
Boulder Housing Partners

**Financial Report
with Supplemental Information
December 31, 2019**

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Independent Auditor's Report

To the Board of Commissioners
Boulder Housing Partners

Report on the Financial Statements

We have audited the accompanying financial statements of the primary government business-type activities and the aggregate discretely presented component units of the Housing Authority of the City of Boulder, Colorado, a Colorado Housing Authority d/b/a Boulder Housing Partners (BHP or the "Authority"), as of and for the years ended December 31, 2019 and 2018 and the related notes to the financial statements, which collectively comprise Boulder Housing Partners' basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the primary government business-type activities and the aggregate discretely presented component units of Boulder Housing Partners as of December 31, 2019 and 2018 and the respective changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

To the Board of Commissioners
Boulder Housing Partners

Other Matters

Report on Summarized Comparative Information

We have previously audited the financial statements of the discretely presented component units as of and for the year ended December 31, 2018, and we expressed an unmodified audit opinion on those financial statements in our report dated June 4, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2018 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Required Supplemental Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 17, 2019 on our consideration of Boulder Housing Partners' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Boulder Housing Partners' internal control over financial reporting and compliance.



June 17, 2020

As management of the Housing Authority of the City of Boulder, Colorado. d/b/a Boulder Housing Partners (BHP or the "Authority"), we offer readers of the BHP financial statements this narrative overview and analysis of the financial activities of BHP for the fiscal year ended December 31, 2019.

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

Overview of the Financial Statements

The annual financial report consists of four parts:

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

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

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

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

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

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

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

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

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

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

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

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

Moving to Work

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

The following programs are included in this designation:

- **Public Housing** - Under the public housing program, BHP rents units it owns to low-income households. This program operates under an annual contributions contract with HUD. HUD provides an operating subsidy is provided by HUD to enable BHP to provide the housing at a rent that is based upon 30 percent of adjusted gross income of the tenant. BHP had 49 public housing units under contract at the end of calendar year 2019.
- **Capital Fund Program** - Under this program, BHP receives funding from HUD for physical improvements to its units within the public housing program. The program operates under an annual contributions contract with HUD.
- **MTW Housing Choice Voucher Program** - Pursuant to the Moving to Work contract with HUD, BHP receives funding to subsidize the rent of low-income families in the private market and earns an administrative fee to cover the program's operating costs. As of December 31, 2019, BHP received funding for 756 Housing Choice vouchers in the MTW program.

Other Programs:

Housing Choice Voucher Programs - In addition to the 756 MTW Housing Choice vouchers mentioned above, BHP receives funding through an annual contributions contract with HUD to subsidize the rent of additional low-income families in the private market and earns an administrative fee to cover the program's operating costs. As of December 31, 2019, BHP received funding for 181 Housing Choice vouchers, 135 Rental Assistance demonstration ("RAD") vouchers and 78 Mainstream vouchers through this version of the Housing Choice voucher and the Mainstream voucher programs.

Permanent Supportive Housing Program - BHP receives funding from HUD's Continuum of Care Program which provides rental assistance and supportive services for 22 chronically homeless households. BHP administers the rental assistance dollars and the Boulder Shelter for the Homeless provides the case management for the supportive services. Participants in the program can lease a unit anywhere in Boulder County. This program is known internally as the Housing First Scattered Site. This program began in 2007. BHP also provides 31 units of permanently supportive housing for the residents at Lee Hill, which is a tax credit property. The rental assistance is provided using BHP's project-based vouchers and supportive services are funded through HUD's Continuum of Care Program. Supportive services are managed by case managers through Boulder Shelter for the Homeless. This program began in 2014

BHP has an additional 10 units of permanent supportive housing at the Holiday Neighborhood. Holiday is a tax credit property. The rental assistance is provided using BHP's project-based vouchers and supportive services are funded through HUD's Continuum of Care Program. In this case, supportive services are managed by case managers through Mental Health Partners. This program began in 2004.

In January 2018, BHP signed an agreement with the City of Boulder, which provides \$200,000 each year for three consecutive years to house 8 – 12 chronically homeless households. During 2019, the City of Boulder expanded this agreement for an additional \$220,000 for three consecutive years to house an additional 18 chronically homeless households. This program works just like the Housing First Scattered Site Program in that BHP administers the rental assistance and the Boulder Shelter for the Homeless provides the case management supportive services. This program was brought about based on the success of the Housing First Scattered Site and a desire by the City of Boulder to help find a solution to the homeless situation in Boulder.

Owned Permanently Affordable Housing - BHP owns 374 units in 18 properties that are permanently affordable under covenants with the City of Boulder.

Market Rate Housing - BHP has a total of 294 market rate units. BHP also has seven properties at which some units have no restrictions on the rents.

- 101 Canyon, 5 units with no restrictions on rents.
- Bridgewalk, with a total of 123 units, has 111 units with no restriction on rents and 12 units that are included in the Owned Permanently Affordable Housing count above;
- Foothills Community, with a total of 74 units, has 22 units with no restriction on rents and 52 units that are included in the Owned Permanently Affordable Housing count above;
- Tantra Lakes, with a total of 185 units, has 110 units with no restrictions on rents and 75 units that are included in the Owned Permanently Affordable Housing count above;
- Cedar and Casey, with a total of 19 units, currently have 12 units with no restrictions on rents and are targeting 10 units as affordable at unit turns;
- Twenty37 Walnut, with a total of 26 units, currently has 13 units with no restrictions on rents and is targeting 100% affordable by the end of 2020.
- Trout Farms, with a total of 31 units, currently has 27 units with no restrictions on rents and is targeting 8 units as affordable by the end of 2020 and 100% affordable by the end of 2022.

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

Partnerships in Low-income Tax Credit Housing – As of December 31, 2019, BHP or its affiliate is the general partner in eleven tax credit partnerships with a total of 688 units; Boulder Communities, LLLP, Broadway West Community, LLLP, High Mar Community, LLLP, Holiday Community, LLLP, Lee Hill Community, LLLP, Palo Park Community, LLLP, Red Oak Park, LLLP, WestView Community, LLLP, and West End Communities, LLLP. Two additional tax credit partnerships are under construction; Canopy @ ROP, LLLP, and 30Pearl, LLLP. Construction began at Canopy @ ROP, LLLP June 2019 for 41 units, to be completed mid-2020. Construction began at 30Pearl November 2019 for 120 units, to be completed by Spring 2021.

In November 2018, BHP became a special limited partner, in the Ciclo, LLLP partnership. The general partner and developer, Boulder Junction DevCo Ciclo, LLC, began construction of 38 units January 2019. Completion is scheduled for early 2020. Once this property is occupied and achieves normal operational benchmarks, BHP as special limited partner will purchase the current general partner's interest and become the general partner for the remaining term of the tax credit partnership. Until that time, BHP has limited authority of the development and initial lease up activities and does not meet GASB 61 requirements to include as a Discretely Presented Component Units.

Major Programs for 2019 Audit

For the current period ended December 31, 2019, one program has been deemed by our auditors, Plante & Moran, PLLC, to be a major program.

- The Moving to Work program, which includes the MTW Housing Choice Voucher Program, the Low Income Public Housing Operating Subsidy, and the Capital Fund Program;

Financial Highlights

During the years ended December 31, 2019 and 2018, respectively:

- In 2019, BHP acquired 44 units from Broadway East, LLLP at the exit of the limited partner and the dissolution of the tax credit partnership. The 44 units covenanted at 60% AMI were sold to BHP for \$4,604,879 (the forgiveness of debt and assumption of debt) and financed with the Operating Reserves previously held by the dissolved tax credit partnership. The transaction included a \$2,874,149 forgiveness of debt between BHP and Broadway East, LLLP and resulted in a reduction of building cost of \$1,771,000 having a deemed value \$6,376,000 for BHP.
- In 2019, BHP acquired 31 of 93 units at Trout Farms condominium complex for \$8,577,971. At closing, additional deposits of \$93,000 were made into replacement reserve accounts for capital improvements. At 2019 year-end, 27 of the property's 31 units were designated market rate. As current residents move out, units will be transitioned to affordable, with a target of 12 units by the end of 2020. The remaining units are expected to transition to permanently affordable under a covenant with the City of Boulder after receiving \$2,635,000 grant funds (anticipated December 2022). Financing for this acquisition included a first mortgage loan in the amount of \$4,197,000, grant revenue from the City of Boulder; \$350,000, BHP's Line of Credit; 2,871,304 and BHP equity for the remainder, \$1,159,667. The LOC advance was fully repaid within weeks from the sale of Canyon Pointe and Glen Willow to West End Communities, LLLP.
- In 2019, BHP sold two properties; Canyon Pointe and Glen Willow or 116 project-based voucher units to West End Communities, LLLP. West End Ventures, LLC, 100% owned by BHP is the .01% general partner of the West End Communities, LLLP. The \$23,800,000 fair market value sales price resulted in two note receivable loans of \$13,021,022 and cash proceeds of \$10,778,978 to BHP. The cash proceeds including \$966,237 Developer fees were used toward;
 - Pay off the outstanding HUD loan collateralized by Canyon Pointe at closing; \$980,400
 - Pay off the outstanding Line of Credit from the acquisition of Trout Farms during 2019; \$2,871,304
 - Pay off the outstanding Line of Credit from the acquisition of 2037 Walnut during 2018. \$3,327,766.
 - Payoff of the outstanding Line of Credit from Canyon Pointe's \$3,393,235 balloon mortgage paid December 2018.
 - \$1,325,973 of cash proceeds were set aside to loan to Canopy at ROP, LLLP upon construction completion mid-2020.
- In 2019, two single family houses were sold as separate transactions to unrelated parties. Cornell House, a market rate property was sold for \$1,050,000. \$255,000 of first mortgage for this property was paid down at time of sale. Orchard House, an affordable property was sold for \$400,000 passing along the restrictive deeded covenants to the new owner.
- In 2017, BHP received a 59.8% interest with a value of \$3,141,453 from the City of Boulder in a site that consists of land and a church which will be leased to the congregation for a period of up to 10 years. The site is jointly owned by BHP and a local retirement community. BHP recorded the value of

Management's Discussion and Analysis (Continued)

its share of the site as an asset and local grant income. In 2019, BHP purchased Frasier Meadow's 40.2% ownership interest in the land and church for \$2,110,298 funded by BHP equity.

- In 2018, BHP acquired 26 units at Twenty37 Walnut for \$7,644,820. This acquisition was financed with BHP's Line of Credit. The LOC was partially paid in 2018 from MTW reserves of \$2,314,275, MTW Capital Funds of \$300,000 and from BHP unrestricted reserves of \$1,500,000. The remaining balance of the Line of Credit as of December 31, 2018 is \$3,327,766. During 2019, the LOC was fully paid off with proceeds from the sale of Canyon Pointe and Glen Willow to West End Communities, LLLP.
- At 2019 year-end, 13 of the Twenty37 Walnut property's 26 units were designated market rate. As current residents move out, units will be transitioned to affordable, with a target of 100% units by the end of 2020, under a covenant with the City of Boulder after receiving \$2,600,00 grant funds (anticipated by the end of 2020).

Condensed Comparative Financial Information

The following table reflects a summary of the statement of net position at December 31, 2019 compared to the prior two years:

Summary Statement of Net Position

	2019	2018	2017
Assets:			
Current assets	\$ 17,424,714	\$ 10,866,721	\$ 13,012,341
Noncurrent assets	\$ 92,100,333	\$ 65,690,601	\$ 64,413,094
Capital Assets (net of depreciation)	\$ 107,887,559	\$ 102,097,505	\$ 96,708,081
Total Assets	\$ 217,412,606	\$ 178,654,827	\$ 174,133,516
Deferred Outflows	\$ 3,291,243	\$ 2,411,259	\$ 32,997,670
Total Assets and Deferred Outflows	\$ 220,703,849	\$ 181,066,086	\$ 207,131,186
Liabilities			
Current liabilities	\$ 6,804,231	\$ 3,210,544	\$ 9,947,920
Long-term liabilities	\$ 85,777,346	\$ 88,368,801	\$ 80,762,314
Total liabilities	\$ 92,581,577	\$ 91,579,345	\$ 90,710,234
Deferred Inflows	\$ 1,436,658	\$ 2,449,928	\$ 445,081
Total Liabilities and Deferred Inflows	\$ 94,018,235	\$ 94,029,273	\$ 91,155,315
Net Position			
Unrestricted	\$ 90,196,916	\$ 64,692,275	\$ 67,442,522
Net Investment in Capital Assets	\$ 30,923,511	\$ 21,832,500	\$ 18,410,957
Restricted	\$ 5,565,187	\$ 512,038	\$ 422,392
Total net position	\$ 126,685,614	\$ 87,036,813	\$ 86,275,871
Total liabilities and net position	\$ 220,703,849	\$ 181,066,086	\$ 177,431,186

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

Financial Highlights Affecting the Statement of Net Position

Total assets increased by \$38,757,779 (21.7%) in 2019 primarily the result of Notes Receivables to three new tax credit partnerships that BHP is the general partner; West End Communities, LLLP, Canopy @ ROP, LLLP and 30Pearl, LLLP. The notes were derived from a combination of selling of two properties and grant funds received during 2019.

Total assets increased by \$4,521,311 (2.6%) in 2018 primarily as the result of the addition of one property; Twenty37 Walnut.

Boulder Housing Partners

Management's Discussion and Analysis (Continued)

The increase in current assets at December 31, 2019 of \$6,557,993 (60.3%) primarily due to \$4,814,524 increase of Restricted Cash; \$3,558,222 from the City of Boulder for the prepayment of 30Pearl infrastructure costs and \$1,325,973 to be loaned to Canopy @ROP, LLLP at construction completion mid 2020.

The decrease in current assets at December 31, 2018 is primarily the result of the use of \$2,546,475 of unrestricted cash to acquire the Twenty37 Walnut property. This was offset by an increase of \$205,519 in Replacement Reserves cash, and by an increase of \$325,795 in the current portion of Notes Receivable from related parties.

The increase in noncurrent assets at December 31, 2019 of \$26,409,732 (40.2%) relates to (1) \$28,270,195 of new Note Receivables resulting from the three LIHTC closings; West End Communities, LLLP; \$12,680,196, Canopy @ROP, LLLP; \$4,825,000 and 30Pearl, LLLP; \$10,765,000. Capital grants received and then loaned to the tax credit partnerships were a significant source of these notes as was the increased fair market value of the sale of Canyon Pointe and Glen Willow properties. (2) This annual increase was offset by the forgiveness of the \$2,771,909 Broadway East Note Receivable upon exiting tax credit ownership.

The increase in noncurrent assets at December 31, 2018 is primarily the result of the increase in accrued interest on outstanding cash flow notes from related parties of \$1,254,379. This was offset by the use of \$778,296 in restricted cash for the planned renovations at the Tantra property.

The increase in capital assets at December 31, 2019 and 2018 were \$5,760,054 (5.7%) and \$5,389,424, respectively. See the section on Capital Asset for additional information.

Deferred outflows increased by \$879,984 (36.5%) at December 31, 2019 and \$886,411 (27%) at December 31, 2018, primarily the result of changes in unfunded pension and Other Post Employment Benefits (OPEB) determined by Colorado's state defined benefit pension plan (PERA).

Total Liabilities increased by \$1,002,232 (1.1%) and \$869,111 (1.0%) in 2019 and 2018, respectively.

Current liabilities increased by \$3,593,687 (52.8%) at December 31, 2019, reflects \$3,528,851 received from the City of Boulder funds for 30Pearl infrastructure costs that will be expended by July 2020.

Current liabilities decreased \$6,737,376 at December 31, 2018. This was primarily the result of (1) The payoff of the \$3,178,286 outstanding LOC used to acquire Cedar Casey in 2017 and (2) the payoff of the \$3,392,929 Canyon Pointe balloon mortgage payment. We utilized our Line of Credit (LOC) for this balloon payment since this property will be sold to a tax credit mid 2019.

The decrease in long term liabilities at December 31, 2019 of \$2,591,455 is the result of (1) the payoff of \$6,721,000 outstanding Line of Credit, (2) normal reductions in mortgage payables offset by; (3) two new mortgages for BHP; Broadway East; \$1,660,000 and Trout Farms; \$4,197,000 mortgages. (4) net pension liability increased by \$909,148.

The increase in long term liabilities at December 31, 2018 of \$7,592,050 is the result of (1) the acquisition of Twenty37 Walnut with outstanding LOC of \$3,327,766, (2) use of \$3,392,929 LOC to payoff short term maturity on Canyon Pointe mortgage. The LOC maturity terms were revised end of 2018, changing the classification of outstanding balances from current to long term liability, (3) permanent tax- exempt financing of Cedar Casey of \$2,375,858 and (4) all offset by normal amortization of existing mortgage payables.

Deferred inflows of \$1,436,658 and \$2,449,928 at December 31, 2019 and 2018, respectively, are primarily the result of a significant increase in the PERA Pension requirements and new PERA Other Post Employment Benefits (OPEB) reporting.

As of December 31, 2019 and 2018, the current ratio (current assets over current liabilities) is 2.49 and 3.38, respectively. 2019 current ratio is impacted by \$1,325,973 restricted cash to be loaned to Canopy @ ROP, LLLP at construction completion mid 2020 and \$3,558,222 restricted cash from the City of Boulder for 30Pearl

Boulder Housing Partners

Management's Discussion and Analysis (Continued)

prepayment of infrastructure costs and the associated current liability of this prepayment . Excluding these restricted funds results in a current ratio for 2019 of 3.62.

The portfolio-wide debt coverage ratio as of December 31, 2019, and 2018 is 1.54 and 1.61 respectively. Our loans require a minimum debt service coverage ratio of 1.15.

Net Position increased \$39,648,801 (45.6%) at December 31, 2019, primarily the result of (1) the \$22,834,627 gain on sale of Canyon Pointe and Glen Willow, (2) \$16,338,537 of Capital Grants and \$2,177,475 of Operating Income.

Operating Activities

BHP receives its operating revenues to support its operating expenditures from rental charges, federal government subsidies, and grants. BHP receives funding from HUD and the City of Boulder (the "City") for certain capital improvement expenditures. The following table summarizes and compares the changes related to BHP's operating and capital transactions between fiscal years 2019, 2018, and 2017:

Summary Statement of Activities					
	2019	2018	Variance	2017	Variance
Revenues					
Revenue - Tenant	\$ 11,255,563	\$ 10,236,408	\$ 1,019,155	\$ 8,904,382	\$ 1,332,026
Grant Income	\$ 12,077,712	\$ 12,050,853	\$ 26,859	\$ 11,942,509	\$ 108,344
Management and Developer Fees	\$ 2,912,361	\$ 2,044,785	\$ 867,576	\$ 984,783	\$ 1,060,002
Other Income	\$ 984,132	\$ 1,055,184	\$ (71,052)	\$ 864,920	\$ 190,264
Total	\$ 27,229,768	\$ 25,387,231	\$ 1,842,537	\$ 22,696,594	\$ 2,690,637
Expenses					
Salaries and benefits	\$ 5,178,294	\$ 8,287,113	\$ (3,108,819)	\$ 7,348,110	\$ 939,003
Utilities	\$ 673,786	\$ 644,108	\$ 29,678	\$ 563,670	\$ 80,438
Maintenance	\$ 2,228,178	\$ 1,557,506	\$ 670,672	\$ 1,544,494	\$ 13,012
General	\$ 2,445,390	\$ 2,302,568	\$ 142,822	\$ 1,677,861	\$ 624,707
Housing assistance payments	\$ 9,911,877	\$ 9,220,513	\$ 691,364	\$ 9,635,999	\$ (415,486)
Depreciation and Amortization	\$ 4,615,749	\$ 4,264,875	\$ 350,874	\$ 3,659,605	\$ 605,270
Total	\$ 25,053,274	\$ 26,276,683	\$ (1,223,409)	\$ 24,429,739	\$ 1,846,944
Operating Income	\$ 2,176,494	\$ (889,452)	\$ 3,065,946	\$ (1,733,145)	\$ 843,693
Other Income (Expense)					
Nonoperating Income (Expense)	\$ 21,133,770	\$ (1,181,224)	\$ 22,314,994	\$ (1,225,214)	\$ 43,990
Capital Grants	\$ 16,338,537	\$ 3,468,621	\$ 12,869,916	\$ 14,011,216	\$ (10,542,595)
Change in Net Position	\$ 39,648,801	\$ 1,397,945	\$ 38,250,856	\$ 11,052,857	\$ (9,654,912)

For more detailed information, see the statement of activities.

