement Plan

The Authority provides eligible employees with a defined contribution employee retirement plan (401(a)). The plan and the contributions to it are authorized by the Authority’s Board of Commissioners. This is a mandatory plan under which the employee can make a 6%, 7%, or 8% contribution. 6% is the minimum contribution required. The Authority will match up to 8% of the employees’ contribution. Contributions are made to and maintained by the plan administrator, Colorado County Officials and Employees Retirement Association.

In 2018, the Authority paid \$140,111 as a matching contribution.

Employees vest in the employer’s portion of the contribution at a rate of 20% each year as follows:

Years of participation	Vested Percentage
Less than 1 year	0%
1 year	20%
2 years	40%
3 years	60%
4 years	80%
5 years	100%

Note 13 - Deferred Compensation Plan

The Authority offers its employees a deferred compensation plan created in accordance with the Internal Revenue Code Section 457. Employee contributions are made to and maintained by the plan administrator, Colorado County Officials and Employees Retirement Association, which maintains an individual account for each participant. Pursuant to GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, since the Authority is not the owner or trustee of these assets, the plan assets are not reported on the Authority's financial statements. The Authority will match up to 4% of the employees' contribution. The maximum amount that the Authority will match between the Employee Retirement Plan and the Deferred Compensation Plan is 10%.

Note 14 - Related Party Transactions

Management Fees

The Authority has entered into a management agreement with Lewis Court to provide management services for the Lewis Court project. Under the agreement, the Authority is to be paid management fees totaling 5.75% of gross monthly collections. During 2018, Lewis Court incurred management fees of \$24,728 to the Authority. At December 31, 2018, Lewis Court owed \$16,376 to the Authority for accrued management fees.

In addition, the Authority is to receive a bookkeeping fee equal to \$4 per unit, per month. During 2018, Lewis Court incurred bookkeeping fees of \$2,400, to the Authority. At December 31, 2018, Lewis Court owed the Authority \$2,400, for these fees.

The Authority has entered into a management agreement with Hidden Lake to provide management services for the Hidden Lake project. Under the agreement, the Authority is to be paid management fees totaling 5.50% of gross monthly collections. During 2018, Hidden Lake incurred management fees of \$38,259 to the Authority. At December 31, 2018, Hidden Lake owed \$9,608 to the Authority for accrued management fees.

Up to 50% of the management fee shall be deferred to the extent necessary to reduce the amount, or avoid the occurrence of, an operating deficit. The deferred management fees shall be deferred without interest and payable from available cash flow. There were no deferred management fees during 2018.

In addition, the Authority is to receive a bookkeeping fee equal to \$4 per unit, per month. During 2018, Hidden Lake incurred bookkeeping fees of \$3,456, to the Authority. At December 31, 2018, Hidden Lake owed the Authority \$3,456, for these fees.

Reimbursement of Expenses

The Authority is periodically reimbursed for payroll and other related expenses of the Lewis Court project. During 2018, the Authority was reimbursed approximately \$35,250 from Lewis Court for these expenses. At December 31, 2018, Lewis Court owed the Authority \$53,592 for costs paid on behalf of Lewis Court.

The Authority is periodically reimbursed for payroll and other related expenses of the Hidden Lake project. During 2018, the Authority was reimbursed approximately \$134,000 from Hidden Lake for these expenses. At December 31, 2018, Hidden Lake owed the Authority \$54,338 for costs paid on behalf of Hidden Lake.

Partnership and Developer Fees

Discretely Presented Component Units

Pursuant to the partnership agreement, Lewis Court, LLC is to receive an annual cumulative fee from Lewis Court equal to \$30,000, increasing by 3% each year, beginning in 2012. The fee is to be paid from available cash flow. Accrued fees are not to exceed 12% of the effective gross income. During 2018, Lewis Court, LLC earned fees totaling \$35,822 from Lewis Court. At December 31, 2018, Lewis Court owed Lewis Court, LLC \$35,822 for these fees.

Pursuant to the partnership agreement, Hidden Lake Homes GP LLC is to receive an annual cumulative fee from Hidden Lake equal to \$10,000, increasing by 3% each year, beginning in 2018 for supervising the management agent and in administration and compliance of the project. The fee is to be paid from available cash flow. In no event, shall the combined fees paid to the management agent, including deferred management fees, in any year exceed 12% of such year's effective gross income. During 2018, Hidden Lake Homes GP LLC earned fees of \$10,000 in partnership management fees from Hidden Lake. As of December 31, 2018, Hidden Lake owed Hidden Lake Homes GP LLC \$10,000 for accrued partnership management fees.

Hidden Lake had entered into a development agreement with the Authority. As of December 31, 2018, a developer fee of \$1,400,000 was capitalized to the Hidden Lake building. At December 31, 2018, Hidden Lake owed developer fees of \$1,008,356 to the Authority. The remaining developer fees are expected to be paid from limited partner capital contributions and available cash flow as defined in the partnership agreement. Any amount of the developer fee that remains unpaid after the construction completion of the project shall constitute a loan bearing interest equal to the long-term Applicable Federal Rate for the month in which the project achieves construction completion as defined by the partnership agreement which management has determined to be 2.58%. During 2018, Hidden Lake incurred interest of \$46,430 on developer fees. As of December 31, 2018, Hidden Lake owed the Authority \$12,190 for accrued interest on developer fees. If there remains an unpaid balance by the 15th anniversary of the construction completion, the general partner shall make a capital contribution to repay the remaining balance.

El Rancho has entered into a development agreement with the Authority. During 2018, El Rancho paid a developer fee of \$348,492 to the Authority which was capitalized to the El Rancho building. The remaining developer fees of \$1,486,969 are expected to be earned and paid in accordance with the developer agreement. In connection with the development of the El Rancho project, the Authority has contracted with Medici, an unrelated company, to assist with various aspects of development. Under the agreement, Medici is to be paid an estimated total of \$734,184. During 2018, the Authority paid Medici \$407,092 under this agreement. These costs are included in Other Expenses in the accompanying Statement of Revenues, Expenses and Changes in Net Position.

Notes Payable

Primary Government

At December 31, 2018, the Authority owed \$280,000 on a non interest bearing note payable (Note 8) in connection with the Cedars joint venture (Note 5). This note is to be forgiven in 2020 if all income and compliance requirements have been met.

Discretely Presented Component Units

Lewis Court has entered into two note agreements with the Authority (Notes 4 and 8). During 2018, Lewis Court incurred interest of \$61,058 on these notes to the Authority. At December 31, 2018, Lewis Court owed the Authority principal of \$1,280,823 and accrued interest of \$210,397 on these notes.

Lewis Court has entered into a note agreement with Jeffco Housing Corporation (Jeffco), an affiliate of the general partner of Lewis Court Apartments, LLLP (Note 8). During 2018, Lewis Court incurred interest of \$51,956 on this note to Jeffco. At December 31, 2018, Lewis Court owed Jeffco principal of \$1,240,000 and accrued interest of \$385,328 on this note.

Hidden Lake has entered into two note agreements with the Authority (Notes 4 and 8). At December 31, 2018, Hidden Lake owed the Authority principal of \$1,500,000 on these notes. During 2018, Hidden Lake incurred interest of \$45,854 on these notes payable. As of December 31, 2018, Hidden Lake owed the Authority \$107,894 for accrued interest.

Hidden Lake has entered into a third note agreement with the Authority to finance a portion of the developer fee of the project. No funds had been drawn on the note at December 31, 2018. Subsequent to year-end, funds totaling \$216,821 were drawn on the note. The note is non-interest-bearing and is due in annual installments to the extent of available cash flow, with a maturity date of December 2048. The note is secured by a deed of trust on the Hidden Lake property.