Financial Highlights Affecting the Statement of Activities

Operating revenue in 2019 increased by \$1,842,537, primarily as a result of an increase in one-time developer fee income of \$820,393 compared to 2018. In addition, tenant revenue increased \$1,019,155 due to (1) the full year of operations of 26 units at 2037 Walnut, (2) partial year operations of Broadway East and Trout Farms and 3% average increases at lease renewals.

Management's Discussion and Analysis (Continued)

Operating revenue in 2018 increased by \$2,690,637, primarily as a result of an increase of \$1,011,277 in one-time developer fee income compared to 2017. In addition, tenant revenues increased by \$1,332,026 due to (1) the full year of operations of 219 units at Tantra Lake, Vistoso and Cedar/Casey, (2) partial year operations of 26 units at Twenty37 Walnut and (3) increased Project Based contract subsidy at Canyon Pointe and Glen Willow.

Grant Income overall increased nominally; \$26,859, however this reflects (1) a decrease of \$421,925 HUD project based vouchers transferred to West End, LLLP upon the sale of Canyon Pointe and Glen Willow mid year, (2) an increase in Housing Choice Voucher annual funding of \$421,925 (4%) and (3) increase of City of Boulder permanent supportive housing voucher program of \$189,469 (177%) due to increasing the program at the beginning of 2019.

Management and developer fees increased by \$867,576 in 2019, primarily the result the recognition of the initial developer fees earned at closing of three tax credit partnerships; (1) West End, LLLP; \$966,237. (2) Canopy @ ROP, LLLP; \$ 388,112 and (3) 30Pearl; \$ 797,334.

Management and developer fees increased \$1,060,002 in 2018, primarily the result of recognition for the remaining developer fee of \$1,331,290 at construction completion of Palo Park Communities, LLLP. In 2018 management and developer fees consisted of (1) property management and resident service fees charged to the tax credit partnerships and (2) developer fees from Palo Park Communities, LLLP and a nominal \$50,000 from Ciclo, LLLP.

Operating Expenses in 2019 decreased by \$1,223,409 (4.7%) and increased in 2018 by \$1,846,944 (7.6%) primarily as a result of PERA pension adjustments per GASB 68 and GASB 75. Excluding the annual PERA pension adjustments of negative \$1,145,805 in 2019 and positive \$2,031,249 in 2018 results in an increase of \$1,953,638 (8.1%) and \$1,167,550 (5.1%) respectively.

Administrative salaries and benefits decreased \$3,108,819 in 2019. Excluding the annual pension adjustments dictated by PERA per GASB 68 and GASB 75 reflected above, the net increase for 2019 is \$150,273 (2.4%) per budgeted increases in salaries and benefits.

Administrative salaries and benefits increased by \$939,003 (13%) in 2018. Excluding the annual increase in pension adjustments dictated by PERA per GASB 68 and 75 reflected above, the net increase for 2018 is \$259,602 (4.3%) per budgeted increases in salaries and benefits.

Utilities, maintenance and general costs increased by \$29,678 (5%), \$670,672 (43%) and \$142,822 (6%) respectively, in 2019. Reflected maintenance costs include planned expenditures funded by reserves. Excluding these reserve funded expenditures of \$349,058 and \$68,640 in 2019 and 2018 respectively, nets an increased maintenance cost of \$390,253 (2.6%). These increases were within normal budgeted levels. In addition, insurance costs for 2019 increased \$86,732 (20.1%) due to significant increased premiums for property and general liability policies.

Utilities, maintenance and general costs increased by \$80,438, \$13,012 and \$624,707 respectively, in 2018 reflecting a full year of 219 units acquired in 2017. Significant planned renovations at Tantra were capitalized costs that would typically be included in maintenance expense.

Housing assistance payments increased by \$691,364 in 2019, the result of ramping up placement of voucher holders at the end of 2018 and continuing through 2019..

Housing assistance payments decreased by \$415,486 in 2018, primarily the result of a reduction of qualified voucher holders at the biennial certification process . There is a long lead time involved in taking a voucher recipient from award to lease.

Boulder Housing Partners

Management's Discussion and Analysis (Continued)

Depreciation expense increased by \$350,874 in 2019 reflecting a full year of 26 units acquired in 2018 and the acquisition mid 2019 of 31 units.

Depreciation expense increased by \$605,270 in 2018 reflecting a full year of expense for 216 units acquired in 2017 and the acquisition mid 2018 of 26 units.

Non-Operating income increased by \$22,314,994 in 2019 is primarily due to the \$22,834,627 gain on sale of Canyon Pointe and Glen Willow to a tax credit partnership.

Non-Operating income remained neutral in 2018 . Income increased as a result of lower financing charges and increased interest income due to higher interest rates, but was offset by full year interest expense on mortgages that supported mid-year 2017 acquisitions.

Capital grant income in 2019 consisted of (1) \$7,424,787 from the City of Boulder loaned to 30Pearl, LLLP (2) \$2,865,000 from the City of Boulder as land granted to 30Pearl, LLLP as a loan, (3) \$3,200,000 from the City of Boulder and \$700,000 Worthy Cause fund from Boulder County which were loaned to Canopy @ ROP, LLLP (4) \$350,000 Worthy Cause funds from Boulder County for the acquisition of 2037 Walnut, and (5) \$350,000 from the City of Boulder for the acquisition of Trout Farms and (6) \$1,446,825 HUD Moving to Work funds for the acquisition of 2037 Walnut.

Capital grant income in 2018 consisted of (1) \$1,250,000 of City of Boulder funds for Cedar Casey, (2) \$1,267,800 of MTW and \$865,000 Capital Funds received for the acquisition of Twenty37 Walnut and (3) \$75,000 of City of Boulder funds for predevelopment costs for 30Pearl.

In 2019, BHP paid off all advances on its' line of credit. No changes were made to the terms of the line of credit.

In 2018, BHP extended its existing line of credit through May 2020. In addition, we revised the properties collateralized to increase the available line to \$9,592,000. Draws on the line must be repaid the later of one year from the date of advance or upon maturity date. Interest is due on any outstanding balance at a rate of 3.45 percent. If the line is not used, there is a quarterly fee equal to .125 percent per annum.

Capital Assets

BHP's capital assets presented below include land, buildings and improvements, and equipment, net of depreciation, loan fees, net of amortization, and construction in progress at December 31, 2019, 2018, and 2017.

	Capital Assets				
	December 31, 2019	December 31, 2018	Change In Capital Assets	December 31, 2017	Change In Capital Assets
Land	\$ 38,052,616	\$ 39,703,087	\$ (1,650,471)	\$ 38,556,847	\$ 1,146,240
Buildings	\$ 105,900,375	\$ 98,037,790	\$ 7,862,585	\$ 90,673,355	\$ 7,364,435
Equipment	\$ 998,917	\$ 944,016	\$ 54,901	\$ 830,693	\$ 113,323
Accum Depreciation	\$ (37,257,513)	\$ (38,107,179)	\$ 849,666	\$ (33,860,821)	\$ (4,246,358)
Subtotal	\$ 107,694,395	\$ 100,577,714	\$ 7,116,681	\$ 96,200,074	\$ 4,377,640
Construction in Progress	\$ 193,164	\$ 1,519,791	\$ (1,326,627)	\$ 508,007	\$ 1,011,784
Total Capital Assets	\$ 107,887,559	\$ 102,097,505	\$ 5,790,054	\$ 96,708,081	\$ 5,389,424

During 2019, Net capital assets increased by \$5,760,054 due to (1) the addition of two properties; Trout Farms; \$8,577,971 and Broadway East; \$4,604,879, (2) the additional \$2,110,298 Mt Calvary ownership interest, (3) offset by the \$4,126,370 net book value reduction of assets sold, Canyon Pointe, Glen Willow, and the sale of two single family homes and land sold to Canopy @ ROP, LLLP, (4) the reduction of predevelopment costs to three tax credit partnerships at closing and (5) Normal depreciation of existing assets decreased net book value by \$4,615,749.

During 2018, net capital assets increased by \$5,389,424. The net increase consisted of (1) an increase in land and building of \$1,146,239 and \$6,498,580 respectively, related to the acquisition of Twenty37 Walnut, a 26 unit apartment building, (2) \$778,296 for renovation work at Tantra, (3) \$103,015 of building improvements at BHP's office including vehicles, and (4) \$1,011,785 of predevelopment costs primarily related to construction in progress for Canyon Pointe, Glen Willow, Canopy at Red Oak and 30 Pearl. This was offset by \$4,264,875 of depreciation expense.

BHP debt, consisting of loans, bonds, and notes totaled \$77,149,724, \$80,556,191, and \$79,391,455 (including current portion) at December 31, 2019, 2018, and 2017, respectively. In 2019, BHP acquired debt for \$4,197,000 for Trout Farms, assumed \$1,710,000 of debt for the Broadway East transaction, and paid down the line of credit in the amount of \$6,720,695. In 2018, BHP acquired \$2,449,368 of new debt from a note payable secured by Cedar Casey.

Economic Factors

Significant economic factors affecting BHP are as follows:

Moving to Work

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

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

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

Federal Funding

The domestic agenda of the current administration continues to bring its challenges. For 2019, the federal government was shut down, which delayed BHP's receipt of Budget Authority. The inflation factor for BHP was 2.17% (compared to 14.5% in 2018) and with the pro-ration factor set at 99.5%, actually resulted in a decrease in Budget Authority of 0.65%. Due to the uncertainty of funding levels and a larger than average voucher attrition at the end of 2018, voucher utilization rate was 93% on average for 2019. This resulted in the ability of BHP, using MTW Authority, to direct \$1,446,825 to acquire affordable housing units. Looking ahead to 2020, the inflation factor is 11.4%, which results in an increase in Budget Authority of \$1,325,977. In 2019, BHP was also awarded an additional 39 Mainstream Vouchers, however funding will not begin until March 1, 2020. The Mainstream Voucher funding is a separate stream from the Housing Choice Voucher Program.

Economy

The economy for rental housing in Boulder continues to operate at low vacancy rates, although we continue to see softening in 2020 for market rate housing. Market rents continue to move further away from our affordable rents, making our affordable rents more and more attractive. Higher market rents support our market portfolio, particularly our units at Tantra, Bridgewalk, 101 Canyon and Twenty37 where we try to secure mid-to-top of the market rents. With the University of Colorado re-opening for the fall semester in 2020 despite the COVID-19 Pandemic, we expect a reasonably strong showing in our market rate portfolio this year.

Current Projects

- BHP is the special limited partner in Ciclo, LLLP, a tax credit partnership. The general partner and developer, Boulder Junction DevCo Ciclo, LLC has completed construction of 38 affordable units in May 2020. Once stabilization, meeting three consecutive months of 1.15 debt service coverage rate is attained, BHP will become the general partner which requires a payout to the unrelated developer of \$330,000 to exit the tax credit partnership.
- A modernization project for 116 affordable units BHP sold to West End Communities, LLLP in 2019. BHP is the developer and general partner on this modernization project. This project is on schedule to be completed by July 2020 and has been significantly occupied during the rehab process.
- New construction at Canopy @ ROP, LLLP, will provide 41 units of affordable housing. BHP is the developer and general partner. This project is on schedule to be completed by August 2020.
- BHP is the master developer for the City of Boulder for a market / affordable housing and retail construction project. 120 affordable units at 30Pearl is under construction scheduled to be completed by mid 2021. The City has sold one parcel with the other two parcels under contract designated for market rate and commercial space to private developers. BHP is also constructing the shared infrastructure including an underground parking garage for the site.
- Predevelopment planning is ongoing for the HUD Section 18 disposition of the Public Housing property; Madison. Madison will be sold together with another BHP property; Woodlands, to a tax credit partnership. The LIHTC closing is planned for the end of 2020 and will include tax credit and private activity bond financing. This will provide funding to modernize 68 existing affordable units. BHP will become the general partner and developer of this rehab project.
- The Holiday property will exit tax credit ownership in 2020 and become fully owned by BHP continuing as permanently affordable housing. Of the 49 total units, 10 one bedroom units are covered by a Project Based Voucher Contract, and are set aside to house chronically homeless households who receive supportive services. These services are funded through HUD's Continuum of Care Grant.
- In December 2019, BHP entered into a Purchase and Sale Agreement to acquire a property in Boulder for \$8,500,000. Escrow of \$500,000 was paid at time of contract and closing is expected to occur in July 2020. The property is not currently a housing site. It will be held for future development and leased back to the owner post-closing until December 2022.
- BHP continues to look for opportunities to acquire existing units rather than focusing solely on new construction. This allows us to add units quickly yet requires a large amount of equity funding and speed of execution which prohibits us from using tax credit financing. These opportunities will require significant support from the City of Boulder.

Management's Discussion and Analysis (Continued)

- BHP is leading a national effort to increase the ability for housing programs and housing policy to positively affect the achievement and opportunity gaps for low income households. This initiative, *Bringing School Home*, is based on two decades of experience BHP and its partner, the "I Have a Dream Foundation", have in hosting an extended year and extended day classroom of BHP children at our public housing properties. The startling results from this program in which 92% of BHP's public housing children living in public housing are graduating from high school and 86% of them are continuing to post-secondary education, is attracting national attention and giving rise to much inquiry about how housing organizations nationwide can best come to the table and be a partner in creating better outcomes for children. BHP is currently engaged in finding expanded funding in order to offer Bringing School Home to all of its 500+ children.

Contacting BHP's Financial Management

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

Boulder Housing Partners

Statement of Net Position

December 31, 2019 and 2018

	2019		2018	
	Primary Government (BHP)	Total Discrete Component Units	Primary Government (BHP)	Total Discrete Component Units
Assets				
Current assets:				
Cash and cash equivalents -				
Unrestricted (Notes 3 and 15)	\$ 8,465,424	\$ 1,714,139	\$ 7,826,688	\$ 1,620,505
Receivables:				
Grant receivable	504,683	-	177,997	-
Interest receivable - Related party (Note 4)	239,172	-	118,294	-
Tenant and fraud recovery receivables	74,980	34,471	79,540	34,426
Notes receivable - Other (Note 6)	150,000	-	-	-
Related party (Note 4)	302,674	6,164	339,179	30,790
Notes receivable - Related party (Note 4)	819,376	-	806,332	-
Cash and cash equivalents -				
Restricted (Notes 3 and 15)	5,507,513	10,325,703	692,989	3,671,676
Tenant security deposits -				
Restricted (Notes 3 and 15)	517,935	317,958	487,951	313,872
Inventory	-	-	1,595	-
Prepaid expenses and other assets	842,957	335,979	336,156	297,351
Total current assets	17,424,714	12,734,414	10,866,721	5,968,620
Noncurrent assets:				
Cash and cash equivalents -				
Restricted (Notes 3 and 15)	135,898	-	184,619	-
Investment in partnerships (Note 7)	408,949	-	408,150	-
Interest receivable - Related party				
notes (Note 4)	6,431,918	-	5,036,044	-
Notes receivable - Related party (Note 4)	85,123,568	-	60,061,788	-
Capital assets:				
Nondepreciable (Notes 5 and 15)	38,245,780	39,101,590	41,222,878	14,793,054
Net of depreciation (Notes 5 and 15)	69,641,779	129,442,647	60,874,627	117,444,440
Total noncurrent assets	199,987,892	168,544,237	167,788,106	132,237,494
Total assets	217,412,606	181,278,651	178,654,827	138,206,114
Deferred Outflows of Resources				
Excess consideration provided in acquisition	253,638	-	264,355	-
Pensions (Note 9)	2,952,556	-	2,053,294	-
OPEB (Note 10)	85,049	-	93,610	-
Total deferred outflows of resources	3,291,243	-	2,411,259	-

Boulder Housing Partners

Statement of Net Position (Continued)

December 31, 2019 and 2018

	2019		2018	
	Primary Government (BHP)	Total Discrete Component Units	Primary Government (BHP)	Total Discrete Component Units
Liabilities				
Current liabilities:				
Accounts payable	\$ 454,102	\$ 836,759	\$ 723,182	\$ 192,895
Related party payable	-	119,713	-	101,784
Security deposit liability	522,938	317,945	492,068	316,613
Accrued liabilities and other:				
Miscellaneous agency accounts	84,176	-	76,845	-
Accrued pilot	22,092	-	22,435	-
Accrued interest	-	8,639	20,028	10,476
Prefunded construction costs	3,640,403	166,703	103,827	104,816
Notes payable - Current portion (Notes 8 and 15)	1,454,123	1,438,783	1,296,976	1,591,303
Unearned revenue	27,031	14,182	27,662	14,278
Accrued wages/Payroll taxes payable	303,330	20,107	203,229	13,398
Accrued compensated absences	296,036	24,688	244,292	11,428
Total current liabilities	6,804,231	2,947,519	3,210,544	2,356,991
Noncurrent liabilities:				
Notes payable - Net of current portion (Notes 8 and 15)	75,509,925	128,957,191	79,269,215	90,732,960
Other liability	185,678	-	-	-
Net OPEB liability (Note 10)	815,353	-	742,344	-
Accrued interest	-	6,671,089	-	5,159,903
Net pension liability (Note 9)	9,266,390	-	8,357,242	-
Total noncurrent liabilities	85,777,346	135,628,280	88,368,801	95,892,863
Total liabilities	92,581,577	138,575,799	91,579,345	98,249,854
Deferred Inflows of Resources				
Grant revenue	447,936	-	223,946	-
Pensions (Note 9)	975,019	-	2,212,746	-
OPEB (Note 10)	13,703	-	13,236	-
Total deferred inflows of resources	1,436,658	-	2,449,928	-
Net Position				
Net investment in capital assets	30,923,511	38,148,263	21,832,500	39,913,231
Restricted:				
Restricted for HAP equity	133,708	-	54,561	-
Restricted for required reserves and escrow deposits	5,431,479	10,325,703	457,477	3,671,676
Unrestricted	90,196,916	(5,771,114)	64,692,275	(3,628,647)
Total net position	\$ 126,685,614	\$ 42,702,852	\$ 87,036,813	\$ 39,956,260

Boulder Housing Partners

Statement of Activities

Years Ended December 31, 2019 and 2018

	2019		2018	
	Primary Government (BHP)	Total Discrete Component Units	Primary Government (BHP)	Total Discrete Component Units
Operating Revenue				
Revenue - Tenant	\$ 11,255,563	\$ 7,742,476	\$ 10,236,408	\$ 7,020,082
HUD PHA operating grants	11,557,549	-	11,677,999	-
Other federal grants	220,734	-	204,524	-
State and local grants	299,429	-	168,330	-
Management and fee income	760,678	-	713,495	-
Developer fee income	2,151,683	-	1,331,290	-
Other income	984,132	14,555	1,055,185	41,105
Total operating revenue	27,229,768	7,757,031	25,387,231	7,061,187
Operating Expenses				
Housing assistance payments	9,911,877	-	9,220,513	-
Administrative salaries and benefits	5,178,294	690,569	8,287,113	645,529
Administrative operating	1,003,129	823,484	1,211,988	739,071
Tenant services	586,794	312,361	391,123	282,638
Utilities	673,786	795,657	644,108	766,360
Protective services	55,343	-	52,023	-
Maintenance	2,228,178	1,702,999	1,557,506	1,362,655
Insurance premiums	558,465	375,804	474,722	290,474
Other general expense	241,659	-	172,712	-
Depreciation and amortization	4,615,749	5,717,916	4,264,875	5,499,989
Total operating expenses	25,053,274	10,418,790	26,276,683	9,586,716
Operating Income (Loss)	2,176,494	(2,661,759)	(889,452)	(2,525,529)
Nonoperating Income (Expense)				
Gain on sale of capital assets (Note 5)	22,137,200	-	11,278	-
Interest income	1,873,646	11,045	1,629,573	7,289
Interest expense (Note 8)	(2,832,106)	(2,992,188)	(2,776,081)	(2,840,900)
Other	(44,970)	-	(45,994)	(75,000)
Total nonoperating income (expense)	21,133,770	(2,981,143)	(1,181,224)	(2,908,611)
Income (Loss) - Before contributions and distributions	23,310,264	(5,642,902)	(2,070,676)	(5,434,140)
Capital Contributions and Distributions				
Partner contributions	-	8,532,078	-	5,340,591
State and local capital grants and donations	14,889,787	-	1,335,213	-
Partner distributions	-	(6,682)	-	(6,556)
Total capital contributions and distributions	14,889,787	8,525,396	1,335,213	5,334,035
Capital Grants - Federal	1,448,750	-	2,133,408	-
Change in Net Position	39,648,801	2,882,494	1,397,945	(100,105)
Net Position - Beginning of year, as restated for the discrete component units for the year ended December 31, 2018 (Note 14)	87,036,813	39,820,358	85,638,868	40,056,365
Net Position - End of year	\$ 126,685,614	\$ 42,702,852	\$ 87,036,813	\$ 39,956,260

Years Ended December 31, 2019 and 2018

	Primary Government (BHP)	
	2019	2018
Cash Flows from Operating Activities		
Cash received from HUD operating subsidies and grants	\$ 10,928,877	\$ 11,355,301
Cash received from tenants	12,082,272	10,949,742
Other receipts	491,755	3,849,198
Cash payments for housing assistance	(9,911,877)	(9,219,713)
Cash payments for administrative expenses	(4,861,743)	(8,371,185)
Cash payments for other operating expenses	(167,546)	(3,444,395)
Net cash provided by operating activities	8,561,738	5,118,948
Cash Flows Provided by Investing Activities - Interest income	356,894	168,347
Cash Flows from Capital and Related Financing Activities		
Capital grants received	16,338,537	3,468,621
Proceeds from capital debt	5,907,000	5,872,273
Purchase of property and equipment	(12,121,437)	(9,654,299)
Repayment of notes payable	(9,509,143)	(4,743,532)
Payments from notes receivable	3,536,751	324,177
Issuance of notes receivable	(15,590,553)	(307,609)
Proceeds from sale of capital assets	10,831,812	-
Interest expense	(2,877,076)	(2,776,081)
Net cash used in capital and related financing activities	(3,484,109)	(7,816,450)
Net Increase (Decrease) in Cash and Cash Equivalents	5,434,523	(2,529,155)
Cash and Cash Equivalents - Beginning of year	9,192,247	11,721,402
Cash and Cash Equivalents - End of year	\$ 14,626,770	\$ 9,192,247
Cash and Cash Equivalents Reconciliation		
Cash and investments	\$ 8,465,424	\$ 7,826,688
Restricted cash and security deposits, current and noncurrent	6,161,346	1,365,559
Total cash and cash equivalents	\$ 14,626,770	\$ 9,192,247
Reconciliation of Operating Income (Loss) to Net Cash from Operating Activities		
Operating income (loss)	\$ 2,176,494	\$ (889,452)
Adjustments to reconcile operating income (loss) to net cash from operating activities:		
Depreciation	4,615,749	4,264,875
Bad debts	70,495	97,780
Deferred outflows/inflows	(2,117,244)	2,254,255
Loss on investment in partnerships	(799)	(9,396)
Gain on sale of assets	-	11,278
Changes in assets and liabilities that (used) provided cash and cash equivalents:		
Receivables	(282,126)	(217,186)
Inventory	1,595	2,146
Prepaid expenses and other assets	(506,801)	(89,728)
Accounts payable and other accrued expenses	4,573,505	(336,397)
Security and other trust deposits	30,870	30,773
Total adjustments	6,385,244	6,008,400
Net cash and cash equivalents provided by operating activities	\$ 8,561,738	\$ 5,118,948

Boulder Housing Partners

Statement of Cash Flows (Continued)

Years Ended December 31, 2019 and 2018

Noncash Transaction

During 2019, Boulder Housing Partners sold two project-based voucher housing sites to a discretely presented component unit, which created a noncash transaction with the issuance of \$13,021,022 in notes receivable to the discretely presented component unit.

Boulder Housing Partners

Combining Balance Sheet for Discretely Presented Component Units

Year Ended December 31, 2019
(with comparative totals for 2018)

	Broadway West	Holiday Community	High Mar Community	Lee Hill Community	Red Oak Park	WestView Community	Palo Parkway
Assets							
Cash and investments	\$ 73,456	\$ 120,886	\$ 49,116	\$ 226,407	\$ 230,657	\$ 119,437	\$ 43,929
Receivables	215	529	4,218	1,123	1,559	-	4,042
Tenant security deposits - Restricted	22,203	39,334	22,133	-	52,867	25,367	17,646
Prepaid expenses	13,250	15,573	50,510	19,663	24,686	14,872	39,551
Cash and cash equivalents - Restricted	192,214	307,664	335,380	237,820	393,180	237,362	140,073
Capital assets:							
Nondepreciable	110,556	817,533	-	885,045	5,488	470,000	173,721
Net of depreciation	4,392,226	2,887,341	9,462,497	5,022,921	8,191,619	4,149,346	11,139,401
Total assets	4,804,120	4,188,860	9,923,854	6,392,979	8,900,056	5,016,384	11,558,363
Liabilities							
Accounts payable	14,317	8,919	14,391	4,432	20,692	29,661	9,690
Security deposit liability	22,202	39,332	22,133	-	52,865	25,366	17,645
Related party payable	3,025	6,894	11,867	8,873	9,773	4,874	6,712
Notes payable - Net of current portion	3,224,491	2,005,939	7,248,868	3,646,115	3,243,355	4,053,458	5,505,145
Accrued liabilities and other	1,650	-	11,103	82,626	10,768	36	28,331
Notes payable - Current portion	52,868	78,384	128,402	71,031	86,902	115,172	78,097
Unearned revenue	1,575	1,156	277	622	218	2,421	494
Accrued wages/Payroll taxes payable	760	1,432	1,724	906	1,724	994	1,023
Accrued compensated absences	1,392	2,824	1,343	772	3,387	799	442
Noncurrent liabilities - Due in more than one year	-	972,618	598,867	157,569	43,783	148,071	97,158
Total liabilities	3,322,280	3,117,498	8,038,975	3,972,946	3,473,467	4,380,852	5,744,737
Net Position							
Net investment in capital assets	1,225,423	1,620,551	2,085,227	2,190,820	4,866,850	450,716	5,729,880
Restricted	192,214	307,664	335,380	237,820	393,180	237,362	140,073
Unrestricted	64,203	(856,853)	(535,728)	(8,607)	166,559	(52,546)	(56,327)
Total net position	\$ 1,481,840	\$ 1,071,362	\$ 1,884,879	\$ 2,420,033	\$ 5,426,589	\$ 635,532	\$ 5,813,626

Boulder Housing Partners

Combining Balance Sheet for Discretely Presented Component Units (Continued)

Year Ended December 31, 2019
(with comparative totals for 2018)

	Boulder Communities	West End Communities	Canopy at ROP	30 Pearl	Total	
					2019	2018
Assets						
Cash and investments	\$ 397,177	\$ 453,070	\$ 3	\$ 1	\$ 1,714,139	\$ 1,620,505
Receivables	17,408	11,541	-	-	40,635	65,216
Tenant security deposits - Restricted	100,221	38,185	1	1	317,958	313,872
Prepaid expenses	93,342	64,532	-	-	335,979	297,351
Cash and cash equivalents - Restricted	1,735,346	283,599	127,909	6,335,156	10,325,703	3,671,676
Capital assets:						
Nondepreciable	12,331,149	8,790,204	6,555,801	8,962,093	39,101,590	14,793,054
Net of depreciation	62,527,018	21,670,278	-	-	129,442,647	117,444,440
Total assets	77,201,661	31,311,409	6,683,714	15,297,251	181,278,651	138,206,114
Liabilities						
Accounts payable	102,909	398,505	233,236	7	836,759	192,895
Security deposit liability	100,217	38,185	-	-	317,945	316,613
Related party payable	51,887	15,808	-	-	119,713	101,784
Notes payable - Net of current portion	56,431,082	27,908,736	4,875,001	10,815,001	128,957,191	90,732,960
Accrued liabilities and other	19,887	20,941	-	-	175,342	115,292
Notes payable - Current portion	487,100	340,827	-	-	1,438,783	1,591,303
Unearned revenue	4,023	3,396	-	-	14,182	14,278
Accrued wages/Payroll taxes payable	8,154	3,390	-	-	20,107	13,398
Accrued compensated absences	6,729	7,000	-	-	24,688	11,428
Noncurrent liabilities - Due in more than one year	4,354,272	189,536	70,284	38,931	6,671,089	5,159,903
Total liabilities	61,566,260	28,926,324	5,178,521	10,853,939	138,575,799	98,249,854
Net Position						
Net investment in capital assets	17,939,985	2,210,919	1,680,800	(1,852,908)	38,148,263	39,913,231
Restricted	1,735,346	283,599	127,909	6,335,156	10,325,703	3,671,676
Unrestricted	(4,039,930)	(109,433)	(303,516)	(38,936)	(5,771,114)	(3,628,647)
Total net position	\$ 15,635,401	\$ 2,385,085	\$ 1,505,193	\$ 4,443,312	\$ 42,702,852	\$ 39,956,260

Boulder Housing Partners

Combining Statement of Activities for Discretely Presented Component Units

Year Ended December 31, 2019
(with comparative totals for 2018)

	Broadway West	Holiday Community	High Mar Community	Lee Hill Community	Red Oak Park	WestView Community	Palo Parkway
Operating Revenue							
Revenue - Tenant	\$ 306,915	\$ 538,849	\$ 703,458	\$ 414,257	\$ 708,609	\$ 451,701	\$ 439,959
Other income	46	88	2,685	55	116	61	69
Total operating revenue	306,961	538,937	706,143	414,312	708,725	451,762	440,028
Operating Expenses (Income)							
Administrative salaries and benefits	25,588	48,226	58,067	80,212	58,592	33,463	32,404
Administrative operating	41,201	166,625	61,813	58,264	59,391	33,807	65,623
Tenant services	-	23	55,870	1,092	23,054	39	15,127
Utilities	35,542	10,895	82,534	44,100	88,504	29,501	55,376
Maintenance	83,129	83,500	118,680	136,307	116,748	77,114	88,233
Insurance premiums	18,078	22,518	39,214	28,241	35,623	21,510	30,221
Depreciation and amortization	258,696	258,676	464,497	260,057	451,773	204,885	380,579
Total operating expenses (income)	462,234	590,463	880,675	608,273	833,685	400,319	667,563
Operating (Loss) Income	(155,273)	(51,526)	(174,532)	(193,961)	(124,960)	51,443	(227,535)
Nonoperating Income (Expense)							
Interest income	1,204	3,337	31	1,738	397	1,845	1,271
Other	-	-	-	-	-	-	-
Interest expense	(44,074)	(195,149)	(418,468)	(21,379)	(248,440)	(160,804)	(97,397)
Total nonoperating expense	(42,870)	(191,812)	(418,437)	(19,641)	(248,043)	(158,959)	(96,126)
Capital Contributions and Distributions							
Partner contributions	-	-	-	-	-	-	153,925
Partner distributions	-	(6,682)	-	-	-	-	-
Total capital contributions and distributions	-	(6,682)	-	-	-	-	153,925
Change in Net Position	(198,143)	(250,020)	(592,969)	(213,602)	(373,003)	(107,516)	(169,736)
Net Position - Beginning of year, as restated (Note 14)	1,679,983	1,321,382	2,477,848	2,633,635	5,799,592	743,048	5,983,362
Net Position - End of year	\$ 1,481,840	\$ 1,071,362	\$ 1,884,879	\$ 2,420,033	\$ 5,426,589	\$ 635,532	\$ 5,813,626

Boulder Housing Partners

Combining Statement of Activities for Discretely Presented Component Units (Continued)

Year Ended December 31, 2019
(with comparative totals for 2018)

	Boulder Communities	West End Communities	Canopy at ROP	30 Pearl	Total	
					2019	2018
Operating Revenue						
Revenue - Tenant	\$ 3,261,925	\$ 916,803	\$ -	\$ -	\$ 7,742,476	\$ 7,020,082
Other income	10,227	1,208	-	-	14,555	41,105
Total operating revenue	3,272,152	918,011	-	-	7,757,031	7,061,187
Operating Expenses (Income)						
Administrative salaries and benefits	290,849	63,168	-	-	690,569	645,529
Administrative operating	255,419	81,350	(9)	-	823,484	739,071
Tenant services	173,827	43,329	-	-	312,361	282,638
Utilities	386,665	62,540	-	-	795,657	766,360
Maintenance	824,056	175,232	-	-	1,702,999	1,362,655
Insurance premiums	134,574	45,825	-	-	375,804	290,474
Depreciation and amortization	3,009,031	429,722	-	-	5,717,916	5,499,989
Total operating expenses (income)	5,074,421	901,166	(9)	-	10,418,790	9,586,716
Operating (Loss) Income	(1,802,269)	16,845	9	-	(2,661,759)	(2,525,529)
Nonoperating Income (Expense)						
Interest income	1,222	-	-	-	11,045	7,289
Other	-	-	-	-	-	(75,000)
Interest expense	(1,745,060)	(61,417)	-	-	(2,992,188)	(2,840,900)
Total nonoperating expense	(1,743,838)	(61,417)	-	-	(2,981,143)	(2,908,611)
Capital Contributions and Distributions						
Partner contributions	-	2,429,657	1,505,184	4,443,312	8,532,078	5,340,591
Partner distributions	-	-	-	-	(6,682)	(6,556)
Total capital contributions and distributions	-	2,429,657	1,505,184	4,443,312	8,525,396	5,334,035
Change in Net Position	(3,546,107)	2,385,085	1,505,193	4,443,312	2,882,494	(100,105)
Net Position - Beginning of year, as restated (Note 14)	19,181,508	-	-	-	39,820,358	40,056,365
Net Position - End of year	\$ 15,635,401	\$ 2,385,085	\$ 1,505,193	\$ 4,443,312	\$ 42,702,852	\$ 39,956,260

December 31, 2019 and 2018**Note 1 - Nature of Business*****Organization and Reporting Entity***

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

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

Blended Component Units

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

The Authority has included as blended component units in business activities the operations of Woodland Communities, LLC; Red Oak Park, LLC; 1175 Lee Hill, LLC; BHP Ventures, LLC; High Mar Ventures, LLC; WestView Ventures, LLC; Foothills Community, LLC; Vistoso, LLC; Palo Ventures, LLC; Boulder Communities, LLC; 2037 Walnut, LLC; 3390 Valmont Ventures, LLC; West End Ventures, LLC; 30Pearl Ventures, LLC; Canopy at Red Oak Park Ventures, LLC; and Broadway East, LLC.

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

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

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

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

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

Broadway East, LLC, is a wholly owned subsidiary of the Authority.

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

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

December 31, 2019 and 2018

Note 1 - Nature of Business (Continued)

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

2037 Walnut, LLC is a wholly owned subsidiary of the Authority.

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

BCGP, LLC is a wholly owned subsidiary of the Authority. BCGP, LLC is the general partner of Boulder Communities, LLLP, a tax credit partnership.

3390 Valmont Ventures, LLC is a wholly owned subsidiary of the Authority. 3390 Valmont Ventures, LLC is a special limited partner of the Ciclo, LLLP, a tax credit partnership. Boulder Junction DevCo Ciclo, LLC is the general partner during construction and during initial operations of the property.

West End Ventures, LLC is a wholly owned subsidiary of the Authority. West End Ventures, LLC is the general partner of West End Communities, LLLP, a tax credit partnership.

30Pearl Ventures, LLC, is a wholly owned subsidiary of the Authority. 30Pearl Ventures, LLC is the general partner of 30Pearl, LLLP, a tax credit partnership.

Canopy at Red Oak Park Ventures, LLC, is a wholly owned subsidiary of the Authority. Canopy at Red Oak Park Ventures, LLC is the general partner of Canopy at ROP, LLLP, a tax credit partnership.

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

Discretely Presented Component Units

The component unit columns in the combining financial statements include the financial data of the Authority's 11 discretely presented component units. The units are reported in separate columns to emphasize that they are legally separate from the Authority. Complete financial reports can be obtained at their administrative offices at 4800 N. Broadway St., Boulder, CO 80304.

Broadway East Community, LLLP

The general partner of this partnership is BHP, which has an ownership percentage of 0.01 percent. As the general partner and property manager, BHP has the responsibility of the establishment of the budget and the day-to-day operational responsibility of the partnership. BHP is entitled to the majority of the cash flow from the component units through repayment of debt. During 2019, BHP fully acquired this partnership. See further information in Note 14.

Broadway West Community, LLLP

The general partner of this partnership is BHP, which has an ownership percentage of 0.01 percent. As the general partner and property manager, BHP has the responsibility of the establishment of the budget and the day-to-day operational responsibility of the partnership. BHP is entitled to the majority of the cash flow from the component units through repayment of debt.

High Mar Community, LLLP

The general partner of this partnership, High Mar Ventures, LLC, is wholly owned by BHP. High Mar Ventures, LLC has an ownership percentage of 0.01 percent. As owner of the general partner and as the property manager, BHP has the responsibility of the establishment of the budget and the day-to-day operational responsibility of the partnership. BHP is entitled to the majority of the cash flow from the component units through repayment of debt.

December 31, 2019 and 2018

Note 1 - Nature of Business (Continued)

Holiday Community, LLLP

The general partner of this partnership is BHP, which has an ownership percentage of 0.01 percent. As the general partner and property manager, BHP has the responsibility of the establishment of the budget and the day-to-day operational responsibility of the partnership. BHP is entitled to the majority of the cash flow from the component units through repayment of debt.

Lee Hill Community, LLLP

The general partner of this partnership, 1175 Lee Hill, LLC, is wholly owned by BHP. 1175 Lee Hill, LLC has an ownership percentage of 0.01 percent. As owner of the general partner and as the property manager, BHP has the responsibility of the establishment of the budget and the day-to-day operational responsibility of the partnership. BHP is entitled to the majority of the cash flow from the component units through repayment of debt.

Red Oak Park, LLLP

The general partner of this partnership, Red Oak Park, LLC, is wholly owned by BHP. Red Oak Park, LLC has an ownership percentage of 0.01 percent. As owner of the general partner and as the property manager, BHP has the responsibility of the establishment of the budget and the day-to-day operational responsibility of the partnership. BHP is entitled to the majority of the cash flow from the component units through repayment of debt.

WestView Community, LLLP

The general partner of this partnership, WestView Ventures, LLC, is wholly owned by BHP. WestView Ventures, LLC has an ownership percentage of 0.01 percent. As owner of the general partner and as the property manager, BHP has the responsibility of the establishment of the budget and the day-to-day operational responsibility of the partnership. BHP is entitled to the majority of the cash flow from the component units through repayment of debt.