El Rancho has entered into two note agreements with the Authority (Notes 4 and 8). At December 31, 2018, El Rancho owed the Authority principal of \$2,157,770 on these notes. During 2018, El Rancho incurred interest of \$19,318 on these notes payable. As of December 31, 2018, El Rancho owed the Authority \$19,318 for accrued interest.

Purchase of Land and Predevelopment Costs

During 2018, El Rancho purchased land from the Authority for \$1,564,557 and reimbursed the Authority for predevelopment costs of \$863,950 incurred by the Authority for the El Rancho project.

Jeffco Housing Corporation

Jeffco is a non-profit corporation created to obtain certain federal funds set aside for community housing development organizations. Jeffco has a Board of Directors that is separate from the Authority's board. Jeffco's board is responsible for the governance of Jeffco, and the Authority does not have any influence on this governance.

Jeffco does not have any employees, so the employees of the Authority handle the day-to-day operations of the Jeffco properties under the direction of the Jeffco Board. The Authority has a management agreement with Jeffco for contracted services for its operations. Under the terms of the agreement, Jeffco contracts for salaries, benefits, maintenance, supplies, etc. For the year ended December 31, 2018, the Authority allocated approximately \$134,000 in salaries to Jeffco. During 2018, Jeffco properties incurred management fees of \$95,691 to the Authority. As of December 31, 2018, Jeffco owed the Authority \$216,251 for incurred but unpaid management fees.

At times throughout the current and prior years, the Authority will cover costs of operations for the Jeffco properties when a particular property's cash is insufficient to make the payment. As of December 31, 2018, the Authority was owed \$1,627,046 for these costs.

As of December 31, 2018, the Authority owed \$153,903 to Jeffco.

The Authority borrowed money from a financial institution and in turn loaned those proceeds to Jeffco (see Notes 4 and 8 for details). As of December 31, 2018, Jeffco owes the Authority \$2,891,285 under these arrangements. Payments on the related notes payable are made directly by Jeffco to the financial institution. During 2018, Jeffco incurred interest expense to the Authority totaling \$183,432 on these notes payable.

At December 31, 2018, one of Jeffco's properties, Orchard Valley, owed the Authority \$67,331 for a non-interest-bearing note. The Authority may forgive this loan at a future date.

At December 31, 2018, Jeffco owed the Authority \$1,432,771 for a non-interest-bearing note. The balance is due on demand (Notes 4 and 15).

Note 15 - Discretely Presented Component Units

Restricted Cash

Restricted cash consists of cash and cash equivalents balances held for tenant security deposits and held in escrow to comply with partnership requirements.

Capital Assets

The following is a summary of property, structures and equipment as of December 31, 2018:

	Lewis Court	Hidden Lake	El Rancho	Total
Land and improvements	\$ 1,105,405	\$ 2,239,457	\$ -	\$ 3,344,862
Buildings and improvements	9,836,742	16,300,165	-	26,136,907
Furniture and equipment	260,580	370,695	-	631,275
Construction in progress	104,964	-	5,685,221	5,790,185
	<u>11,307,691</u>	<u>18,910,317</u>	<u>5,685,221</u>	<u>35,903,229</u>
Accumulated depreciation	<u>(1,780,355)</u>	<u>(1,095,713)</u>	<u>-</u>	<u>(2,876,068)</u>
	<u><u>\$ 9,527,336</u></u>	<u><u>\$ 17,814,604</u></u>	<u><u>\$ 5,685,221</u></u>	<u><u>\$ 33,027,161</u></u>

Construction Notes Payable

Hidden Lake

Hidden Lake financed the construction of the project in part with a variable rate construction note payable with Wells Fargo Bank, National Association. During 2018, Hidden Lake incurred \$240,012 for interest on the construction note. During 2018, the construction note payable was repaid with capital contributions and the issuance of long-term debt.

El Rancho

El Rancho is financing the construction of the project in part with a 4.14% construction note payable with Colorado Housing and Finance Authority. Interest-only payments are due monthly through the construction period. The note may be drawn to a maximum of \$5,349,000 and is secured by a deed of trust on the El Rancho property. The note is expected to be converted to permanent financing at the end of the construction period with a maturity date of August 2036. The balance of the construction note payable was \$1,395,735 at December 31, 2018.

Long-Term Debt

Long-term debt as of December 31, 2018, consists of the following:

Notes Payable

8.00% note payable to Jefferson County Housing Authority, due in monthly installments of \$2,201, including interest, matures August 2043, secured by a deed of trust on the Lewis Court property	\$ 180,823
4.19% note payable to Jefferson County Housing Authority, due in annual installments to the extent of available cash flow, matures December 2042, secured by a deed of trust on the Lewis Court property	1,100,000
4.19% note payable to Jeffco Housing Corporation, due in annual installments to the extent of available cash flow, matures December 2042, secured by a deed of trust on the Lewis Court property	1,240,000
4.90% note payable to FirstBank, due in monthly installments of principal and interest of \$18,207, until July 2034, secured by a deed of trust on the Hidden Lake property, net of unamortized debt issuance costs of \$167,297, based on an effective interest rate of 5.5%	3,207,660
3.00% note payable to Jefferson County Housing Authority, loan may be drawn to a maximum of \$600,000, due in annual installments to the extent of available cash flow, matures December 2046, secured by a deed of trust on the Hidden Lake property	600,000

3.00% note payable to Jefferson County Housing Authority under the CDBG program, due in annual installments to the extent of available cash flow, matures December 2046, secured by a deed of trust on the Hidden Lake property	\$ 900,000
2.00% note payable to Jefferson County Housing Authority under the CDBG program, due in annual installments to the extent of available cash flow, matures December 2048, secured by a deed of trust on the El Rancho property	600,000
2.95% note payable to Jefferson County Housing Authority, due in annual installments to the extent of available cash flow, matures December 2048, secured by a deed of trust on the El Rancho property	<u>1,557,770</u>
Total notes payable	<u><u>\$ 9,386,253</u></u>

The estimated debt requirements to maturity as of December 31, 2018, are as follows:

	Lewis Court	Hidden Lake	El Rancho	Total
2019	\$ 12,398	\$ 54,157	\$ -	\$ 66,555
2020	13,427	56,871	-	70,298
2021	14,541	59,721	-	74,262
2022	15,748	62,714	-	78,462
2023	17,055	65,857	-	82,912
Thereafter	2,447,654	4,575,637	2,157,770	9,181,061
Unamortized debt issuance costs	-	(167,297)	-	(167,297)
Total	<u>\$ 2,520,823</u>	<u>\$ 4,707,660</u>	<u>\$ 2,157,770</u>	<u>\$ 9,386,253</u>