Boulder Communities, LLLP

The general partner of this partnership, BCGP, LLC, is wholly owned by BHP. BCGP, LLC has an ownership percentage of 0.01 percent. As owner of the general partner and as the property manager, BHP has the responsibility of the establishment of the budget and the day-to-day operational responsibility of the partnership. BHP is entitled to the majority of the cash flow from the component units through repayment of debt.

Palo Park Community, LLLP

The general partner of this partnership, Palo Ventures, LLC, is wholly owned by BHP. Palo Ventures, LLC has an ownership percentage of 0.02 percent. As owner of the general partner and as the property manager, BHP has the responsibility of the establishment of the budget and the day-to-day operational responsibility of the partnership. BHP is entitled to the majority of the cash flow from the component units through repayment of debt.

West End Communities, LLLP

The general partner of this partnership, West End Ventures, LLC, is wholly owned by BHP. West End Ventures, LLC has an ownership percentage of 0.01 percent. As owner of the general partner and as the property manager, BHP has the responsibility of the establishment of the budget and the day-to-day operational responsibility of the partnership. BHP is entitled to the majority of the cash flow from the component units through repayment of debt.

Note 1 - Nature of Business (Continued)

30Pearl, LLLP

The general partner of this partnership, 30Pearl Ventures, LLC, is wholly owned by BHP. 30Pearl Ventures, LLC has an ownership percentage of 0.01 percent. As owner of the general partner and as the property manager, BHP has the responsibility of the establishment of the budget and the day-to-day operational responsibility of the partnership. BHP is entitled to the majority of the cash flow from the component units through repayment of debt.

Canopy at ROP, LLLP

The general partner of this partnership, Canopy at Red Oak Park Ventures, LLC, is wholly owned by BHP. Canopy at Red Oak Park Ventures, LLC has an ownership percentage of 0.01 percent. As owner of the general partner and as the property manager, BHP has the responsibility of the establishment of the budget and the day-to-day operational responsibility of the partnership. BHP is entitled to the majority of the cash flow from the component units through repayment of debt.

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

Note 2 - Significant Accounting Policies

Basis of Accounting and Presentation

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

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

Cash and Cash Equivalents

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

Note 2 - Significant Accounting Policies (Continued)

Tenant Receivable - Recognition of Bad Debts

Tenant accounts receivable are stated at net rent amounts. Tenant accounts generally are collectible as long as the tenant is occupying the unit; however, the Authority has specifically reserved \$12,064 and \$24,417 as potentially uncollectible as of December 31, 2019 and 2018, respectively.

Inventories

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

Notes Receivable

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

Property and Equipment

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

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

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

Impaired capital assets that will no longer be used by the Authority are reported at the lower of carrying value or fair value or are written off entirely. During 2019 and 2018, no impairments were recorded.

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

Work in Progress

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

Restricted Cash

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

Note 2 - Significant Accounting Policies (Continued)***Deferred Outflows and Inflows of Resources***

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense) until then. The Authority has three items that qualify for reporting in this category. One is the deferred charge on the acquisition of Foothills Community, LLC in which it is the difference in the carrying value of property and its acquisition price. The deemed purchase price exceeded the acquisition value of the acquisition, which created a deferred outflow at December 31, 2019 and 2018 of \$253,638 and \$264,355, respectively. This amount is deferred and amortized over the life of the building of 30 years. The second represents changes in the difference between expected and actual experience and employer contributions to the pension plan subsequent to the measurement date, as discussed in Note 9. The third represents changes in the difference between expected and actual experience and employer contributions to the OPEB plan subsequent to the measurement date, as discussed in Note 10.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Authority has three items that qualify for reporting in this category. At December 31, 2019 and 2018, deferred revenue totaled \$447,936 and \$223,946, respectively. This is deferred and recognized as an inflow of resources in the period that the time requirements have been met. The second represents the changes in expected and actual experience related to the pension plan, as discussed in Note 9. The third represents the changes in expected and actual experience related to the other postemployment benefit (OPEB) plan, as discussed in Note 10.

Pensions

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

Other Postemployment Benefit Costs

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

Note 2 - Significant Accounting Policies (Continued)

Compensated Absences

The Authority allows employees to accumulate earned but unused sick and vacation pay benefits. The Authority accrues all vacation pay as it is earned, and the sick pay is accrued as it is used, plus an additional amount is accrued in the event the sick pay is expected to be paid out. Full-time employees receive annual vacation leave with pay. Part-time employees receive vacation leave on a prorated basis. No more than 35 days may be accumulated at any point in time. Additionally, an employee who has completed 10 years of service may, at his or her option, give up 40 hours of accrued vacation once each year in return for 40 hours of pay at the employee's regular, straight-time hourly rate. BHP's sick leave policy permits the accumulation of 4.31 hours per pay period. Part-time employees receive sick leave on a prorated basis. An employee with six consecutive months without tardiness or absence other than vacation may convert up to 16 hours of sick time, in excess of his or her accumulated 120 sick time hours, at the rate of one-hour sick time to one-hour vacation. However, the employee's vacation balance resulting from such conversion may not exceed 35 days. Vacation accrued through the last complete pay period immediately preceding the date of separation from employment shall be paid to the employee who retires or terminates with two weeks' notice.

Unearned Revenue

Unearned revenue consists primarily of prepaid tenant rent payments and prepaid local government grant funding of permanent supportive housing vouchers recognized at year end. Amounts are recognized in the period during which the associated use of premises occurs.

Net Position

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

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

Net Position Flow Assumption

The Authority will sometimes fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Authority's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Note 2 - Significant Accounting Policies (Continued)

Revenue Recognition

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

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

Operating Revenue and Expenses

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

Capital Grants

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

State and Local Contributions

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

Nonoperating Revenue and Expenses

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

Use of Estimates

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

Subsequent Events

The financial statements and related disclosures include evaluation of events through and including June 17, 2020, which is the date the financial statements were available to be issued.

Upcoming Accounting Pronouncements

In June 2017, the GASB issued Statement No. 87, *Leases*, which improves accounting and financial reporting for leases by governments. This statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The provisions of this statement were originally effective for the Authority's financial statements for the year ending December 31, 2020 but were extended to December 31, 2022 with the issuance of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. The Authority is currently evaluating the impact this standard will have on the financial statements when adopted.

Note 2 - Significant Accounting Policies (Continued)

In March 2018, the GASB issued Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. This statement establishes criteria to improve the information that is disclosed in the notes to the government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The provisions of this statement were originally effective for the Authority's financial statements for the year ended December 31, 2019 but were extended to December 31, 2020 with the issuance of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. The Authority is currently evaluating the impact this standard will have on the financial statements when adopted.

In August 2018, the GASB issued Statement No. 90, *Majority Equity Interests*. This statement improves the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and improves the relevance of financial statement information for certain component units. The provisions of this statement were originally effective for the Authority's financial statements for the year ended December 31, 2019 but were extended to December 31, 2020 with the issuance of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. The Authority is currently evaluating the impact this standard will have on the financial statements when adopted.

Note 3 - Deposits and Investments

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

	2019	2018
Cash and cash equivalents - Unrestricted (current)	\$ 8,465,424	\$ 7,826,688
Cash and cash equivalents - Restricted (current)	5,507,513	692,989
Tenant security deposits	517,935	487,951
Cash and cash equivalents - Restricted (noncurrent)	135,898	184,619
Total deposits and investments	\$ 14,626,770	\$ 9,192,247

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

	2019	2018
Bank deposits (checking accounts and savings accounts)	\$ 14,626,770	\$ 9,192,247
Petty cash	200	200
Total	\$ 14,626,970	\$ 9,192,447

Deposits

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

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

December 31, 2019 and 2018

Note 3 - Deposits and Investments (Continued)

Restricted Cash - Primary Government	2019	2018
Security deposits (current)	\$ 517,935	\$ 487,951
HAP equity (current)	131,311	48,583
Funded reserves (current)	200,504	554,047
COB PSH Program (current)	212,039	90,359
Future GP contribution to Canopy at ROP, LLLP (current)	1,325,973	-
Construction funds (current)	3,637,745	-
Bond required reserves	51,663	-
FSS escrow (noncurrent)	84,176	76,845
Construction funds (noncurrent)	-	107,774
Total restricted	<u>\$ 6,161,346</u>	<u>\$ 1,365,559</u>

Note 4 - Related Party Transactions

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

Included in current related party accounts receivable are advances made to, or expenses paid by, the Authority on behalf of the related tax credit operating partnerships totaling \$302,674 and \$339,179 at December 31, 2019 and 2018, respectively. Amounts are due on demand and are non-interest bearing.

Notes Receivable

At December 31, 2019 and 2018, the Authority's related party notes receivable consisted of the following:

	2019	2018
The Authority has two notes receivable in the original amount of \$717,500, in total, from Holiday Community, LLLP (Holiday), a tax credit project. The notes bear interest annually at 9.0 percent and are due in full with the accrued interest on December 31, 2021. Payments are required when Holiday generates positive cash flow. At December 31, 2019 and 2018, the Authority had \$972,619 and \$861,061, respectively, of accrued interest receivable. The notes are collateralized by deeds of trust	\$ 350,000	\$ 404,874
The Authority has a note receivable in the original amount of \$1,253,531 from Broadway East Community, LLLP (Broadway East), a tax credit project. The note bears interest at 5.15 percent compounded annually and is required to be repaid when Broadway East generates positive cash flow. There was no accrued interest at December 31, 2019 due to the forgiveness of the notes upon acquisition of the limited partnership interest. See Note 14 for further information on the sale of Broadway East Community, LLLP and the forgiveness of the note. The accrued interest at December 31, 2018 was \$156,266. The note is collateralized by a deed of trust	-	1,253,531
The Authority has two notes receivable in the original amount of \$1,498,338 in total from Broadway East. The notes are non-interest bearing and are due in full by December 31, 2047. Payments are required when Broadway East generates positive cash flow. See Note 14 for further information on the sale of Broadway East Community, LLLP and the forgiveness of the note. The notes are collateralized by deeds of trust	-	1,458,378

December 31, 2019 and 2018

Note 4 - Related Party Transactions (Continued)

	2019	2018
<p>The Authority has a note receivable in the original amount of \$1,802,205 from Broadway West Community, LLLP (Broadway West). The note is non-interest bearing and is due in full by December 31, 2058. Payments are required when Broadway West generates positive cash flow. The note is collateralized by a deed of trust</p>	\$ 1,484,377	\$ 1,534,699
<p>The Authority has a note receivable in the original amount of \$1,100,000 from Red Oak Park, LLLP (Red Oak Park). The note bears interest at 5 percent compounded annually and is due in full with the accrued interest on December 31, 2040. Payments are required when Red Oak Park generates positive cash flow. At December 31, 2019 and 2018, the Authority had \$43,783 and \$43,955, respectively, of accrued interest receivable. The note is collateralized by a deed of trust</p>	857,534	861,876
<p>The Authority has two notes receivable in the original amount of \$1,568,813 in total from WestView Community, LLLP (WestView), a tax credit project. The notes bear interest compounded annually at 1.25 percent and are due in full with accrued interest on December 31, 2042. Payments are required when WestView generates positive cash flow. At December 31, 2019 and 2018, the Authority had \$147,247 and \$126,061, respectively, of accrued interest receivable. The notes are collateralized by deeds of trust</p>	1,568,813	1,568,813
<p>The Authority has one note receivable in the original amount of \$650,000 from WestView Community, LLLP. The notes bear interest at 1.25 percent compounded annually and are due in full with the accrued interest on October 17, 2025. Payments are required when WestView generates positive cash flow. At December 31, 2019 and 2018, the Authority had \$824 and \$1,281, respectively, of accrued interest receivable. The notes are collateralized by a deed of trust</p>	53,620	88,517
<p>The Authority has two notes receivable in the original amount of \$3,177,611, in total, from High Mar Community, LLLP (High Mar), a tax credit project. The notes bear interest annually at 2.5 percent and are due in full with the accrued interest on December 31, 2043. Payments are required when High Mar generates positive cash flow. At December 31, 2019 and 2018, the Authority had \$590,093 and \$498,198, respectively, of accrued interest receivable. The notes are collateralized by deeds of trust</p>	3,177,611	3,177,611
<p>The Authority has a note receivable in the original amount of \$625,000 from Lee Hill Community, LLLP (Lee Hill). The note bears interest at 4.0 percent compounded annually and is due in full with the accrued interest on August 31, 2043. Payments are required when Lee Hill generates positive cash flow. At December 31, 2019 and 2018, the Authority had \$157,569 and \$136,518, respectively, of accrued interest receivable. The note is collateralized by a deed of trust</p>	625,000	625,000
<p>The Authority has three notes receivable in the original amount of \$3,098,150, in total, from Lee Hill Community, LLLP, a tax credit project. The notes are non-interest bearing and are due in full by August 31, 2043. Payments are required when Lee Hill generates positive cash flow. The notes are collateralized by deeds of trust</p>	3,092,148	3,098,150

December 31, 2019 and 2018

Note 4 - Related Party Transactions (Continued)

	2019	2018
<p>The Authority entered into three notes receivable in the original amount of \$28,800,088 from Boulder Communities, LLLP, a tax credit property. The notes bear interest at 2.64 percent and are due in full on September 30, 2055. Payments are required when Boulder Communities, LLLP generates positive cash flow. At December 31, 2019 and 2018, the Authority had \$3,374,820 and \$2,547,251, respectively, of accrued interest receivable on the notes. The notes are collateralized by deeds of trust</p>	\$ 28,800,088	\$ 28,800,088
<p>The Authority entered into a note receivable in the original amount of \$12,025,000 from Boulder Communities, LLLP, a tax credit property. The note, bearing interest at 2.64 percent, is due on September 30, 2055. The loan amount was funded in 2017. At December 31, 2019 and 2018, the Authority had \$949,874 and \$616,147, respectively, of accrued interest. The note is collateralized by a deed of trust</p>	12,025,000	12,025,000
<p>The Authority entered into a note receivable in the original amount of \$400,000 from Palo Park Community, LLLP (Palo Park), a tax credit project. The note bears interest at 2.81 percent and is due on January 31, 2116. Effective November 13, 2018, the note was amended whereby the interest rate changed from 2.81 to 0 percent. Payments are required when Palo Park generates positive cash flow. At December 31, 2019 and 2018, the Authority had \$19,518 of accrued interest. The note is collateralized by a deed of trust</p>	400,000	400,000
<p>The Authority has two notes receivable in the original amount of \$1,537,580 from Palo Park Community, LLLP (Palo Park), a tax credit project. The notes bear interest at 2.81 percent and are due on December 31, 2057. Effective November 13, 2018, the note was amended whereby the interest rate changed from 2.81 to 0 percent. Payments are required when Palo Park generates positive cash flow. At December 31, 2019 and 2018, the Authority had \$75,024 and \$43,206, respectively, of accrued interest. The notes are collateralized by a deed of trust</p>	1,537,580	1,537,580
<p>The Authority entered into a note receivable in the original amount of \$3,516,709 from Boulder Communities, LLLP (Boulder Communities), a tax credit property. The note bears interest at 1 percent compounded annually and is due in full with accrued interest on December 31, 2030. Payments are required Boulder Communities generates positive cash flow. At December 31, 2019 and 2018, the Authority had \$29,578 and \$34,078, respectively, of accrued interest. The note is collateralized by a deed of trust</p>	2,822,469	3,301,267
<p>The Authority entered into a note receivable in the original amount of \$874,259 from High Mar Community, LLLP, a tax credit project. The note bears interest at 2.70 percent compounded annually and is due in full with the accrued interest on February 7, 2026. Payments are required when High Mar generates positive cash flow. At December 31, 2019 and 2018, the Authority had \$8,774 and \$10,127, respectively, of accrued interest receivable on the notes</p>	307,116	360,450

December 31, 2019 and 2018

Note 4 - Related Party Transactions (Continued)

	2019	2018
The Authority has a note receivable in the original amount of \$58,283 from Lee Hill Community, LLLP, a tax credit project. The note bears interest at 2.47 percent compounded annually and is due in full with the accrued interest on December 31, 2025. Payments are required when Lee Hill generates positive cash flow. At December 31, 2019 and 2018, the Authority had \$0 and \$2,575, respectively, of accrued interest receivable. The note was paid in full in 2019	\$ -	\$ 51,033
The Authority has a note receivable in the original amount of \$321,253 from Palo Park Community, LLLP, a tax credit project. The note bears interest at 1 percent compounded annually and is due in full with accrued interest on December 31, 2057. Payments are required when Palo Park generates positive cash flow. At December 31, 2019 and 2018, the Authority had \$2,616 and \$268, respectively, of accrued interest. The note is collateralized by a deed of trust	230,565	321,253
During 2019, the Authority entered into three notes receivable in the original amount of \$4,825,000 from Canopy at ROP, LLLP (Canopy), a tax credit project. The notes bear interest at 2.76 percent and are due in full with accrued interest on June 30, 2049. At December 31, 2019, the Authority had \$70,284 of accrued interest. The notes are collateralized by deeds of trust	4,825,000	-
During 2019, the Authority entered into two notes receivable in the original amount of \$13,021,023 from West End Communities, LLLP (West End), a tax credit project. The notes bear interest at 2.76 percent and are due in full with accrued interest on June 30, 2049. Payments are required when West End generates positive cash flow. At December 31, 2019, the Authority had \$189,536 of accrued interest. The notes are collateralized by deeds of trust	13,021,023	-
During 2019, the Authority entered into a note receivable in the original amount of \$2,865,000 from 30Pearl, LLLP (30 Pearl), a tax credit project. The note bears interest at 3 percent and is due in full with accrued interest on November 30, 2036. At December 31, 2019, the Authority had \$10,361 of accrued interest. The note is collateralized by a deed of trust	2,865,000	-
During 2019, the Authority entered into a note receivable in the original amount of \$7,500,000 from 30Pearl, LLLP, a tax credit project. The note bears interest at 3 percent and is due in full with accrued interest on November 30, 2049. At December 31, 2019, the Authority had \$27,123 of accrued interest. The note is collateralized by a deed of trust	7,500,000	-
During 2019, the Authority entered into a note receivable in the original amount of \$400,000 from 30Pearl, LLLP, a tax credit project. The note bears interest at 3 percent and is due in full with accrued interest on November 30, 2059. At December 31, 2019, the Authority had \$1,447 of accrued interest. The note is collateralized by a deed of trust.	400,000	-
Total	85,942,944	60,868,120
Less current portion	819,376	806,332
Long-term portion	\$ 85,123,568	\$ 60,061,788

Notes to Financial Statements

December 31, 2019 and 2018

Note 5 - Capital Assets

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

	Balance January 1, 2019	Additions and Transfers In	Reductions and Transfers Out	Balance December 31, 2019
Capital assets not being depreciated:				
Land	\$ 39,703,087	\$ 1,798,812	\$ (3,449,283)	\$ 38,052,616
Work in progress	1,519,791	6,136,121	(7,462,748)	193,164
Total nondepreciable assets	41,222,878	7,934,933	(10,912,031)	38,245,780
Capital assets being depreciated:				
Building and improvements	98,037,791	13,911,684	(6,049,100)	105,900,375
Furniture and equipment	944,015	142,594	(87,692)	998,917
Total depreciable capital assets	98,981,806	14,054,278	(6,136,792)	106,899,292
Accumulated depreciation:				
Buildings and improvements	37,568,247	4,407,827	(5,370,080)	36,605,994
Furniture and equipment	538,932	207,922	(95,335)	651,519
Subtotal	38,107,179	4,615,749	(5,465,415)	37,257,513
Net capital assets being depreciated	60,874,627	9,438,529	(671,377)	69,641,779
Net business-type activity capital assets	<u>\$ 102,097,505</u>	<u>\$ 17,373,462</u>	<u>\$ (11,583,408)</u>	<u>\$ 107,887,559</u>
	Balance January 1, 2018	Additions and Transfers In	Reductions and Transfers Out	Balance December 31, 2018
Capital assets not being depreciated:				
Land	\$ 38,556,847	\$ 1,146,240	\$ -	\$ 39,703,087
Work in progress	508,007	2,353,498	(1,341,714)	1,519,791
Subtotal	39,064,854	3,499,738	(1,341,714)	41,222,878
Capital assets being depreciated:				
Building and improvements	90,673,355	7,365,423	(987)	98,037,791
Furniture and equipment	830,693	131,841	(18,519)	944,015
Subtotal	91,504,048	7,497,264	(19,506)	98,981,806
Accumulated depreciation:				
Buildings and improvements	33,464,241	4,104,006	-	37,568,247
Furniture and equipment	396,580	160,869	(18,517)	538,932
Subtotal	33,860,821	4,264,875	(18,517)	38,107,179
Net capital assets being depreciated	57,643,227	3,232,389	(989)	60,874,627
Net capital assets	<u>\$ 96,708,081</u>	<u>\$ 6,732,127</u>	<u>\$ (1,342,703)</u>	<u>\$ 102,097,505</u>

Depreciation expense for the years ended December 31, 2019 and 2018 was \$4,615,749 and \$4,264,875, respectively.