Supplementary Information
December 31, 2018

Jefferson County Housing Authority

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	Public and Indian Housing 14,850	Green Ridge Meadows 14,182	Canyon Gate Apartments 14,182	Community Development Block Grants 14,218
Assets				
Cash and cash equivalents	\$ -	\$ 226,901	\$ 30,667	\$ -
Restricted cash and cash equivalents	4,627,022	112,188	205,950	-
Investments	-	120,096	-	-
Accounts receivable				
Tenants	-	-	-	-
Other	-	109,494	210,441	-
Developer fees	-	-	-	-
Due from Jeffco Corporation	-	-	-	-
Accrued interest receivable - short-term	-	-	-	-
Interprogram receivable	1,886,996	440,901	90,830	-
Prepaid expenses	-	3,337	822	-
Notes receivable, current portion	-	-	-	-
Total current assets	<u>6,514,018</u>	<u>1,012,917</u>	<u>538,710</u>	<u>-</u>
Accrued interest receivable - long-term	-	-	-	-
Other assets	-	-	-	-
Notes receivable, net	-	-	-	-
Equity method investments	-	-	-	-
Non-depreciable capital assets	-	186,047	148,087	-
Depreciable capital assets, net	-	271,848	54,836	-
	<u>-</u>	<u>457,895</u>	<u>202,923</u>	<u>-</u>
Total assets	<u>\$ 6,514,018</u>	<u>\$ 1,470,812</u>	<u>\$ 741,633</u>	<u>\$ -</u>
Liabilities and Net Position				
Liabilities				
Accounts payable	\$ -	\$ 13,285	\$ 15,479	\$ -
Interprogram payable	-	87,089	34,653	-
Accrued interest	-	-	-	-
Accrued compensated absences	-	-	-	-
Advanced revenues	-	-	-	-
Tenant security deposits payable	-	26,395	17,380	-
Due to Jeffco Corporation	-	-	-	-
Notes, mortgages and bonds payable - current	-	174,095	137,320	-
Total current liabilities	<u>-</u>	<u>300,864</u>	<u>204,832</u>	<u>-</u>
Noncurrent Liabilities				
Accrued compensated absences	-	-	-	-
Rehab payable	-	-	-	-
Notes, mortgages and bonds payable - net of current portion	-	184,637	428,104	-
Total noncurrent liabilities	<u>-</u>	<u>184,637</u>	<u>428,104</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>485,501</u>	<u>632,936</u>	<u>-</u>
Net Position				
Net investment in capital assets	-	99,163	(362,501)	-
Restricted	-	-	-	-
Unrestricted	6,514,018	886,148	471,198	-
Total net position	<u>6,514,018</u>	<u>985,311</u>	<u>108,697</u>	<u>-</u>
Total liabilities and net position	<u>\$ 6,514,018</u>	<u>\$ 1,470,812</u>	<u>\$ 741,633</u>	<u>\$ -</u>

Jefferson County Housing Authority
Combining Statement of Net Position
December 31, 2018

Home Investment Partnerships Program 14.239	Housing Choice Vouchers 14.871	Business Activities	Total	Elimination of Intercompany Activity	Total
\$ -	\$ 91,213	\$ 3,203,617	\$ 3,552,398	\$ -	\$ 3,552,398
-	35,831	1,813,122	6,794,113	-	6,794,113
-	-	-	120,096	-	120,096
-	109,022	29,655	138,677	-	138,677
-	-	445,888	765,823	-	765,823
-	-	1,008,536	1,008,536	-	1,008,536
-	-	1,843,297	1,843,297	-	1,843,297
-	-	1,417	1,417	-	1,417
-	-	5,123,113	7,541,840	(7,541,840)	-
-	3,492	6,779	14,430	-	14,430
-	-	353,361	353,361	-	353,361
-	239,558	13,828,785	22,133,988	(7,541,840)	14,592,148
-	-	348,383	348,383	-	348,383
-	-	11,712	11,712	-	11,712
-	-	11,333,203	11,333,203	-	11,333,203
-	-	1,282,811	1,282,811	-	1,282,811
-	-	5,945,065	6,279,199	-	6,279,199
-	39,984	20,007,139	20,373,807	-	20,373,807
-	39,984	38,928,313	39,629,115	-	39,629,115
\$ -	\$ 279,542	\$ 52,757,098	\$ 61,763,103	\$ (7,541,840)	\$ 54,221,263
\$ -	\$ -	\$ 450,747	\$ 479,511	\$ -	\$ 479,511
-	64,114	7,355,984	7,541,840	(7,541,840)	-
-	-	23,587	23,587	-	23,587
-	-	36,000	36,000	-	36,000
-	-	2,368	2,368	-	2,368
-	-	222,158	265,933	-	265,933
-	-	153,903	153,903	-	153,903
-	-	3,959,819	4,271,234	-	4,271,234
-	64,114	12,204,566	12,774,376	(7,541,840)	5,232,536
-	-	110,871	110,871	-	110,871
-	-	249,694	249,694	-	249,694
-	-	13,446,559	14,059,300	-	14,059,300
-	-	13,807,124	14,419,865	-	14,419,865
-	64,114	26,011,690	27,194,241	(7,541,840)	19,652,401
-	39,984	8,545,826	8,322,472	-	8,322,472
-	35,831	-	35,831	-	35,831
-	139,613	18,199,582	26,210,559	-	26,210,559
-	215,428	26,745,408	34,568,862	-	34,568,862
\$ -	\$ 279,542	\$ 52,757,098	\$ 61,763,103	\$ (7,541,840)	\$ 54,221,263

	Public and Indian Housing 14.850	Green Ridge Meadows 14.182	Canyon Gate Apartments 14.182	Community Development Block Grants 14.218
Operating Revenues				
HUD PHA grants	\$ -	\$ 343,616	\$ 352,187	\$ -
HAP income	-	-	-	-
Other grants	-	-	-	877,679
Rental income	-	341,478	197,114	-
Management fees	-	-	-	-
Developer fees	-	-	-	-
Other	-	11,571	4,494	-
Total Operating Revenues	-	696,665	553,795	877,679
Operating Expenses				
Housing assistance payments	-	-	-	-
Administrative salaries and benefits	-	116,323	72,977	-
Maintenance salaries and benefits	-	89,243	55,066	96,939
Regular and extraordinary maintenance	-	132,780	385,902	180,740
Other administrative	17,723	88,844	80,705	-
Depreciation	-	81,610	11,174	-
Utilities	-	55,428	36,728	-
Insurance	-	16,488	17,058	-
Other	-	101	-	-
Total Operating Expenses	17,723	580,817	659,610	277,679
Operating Income (Loss)	(17,723)	115,848	(105,815)	600,000
Non-Operating Revenues (Expenses)				
Interest income	54,726	905	1,586	-
Net income from joint ventures	-	-	-	-
Loss on disposal of capital assets	-	-	(65)	-
Gain on involuntary conversion of capital assets	-	-	-	-
Interest expense	-	(33,241)	(6,270)	-
Total Non-Operating Revenues (Expenses)	54,726	(32,336)	(4,749)	-
Income (Loss) Before Transfers	37,003	83,512	(110,564)	600,000
Interprogram transfers	(2,765,032)	-	-	(600,000)
Change in Net Position	(2,728,029)	83,512	(110,564)	-
Net Position - Beginning of Year	9,242,047	901,799	219,261	-
Net Position, End of Year	\$ 6,514,018	\$ 985,311	\$ 108,697	\$ -

Jefferson County Housing Authority
Combining Statement of Revenues, Expenses and Changes in Net Position
Year Ended December 31, 2018

Home Investment Partnerships Program 14.239	Housing Choice Vouchers 14.871	Business Activities	Total	Elimination of Intercompany Activity	Total
\$ -	\$ 874,573	\$ -	\$ 1,570,376	\$ -	\$ 1,570,376
-	12,874,997	-	12,874,997	-	12,874,997
33,566	-	216,821	1,128,066	-	1,128,066
-	-	6,061,561	6,600,153	-	6,600,153
-	-	511,890	511,890	(353,213)	158,677
-	-	348,492	348,492	-	348,492
-	25,584	516,608	558,257	-	558,257
<u>33,566</u>	<u>13,775,154</u>	<u>7,655,372</u>	<u>23,592,231</u>	<u>(353,213)</u>	<u>23,239,018</u>
-	12,945,149	-	12,945,149	-	12,945,149
-	411,266	1,028,364	1,628,930	-	1,628,930
-	197,564	749,452	1,188,264	-	1,188,264
33,566	-	876,373	1,609,361	-	1,609,361
-	185,104	1,030,297	1,402,673	(353,213)	1,049,460
-	12,187	958,254	1,063,225	-	1,063,225
-	-	602,216	694,372	-	694,372
-	9,499	285,875	328,920	-	328,920
-	5,430	440,168	445,699	-	445,699
<u>33,566</u>	<u>13,766,199</u>	<u>5,970,999</u>	<u>21,306,593</u>	<u>(353,213)</u>	<u>20,953,380</u>
-	8,955	1,684,373	2,285,638	-	2,285,638
-	2,253	409,206	468,676	-	468,676
-	-	12,989	12,989	-	12,989
-	-	(10,384)	(10,449)	-	(10,449)
-	-	450,627	450,627	-	450,627
-	-	(885,040)	(924,551)	-	(924,551)
<u>-</u>	<u>2,253</u>	<u>(22,602)</u>	<u>(2,708)</u>	<u>-</u>	<u>(2,708)</u>
-	11,208	1,661,771	2,282,930	-	2,282,930
-	-	3,365,032	-	-	-
-	11,208	5,026,803	2,282,930	-	2,282,930
<u>-</u>	<u>204,220</u>	<u>21,718,605</u>	<u>32,285,932</u>	<u>-</u>	<u>32,285,932</u>
<u>\$ -</u>	<u>\$ 215,428</u>	<u>\$ 26,745,408</u>	<u>\$ 34,568,862</u>	<u>\$ -</u>	<u>\$ 34,568,862</u>

	General Fund	Mountain View	Aspen Ridge	Redwood Village	Viking Square Apartments
Assets					
Cash and cash equivalents	\$ 492,468	\$ 136,907	\$ 780,241	\$ 203,506	\$ 486,076
Restricted cash and cash equivalents	-	56,113	171,431	154,519	258,482
Accounts receivable					
Tenants	-	-	5,428	-	-
Other	360,143	-	-	-	-
Developer fee	1,008,536	-	-	-	-
Due from Jeffco Corporation	1,658,923	-	-	-	-
Accrued interest receivable - short-term	1,417	-	-	-	-
Interprogram receivable	1,979,405	-	409,819	-	67,478
Prepaid expenses	646	411	921	763	587
Notes receivable, current portion	353,361	-	-	-	-
Total current assets	5,854,899	193,431	1,367,840	358,788	812,623
Accrued interest receivable - long-term	348,383	-	-	-	-
Other assets	-	-	-	-	-
Notes receivable, net	8,976,619	-	-	-	-
Equity method investments	1,282,811	-	-	-	-
Non-depreciable capital assets	702,212	876,246	955,000	331,463	620,000
Depreciable capital assets, net	1,029,396	1,636,267	3,137,072	1,198,188	2,178,442
	12,339,421	2,512,513	4,092,072	1,529,651	2,798,442
Total assets	\$ 18,194,320	\$ 2,705,944	\$ 5,459,912	\$ 1,888,439	\$ 3,611,065
Liabilities and Net Position					
Liabilities					
Accounts payable	\$ 242,260	\$ 655	\$ 11,956	\$ 10,272	\$ 13,657
Interprogram payable	3,675,439	2,290,960	41,895	56,705	8,250
Accrued liabilities	-	-	-	-	-
Accrued compensated absences-current	36,000	-	-	-	-
Advanced revenues	-	-	-	-	-
Tenant security deposits payable	-	6,992	34,450	17,505	17,531
Due to Jeffco Corporation	153,903	-	-	-	-
Notes, mortgages and bonds payable - current	620,963	-	99,872	36,602	-
Total current liabilities	4,728,565	2,298,607	188,173	121,084	39,438
Noncurrent Liabilities					
Accrued compensated absences	107,821	-	-	-	-
Rehab payable	-	-	-	-	-
Notes, mortgages and bonds payable - net of current portion	2,550,322	-	2,885,188	1,057,401	2,800,000
Total noncurrent liabilities	2,658,143	-	2,885,188	1,057,401	2,800,000
Total liabilities	7,386,708	2,298,607	3,073,361	1,178,485	2,839,438
Net Position					
Net investment in capital assets	(1,439,677)	2,512,513	1,107,012	435,648	(1,558)
Unrestricted	12,247,289	(2,105,176)	1,279,539	274,306	773,185
Total net position	10,807,612	407,337	2,386,551	709,954	771,627
Total liabilities and net position	\$ 18,194,320	\$ 2,705,944	\$ 5,459,912	\$ 1,888,439	\$ 3,611,065

Jefferson County Housing Authority
Combining Statement of Net Position – Business Activities
December 31, 2018

Harlan Street Apartments	Kendall Apartments	Housing Rehab	Glendale Apartments	Caesar Square	Parkview Village	Total Business Activities
\$ 53,375	\$ 233,119	\$ -	\$ 511,745	\$ 213,681	\$ 92,499	\$ 3,203,617
7,400	58,454	458,308	185,598	215,714	247,103	1,813,122
2,138	1,343	-	9,509	7,282	3,955	29,655
-	-	-	-	-	85,745	445,888
-	-	-	-	-	-	1,008,536
-	-	-	-	-	184,374	1,843,297
-	-	-	-	-	-	1,417
-	-	-	-	2,666,411	-	5,123,113
352	470	470	470	528	1,161	6,779
-	-	-	-	-	-	353,361
63,265	293,386	458,778	707,322	3,103,616	614,837	13,828,785
-	-	-	-	-	-	348,383
-	-	-	11,712	-	-	11,712
-	-	2,356,584	-	-	-	11,333,203
-	-	-	-	-	-	1,282,811
118,750	268,369	-	1,200,000	409,124	463,901	5,945,065
333,801	700,669	52	4,580,279	2,296,858	2,916,115	20,007,139
452,551	969,038	2,356,636	5,791,991	2,705,982	3,380,016	38,928,313
\$ 515,816	\$ 1,262,424	\$ 2,815,414	\$ 6,499,313	\$ 5,809,598	\$ 3,994,853	\$ 52,757,098
\$ -	\$ -	\$ 74,062	\$ 35,896	\$ 25,060	\$ 36,929	\$ 450,747
152,715	3,358	428,774	110,044	445,239	142,605	7,355,984
-	-	23,587	-	-	-	23,587
-	-	-	-	-	-	36,000
-	-	-	-	-	2,368	2,368
25	4,275	-	56,726	59,322	25,332	222,158
-	-	-	-	-	-	153,903
-	-	-	138,057	2,763,028	301,297	3,959,819
152,740	7,633	526,423	340,723	3,292,649	508,531	12,204,566
-	-	-	-	-	3,050	110,871
-	-	249,694	-	-	-	249,694
-	-	-	2,286,142	-	1,867,506	13,446,559
-	-	249,694	2,286,142	-	1,870,556	13,807,124
152,740	7,633	776,117	2,626,865	3,292,649	2,379,087	26,011,690
452,551	969,038	52	3,356,080	(57,046)	1,211,213	8,545,826
(89,475)	285,753	2,039,245	516,368	2,573,995	404,553	18,199,582
363,076	1,254,791	2,039,297	3,872,448	2,516,949	1,615,766	26,745,408
\$ 515,816	\$ 1,262,424	\$ 2,815,414	\$ 6,499,313	\$ 5,809,598	\$ 3,994,853	\$ 52,757,098