Note 5 - Capital Assets (Continued)

During 2019, the Authority had the following transactions:

The Authority purchased 31 of 93 units at Trout Farms condominium complex from an unrelated party for \$8,577,971. The Authority entered into a funding agreement to receive \$2,635,000 from the City of Boulder, Colorado. A total of \$350,000 was received at acquisition of the property, with the remaining funds to be fully received by the end of 2022, contingent upon the apartment units remaining affordable housing, at which time the remaining funding will be recorded as income when the cash is received. The \$350,000 is included in state and local grants and donations on the statement of activities.

The Authority sold two project-based voucher housing sites to West End Communities, LLLP, a discretely presented component unit of the Authority, as part of the conversion to a low-income housing tax credit partnership. This transaction resulted in a reduction in land, building, and accumulated depreciation. The sale price was \$23,800,000 and resulted in a gain of \$22,834,627. This amount is included in the gain on sale of capital assets on the statement of activities.

The Authority sold two single family homes, Cornell House and Orchard House, to unrelated parties. Both transactions resulted in reductions in land, building, and accumulated depreciation. The Cornell House sale price was \$1,050,000 and resulted in gain of \$849,189. The Orchard House sale price was \$400,000 and resulted in a gain of \$206,341. These amounts are included in the gain on sale of capital assets on the statement of activities.

The Authority sold vacant land to Canopy at ROP, LLLP, a discretely presented component unit of the Authority. The sale price was \$935,000 and resulted in a loss of \$1,911,547. This amount is included in the gain on sale of capital assets on the statement of activities.

The Authority purchased Frasier Meadows' 40.2 percent ownership interest of the Mt. Calvary site for \$2,110,298. This is the amount Frasier Meadows contributed toward the 2017 acquisition. The tenancy in common agreement as such has been terminated.

During 2018, the Authority purchased 2037 Walnut Place, an apartment complex from an unrelated third party, for \$7,395,000. The Authority received approximately \$2,600,000 from HUD for the purchase of 2037 Walnut Place through Moving to Work and Capital Fund Project federal grant money. This is included in capital grants on the statement of activities.

Note 6 - Notes Receivable

The Authority had a note receivable from Orchard House, an unrelated party. This note is non-interest bearing; at December 31, 2019, the outstanding balance is \$150,000. No monthly payments are required, and the note is due in full on the maturity date of October 30, 2020. The note is collateralized by a deed of trust.

Note 7 - Investment in Partnerships - Joint Ventures

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

Notes to Financial Statements

December 31, 2019 and 2018

Note 7 - Investment in Partnerships - Joint Ventures (Continued)

The investments are recorded under the equity method as joint ventures. These joint ventures are also discretely presented component units of the Authority. The Authority recognizes contributions, distributions, and net income or loss on its ownership share of the activity of the Partnerships on an annual basis. The total gain and loss recognized by the Authority as part of miscellaneous expense during the years ended December 31, 2019 and 2018 was \$499 and \$9,396, respectively. The investments in the Partnerships at December 31 were as follows:

	2019	2018
Partnership name:		
Boulder Communities, LLLP	\$ (1,159)	\$ (805)
Broadway East Community, LLLP	-	(129)
Broadway West Community, LLLP	(121)	(101)
High Mar Community, LLLP	(186)	(127)
Holiday Community, LLLP	399,650	399,674
Lee Hill Community, LLLP	(35)	(13)
Red Oak Park, LLLP	(343)	(306)
WestView Community, LLLP	(87)	(76)
Palo Park Community, LLLP	10,930	10,033
Canopy at ROP, LLLP	100	-
West End Communities, LLLP	100	-
30Pearl, LLLP	100	-
Total	\$ 408,949	\$ 408,150

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

Note 8 - Long-term Debt

Long-term debt activity for the years ended December 31, 2019 and 2018 can be summarized as follows:

	2019							
	Interest Rate Ranges	Principal Maturity	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year	Original Loan Amount
Mortgage payable - Canyon Pointe	1.00%	07/31/45	\$ 1,166,547	\$ -	\$(1,166,547)	\$ -	\$ -	\$ 1,252,059
Mortgage payable - Arapahoe East, Dakota Ridge, Sanitas Place, and Twin Pines	3.50%	04/01/21	2,864,245	-	(121,914)	2,742,331	127,441	4,500,000
Mortgage payable - Walnut	3.25%	02/01/28	2,414,991	-	(39,126)	2,375,865	40,207	2,335,658
Mortgage payable - Foothills	3.25%	09/01/28	6,210,432	-	(165,784)	6,044,648	170,202	5,874,446
Mortgage payable - Hayden Place, Woodlands, Whittier, and 101 Canyon	3.85%	07/01/27	5,065,758	-	(393,093)	4,672,665	141,806	4,530,859
Mortgage payable - Hayden Place 2	4.20%	07/01/27	576,819	-	(11,250)	565,569	11,599	553,970
Note payable to the City of Boulder, Colorado	0%	01/17/20	3,000,000	-	-	3,000,000	-	3,000,000
Mortgage payable - Bridgewalk	3.86%	04/01/32	22,968,824	-	(334,513)	22,634,311	351,911	22,282,400
Mortgage payable - Tantra Lake	3.42%	04/01/27	28,985,793	-	(473,439)	28,512,354	484,430	28,027,923
Mortgage payable - Vistoso	4.79%	12/01/47	592,087	-	(9,871)	582,216	9,953	572,263
Mortgage payable - Trout Farms	3.97%	06/01/29	-	4,197,000	(27,911)	4,169,089	56,574	4,112,514
Note payable - Broadway East	Variable	09/01/24	-	1,710,000	(45,000)	1,665,000	60,000	1,605,000
Line of credit	3.40%	08/29/20	6,720,695	-	(6,720,695)	-	-	-
Total long-term debt			\$ 80,566,191	\$ 5,907,000	\$(9,509,143)	\$ 76,964,048	\$ 1,454,123	\$ 78,647,092

December 31, 2019 and 2018

Note 8 - Long-term Debt (Continued)

	2018							
	Interest Rate Ranges	Principal Maturity	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year	Original Loan Amount
Note payable - Affordable Housing FHLB loan program	0%	09/25/27	\$ 58,340	\$ -	\$ (58,340)	\$ -	\$ -	\$ 163,334
Mortgage payable - Canyon Pointe	3.25%	12/01/18	3,539,328	-	(3,539,328)	-	-	5,200,000
Mortgage payable - Canyon Pointe	1.00%	07/31/45	1,166,547	-	-	1,166,547	-	1,252,059
Mortgage payable - Arapahoe East, Dakota Ridge, Sanitas Place, and Twin Pines	3.50%	04/01/21	2,981,076	-	(116,831)	2,864,245	123,323	4,500,000
Mortgage payable - Walnut	3.25%	02/01/28	-	2,449,358	(34,367)	2,414,991	39,132	2,449,358
Mortgage payable - Foothills	3.25%	09/01/28	6,369,172	-	(158,740)	6,210,432	165,231	7,000,000
Mortgage payable - Hayden Place, Woodlands, Whittier, and 101 Canyon	3.85%	07/01/27	5,193,198	-	(127,440)	5,065,758	136,970	5,815,000
Mortgage payable - Hayden Place 2	4.20%	07/01/27	587,401	-	(10,582)	576,819	11,178	600,000
Note payable to the City of Boulder, Colorado	0%	01/17/20	3,000,000	-	-	3,000,000	-	3,000,000
Mortgage payable - Bridgewalk	3.86%	04/01/32	23,283,195	-	(314,371)	22,968,824	341,076	23,460,000
Mortgage payable - Tantra lake	3.42%	04/01/27	29,434,912	-	(449,119)	28,985,793	470,523	29,705,000
Mortgage payable - Vistoso	4.79%	12/01/47	600,000	-	(7,913)	592,087	9,543	600,000
Line of credit	2.00%	08/29/20	3,178,287	6,720,695	(3,178,287)	6,720,695	-	8,112,000
Total long-term debt			<u>\$ 79,391,456</u>	<u>\$ 9,170,053</u>	<u>\$ (7,995,318)</u>	<u>\$ 80,566,191</u>	<u>\$ 1,296,976</u>	<u>\$ 91,856,751</u>

Debt Service Requirements to Maturity

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

Years Ending December 31	Principal	Interest	Total
2020	\$ 1,454,123	\$ 2,728,213	\$ 4,182,336
2021	3,995,548	2,610,176	6,605,724
2022	1,429,679	2,531,371	3,961,050
2023	1,480,529	2,480,521	3,961,050
2024	2,891,448	2,412,752	5,304,200
2025-2029	43,865,283	7,917,933	51,783,216
2030-2033	18,460,951	1,662,721	20,123,672
2034-2047	386,487	146,398	532,885
Total	<u>\$ 73,964,048</u>	<u>\$ 22,490,085</u>	<u>\$ 96,454,133</u>

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

During 2018, \$58,340 of debt under the Affordable Housing Federal Home Loan Banks (FHLB) loan program was forgiven for the full remaining balance.

Interest expense for the years ended December 31, 2019 and 2018 was \$2,832,106 and \$2,776,081, respectively.

December 31, 2019 and 2018**Note 8 - Long-term Debt (Continued)*****Tax-exempt Bond Issuance***

BHP has issued tax-exempt revenue bonds to provide debt financing for five legally separate entities. Upon bond issuance, all financial activity is assumed by the paying agent, and BHP is not obligated for the repayment of these bonds. As conduit, there is no obligation for financing; thus, the bonds are not reflected in the Authority's financial statements. Information regarding the status of each bond issue, including possible default, must be obtained from the paying agent or other knowledgeable source. The entities and the original issue amounts are as follows: Thistle Housing (\$3,740,000); WestView Community, LLLP (a related party) (\$3,167,000); High Mar Community, LLLP (a related party) (\$7,206,000); Boulder Communities, LLLP (a related party) (\$14,000,000); Palo Park Community, LLLP (a related party) (\$6,900,000); West End Communities, LLLP (a related party) (\$21,465,000); Canopy at ROP, LLLP (a related party) (\$9,837,072); and 30Pearl, LLLP (a related party) (\$26,659,208). The total amount outstanding on the bonds at December 31, 2019 and 2018 is approximately \$25,000,000 and \$27,000,000, respectively.

Note 9 - Pension Plan***Plan Description***

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

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

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

Contributions

The Authority is required to contribute member and employer contributions to PERA at a rate set by statute. The contribution requirements of plan members and the Authority are established under Title 24, Article 51, Part 4 of the C.R.S., as amended. The contribution rate for members is 8.0 percent and for the Authority is 13.7 percent of covered salary. A portion of the Authority's contribution (1.02 percent of covered salary) is allocated to the Health Care Trust Fund. The Authority is also required to pay an amortization equalization disbursement (AED) equal to 2.20 percent of the total payroll for calendar years 2019 and 2018. Additionally, the Authority is required to pay a supplemental amortization equalization disbursement (SAED) equal to 1.50 percent of the total payroll for calendar years 2019 and 2018. For the years ended December 31, 2019 and 2018, the Authority's employer contributions to the LGDTF were equal to its required contributions of \$618,188 and \$612,464, respectively.

Note 9 - Pension Plan (Continued)

Net Pension Liability

At December 31, 2019 and 2018, the Authority reported a liability of \$9,266,390 and \$8,357,242, respectively, for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018 for the year ended December 31, 2019 and as of December 31, 2017 for the year ended December 31, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017 for the year ended December 31, 2019 and as of December 31, 2016 for the year ended December 31, 2018, which used update procedures to roll forward the estimated liability to December 31, 2018 and 2017, respectively. The Authority's proportion of the net pension liability was based on the Authority's contributions as a percentage of total employer contributions during the measurement period. At December 31, 2019 and 2018, the Authority's proportion was 0.7364240622 and 0.7498694074 percent, respectively.

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

For the years ended December 31, 2019 and 2018, the Authority recognized pension (income) expense of \$(1,227,843) and \$2,006,182, respectively.

At December 31, 2019 and 2018, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2019		2018	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 2,334,368	\$ -	\$ 1,440,830	\$ -
Net difference between projected and actual investment	-	975,019	-	2,212,746
Employer contributions to the plan subsequent to the measurement date	618,188	-	612,464	-
Total	\$ 2,952,556	\$ 975,019	\$ 2,053,294	\$ 2,212,746

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the table below. These amounts are exclusive of the employer contributions to the plan made subsequent to the measurement date totaling \$618,188, which will impact net pension liability in fiscal year 2020 rather than pension expense:

Years Ending December 31	Amount
2020	\$ 51,972
2021	51,972
2022	321,658
2023	466,874
2024	466,874
Total	\$ 1,359,350

Actuarial Assumptions

The total pension liability as of December 31, 2018 and 2017 is based on results of an actuarial valuation date of December 31, 2017 and 2016, respectively, rolled forward, and was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Note 9 - Pension Plan (Continued)

Mortality rates were based on the RP-2014 White Collar Employee Mortality Table for males with a 70 percent factor applied and a 55 percent factor applied to females. The actuarial assumptions were the following as of December 31, 2017 and 2016:

- Inflation - December 31, 2017 and 2016: 2.40 percent
- Salary increases - 3.50-10.45 percent, average, including inflation
- Investment rate of return - 7.25 percent, net of pension plan investment expense, including inflation

The actuarial assumptions used in the December 31, 2017 valuation were based on the results of the 2016 experience analysis for the period from January 1, 2012 through December 31, 2015, as well as the October 28, 2016 actuarial assumptions workshop, and were adopted by PERA's board during the November 18, 2016 board meeting. The actuarial assumptions used in the December 31, 2016 valuation were based on the results of an actuarial experience study for the period from January 1, 2008 through December 31, 2011, adopted by PERA's board on November 13, 2012, and an economic assumption study, adopted by PERA's board on November 15, 2013 and January 17, 2014.

Discount Rate

The discount rate used to measure the total pension liability as of December 31, 2018 and 2017 was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the fixed statutory rates specified in law.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Investment Rate of Return

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

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

Note 9 - Pension Plan (Continued)

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

The following presents the net pension liability of the Authority, calculated using the discount rate of 7.25 percent, as well as what the Authority's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25 percent) or 1 percentage point higher (8.25 percent) than the current rate for both December 31, 2019 and 2018:

	1 Percentage Point Decrease (6.25%)	Current Discount Rate (7.25%)	1 Percentage Point Increase (8.25%)
Net pension liability - December 31, 2019	\$ 14,163,467	\$ 9,266,390	\$ 5,154,851
	1 Percentage Point Decrease (6.25%)	Current Discount Rate (7.25%)	1 Percentage Point Increase (8.25%)
Net pension liability - December 31, 2018	\$ 13,297,682	\$ 8,357,242	\$ 4,224,059

Pension Plan Fiduciary Net Position

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

Note 10 - Other Postemployment Benefit Plan

Plan Description

The Authority participates in the Health Care Trust Fund (the "HCTF"), a cost-sharing, multiple-employer defined benefit other postemployment benefit plan administered by the Colorado Public Employees' Retirement Association. The HCTF provides a healthcare premium subsidy to eligible participating PERA benefit recipients and their eligible beneficiaries. Title 24, Article 51, Part 12 of the C.R.S., as amended, assigns the authority to establish the HCTF benefit provision to the state Legislature.

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

Contributions

The Authority is required to contribute member and employer contributions to PERA at a rate set by statute. The contribution requirements of plan members and the Authority are established under Title 24, Article 51, Part 4 of the C.R.S., as amended. Contributions to the plan from the Authority were \$47,817 and \$48,251 for the years ended December 31, 2019 and 2018, respectively.

Net OPEB Liability

At December 31, 2019 and 2018, the Authority reported a liability of \$815,353 and \$742,344, respectively for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2018 and 2017. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2017 and 2016 for the years ended December 31, 2019 and 2018, respectively, which used update procedures to roll forward the estimated liability to December 31, 2018 and 2017. The Authority's proportion of the net OPEB liability was based on the Authority's contributions as a percentage of total employer contributions during the measurement period. At December 31, 2019 and 2018, the Authority's proportion was 0.5710974880 and 0.582683560 percent, respectively.

Note 10 - Other Postemployment Benefit Plan (Continued)

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

For the years ended December 31, 2019 and 2018, the Authority recognized OPEB expense of \$82,038 and \$25,067, respectively.

At December 31, 2019 and 2018, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2019		2018	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 37,232	\$ -	\$ 40,534	\$ -
Difference between projected and actual investment earnings	-	13,703	-	13,236
Employer contributions to the plan subsequent to the measurement date	47,817	-	53,076	-
Total	\$ 85,049	\$ 13,703	\$ 93,610	\$ 13,236

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the table below. These amounts are exclusive of the employer contributions to the plan made subsequent to the measurement date \$47,817, which will impact net OPEB liability in fiscal year 2019, rather than OPEB expense:

Years Ending December 31	Amount
2020	\$ 3,424
2021	3,424
2022	3,424
2023	3,424
2024	3,424
Thereafter	6,409
Total	\$ 23,529

Actuarial Assumptions

The total OPEB liability as of December 31, 2018 and 2017 is based on results of an actuarial valuation date of December 31, 2017 and 2016, respectively, rolled forward, and was determined using the following actuarial assumptions, applied to all periods included in the measurement applied to all periods included in the measurement:

- Inflation - 2.40 percent
- Salary increases, including wage inflation - 3.50 percent in the aggregate
- Investment rate of return - 7.25 percent, net of OPEB plan investment expense, including price inflation
- Mortality rates were based on the RP-2014 White Collar Employee Mortality Table for males or females. The mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.
- Healthcare cost trend rate - 5.00 percent

Note 10 - Other Postemployment Benefit Plan (Continued)

The actuarial assumptions used in the December 31, 2017 and 2016 valuation were based on the results of a 2016 actuarial experience study for the period from January 1, 2012 through December 31, 2015, as well as the October 28, 2016 actuarial assumptions workshop adopted by PERA's board on November 18, 2016.

Discount Rate

The discount rate used to measure the total OPEB liability as of December 31, 2018 and 2017 was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the fixed statutory rates specified in law.

Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Investment Rate of Return

The long-term expected rate of return on OPEB plan investments was determined using a log-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected return, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return as of December 31, 2016 for each major asset class are summarized in the following table:

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

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the Authority, calculated using the discount rate of 7.25 percent, as well as what the Authority's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25 percent) or 1 percentage point higher (8.25 percent) than the current rate for December 31, 2019 and 2018:

	1 Percentage Point Decrease (6.25%)	Current Discount Rate (7.25%)	1 Percentage Point Increase (8.25%)
Net OPEB liability of the plan - December 31, 2019	\$ 869,398	\$ 815,353	\$ 698,012

Notes to Financial Statements

December 31, 2019 and 2018

Note 10 - Other Postemployment Benefit Plan (Continued)

	1 Percentage Point Decrease (6.25%)	Current Discount Rate (7.25%)	1 Percentage Point Increase (8.25%)
Net OPEB liability of the plan - December 31, 2018	\$ 851,393	\$ 742,344	\$ 676,906

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the net OPEB liability of the Authority, calculated using current healthcare cost trend rate. It also reflects what the Authority's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate for December 31, 2019 and 2018:

	1 Percentage Point Decrease (4.00%)	Current Healthcare Cost Trend Rate (5.00%)	1 Percentage Point Increase (6.00%)
Net OPEB liability of the Plan - December 31, 2019	\$ 755,546	\$ 815,353	\$ 801,680

	1 Percentage Point Decrease (4.00%)	Current Healthcare Cost Trend Rate (5.00%)	1 Percentage Point Increase (6.00%)
Net OPEB liability of the Plan - December 31, 2018	\$ 736,421	\$ 742,344	\$ 782,350

Note 11 - Nonexchange Financial Guarantees

General Partner Operating Deficit Guarantees

In relation to the performance of the tax credit partnerships for which the Authority is the general partner, the Authority has agreed to provide certain levels of funding in the event of partnership operating deficits that exceed operating reserves. The maximum amount required to fund the excess operating deficits ranges by partnership from zero to the total amount of the excess operating deficit for a single partnership. The guarantees are in place until specific milestones specifically defined in the partnership agreement are met. If the Authority is required to fund a deficit under this guarantee, the advance would be structured as a loan to the partnership. These loans would be repayable without interest in accordance with available cash flow. As of December 31, 2019 and 2018, there were no additional liabilities relating to excess operating deficits for any of the partnerships.

General Partner Guarantees of Debt

The Authority has provided payment guarantees to a lender of a portion of the outstanding debt for Red Oak Park, LLLP; WestView Community, LLLP; High Mar Community, LLLP; Boulder Communities, LLLP; and Palo Park Community, LLLP. The amount of the debt that was guaranteed was \$24,751,964 and \$26,094,381 as of December 31, 2019 and 2018, respectively. The debt has various maturity dates ranging from April 1, 2019 through February 1, 2035. In the event that any of these partnerships is unable to make a payment when due, the Authority will be required to make that payment.

Note 12 - Commitments and Contingencies

The Authority received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with the terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the Authority. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the Authority at December 31, 2019 and 2018.

December 31, 2019 and 2018

Note 13 - Blended Component Units

Condensed combining information for the Authority's blended component units is presented as follows (with comparative totals for 2018):

	Woodland Communities, LLC	Foothills Community, LLC	Vistoso Community, LLC	2037 Walnut, LLC	Broadway East, LLC	2019 Total	2018 Total
Assets							
Current assets	\$ 543,075	\$ 322,946	\$ 215,377	\$ 85,729	\$ 234,493	\$ 1,401,620	\$ 1,226,581
Capital assets	1,233,930	9,092,501	823,031	7,344,427	4,488,168	22,982,057	19,681,294
Total assets	1,777,005	9,415,447	1,038,408	7,430,156	4,722,661	24,383,677	20,907,875
Deferred Outflows of Resources	-	253,638	-	-	-	253,638	-
Liabilities							
Current liabilities	125,975	290,728	29,320	32,829	116,907	595,759	510,886
Noncurrent liabilities	2,597,746	5,874,446	572,264	-	1,790,678	10,835,134	12,633,242
Total liabilities	2,723,721	6,165,174	601,584	32,829	1,907,585	11,430,893	13,144,128
Net Position							
Net investment in capital assets	(1,363,816)	3,218,055	250,767	7,344,427	2,697,490	12,146,923	6,783,697
Restricted	435,017	140,017	115,751	2,598	48,118	741,501	680,350
Unrestricted	(17,917)	145,839	70,306	50,302	69,468	317,998	299,700
Total net position	\$ (946,716)	\$ 3,503,911	\$ 436,824	\$ 7,397,327	\$ 2,815,076	\$ 13,206,422	\$ 7,763,747

Income statement information is as follows (with comparative totals for 2018):

	Woodland Communities, LLC	Foothills Community, LLC	Vistoso Community, LLC	2037 Walnut, LLC	Broadway East, LLC	2019 Total	2018 Total
Operating Revenue							
Rent - Net	\$ 485,379	\$ 1,082,066	\$ 169,134	\$ 425,929	\$ 484,155	\$ 2,646,663	\$ 1,855,915
Other	7,901	19,193	3,624	378,510	21,020	430,248	49,744
Total operating revenue	493,280	1,101,259	172,758	804,439	505,175	3,076,911	1,905,659
Operating Expenses							
Operating expenses	282,388	599,713	142,503	140,730	324,560	1,489,894	975,688
Depreciation	274,020	402,940	30,357	217,274	144,315	1,068,906	796,843
Total operating expenses	556,408	1,002,653	172,860	358,004	468,875	2,558,800	1,772,531
Nonoperating Expense - Interest expense	(103,592)	(201,657)	(28,490)	(57,294)	(95,373)	(486,406)	(417,759)
Equity Transfer	-	(200,000)	-	2,736,821	-	2,536,821	3,814,275
Contributions	-	-	-	-	2,874,149	2,874,149	175,000
Change in Net Position	(166,720)	(303,051)	(28,592)	3,125,962	2,815,076	5,442,675	3,704,644
Net Position - Beginning of year	(779,996)	3,806,962	465,416	4,271,365	-	7,763,747	4,059,103
Net Position - End of year	\$ (946,716)	\$ 3,503,911	\$ 436,824	\$ 7,397,327	\$ 2,815,076	\$ 13,206,422	\$ 7,763,747

December 31, 2019 and 2018

Note 13 - Blended Component Units (Continued)

Cash flow statement information is as follows (with comparative totals for 2018):

	Woodland Communities, LLC	Foothills Community, LLC	Vistoso Community, LLC	2037 Walnut, LLC	Broadway East, LLC	2019 Total	2018 Total
Net Cash Provided by Operating Activities - Receipts from customers	\$ 155,429	\$ 103,325	\$ 2,307	\$ 40,229	\$ 157,892	\$ 459,182	\$ 253,885
Net Cash (Used in) Provided by Financing Activities	(77,392)	(165,784)	(9,871)	(71,403)	4,664,827	4,340,377	3,092,979
Net Cash Used in Investing Activities	-	-	-	(7,139)	(4,621,306)	(4,628,445)	(3,433,082)
Net Increase (Decrease) in Cash	78,037	(62,459)	(7,564)	(38,313)	201,413	171,114	(86,218)
Cash - Beginning of year	449,199	346,072	217,770	110,070	-	1,123,111	1,209,329
Cash - End of year	\$ 527,236	\$ 283,613	\$ 210,206	\$ 71,757	\$ 201,413	\$ 1,294,225	\$ 1,123,111

Note 14 - Broadway East Transaction

In prior years, the Authority was the general partner of Broadway East Community, LLLP (the "LLLP") and had a 0.01 percent interest in the partnership, and Broadway East Community, LLLP was treated as a discretely presented component unit. Broadway East Community, LLLP had been reported by the Authority as a joint venture under the equity method. In January 2019, the limited partner of Broadway East Community, LLLP sold its interest to BHP. BHP created a wholly owned LLC, Broadway East, LLC (the "LLC"), to purchase the limited partner's 99.99 percent interest. BHP placed its 0.01 percent interest in the LLLP into the LLC so that the LLC now owns 100 percent of Broadway East Community, LLLP. Broadway East Community, LLLP has now been dissolved, and the beginning of year net position for the discretely presented component units in 2019 has been restated by \$135,902 for this dissolution. The LLC is now reported as a blended component unit. BHP had approximately \$2,874,000 in notes receivable and related accrued interest due from Broadway East Community, LLLP, which BHP forgave. Under GASB No. 69, governmental acquisitions are recorded at acquisition value. The most significant asset of Broadway East Community, LLLP was the property, which had an acquisition value of \$4,604,879 at the time of the purchase of the limited partner interest. The deemed purchase price of this transaction was \$4,500,000, the forgiveness of debt and the assumption of debt. The deemed acquisition value of the acquisition, \$6,376,000, exceeded the purchase price and the assumed and forgiven liabilities, which reduced the building cost at December 31, 2019 by approximately \$1,771,000.

December 31, 2019 and 2018

Note 15 - Discretely Presented Component Units

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

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

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

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

	2019	2018
Cash and cash equivalents - Unrestricted (current)	\$ 1,714,139	\$ 1,620,505
Cash and cash equivalents - Restricted (current)	10,325,703	3,671,676
Tenant security deposits	317,958	313,872
Total	<u>\$ 12,357,800</u>	<u>\$ 5,606,053</u>

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

The restricted cash balances of the discretely presented component units are made up of \$317,958 and \$313,872 of security deposits and \$10,325,703 and \$3,671,676 of funded reserves for the years ended December 31, 2019 and 2018, respectively.

December 31, 2019 and 2018

Note 15 - Discretely Presented Component Units (Continued)

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

Schedule of Component Unit Capital Assets December 31, 2019	Nondepreciable		Depreciable or Amortizable		Accumulated Depreciation and Amortization	2019 Net Capital Assets	2018 Net Capital Assets
	Land	Tax Credit Fees	Buildings and Improvements	Furniture, Fixtures, and Equipment			
Boulder Communities, LLLP	\$ 12,331,149	\$ 239,220	\$ 71,978,527	\$ 1,071,849	\$ (10,762,578)	\$ 74,858,167	\$ 77,834,937
Broadway East Community, LLLP	-	-	-	-	-	-	4,492,728
Broadway West Community, LLLP	105,838	32,862	6,944,929	19,417	(2,604,981)	4,498,065	4,756,760
Holiday Community, LLLP	817,533	27,473	6,770,052	26,388	(3,936,572)	3,704,874	3,963,549
High Mar Community, LLLP	-	44,371	11,990,237	39,121	(2,611,232)	9,462,497	9,915,502
Lee Hill Community, LLLP	885,045	34,030	6,213,920	107,164	(1,332,193)	5,907,966	6,130,753
Palo Park Community, LLLP	173,721	58,384	11,680,409	52,045	(651,437)	11,313,122	11,674,205
Red Oak Park Community, LLLP	-	68,403	11,953,232	206,892	(4,036,908)	8,191,619	8,635,062
West End Community, LLLP	1,700,000	-	22,100,000	-	(429,722)	23,370,278	-
30Pearl Community, LLLP	2,865,000	-	-	-	-	2,865,000	-
Canopy at ROP, LLLP	925,000	-	-	-	-	925,000	-
WestView Community, LLLP	470,000	19,840	5,597,585	-	(1,468,079)	4,619,346	4,824,230
Total fixed assets placed in service	20,273,286	524,583	155,228,891	1,522,876	(27,833,702)	149,715,934	132,227,726
Lee Hill Community, LLLP - Construction in progress	-	-	-	-	-	-	9,768
West End Community, LLLP - Construction in progress	-	-	7,090,204	-	-	7,090,204	-
30Pearl Community, LLLP - Construction in progress	-	-	6,097,093	-	-	6,097,093	-
Broadway West Community, LLLP - Construction in progress	-	-	4,717	-	-	4,717	-
Canopy at ROP, LLLP - Construction in progress	-	-	5,630,801	-	-	5,630,801	-
Red Oak Park Community, LLLP - Construction in progress	-	-	5,488	-	-	5,488	-
Total Discrete Component Unit Net Capital Assets	\$ 20,273,286	\$ 524,583	\$ 174,057,194	\$ 1,522,876	\$ (27,833,702)	\$ 168,544,237	\$ 132,237,494

December 31, 2019 and 2018

Note 15 - Discretely Presented Component Units (Continued)

	Beginning Balance	Capital Additions and Other Adjustments	Depreciation and Amortization	End of Year Balance	2018 End of Year Balance
Boulder Communities, LLLP	\$ 77,834,937	\$ 32,261	\$ (3,009,031)	\$ 74,858,167	\$ 77,834,937
Broadway East Community, LLLP	4,492,729	(7,692,689)	3,199,960	-	4,492,728
Broadway West Community, LLLP	4,756,760	-	(258,695)	4,498,065	4,756,760
Holiday Community, LLLP	3,963,549	-	(258,675)	3,704,874	3,963,549
High Mar Community, LLLP	9,915,502	11,492	(464,497)	9,462,497	9,915,502
Lee Hill Community, LLLP	6,130,753	37,270	(260,057)	5,907,966	6,130,753
Palo Park Community, LLLP	11,674,205	19,496	(380,579)	11,313,122	11,674,205
Red Oak Park Community, LLLP	8,635,062	8,330	(451,773)	8,191,619	8,635,062
West End Community, LLLP	-	23,800,000	(429,722)	23,370,278	-
30Pearl Community, LLLP	-	2,865,000	-	2,865,000	-
Canopy at ROP, LLLP	-	925,000	-	925,000	-
WestView Community, LLLP	4,824,230	-	(204,884)	4,619,346	4,824,230
Total fixed assets placed in service - December 31, 2019	132,227,727	20,006,160	(2,517,953)	149,715,934	132,227,726
Lee Hill Community, LLLP - Construction in progress	9,768	(9,768)	-	0	9,768
West End Community, LLLP - Construction in progress	-	7,090,204	-	7,090,204	-
30Pearl Community, LLLP - Construction in progress	-	6,097,093	-	6,097,093	-
Broadway West Community, LLLP - Construction in progress	-	4,717	-	4,717	-
Canopy Community, LLLP - Construction in progress	-	5,630,801	-	5,630,801	-
Red Oak Park Community, LLLP - Construction in progress	-	5,488	-	5,488	-
Total discrete component unit net capital assets	\$ 132,237,495	\$ 38,824,695	\$ (2,517,953)	\$ 168,544,237	\$ 132,237,494

December 31, 2019 and 2018

Note 15 - Discretely Presented Component Units (Continued)

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

Schedule of Component Unit Debt December 31, 2019	Lender	Interest Rate	Maturity Date	Balance - Beginning of Year	Additions (Payments)	Balance - End of Year	Principal Due Within One Year
Boulder Communities	First Bank of Boulder	3.98%	2033	13,647,473	(261,482)	13,385,991	269,807
	Boulder Housing Partners	2.64%	2055	1,152,519		1,152,519	-
	Boulder Housing Partners	2.64%	2055	12,025,000		12,025,000	-
	Boulder Housing Partners	2.64%	2055	7,647,569		7,647,569	-
	Boulder Housing Partners	2.64%	2055	20,000,000		20,000,000	-
	Boulder Housing Partners	1.00%	2030	3,301,269	(478,800)	2,822,469	217,293
Broadway West Community, LLLP	First Bank of Boulder	5.00%	2025	876,956	(20,272)	856,684	21,166
	Colorado Housing Finance Agency	0.00%	2041	936,298	-	936,298	-
	Boulder Housing Partners	0.00%	2058	1,534,699	(50,322)	1,484,377	31,702
Holiday Community, LLLP	First Bank of Boulder	4.50%	2021	1,809,473	(73,617)	1,735,855	78,384
	Boulder Housing Partners	9.00%	2021	54,874	(54,874)	-	-
	Boulder Housing Partners	9.00%	2021	350,000	-	350,000	-
High Mar Community, LLLP	Wells Fargo	Variable	2015	3,840,680	87,840	3,928,520	83,422
	Boulder Housing Partners	2.50%	2043	2,587,611		2,587,611	-
	Boulder Housing Partners	2.50%	2043	590,000		590,000	-
	Boulder Housing Partners	2.70%	2025	360,450	(53,333)	307,117	44,980
Lee Hill Community, LLLP	Boulder Housing Partners	4.00%	2043	625,000	-	625,000	-
	Boulder Housing Partners	0.00%	2043	3,098,150	(6,004)	3,092,146	71,031
	Boulder Housing Partners	2.00%	2015	51,033	(51,033)	-	-
Palo Park, LLLP	First Bank of Boulder	3.50%	2035	2,543,449	(48,909)	2,494,540	50,322
	Colorado Division of Housing	0.00%	2057	999,822		999,822	-
	Boulder Housing Partners	1.00%	2033	455,686	(225,121)	230,565	27,775
	Boulder Housing Partners	0.00%	2057	1,209,659		1,209,659	-
	Boulder Housing Partners	0.00%	2057	400,000		400,000	-
	Boulder Housing Partners	0.00%	2057	327,921		327,921	-
Red Oak Park Community, LLLP	Keybank National Association	6.50%	2027	2,723,633	(51,451)	2,672,181	54,755
	Boulder Housing Partners	5.00%	2040	861,876	(4,342)	857,534	32,148

December 31, 2019 and 2018

Note 15 - Discretely Presented Component Units (Continued)

Schedule of Component Unit Debt December 31, 2019	Lender	Interest Rate	Maturity Date	Balance - Beginning of Year	Additions (Payments)	Balance - End of Year	Principal Due Within One Year
West End Community, LLLP	Boulder Housing Partners	2.76%	2049	-	7,246,625	7,246,625	340,827
	Boulder Housing Partners	2.76%	2049	-	5,774,398	5,774,398	
	First Bank of Boulder	4.40%	2037	-	15,228,540	15,228,540	
30 Pearl Community, LLLP	Boulder Housing Partners	3.00%	2036	-	2,865,000	2,865,000	
	Boulder Housing Partners	3.00%	2049	-	7,500,000	7,500,000	
	Boulder Housing Partners	3.00%	2059	-	400,000	400,000	
	First Bank of Boulder	3.75%	2037	-	50,001	50,001	
Canopy Community, LLLP	Boulder Housing Partners	2.76%	2049	-	700,000	700,000	
	Boulder Housing Partners	2.76%	2049	-	3,200,000	3,200,000	
	Boulder Housing Partners	2.76%	2049	-	925,000	925,000	
	First Bank of Boulder	4.40%	2037	-	50,001	50,001	
WestView Community, LLLP	First Bank of Boulder	4.85%	2029	2,683,044	(59,057)	2,623,987	61,552
	Boulder Housing Partners	1.25%	2042	1,657,330	(34,897)	1,622,433	53,620
Totals				88,351,474	42,553,889	130,905,362	\$ 1,438,783
	Debt Issuance Costs; all props net of amortization					<u>(509,389)</u>	
	Total DCU Debt					<u>130,395,974</u>	

Note 16 - Subsequent Events

On March 11, 2020, the World Health Organization declared the outbreak of a respiratory disease caused by a new coronavirus a pandemic. The large-scale COVID-19 pandemic has impacted thousands of individuals worldwide. In response, many countries have implemented measures to combat the outbreak that have impacted global business operations. As of the date of issuance of the financial statements, the Authority has had minimal impact on tenant collections and has received additional federal funding. No impairments were recorded as of the statement of net position date, as no triggering events or changes in circumstances had occurred as of year end; however, due to significant uncertainty surrounding the situation, management's judgment regarding this could change in the future. In addition, while the Authority's results of operations, cash flows, and financial condition could be negatively impacted, the extent of the impact cannot be reasonably estimated at this time.

Required Supplemental Information

Boulder Housing Partners

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

	Last Five Fiscal Years				
	Years Ended December 31				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Authority's proportion of the net pension liability	0.73642 %	0.74987 %	0.68883 %	0.67773 %	0.61627 %
Authority's proportionate share of the net pension liability	\$ 9,266,390	\$ 8,357,242	\$ 9,301,527	\$ 7,465,755	\$ 5,523,658
Authority's covered payroll	\$ 6,406,137	\$ 6,280,931	\$ 7,348,110	\$ 6,090,485	\$ 5,059,089
Authority's proportionate share of the net pension liability as a percentage of its covered payroll	144.65 %	133.06 %	126.58 %	122.60 %	109.20 %
Plan fiduciary net position as a percentage of total pension liability	75.95 %	79.37 %	73.60 %	76.90 %	80.70 %

Boulder Housing Partners

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

Last Five Fiscal Years
Years Ended December 31, 2019

	2019	2018	2017	2016	2015
Contractually required contribution	\$ 618,188	\$ 612,464	\$ 645,238	\$ 575,312	\$ 527,311
Contributions in relation to the contractually required contribution	618,188	612,464	645,238	575,312	527,311
Contribution Deficiency	\$ -	\$ -	\$ -	\$ -	\$ -
Authority's Covered Payroll	\$ 6,406,137	\$ 6,280,931	\$ 7,348,110	\$ 6,090,485	\$ 5,059,089
Contributions as a Percentage of Covered Payroll	9.65 %	7.39 %	8.78 %	9.40 %	10.40 %

Boulder Housing Partners

Required Supplemental Information
Schedule of Boulder Housing Partners' Proportionate Share of the
Net OPEB Liability
Colorado Public Employees' Retirement Association
Health Care Trust Fund

	Last Two Fiscal Years	
	Years Ended December 31	
	<u>2019</u>	<u>2018</u>
Authority's proportion of the net OPEB liability	0.05711 %	0.05827 %
Authority's proportionate share of the net OPEB liability	\$ 815,353	\$ 742,344
Authority's covered employee payroll	\$ 6,406,137	\$ 6,280,931
Authority's proportionate share of the net OPEB liability as a percentage of its covered employee payroll	12.73 %	11.82 %
Plan fiduciary net position as a percentage of total OPEB liability	17.02 %	17.53 %

Boulder Housing Partners

Required Supplemental Information
Schedule of Boulder Housing Partners' OPEB Contributions
Colorado Public Employees' Retirement Association
Health Care Trust Fund

	Last Two Fiscal Years	
	Years Ended December 31	
	<u>2019</u>	<u>2018</u>
Statutorily required contribution	\$ 47,817	\$ 53,076
Contributions in relation to the statutorily required contribution	<u>47,817</u>	<u>53,076</u>
Contribution Excess	\$ -	\$ -
Authority's Covered Employee Payroll	\$ 6,406,137	\$ 6,280,931
Contributions as a Percentage of Covered Employee Payroll	0.75 %	0.85 %

Other Supplemental Information

December 31, 2019

	Public Housing Project Total	14.881 MTW	14.CFP Capital Fund	14.HCV MTW HCV program	14.OPS MTW Low Rent	14.871 Housing Choice Vouchers	14.182 N/C S/R Section 8 Programs	14.149 Rental Housing for Lower Income Families
Balance Sheet								
Assets								
111	Cash - Unrestricted	\$ 32,573	\$ 295,150			\$ 8,601	\$ 3,338	
112	Cash - Restricted - Modernization and Development	\$ -	\$ -					
113	Cash - Other Restricted	\$ -	\$ 84,176					
114	Cash - Tenant Security Deposits	\$ 13,010						
115	Cash - Restricted for Payment of Current Liabilities							
100	Total Cash	\$ 45,583	\$ 379,326	\$ -	\$ -	\$ 8,601	\$ 3,338	\$ -
121	Accounts Receivable - PHA Projects							
122	Accounts Receivable - HUD Other Projects							
124	Accounts Receivable - Other Government	\$ 150,842	\$ 184,891					
125	Accounts Receivable - Miscellaneous		\$ 6,166			\$ 1,204		
126	Accounts Receivable - Tenants	\$ 5,739	\$ 3,555	\$ -	\$ -	\$ -	\$ 2,396	\$ -
126	Allowance for Doubtful Accounts - Tenants	\$ (163)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
126	Allowance for Doubtful Accounts - Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
127	Notes, Loans, & Mortgages Receivable - Current							
128	Fraud Recovery		\$ 3,555			\$ 2,397		
128	Allowance for Doubtful Accounts - Fraud		\$ -			\$ -		
129	Accrued Interest Receivable							
120	Total Receivables, Net of Allowances for Doubtful Accounts	\$ 156,418	\$ 198,167	\$ -	\$ -	\$ -	\$ 5,997	\$ -
131	Investments - Unrestricted	\$ -						
132	Investments - Restricted	\$ -						
135	Investments - Restricted for Payment of Current Liability	\$ -						
142	Prepaid Expenses and Other Assets	\$ 17,585	\$ 2,932					
143	Inventories	\$ -						
143	Allowance for Obsolete Inventories	\$ -						
144	Inter Program Due From							
145	Assets Held for Sale	\$ -						
150	Total Current Assets	\$ 219,586	\$ 580,425	\$ -	\$ -	\$ 8,601	\$ 9,335	\$ -

December 31, 2019

	14.181 Supportive Housing for Persons with Disabilities	14.267 Continuum of Care Program	Business Activities	Central Office Cost Center	Subtotal	ELIM	Total	6.1 Component Unit - Discretely Presented
Balance Sheet								
Assets								
111	Cash - Unrestricted	\$ 943	\$ 280	\$ 5,603,230	\$ 2,521,310	\$ 8,465,425	\$ 8,465,425	\$ 1,714,138
112	Cash - Restricted - Modernization and Development					\$ -	\$ -	
113	Cash - Other Restricted	\$ 131,311		\$ 5,427,923		\$ 5,643,410	\$ 5,643,410	\$ 10,325,702
114	Cash - Tenant Security Deposits			\$ 504,925		\$ 517,935	\$ 517,935	\$ 317,958
115	Cash - Restricted for Payment of Current Liabilities					\$ -	\$ -	\$ -
100	Total Cash	\$ 132,254	\$ 280	\$ 11,536,078	\$ 2,521,310	\$ 14,626,770	\$ -	\$ 14,626,770
121	Accounts Receivable - PHA Projects							
122	Accounts Receivable - HUD Other Projects							
124	Accounts Receivable - Other Government		\$ 144,333		\$ 22,966	\$ 503,032	\$ 503,032	
125	Accounts Receivable - Miscellaneous	\$ 1,940	\$ 1,060	\$ 581,020	\$ 222,936	\$ 814,326	\$ 814,326	\$ 6,201
126	Accounts Receivable - Tenants	\$ -	\$ -	\$ 66,373	\$ 3,029	\$ 81,092	\$ 81,092	\$ 46,031
126	Allowance for Doubtful Accounts - Tenants	\$ -	\$ -	\$ (11,101)	\$ (801)	\$ (12,065)	\$ (12,065)	\$ (11,555)
126	Allowance for Doubtful Accounts - Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
127	Notes, Loans, & Mortgages Receivable - Current	\$ -		\$ 343,667	\$ 625,708	\$ 969,375	\$ 969,375	
128	Fraud Recovery					\$ 5,952	\$ 5,952	
128	Allowance for Doubtful Accounts - Fraud					\$ -	\$ -	
129	Accrued Interest Receivable			\$ 41,792	\$ 197,380	\$ 239,172	\$ 239,172	
120	Total Receivables, Net of Allowances for Doubtful Accounts	\$ 1,940	\$ 145,393	\$ 1,021,751	\$ 1,071,218	\$ 2,600,884	\$ -	\$ 2,600,884
131	Investments - Unrestricted					\$ -	\$ -	
132	Investments - Restricted					\$ -	\$ -	
135	Investments - Restricted for Payment of Current Liability					\$ -	\$ -	
142	Prepaid Expenses and Other Assets			\$ 271,298	\$ 41,145	\$ 332,960	\$ 332,960	\$ 335,978
143	Inventories					\$ -	\$ -	
143	Allowance for Obsolete Inventories					\$ -	\$ -	
144	Inter Program Due From				\$ 109,886	\$ 109,886	\$ (109,886)	\$ -
145	Assets Held for Sale					\$ -	\$ -	\$ -
150	Total Current Assets	\$ 134,194	\$ 145,673	\$ 12,829,127	\$ 3,743,559	\$ 17,670,500	\$ (109,886)	\$ 17,560,614

December 31, 2019

		Public Housing Project Total	14.881 MTW	14.CFP Capital Fund	14.HCV MTW HCV program	14.OPS MTW Low Rent	14.871 Housing Choice Vouchers	14.182 N/C S/R Section 8 Programs	14.149 Rental Housing for Lower Income Families
161	Land	\$ 175,007							
162	Buildings	\$ 2,515,507							
163	Furniture, Equipment & Machinery - Dwellings	\$ -							
164	Furniture, Equipment & Machinery - Administration	\$ -							
165	Leasehold Improvements	\$ -							
166	Accumulated Depreciation	\$ (2,382,908)							
167	Construction in Progress	\$ -							
168	Infrastructure	\$ -							
160	Total Capital Assets, Net of Accumulated Depreciation	\$ 307,606	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
171	Notes, Loans and Mortgages Receivable - Non-Current								
172	Notes, Loans, & Mortgages Receivable - Non Current - Past Due								
173	Grants Receivable - Non Current	\$ -							
174	Other Assets								
176	Investments in Joint Ventures								
180	Total Non-Current Assets	\$ 307,606	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
200	Deferred Outflow of Resources	\$ 20,961	\$ 145,720						
290	Total Assets and Deferred Outflow of Resources	\$ 548,153	\$ 726,145	\$ -	\$ -	\$ 8,601	\$ 9,335	\$ -	\$ -

December 31, 2019

		14.181 Supportive Housing for Persons with Disabilities	14.267 Continuum of Care Program	Business Activities	Central Office Cost Center	Subtotal	ELIM	Total	6.1 Component Unit - Discretely Presented
161	Land			\$ 36,937,236	\$ 940,376	\$ 38,052,619		\$ 38,052,619	\$ 20,273,289
162	Buildings			\$ 99,428,224	\$ 3,870,058	\$ 105,813,789		\$ 105,813,789	\$ 155,727,663
163	Furniture, Equipment & Machinery - Dwellings			\$ 104,256		\$ 104,256		\$ 104,256	\$ 139,412
164	Furniture, Equipment & Machinery - Administration			\$ 53,929	\$ 840,732	\$ 894,661		\$ 894,661	\$ 1,383,463
165	Leasehold Improvements			\$ 86,584		\$ 86,584		\$ 86,584	\$ 25,810
166	Accumulated Depreciation			\$ (31,989,267)	\$ (2,885,337)	\$ (37,257,512)		\$ (37,257,512)	\$ (27,833,702)
167	Construction in Progress			\$ 193,163		\$ 193,163		\$ 193,163	\$ 18,828,303
168	Infrastructure					\$ -		\$ -	
160	Total Capital Assets, Net of Accumulated Depreciation	\$ -	\$ -	\$ 104,814,125	\$ 2,765,829	\$ 107,887,560	\$ -	\$ 107,887,560	\$ 168,544,238
171	Notes, Loans and Mortgages Receivable - Non-Current			\$ 662,137	\$ 88,085,382	\$ 88,747,519		\$ 88,747,519	
172	Notes, Loans, & Mortgages Receivable - Non Current - Past Due								
173	Grants Receivable - Non Current					\$ -		\$ -	
174	Other Assets			\$ 2,807,966		\$ 2,807,966		\$ 2,807,966	
176	Investments in Joint Ventures			\$ 9,441	\$ 399,508	\$ 408,949		\$ 408,949	
180	Total Non-Current Assets	\$ -	\$ -	\$ 108,293,669	\$ 91,250,719	\$ 199,851,994	\$ -	\$ 199,851,994	\$ 168,544,238
200	Deferred Outflow of Resources			\$ 810,685	\$ 2,313,879	\$ 3,291,245		\$ 3,291,245	
290	Total Assets and Deferred Outflow of Resources	\$ 134,194	\$ 145,673	\$ 121,933,481	\$ 97,308,157	\$ 220,813,739	\$ (109,886)	\$ 220,703,853	\$ 181,278,691

December 31, 2019

	Public Housing Project Total	14.881 MTW	14.CFP Capital Fund	14.HCV MTW HCV program	14.OPS MTW Low Rent	14.871 Housing Choice Vouchers	14.182 N/C S/R Section 8 Programs	14.149 Rental Housing for Lower Income Families
Liabilities								
311	Bank Overdraft							
312	Accounts Payable <= 90 Days	\$ 12,164	\$ 4,366					
313	Accounts Payable >90 Days Past Due							
321	Accrued Wage/Payroll Taxes Payable	\$ 1,374	\$ 27,999					
322	Accrued Compensated Absences - Current Portion	\$ 8,969	\$ 23,921					
324	Accrued Contingency Liability							
325	Accrued Interest Payable							
331	Accounts Payable - HUD PHA Programs							
332	Account Payable - PHA Projects							
333	Accounts Payable - Other Government	\$ 22,092						
341	Tenant Security Deposits	\$ 13,008						
342	Unearned Revenue	\$ 269						
343	Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue							
344	Current Portion of Long-term Debt - Operating Borrowings	\$ -						
345	Other Current Liabilities	\$ -	\$ 84,176					
346	Accrued Liabilities - Other	\$ 14,681			\$ 8,601			
347	Inter Program - Due To	\$ 9,402	\$ 56,404			\$ 5,836		
348	Loan Liability - Current							
310	Total Current Liabilities	\$ 81,959	\$ 196,866	\$ -	\$ -	\$ 8,601	\$ 5,836	\$ -
351	Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue							
352	Long-term Debt, Net of Current - Operating Borrowings							
353	Non-current Liabilities - Other							
354	Accrued Compensated Absences - Non Current							
355	Loan Liability - Non Current							
356	FASB 5 Liabilities							
357	Accrued Pension and OPEB Liabilities	\$ 43,316	\$ 269,563					
350	Total Non-Current Liabilities	\$ 43,316	\$ 269,563	\$ -	\$ -	\$ -	\$ -	\$ -
300	Total Liabilities	\$ 125,275	\$ 466,429	\$ -	\$ -	\$ 8,601	\$ 5,836	\$ -
400	Deferred Inflow of Resources	\$ 7,695	\$ 66,647					
Equity								
508	Net Investment in Capital Assets	\$ 307,606	\$ -	\$ -	\$ -			\$ -
511	Restricted Net Position	\$ -	\$ 3,555	\$ -	\$ -	\$ 2,395	\$ -	\$ -
512	Unrestricted Net Position	\$ 107,577	\$ 189,514	\$ -	\$ -	\$ 1,104	\$ -	\$ -
513	Total Equity - Net Assets / Position	\$ 415,183	\$ 193,069	\$ -	\$ -	\$ 3,499	\$ -	\$ -
600	Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$ 548,153	\$ 726,145	\$ -	\$ -	\$ 8,601	\$ 9,335	\$ -

December 31, 2019

	14.181 Supportive Housing for Persons with Disabilities	14.267 Continuum of Care Program	Business Activities	Central Office Cost Center	Subtotal	ELIM	Total	6.1 Component Unit - Discretely Presented	
Liabilities									
311	Bank Overdraft								
312	Accounts Payable <= 90 Days		\$ 140,432	\$ 65,381	\$ 222,343		\$ 222,343	\$ 965,114	
313	Accounts Payable >90 Days Past Due								
321	Accrued Wage/Payroll Taxes Payable		\$ 63,312	\$ 210,646	\$ 303,331		\$ 303,331	\$ 20,106	
322	Accrued Compensated Absences - Current Portion		\$ 55,474	\$ 207,671	\$ 296,035		\$ 296,035	\$ 24,686	
324	Accrued Contingency Liability								
325	Accrued Interest Payable		\$ 231,760		\$ 231,760		\$ 231,760	\$ 6,671,090	
331	Accounts Payable - HUD PHA Programs								
332	Account Payable - PHA Projects				\$ -		\$ -	\$ -	
333	Accounts Payable - Other Government				\$ 22,092		\$ 22,092	\$ -	
341	Tenant Security Deposits		\$ 509,930		\$ 522,938		\$ 522,938	\$ 317,944	
342	Unearned Revenue		\$ 26,762	\$ -	\$ 27,031		\$ 27,031	\$ 14,181	
343	Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue		\$ 1,454,123		\$ 1,454,123		\$ 1,454,123	\$ 1,438,783	
344	Current Portion of Long-term Debt - Operating Borrowings				\$ -		\$ -		
345	Other Current Liabilities				\$ 84,176		\$ 84,176		
346	Accrued Liabilities - Other	\$ 31,799	\$ 3,572,720	\$ 12,601	\$ 3,640,402		\$ 3,640,402	\$ 166,703	
347	Inter Program - Due To	\$ 1,408	\$ 1,869	\$ 33,561	\$ 1,408	\$ (109,886)	\$ 2		
348	Loan Liability - Current								
310	Total Current Liabilities	\$ 1,408	\$ 33,668	\$ 6,088,074	\$ 497,707	\$ 6,914,119	\$ (109,886)	\$ 6,804,233	\$ 9,618,607
351	Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue		\$ 75,509,923		\$ 75,509,923		\$ 75,509,923	\$ 128,603,937	
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		\$ 185,678		\$ 185,678		\$ 185,678	\$ 353,251	
356	FASB 5 Liabilities								
357	Accrued Pension and OPEB Liabilities		\$ 1,069,074	\$ 8,699,790	\$ 10,081,743		\$ 10,081,743		
350	Total Non-Current Liabilities	\$ -	\$ -	\$ 76,764,675	\$ 8,699,790	\$ 85,777,344	\$ -	\$ 85,777,344	\$ 128,957,188
300	Total Liabilities	\$ 1,408	\$ 33,668	\$ 82,852,749	\$ 9,197,497	\$ 92,691,463	\$ (109,886)	\$ 92,581,577	\$ 138,575,795
400	Deferred Inflow of Resources		\$ 509,957	\$ 852,358	\$ 1,436,657		\$ 1,436,657		
Equity									
508	Net Investment in Capital Assets	\$ -	\$ 27,850,079	\$ 2,765,829	\$ 30,923,514		\$ 30,923,514	\$ 38,501,518	
511	Restricted Net Position	\$ 131,311	\$ -	\$ 5,427,923	\$ 5,565,184		\$ 5,565,184	\$ 10,325,703	
512	Unrestricted Net Position	\$ 1,475	\$ 112,005	\$ 5,292,773	\$ 84,492,473	\$ 90,196,921	\$ 90,196,921	\$ (6,124,325)	
513	Total Equity - Net Assets / Position	\$ 132,786	\$ 112,005	\$ 38,570,775	\$ 87,258,302	\$ 126,685,619	\$ -	\$ 126,685,619	\$ 42,702,896
600	Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$ 134,194	\$ 145,673	\$ 121,933,481	\$ 97,308,157	\$ 220,813,739	\$ (109,886)	\$ 220,703,853	\$ 181,278,691

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		Public Housing Project Total	14.881 MTW	14.CFP Capital Fund	14.HCV Section 8 program	14.OPS Low Rent	14.871 Housing Choice Vouchers	14.182 N/C S/R Section 8 Programs	14.149 Rental Housing for Lower Income Families
Income Statement Revenue									
70300	Net Tenant Rental Revenue	\$ 272,522						\$ 115,856	\$ 85,584
70400	Tenant Revenue - Other	\$ 6,881						\$ 4,378	\$ 3,377
70500	Total Tenant Revenue	\$ 279,403	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 120,234	\$ 88,961
70600	HUD PHA Operating Grants			\$ 225,779	\$ 7,199,823	\$ 13,137	\$ 2,504,412	\$ 479,010	\$ 156,170
70610	Capital Grants			\$ 1,925	\$ 1,267,800				
70710	Management Fee								
70720	Asset Management Fee								
70730	Book Keeping Fee								
70740	Front Line Service Fee								
70750	Other Fees								
70700	Total Fee Revenue	\$ -	\$ -	\$ 227,704	\$ 8,467,623	\$ 13,137	\$ 2,504,412	\$ 479,010	\$ 156,170
70800	Other Government Grants	\$ 2,688							
71100	Investment Income - Unrestricted	\$ 49	\$ 385					\$ 1,489	\$ 33
71200	Mortgage Interest Income	\$ -							
71300	Proceeds from Disposition of Assets Held for Sale								
71310	Cost of Sale of Assets								
71400	Fraud Recovery		\$ 1,572				\$ -		
71500	Other Revenue	\$ 2,075	\$ 6,031					\$ 2,197	
71600	Gain or Loss on Sale of Capital Assets								
72000	Investment Income - Restricted								
70000	Total Revenue	\$ 284,215	\$ 7,988	\$ 227,704	\$ 8,467,623	\$ 13,137	\$ 2,504,412	\$ 602,930	\$ 245,164