	General Fund	Mountain View	Aspen Ridge	Redwood Village	Viking Square Apartments
Operating Revenues					
Other grants	\$ 216,821	\$ -	\$ -	\$ -	\$ -
Rental income	-	163,757	1,244,203	456,165	600,704
Management fees	511,890	-	-	-	-
Developer fees	348,492	-	-	-	-
Other	228,817	(26,511)	22,112	13,863	9,524
Total Operating Revenues	1,306,020	137,246	1,266,315	470,028	610,228
Operating Expenses					
Administrative salaries and benefits	382,898	17,810	114,318	56,812	61,346
Maintenance salaries and benefits	121,725	13,503	99,563	70,858	54,403
Regular and extraordinary maintenance	53,241	30,271	190,853	46,164	64,220
Other administrative	337,566	20,087	100,919	43,109	41,377
Depreciation	44,854	52,547	136,052	54,503	77,123
Utilities	11,980	8,496	77,069	43,925	38,310
Insurance	37,125	6,852	47,495	23,106	20,340
Other	407,092	-	10,110	2,863	690
Total Operating Expenses	1,396,481	149,566	776,379	341,340	357,809
Operating Income (Loss)	(90,461)	(12,320)	489,936	128,688	252,419
Non-Operating Revenues (Expenses)					
Interest income	362,402	127	1,132	1,091	331
Net income from joint ventures	12,989	-	-	-	-
Loss on disposal of capital assets	(2,777)	-	(3,275)	(75)	(95)
Gain on involuntary conversion of capital assets	81,414	31,120	-	-	-
Interest expense	(183,432)	-	(161,831)	(59,312)	(102,200)
Total Non-Operating Revenues (Expenses)	270,596	31,247	(163,974)	(58,296)	(101,964)
Income (Loss) Before Transfers	180,135	18,927	325,962	70,392	150,455
Interprogram transfers	2,776,543	230,000	-	-	-
Change in Net Position	2,956,678	248,927	325,962	70,392	150,455
Net Position - Beginning of Year	7,850,934	158,410	2,060,589	639,562	621,172
Net Position - End of Year	\$ 10,807,612	\$ 407,337	\$ 2,386,551	\$ 709,954	\$ 771,627

Jefferson County Housing Authority
Combining Statement of Revenues, Expenses and Changes in Net Position – Business Activities
Year Ended December 31, 2018

Harlan Street Apartments	Kendall Apartments	Housing Rehab	Glendale Apartments	Caesar Square	Parkview Village	Total Business Activities
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 216,821
61,342	173,732	-	1,268,952	1,053,752	1,038,954	6,061,561
-	-	-	-	-	-	511,890
-	-	-	-	-	-	348,492
2,576	11,961	103,151	59,880	48,935	42,300	516,608
63,918	185,693	103,151	1,328,832	1,102,687	1,081,254	7,655,372
4,026	24,310	85,175	121,757	97,633	62,279	1,028,364
5,385	16,451	87,341	82,017	90,637	107,569	749,452
9,013	25,505	-	201,168	133,018	122,920	876,373
6,014	15,888	27,576	105,037	134,760	197,964	1,030,297
9,958	48,080	207	233,151	132,648	169,131	958,254
4,455	13,964	-	246,376	85,728	71,913	602,216
4,453	7,527	2,845	49,181	52,756	34,195	285,875
-	864	-	10,002	6,342	2,205	440,168
43,304	152,589	203,144	1,048,689	733,522	768,176	5,970,999
20,614	33,104	(99,993)	280,143	369,165	313,078	1,684,373
-	186	40,528	333	1,231	1,845	409,206
-	-	-	-	-	-	12,989
-	-	-	(1,699)	(2,262)	(201)	(10,384)
(10,445)	(39,026)	-	-	156,490	231,074	450,627
-	-	-	(114,202)	(156,075)	(107,988)	(885,040)
(10,445)	(38,840)	40,528	(115,568)	(616)	124,730	(22,602)
10,169	(5,736)	(59,465)	164,575	368,549	437,808	1,661,771
358,489	-	-	-	-	-	3,365,032
368,658	(5,736)	(59,465)	164,575	368,549	437,808	5,026,803
(5,582)	1,260,527	2,098,762	3,707,873	2,148,400	1,177,958	21,718,605
\$ 363,076	\$ 1,254,791	\$ 2,039,297	\$ 3,872,448	\$ 2,516,949	\$ 1,615,766	\$ 26,745,408

Jefferson County Housing Authority
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2018

<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>
U.S. Department of Housing and Urban Development			
<i>Direct Programs</i>			
Section 8 Housing Choice Vouchers	14.871		<u>\$ 13,754,012</u>
Total Housing Voucher Cluster			<u>13,754,012</u>
Section 8 New Construction and Substantial Rehabilitation - CO99H001072	14.182		343,616
Section 8 New Construction and Substantial Rehabilitation - CO99H001101	14.182		<u>352,187</u>
Total Section 8 Project-Based Cluster			<u>695,803</u>
Total Direct Programs			<u>14,449,815</u>
<i>Passed Through the City of Lakewood</i>			
Community Development Block Grants	14.218		97,878
<i>Passed Through Jefferson County</i>			
Community Development Block Grants	14.218		179,801
<i>Passed Through Jefferson County</i>			
Community Development Block Grants	14.218		<u>600,000</u>
Total CDBG Entitlement Grants Cluster			<u>877,679</u>
<i>Passed Through Colorado Department of Housing</i>			
HOME Investment Partnership Program	14.239		<u>33,566</u>
Total U.S. Department of Housing and Urban Development			<u>15,361,060</u>
Total Federal Expenditures			<u><u>\$ 15,361,060</u></u>

Note A – Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of Jefferson County Housing Authority under programs of the federal government for the year ended December 31, 2018. 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). Because the schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

Note B – Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the accrual basis of accounting. When applicable, such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. No federal financial assistance has been provided to a subrecipient.

Note C – Indirect Cost Rate

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



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*

To the Board of Commissioners
Jefferson County Housing Authority
Wheat Ridge, 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 the discretely presented component units of the Jefferson County Housing Authority (the Authority) as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Authority’s basic financial statements, and have issued our report thereon dated July 23, 2019. The financial statements of the discretely presented component units were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the discretely presented component units.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

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".

Boise, Idaho
July 23, 2019



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
Jefferson County Housing Authority
Wheat Ridge, Colorado

Report on Compliance for Each Major Federal Program

We have audited Jefferson County Housing Authority's (the 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 program for the year ended December 31, 2018. The Authority's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Authority's major federal program 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 types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on the Major Federal Program

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the major Federal program for the year ended December 31, 2018.

Report on Internal Control over Compliance

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

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

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

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

The image shows a handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Boise, Idaho
July 23, 2019

Section I – Summary of Auditor’s Results

FINANCIAL STATEMENTS

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

FEDERAL AWARDS

Internal control over major program:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516:	No

Identification of major programs:

<u>Name of Federal Program</u>	<u>CFDA Number</u>
Section 8 Housing Choice Vouchers	14.871
Dollar threshold used to distinguish between type A and type B programs:	\$ 750,000
Auditee qualified as low-risk auditee?	Yes

Section II – Financial Statement Findings

None

Section III – Federal Award Findings and Questioned Costs

None

Jefferson County Housing Authority (CO072)
WHEAT RIDGE, CO
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2018

	Project Total	14.218 Community Development Block Grants/Entitlement Grants	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented	14.182 N/C S/R Section 8 Programs
111 Cash - Unrestricted			\$91,213	\$544,678	\$257,568
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted	\$4,627,022		\$35,831	\$1,381,878	\$274,363
114 Cash - Tenant Security Deposits				\$21,800	\$43,775
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$4,627,022	\$0	\$127,044	\$1,948,356	\$575,706
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects					
124 Accounts Receivable - Other Government					
125 Accounts Receivable - Miscellaneous				\$89,030	\$319,935
126 Accounts Receivable - Tenants				\$3,888	\$0
126.1 Allowance for Doubtful Accounts -Tenants				\$0	\$0
126.2 Allowance for Doubtful Accounts - Other				\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery			\$151,899		
128.1 Allowance for Doubtful Accounts - Fraud			-\$42,877		
129 Accrued Interest Receivable					
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$0	\$109,022	\$92,918	\$319,935
131 Investments - Unrestricted					\$120,096
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets			\$3,492	\$349	\$4,159
143 Inventories					

Jefferson County Housing Authority (CO072)
WHEAT RIDGE, CO
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2018

	Project Total	14.218 Community Development Block Grants/Entitlement Grants	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented	14.182 N/C S/R Section 8 Programs
143.1 Allowance for Obsolete Inventories					
144 Inter Program Due From	\$1,886,996				\$531,731
145 Assets Held for Sale					
150 Total Current Assets	\$6,514,018	\$0	\$239,558	\$2,041,623	\$1,551,627
161 Land				\$3,344,862	\$334,134
162 Buildings				\$26,136,907	\$4,839,092
163 Furniture, Equipment & Machinery - Dwellings				\$631,275	\$935,607
164 Furniture, Equipment & Machinery - Administration			\$68,470		
165 Leasehold Improvements					
166 Accumulated Depreciation			-\$28,486	-\$2,876,068	-\$5,448,015
167 Construction in Progress				\$5,790,185	
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$39,984	\$33,027,161	\$660,818
171 Notes, Loans and Mortgages Receivable - Non-Current					
172 Notes, Loans, & Mortgages Receivable - Non Current - Past					
173 Grants Receivable - Non Current					
174 Other Assets				\$134,849	
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$0	\$0	\$39,984	\$33,162,010	\$660,818
200 Deferred Outflow of Resources					
290 Total Assets and Deferred Outflow of Resources	\$6,514,018	\$0	\$279,542	\$35,203,633	\$2,212,445

Jefferson County Housing Authority (CO072)
WHEAT RIDGE, CO
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2018

	Project Total	14.218 Community Development Block Grants/Entitlement Grants	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented	14.182 N/C S/R Section 8 Programs
311 Bank Overdraft					
312 Accounts Payable <= 90 Days				\$677,072	\$28,764
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable					
322 Accrued Compensated Absences - Current Portion					
324 Accrued Contingency Liability					
325 Accrued Interest Payable				\$735,127	
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government					
341 Tenant Security Deposits				\$21,800	\$43,775
342 Unearned Revenue					
343 Current Portion of Long-term Debt - Capital				\$66,555	\$311,415
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities				\$2,404,271	
346 Accrued Liabilities - Other				\$138,768	
347 Inter Program - Due To			\$64,114		\$121,742
348 Loan Liability - Current					
310 Total Current Liabilities	\$0	\$0	\$64,114	\$4,043,593	\$505,696
351 Long-term Debt, Net of Current - Capital Projects/Mortgage				\$9,319,698	\$612,741
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					

Jefferson County Housing Authority (CO072)
WHEAT RIDGE, CO
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2018

	Project Total	14.218 Community Development Block Grants/Entitlement Grants	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented	14.182 N/C S/R Section 8 Programs
357 Accrued Pension and OPEB Liabilities					
350 Total Non-Current Liabilities	\$0	\$0	\$0	\$9,319,698	\$612,741
300 Total Liabilities	\$0	\$0	\$64,114	\$13,363,291	\$1,118,437
400 Deferred Inflow of Resources					
508.4 Net Investment in Capital Assets			\$39,984	\$22,245,173	-\$263,338
511.4 Restricted Net Position			\$35,831		
512.4 Unrestricted Net Position	\$6,514,018	\$0	\$139,613	-\$404,831	\$1,357,346
513 Total Equity - Net Assets / Position	\$6,514,018	\$0	\$215,428	\$21,840,342	\$1,094,008
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$6,514,018	\$0	\$279,542	\$35,203,633	\$2,212,445

Jefferson County Housing Authority (CO072)
WHEAT RIDGE, CO
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2018

	1 Business Activities	14.239 HOME Investment Partnerships Program	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$3,203,617		\$4,097,076		\$4,097,076
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted	\$1,590,964		\$7,910,058		\$7,910,058
114 Cash - Tenant Security Deposits	\$222,158		\$287,733		\$287,733
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$5,016,739	\$0	\$12,294,867	\$0	\$12,294,867
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects					
124 Accounts Receivable - Other Government					
125 Accounts Receivable - Miscellaneous	\$3,297,721		\$3,706,686		\$3,706,686
126 Accounts Receivable - Tenants	\$36,276		\$40,164		\$40,164
126.1 Allowance for Doubtful Accounts - Tenants	-\$6,621		-\$6,621		-\$6,621
126.2 Allowance for Doubtful Accounts - Other	\$0		\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$353,361		\$353,361		\$353,361
128 Fraud Recovery			\$151,899		\$151,899
128.1 Allowance for Doubtful Accounts - Fraud			-\$42,877		-\$42,877
129 Accrued Interest Receivable	\$349,800		\$349,800		\$349,800
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$4,030,537	\$0	\$4,552,412	\$0	\$4,552,412
131 Investments - Unrestricted			\$120,096		\$120,096
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets	\$6,779		\$14,779		\$14,779
143 Inventories					
143.1 Allowance for Obsolete Inventories					

Jefferson County Housing Authority (CO072)
WHEAT RIDGE, CO
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2018

	1 Business Activities	14.239 HOME Investment Partnerships Program	Subtotal	ELIM	Total
144 Inter Program Due From	\$5,123,113		\$7,541,840	-\$7,541,840	\$0
145 Assets Held for Sale					
150 Total Current Assets	\$14,177,168	\$0	\$24,523,994	-\$7,541,840	\$16,982,154
161 Land	\$5,721,307		\$9,400,303		\$9,400,303
162 Buildings	\$28,755,107		\$59,731,106		\$59,731,106
163 Furniture, Equipment & Machinery - Dwellings	\$1,784,424		\$3,351,306		\$3,351,306
164 Furniture, Equipment & Machinery - Administration			\$68,470		\$68,470
165 Leasehold Improvements					
166 Accumulated Depreciation	-\$10,532,392		-\$18,884,961		-\$18,884,961
167 Construction in Progress	\$223,758		\$6,013,943		\$6,013,943
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$25,952,204	\$0	\$59,680,167	\$0	\$59,680,167
171 Notes, Loans and Mortgages Receivable - Non-Current	\$11,333,203		\$11,333,203		\$11,333,203
172 Notes, Loans, & Mortgages Receivable - Non Current - Past					
173 Grants Receivable - Non Current					
174 Other Assets	\$11,712		\$146,561		\$146,561
176 Investments in Joint Ventures	\$1,282,811		\$1,282,811		\$1,282,811
180 Total Non-Current Assets	\$38,579,930	\$0	\$72,442,742	\$0	\$72,442,742
200 Deferred Outflow of Resources					
290 Total Assets and Deferred Outflow of Resources	\$52,757,098	\$0	\$96,966,736	-\$7,541,840	\$89,424,896
311 Bank Overdraft					

Jefferson County Housing Authority (CO072)
WHEAT RIDGE, CO
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2018

	1 Business Activities	14.239 HOME Investment Partnerships Program	Subtotal	ELIM	Total
312 Accounts Payable <= 90 Days	\$450,747		\$1,156,583		\$1,156,583
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable					
322 Accrued Compensated Absences - Current Portion	\$36,000		\$36,000		\$36,000
324 Accrued Contingency Liability					
325 Accrued Interest Payable	\$23,587		\$758,714		\$758,714
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government					
341 Tenant Security Deposits	\$222,158		\$287,733		\$287,733
342 Unearned Revenue	\$2,368		\$2,368		\$2,368
343 Current Portion of Long-term Debt - Capital	\$3,959,819		\$4,337,789		\$4,337,789
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities	\$153,903		\$2,558,174		\$2,558,174
346 Accrued Liabilities - Other			\$138,768		\$138,768
347 Inter Program - Due To	\$7,355,984		\$7,541,840	-\$7,541,840	\$0
348 Loan Liability - Current					
310 Total Current Liabilities	\$12,204,566	\$0	\$16,817,969	-\$7,541,840	\$9,276,129
351 Long-term Debt, Net of Current - Capital Projects/Mortgage	\$13,446,559		\$23,378,998		\$23,378,998
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other	\$249,694		\$249,694		\$249,694
354 Accrued Compensated Absences - Non Current	\$110,871		\$110,871		\$110,871
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities					

Jefferson County Housing Authority (CO072)
WHEAT RIDGE, CO
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2018

	1 Business Activities	14.239 HOME Investment Partnerships Program	Subtotal	ELIM	Total
350 Total Non-Current Liabilities	\$13,807,124	\$0	\$23,739,563	\$0	\$23,739,563
300 Total Liabilities	\$26,011,690	\$0	\$40,557,532	-\$7,541,840	\$33,015,692
400 Deferred Inflow of Resources					
508.4 Net Investment in Capital Assets	\$8,545,826		\$30,567,645		\$30,567,645
511.4 Restricted Net Position			\$35,831		\$35,831
512.4 Unrestricted Net Position	\$18,199,582	\$0	\$25,805,728		\$25,805,728
513 Total Equity - Net Assets / Position	\$26,745,408	\$0	\$56,409,204	\$0	\$56,409,204
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$52,757,098	\$0	\$96,966,736	-\$7,541,840	\$89,424,896

Jefferson County Housing Authority (CO072)
WHEAT RIDGE, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2018

	Project Total	14.218 Community Development Block Grants/Entitlement Grants	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented	14.182 N/C S/R Section 8 Programs
70300 Net Tenant Rental Revenue				\$1,122,279	\$538,592
70400 Tenant Revenue - Other				\$89,212	\$5,254
70500 Total Tenant Revenue	\$0	\$0	\$0	\$1,211,491	\$543,846
70600 HUD PHA Operating Grants			\$13,749,570		\$695,803
70610 Capital Grants					
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		\$877,679			
71100 Investment Income - Unrestricted	\$54,726		\$529	\$3,286	\$848
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery			\$4,598		
71500 Other Revenue			\$20,986	\$12,643,480	\$10,811
71600 Gain or Loss on Sale of Capital Assets				-\$32,729	-\$65
72000 Investment Income - Restricted			\$1,724		\$1,643
70000 Total Revenue	\$54,726	\$877,679	\$13,777,407	\$13,825,528	\$1,252,886
91100 Administrative Salaries			\$411,266	\$57,600	\$189,300

Jefferson County Housing Authority (CO072)
WHEAT RIDGE, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2018

	Project Total	14.218 Community Development Block Grants/Entitlement Grants	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented	14.182 N/C S/R Section 8 Programs
91200 Auditing Fees			\$13,931	\$15,370	\$4,637
91300 Management Fee				\$62,988	\$76,492
91310 Book-keeping Fee				\$5,856	
91400 Advertising and Marketing			\$1,501		
91500 Employee Benefit contributions - Administrative					
91600 Office Expenses			\$140,962	\$30,577	\$45,777
91700 Legal Expense			\$7,707	\$39,598	\$713
91800 Travel			\$13,250	\$5,322	\$8,956
91810 Allocated Overhead					
91900 Other	\$17,723		\$7,753	\$99,003	\$32,974
91000 Total Operating - Administrative	\$17,723	\$0	\$596,370	\$316,314	\$358,849
92000 Asset Management Fee					
92100 Tenant Services - Salaries					
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services					
92400 Tenant Services - Other				\$54,800	\$27,161
92500 Total Tenant Services	\$0	\$0	\$0	\$54,800	\$27,161
93100 Water				\$34,278	\$27,932
93200 Electricity				\$68,076	\$24,720
93300 Gas				\$19,622	\$18,268
93400 Fuel					
93500 Labor					
93600 Sewer				\$11,920	\$21,236
93700 Employee Benefit Contributions - Utilities					

Jefferson County Housing Authority (CO072)
WHEAT RIDGE, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2018

	Project Total	14.218 Community Development Block Grants/Entitlement Grants	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented	14.182 N/C S/R Section 8 Programs
93800 Other Utilities Expense					
93000 Total Utilities	\$0	\$0	\$0	\$133,896	\$92,156
94100 Ordinary Maintenance and Operations - Labor		\$96,939		\$66,750	\$74,188
94200 Ordinary Maintenance and Operations - Materials and		\$180,740		\$23,488	\$75,540
94300 Ordinary Maintenance and Operations Contracts				\$114,036	\$415,581
94500 Employee Benefit Contributions - Ordinary Maintenance			\$197,564	\$63,740	\$70,121
94000 Total Maintenance	\$0	\$277,679	\$197,564	\$268,014	\$635,430
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs				\$1,395	\$400
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$0	\$0	\$1,395	\$400
96110 Property Insurance			\$432	\$55,738	\$26,346
96120 Liability Insurance					
96130 Workmen's Compensation			\$9,067	\$2,748	\$7,200
96140 All Other Insurance					
96100 Total insurance Premiums	\$0	\$0	\$9,499	\$58,486	\$33,546
96200 Other General Expenses					
96210 Compensated Absences					
96300 Payments in Lieu of Taxes					
96400 Bad debt - Tenant Rents			\$5,430		\$101
96500 Bad debt - Mortgages					

Jefferson County Housing Authority (CO072)
WHEAT RIDGE, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2018

	Project Total	14.218 Community Development Block Grants/Entitlement Grants	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented	14.182 N/C S/R Section 8 Programs
96600 Bad debt - Other					
96800 Severance Expense					
96000 Total Other General Expenses	\$0	\$0	\$5,430	\$0	\$101
96710 Interest of Mortgage (or Bonds) Payable				\$516,698	\$39,511
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	\$516,698	\$39,511
96900 Total Operating Expenses	\$17,723	\$277,679	\$808,863	\$1,349,603	\$1,187,154
97000 Excess of Operating Revenue over Operating Expenses	\$37,003	\$600,000	\$12,968,544	\$12,475,925	\$65,732
97100 Extraordinary Maintenance					
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments			\$12,945,149		
97350 HAP Portability-In					
97400 Depreciation Expense			\$12,187	\$1,058,177	\$92,784
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$17,723	\$277,679	\$13,766,199	\$2,407,780	\$1,279,938
10010 Operating Transfer In					
10020 Operating transfer Out		-\$600,000			

Jefferson County Housing Authority (CO072)
WHEAT RIDGE, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2018

	Project Total	14.218 Community Development Block Grants/Entitlement Grants	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented	14.182 N/C S/R Section 8 Programs
10030 Operating Transfers from/to Primary Government					
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out	-\$2,765,032				
10100 Total Other financing Sources (Uses)	-\$2,765,032	-\$600,000	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$2,728,029	\$0	\$11,208	\$11,417,748	-\$27,052
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$36,491	\$319,413
11030 Beginning Equity	\$9,242,047	\$0	\$204,220	\$10,422,594	\$1,121,060
11040 Prior Period Adjustments, Equity Transfers and Correction	\$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			\$179,597		
11180 Housing Assistance Payments Equity			\$35,831		

Jefferson County Housing Authority (CO072)
WHEAT RIDGE, CO
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2018

	Project Total	14.218 Community Development Block Grants/Entitlement Grants	14.871 Housing Choice Vouchers	6.1 Component Unit - Discretely Presented	14.182 N/C S/R Section 8 Programs
11190 Unit Months Available	0		18996	1438	1584
11210 Number of Unit Months Leased	0		16261	1426	1521
11270 Excess Cash	\$1,885,520				
11610 Land Purchases	\$0				
11620 Building Purchases	\$0				
11630 Furniture & Equipment - Dwelling Purchases	\$0				
11640 Furniture & Equipment - Administrative Purchases	\$0				
11650 Leasehold Improvements Purchases	\$0				
11660 Infrastructure Purchases	\$0				
13510 CFFP Debt Service Payments	\$0				
13901 Replacement Housing Factor Funds	\$0				

Jefferson County Housing Authority (CO072)
WHEAT RIDGE, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2018

	1 Business Activities	14.239 HOME Investment Partnerships Program	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$6,061,561		\$7,722,432		\$7,722,432
70400 Tenant Revenue - Other	\$136,611		\$231,077		\$231,077
70500 Total Tenant Revenue	\$6,198,172	\$0	\$7,953,509	\$0	\$7,953,509
70600 HUD PHA Operating Grants			\$14,445,373		\$14,445,373
70610 Capital Grants					
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue			\$0	\$0	\$0
70800 Other Government Grants	\$216,821	\$33,566	\$1,128,066		\$1,128,066
71100 Investment Income - Unrestricted	\$407,465		\$466,854		\$466,854
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery			\$4,598		\$4,598
71500 Other Revenue	\$1,253,368		\$13,928,645	-\$353,213	\$13,575,432
71600 Gain or Loss on Sale of Capital Assets	\$440,243		\$407,449		\$407,449
72000 Investment Income - Restricted	\$1,741		\$5,108		\$5,108
70000 Total Revenue	\$8,517,810	\$33,566	\$38,339,602	-\$353,213	\$37,986,389
91100 Administrative Salaries	\$1,028,364		\$1,686,530		\$1,686,530
91200 Auditing Fees	\$29,017		\$62,955		\$62,955

Jefferson County Housing Authority (CO072)
WHEAT RIDGE, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2018

	1 Business Activities	14.239 HOME Investment Partnerships Program	Subtotal	ELIM	Total
91300 Management Fee	\$331,377		\$470,857	-\$353,213	\$117,644
91310 Book-keeping Fee	\$10,379		\$16,235		\$16,235
91400 Advertising and Marketing	\$1,538		\$3,039		\$3,039
91500 Employee Benefit contributions - Administrative					
91600 Office Expenses	\$308,775		\$526,091		\$526,091
91700 Legal Expense	\$86,941		\$134,959		\$134,959
91800 Travel	\$81,926		\$109,454		\$109,454
91810 Allocated Overhead					
91900 Other	\$180,344		\$337,797		\$337,797
91000 Total Operating - Administrative	\$2,058,661	\$0	\$3,347,917	-\$353,213	\$2,994,704
92000 Asset Management Fee					
92100 Tenant Services - Salaries					
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services					
92400 Tenant Services - Other	\$8,750		\$90,711		\$90,711
92500 Total Tenant Services	\$8,750	\$0	\$90,711	\$0	\$90,711
93100 Water	\$199,547		\$261,757		\$261,757
93200 Electricity	\$134,129		\$226,925		\$226,925
93300 Gas	\$121,688		\$159,578		\$159,578
93400 Fuel					
93500 Labor					
93600 Sewer	\$146,852		\$180,008		\$180,008
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense					

Jefferson County Housing Authority (CO072)
WHEAT RIDGE, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2018

	1 Business Activities	14.239 HOME Investment Partnerships Program	Subtotal	ELIM	Total
93000 Total Utilities	\$602,216	\$0	\$828,268	\$0	\$828,268
94100 Ordinary Maintenance and Operations - Labor	\$379,447		\$617,324		\$617,324
94200 Ordinary Maintenance and Operations - Materials and	\$312,096	\$33,566	\$625,430		\$625,430
94300 Ordinary Maintenance and Operations Contracts	\$541,703		\$1,071,320		\$1,071,320
94500 Employee Benefit Contributions - Ordinary Maintenance	\$370,005		\$701,430		\$701,430
94000 Total Maintenance	\$1,603,251	\$33,566	\$3,015,504	\$0	\$3,015,504
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs	\$13,823		\$15,618		\$15,618
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$13,823	\$0	\$15,618	\$0	\$15,618
96110 Property Insurance	\$251,252		\$333,768		\$333,768
96120 Liability Insurance					
96130 Workmen's Compensation	\$34,071		\$53,086		\$53,086
96140 All Other Insurance	\$552		\$552		\$552
96100 Total insurance Premiums	\$285,875	\$0	\$387,406	\$0	\$387,406
96200 Other General Expenses	\$407,092		\$407,092		\$407,092
96210 Compensated Absences					
96300 Payments in Lieu of Taxes					
96400 Bad debt - Tenant Rents	\$33,077		\$38,608		\$38,608
96500 Bad debt - Mortgages					
96600 Bad debt - Other					

Jefferson County Housing Authority (CO072)
WHEAT RIDGE, CO
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2018

	1 Business Activities	14.239 HOME Investment Partnerships Program	Subtotal	ELIM	Total
96800 Severance Expense					
96000 Total Other General Expenses	\$440,169	\$0	\$445,700	\$0	\$445,700
96710 Interest of Mortgage (or Bonds) Payable	\$885,040		\$1,441,249		\$1,441,249
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$885,040	\$0	\$1,441,249	\$0	\$1,441,249
96900 Total Operating Expenses	\$5,897,785	\$33,566	\$9,572,373	-\$353,213	\$9,219,160
97000 Excess of Operating Revenue over Operating Expenses	\$2,620,025	\$0	\$28,767,229	\$0	\$28,767,229
97100 Extraordinary Maintenance	\$0		\$0		\$0
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments			\$12,945,149		\$12,945,149
97350 HAP Portability-In					
97400 Depreciation Expense	\$958,254		\$2,121,402		\$2,121,402
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$6,856,039	\$33,566	\$24,638,924	-\$353,213	\$24,285,711
10010 Operating Transfer In	\$600,000		\$600,000	-\$600,000	\$0
10020 Operating transfer Out			-\$600,000	\$600,000	\$0
10030 Operating Transfers from/to Primary Government					

Jefferson County Housing Authority (CO072)
WHEAT RIDGE, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2018

	1 Business Activities	14.239 HOME Investment Partnerships Program	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	\$2,765,032		\$2,765,032	-\$2,765,032	\$0
10094 Transfers between Project and Program - Out			-\$2,765,032	\$2,765,032	\$0
10100 Total Other financing Sources (Uses)	\$3,365,032	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$5,026,803	\$0	\$13,700,678	\$0	\$13,700,678
11020 Required Annual Debt Principal Payments	\$739,661	\$0	\$1,095,565		\$1,095,565
11030 Beginning Equity	\$21,718,605	\$0	\$42,708,526		\$42,708,526
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			\$179,597		\$179,597
11180 Housing Assistance Payments Equity			\$35,831		\$35,831
11190 Unit Months Available	6912		28930		28930

Jefferson County Housing Authority (CO072)
WHEAT RIDGE, CO
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2018

	1 Business Activities	14.239 HOME Investment Partnerships Program	Subtotal	ELIM	Total
11210 Number of Unit Months Leased	6737		25945		25945
11270 Excess Cash			\$1,885,520		\$1,885,520
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