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		14.181 Supportive Housing for Persons with Disabilities	14.267 Continuum of Care Program	Business Activities	Central Office Cost Center	Subtotal	ELIM	Total	6.1 Component Unit - Discretely Presented
Income Statement Revenue									
70300	Net Tenant Rental Revenue			\$ 10,221,945		\$ 10,695,907		\$ 10,695,907	\$ 7,008,078
70400	Tenant Revenue - Other			\$ 513,593		\$ 528,229		\$ 528,229	\$ 118,088
70500	Total Tenant Revenue	\$ -	\$ -	\$ 10,735,538	\$ -	\$ 11,224,136	\$ -	\$ 11,224,136	\$ 7,126,166
70600	HUD PHA Operating Grants	\$ 868,669	\$ 540,907			\$ 11,987,907		\$ 11,987,907	\$ 652,068
70610	Capital Grants			\$ 6,524,787	\$ 8,365,000	\$ 16,159,512		\$ 16,159,512	
70710	Management Fee				\$ 1,271,747	\$ 1,271,747	\$ (805,173)	\$ 466,574	
70720	Asset Management Fee				\$ 90,620	\$ 90,620	\$ (90,620)	\$ -	
70730	Book Keeping Fee				\$ 67,883	\$ 67,883	\$ (67,883)	\$ -	
70740	Front Line Service Fee								
70750	Other Fees			\$ 296,741		\$ 296,741		\$ 296,741	
70700	Total Fee Revenue	\$ 868,669	\$ 540,907	\$ 6,821,528	\$ 1,430,250	\$ 21,509,410	\$ (963,676)	\$ 20,545,734	
70800	Other Government Grants			\$ 70,670	\$ 126,956	\$ 200,314		\$ 200,314	
71100	Investment Income - Unrestricted			\$ 42,120	\$ 3,398	\$ 47,474		\$ 47,474	\$ 11,068
71200	Mortgage Interest Income				\$ 1,755,505	\$ 1,755,505		\$ 1,755,505	
71300	Proceeds from Disposition of Assets Held for Sale								
71310	Cost of Sale of Assets								
71400	Fraud Recovery					\$ 1,572		\$ 1,572	
71500	Other Revenue			\$ 2,294,822	\$ 2,069,418	\$ 4,374,543	\$ (1,071,348)	\$ 3,303,195	\$ 19,956
71600	Gain or Loss on Sale of Capital Assets				\$ 5,915	\$ 5,915		\$ 5,915	
72000	Investment Income - Restricted								
70000	Total Revenue	\$ 868,669	\$ 540,907	\$ 19,964,678	\$ 13,756,442	\$ 47,483,869	\$ (2,035,024)	\$ 45,448,845	\$ 7,809,258

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	Public Housing Project Total	14.881 MTW	14.CFP Capital Fund	14.HCV Section 8 program	14.OPS Low Rent	14.871 Housing Choice Vouchers	14.182 N/C S/R Section 8 Programs	14.149 Rental Housing for Lower Income Families
Expenses								
91100 Administrative Salaries	\$ 34,954	\$ 289,543				\$ 107,159	\$ 26,069	\$ 10,808
91200 Auditing Fees	\$ 2,385	\$ 7,572				\$ 2,720	\$ 2,948	\$ 860
91300 Management Fee	\$ 32,527	\$ 127,112				\$ 43,112	\$ 28,939	\$ 11,999
91310 Book-keeping Fee	\$ 4,148	\$ 61,380				\$ 25,043	\$ 3,690	\$ 1,530
91400 Advertising and Marketing	\$ 122	\$ 222				\$ -	\$ -	\$ -
91500 Employee Benefit contributions - Administrative	\$ 2,155	\$ 432				\$ 37,504	\$ 8,713	\$ 3,613
91600 Office Expenses	\$ 6,333	\$ 57,342					\$ 7,242	\$ 2,105
91700 Legal Expense	\$ 401	\$ 30,419					\$ 100	\$ -
91800 Travel	\$ 246	\$ 13,723					\$ 46	\$ 15
91810 Allocated Overhead	\$ -	\$ -					\$ -	\$ -
91900 Other	\$ 199	\$ 44,853					\$ 361	\$ 412
91000 Total Operating - Administrative	\$ 83,470	\$ 632,598	\$ -	\$ -	\$ -	\$ 215,538	\$ 78,108	\$ 31,342
92000 Asset Management Fee	\$ 5,640						\$ 4,920	\$ 2,040
92100 Tenant Services - Salaries								
92200 Relocation Costs	\$ 3,225							
92300 Employee Benefit Contributions - Tenant Services	\$ -							
92400 Tenant Services - Other	\$ 22,315	\$ 749					\$ 25,584	\$ 10,608
92500 Total Tenant Services	\$ 25,540	\$ 749	\$ -	\$ -	\$ -	\$ -	\$ 25,584	\$ 10,608
93100 Water	\$ 8,713						\$ 3,573	\$ 4,332
93200 Electricity	\$ 15,221						\$ 16,284	\$ 6,905
93300 Gas	\$ 15,452						\$ 10,332	\$ 6,223
93400 Fuel	\$ -						\$ -	\$ -
93500 Labor	\$ -						\$ -	\$ -
93600 Sewer	\$ 14,455						\$ 6,147	\$ 6,043
93700 Employee Benefit Contributions - Utilities	\$ -						\$ -	\$ -
93800 Other Utilities Expense	\$ -						\$ -	\$ -
93000 Total Utilities	\$ 53,841	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 36,336	\$ 23,503
94100 Ordinary Maintenance and Operations - Labor	\$ 69,371						\$ 31,620	\$ 15,978
94200 Ordinary Maintenance and Operations - Materials and Other	\$ 15,412						\$ 4,467	\$ 3,430
94300 Ordinary Maintenance and Operations Contracts	\$ 96,085						\$ 25,589	\$ 16,313
94500 Employee Benefit Contributions - Ordinary Maintenance	\$ -						\$ -	\$ -
94000 Total Maintenance	\$ 180,868	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 61,676	\$ 35,721

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		14.181 Supportive Housing for Persons with Disabilities	14.267 Continuum of Care Program	Business Activities	Central Office Cost Center	Subtotal	ELIM	Total	6.1 Component Unit - Discretely Presented
	Expenses								
91100	Administrative Salaries	\$ 25,251	\$ 29,881	\$ 962,662	\$ 3,350,443	\$ 4,836,770		\$ 4,836,770	\$ 513,511
91200	Auditing Fees	\$ 672		\$ 36,588	\$ 9,580	\$ 63,325		\$ 63,325	\$ 62,150
91300	Management Fee	\$ 10,545		\$ 458,914		\$ 713,148	\$ (805,173)	\$ (92,025)	\$ 493,029
91310	Book-keeping Fee	\$ 5,603		\$ 58,515		\$ 159,909	\$ (67,883)	\$ 92,026	\$ -
91400	Advertising and Marketing			\$ 1,734	\$ 47,910	\$ 49,988		\$ 49,988	\$ 157
91500	Employee Benefit contributions - Administrative	\$ 8,837	\$ 7,411	\$ (57,923)	\$ 121,572	\$ 132,314		\$ 132,314	\$ 152,223
91600	Office Expenses			\$ 78,533	\$ 321,121	\$ 472,676	\$ (45,255)	\$ 427,421	\$ 73,396
91700	Legal Expense			\$ 31,051	\$ 24,747	\$ 86,718		\$ 86,718	\$ 10,635
91800	Travel			\$ 13,956	\$ 97,177	\$ 125,163		\$ 125,163	\$ 2,471
91810	Allocated Overhead							\$ -	\$ -
91900	Other		\$ 3,670	\$ 40,795	\$ 227,071	\$ 317,361	\$ (1,868)	\$ 315,493	\$ 64,260
91000	Total Operating - Administrative	\$ 50,908	\$ 40,962	\$ 1,624,825	\$ 4,199,621	\$ 6,957,372	\$ (920,179)	\$ 6,037,193	\$ 1,371,832
92000	Asset Management Fee			\$ 78,020		\$ 90,620	\$ (90,620)	\$ -	
92100	Tenant Services - Salaries			\$ 456		\$ 3,681		\$ 3,681	\$ 45
92200	Relocation Costs								
92300	Employee Benefit Contributions - Tenant Services								
92400	Tenant Services - Other		\$ 140,209	\$ 164,850	\$ 28,318	\$ 392,633	\$ (108,487)	\$ 284,146	\$ 314,419
92500	Total Tenant Services	\$ -	\$ 140,209	\$ 165,306	\$ 28,318	\$ 396,314	\$ (108,487)	\$ 287,827	\$ 314,464
93100	Water			\$ 141,989	\$ 2,194	\$ 160,801		\$ 160,801	\$ 136,014
93200	Electricity			\$ 67,915	\$ 13,543	\$ 119,868		\$ 119,868	\$ 249,367
93300	Gas			\$ 127,207	\$ 5,709	\$ 164,923		\$ 164,923	\$ 83,542
93400	Fuel							\$ -	\$ -
93500	Labor							\$ -	\$ -
93600	Sewer			\$ 198,792	\$ 2,757	\$ 228,194		\$ 228,194	\$ 172,240
93700	Employee Benefit Contributions - Utilities							\$ -	\$ -
93800	Other Utilities Expense							\$ -	\$ -
93000	Total Utilities	\$ -	\$ -	\$ 535,903	\$ 24,203	\$ 673,786	\$ -	\$ 673,786	\$ 641,163
94100	Ordinary Maintenance and Operations - Labor			\$ 745,910	\$ 45,875	\$ 908,754	\$ (908,755)	\$ (1)	\$ 666,741
94200	Ordinary Maintenance and Operations - Materials and Other			\$ 240,767	\$ 122,674	\$ 386,750		\$ 386,750	\$ 170,250
94300	Ordinary Maintenance and Operations Contracts			\$ 1,494,875	\$ 103,211	\$ 1,736,073		\$ 1,736,073	\$ 867,591
94500	Employee Benefit Contributions - Ordinary Maintenance							\$ -	\$ -
94000	Total Maintenance	\$ -	\$ -	\$ 2,481,552	\$ 271,760	\$ 3,031,577	\$ (908,755)	\$ 2,122,822	\$ 1,704,582

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		Public Housing Project Total	14.881 MTW	14.CFP Capital Fund	14.HCV Section 8 program	14.OPS Low Rent	14.871 Housing Choice Vouchers	14.182 N/C S/R Section 8 Programs	14.149 Rental Housing for Lower Income Families
95100	Protective Services - Labor	\$ -						\$ -	
95200	Protective Services - Other Contract Costs	\$ 7,848						\$ 2,868	\$ 2,712
95300	Protective Services - Other	\$ -						\$ -	
95500	Employee Benefit Contributions - Protective Services	\$ -						\$ -	
95000	Total Protective Services	\$ 7,848	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,868	\$ 2,712
96110	Property Insurance	\$ 24,365						\$ 17,111	\$ 20,077
96120	Liability Insurance	\$ 2,395	\$ 4,077					\$ 1,873	\$ 777
96130	Workmen's Compensation	\$ 400	\$ 4,471					\$ 285	\$ 118
96140	All Other Insurance	\$ 160						\$ -	
96100	Total insurance Premiums	\$ 27,320	\$ 8,548	\$ -	\$ -	\$ -	\$ -	\$ 19,269	\$ 20,972
96200	Other General Expenses	\$ 88	\$ 2,830					\$ 91	\$ 51
96210	Compensated Absences	\$ 675	\$ 4,076					\$ 985	\$ 408
96300	Payments in Lieu of Taxes	\$ 22,092						\$ -	\$ -
96400	Bad debt - Tenant Rents	\$ 4,510						\$ 386	\$ (33)
96500	Bad debt - Mortgages	\$ -						\$ -	
96600	Bad debt - Other	\$ -						\$ -	
96800	Severance Expense	\$ -						\$ -	
96000	Total Other General Expenses	\$ 27,365	\$ 6,906	\$ -	\$ -	\$ -	\$ -	\$ 1,462	\$ 426
96710	Interest of Mortgage (or Bonds) Payable	\$ -						\$ 6,205	
96720	Interest on Notes Payable (Short and Long Term)	\$ -						\$ 53,567	
96730	Amortization of Bond Issue Costs	\$ -						\$ -	
96700	Total Interest Expense and Amortization Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 59,772	\$ -
96900	Total Operating Expenses	\$ 411,892	\$ 648,801	\$ -	\$ -	\$ -	\$ 215,538	\$ 289,995	\$ 127,324
97000	Excess of Operating Revenue over Operating Expenses	\$ (127,677)	\$ (640,813)	\$ 227,704	\$ 8,467,623	\$ 13,137	\$ 2,288,874	\$ 312,935	\$ 117,840
97100	Extraordinary Maintenance	\$ -							
97200	Casualty Losses - Non-capitalized	\$ -							
97300	Housing Assistance Payments	\$ -	\$ 6,652,814				\$ 2,293,266		
97350	HAP Portability-In	\$ -							
97400	Depreciation Expense	\$ 65,970						\$ 75,840	\$ 6,613
97500	Fraud Losses	\$ -							
97600	Capital Outlays - Governmental Funds	\$ -							
97700	Debt Principal Payment - Governmental Funds	\$ -							
97800	Dwelling Units Rent Expense	\$ -							
90000	Total Expenses	\$ 477,862	\$ 7,301,615	\$ -	\$ -	\$ -	\$ 2,508,804	\$ 365,835	\$ 133,937

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	14.181 Supportive Housing for Persons with Disabilities	14.267 Continuum of Care Program	Business Activities	Central Office Cost Center	Subtotal	ELIM	Total	6.1 Component Unit - Discretely Presented
95100 Protective Services - Labor							\$ -	
95200 Protective Services - Other Contract Costs			\$ 40,788	\$ 1,127	\$ 55,343		\$ 55,343	\$ 116,458
95300 Protective Services - Other							\$ -	
95500 Employee Benefit Contributions - Protective Services							\$ -	
95000 Total Protective Services	\$ -	\$ -	\$ 40,788	\$ 1,127	\$ 55,343	\$ -	\$ 55,343	\$ 116,458
96110 Property Insurance			\$ 311,732	\$ 14,343	\$ 387,628		\$ 387,628	
96120 Liability Insurance			\$ 35,123	\$ 2,344	\$ 46,589		\$ 46,589	
96130 Workmen's Compensation			\$ 9,890	\$ 41,366	\$ 56,530		\$ 56,530	\$ 5,491
96140 All Other Insurance			\$ 17,592	\$ 49,967	\$ 67,719		\$ 67,719	\$ 377,904
96100 Total insurance Premiums	\$ -	\$ -	\$ 374,337	\$ 108,020	\$ 558,466	\$ -	\$ 558,466	\$ 383,395
96200 Other General Expenses		\$ 14,779	\$ 229,183		\$ 247,022		\$ 247,022	\$ 130,768
96210 Compensated Absences			\$ 35,671	\$ 24,830	\$ 66,645		\$ 66,645	\$ 8,431
96300 Payments in Lieu of Taxes					\$ 22,092		\$ 22,092	\$ -
96400 Bad debt - Tenant Rents			\$ 65,632		\$ 70,495		\$ 70,495	\$ 17,831
96500 Bad debt - Mortgages							\$ -	
96600 Bad debt - Other							\$ -	
96800 Severance Expense							\$ -	
96000 Total Other General Expenses	\$ -	\$ 14,779	\$ 330,486	\$ 24,830	\$ 406,254	\$ -	\$ 406,254	\$ 157,030
96710 Interest of Mortgage (or Bonds) Payable			\$ 2,594,409		\$ 2,600,614		\$ 2,600,614	\$ 1,475,097
96720 Interest on Notes Payable (Short and Long Term)			\$ 174,138		\$ 227,705		\$ 227,705	\$ 1,529,044
96730 Amortization of Bond Issue Costs			\$ 55,687		\$ 55,687		\$ 55,687	\$ 35,147
96700 Total Interest Expense and Amortization Cost	\$ -	\$ -	\$ 2,824,234	\$ -	\$ 2,884,006	\$ -	\$ 2,884,006	\$ 3,039,288
96900 Total Operating Expenses	\$ 50,908	\$ 195,950	\$ 8,455,451	\$ 4,657,879	\$ 15,053,738	\$ (2,028,041)	\$ 13,025,697	\$ 7,728,212
97000 Excess of Operating Revenue over Operating Expenses	\$ 817,761	\$ 344,957	\$ 11,509,227	\$ 9,098,563	\$ 32,430,131	\$ (6,983)	\$ 32,423,148	\$ 81,046
97100 Extraordinary Maintenance			\$ 105,357		\$ 105,357		\$ 105,357	\$ 52,827
97200 Casualty Losses - Non-capitalized						\$ (6,983)	\$ (6,983)	
97300 Housing Assistance Payments	\$ 723,019	\$ 342,931	\$ 189,217		\$ 10,201,247		\$ 10,201,247	
97350 HAP Portability-In							\$ -	
97400 Depreciation Expense			\$ 4,192,934	\$ 274,391	\$ 4,615,748		\$ 4,615,748	\$ 5,709,427
97500 Fraud Losses							\$ -	
97600 Capital Outlays - Governmental Funds							\$ -	
97700 Debt Principal Payment - Governmental Funds							\$ -	
97800 Dwelling Units Rent Expense							\$ -	
90000 Total Expenses	\$ 773,927	\$ 538,881	\$ 12,942,959	\$ 4,932,270	\$ 29,976,090	\$ (2,035,024)	\$ 27,941,066	\$ 13,490,466

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	Public Housing Project Total	14.881 MTW	14.CFP Capital Fund	14.HCV Section 8 program	14.OPS Low Rent	14.871 Housing Choice Vouchers	14.182 N/C S/R Section 8 Programs	14.149 Rental Housing for Lower Income Families
10010 Operating Transfer In	\$ 136,534	\$ 8,711,312	\$ -	\$ 2,396	\$ 584		\$ 6,053	\$ -
10020 Operating transfer Out	\$ (584)	\$ (1,625,622)	\$ (227,704)	\$ (8,470,019)	\$ (13,721)			\$ (563)
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)							\$ 17,230,941	\$ 5,767,078
10091 Inter Project Excess Cash Transfer In								
10092 Inter Project Excess Cash Transfer Out								
10093 Transfers between Program and Project - In	\$ -							
10094 Transfers between Project and Program - Out	\$ -							
10100 Total Other financing Sources (Uses)	\$ 135,950	\$ 7,085,690	\$ (227,704)	\$ (8,467,623)	\$ (13,137)	\$ -	\$ 17,236,994	\$ 5,766,515
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$ (57,697)	\$ (207,937)	\$ -	\$ -	\$ -	\$ (4,392)	\$ 17,474,089	\$ 5,877,742
11020 Required Annual Debt Principal Payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11030 Beginning Equity	\$ 472,898	\$ 401,006	\$ -	\$ -	\$ -	\$ 7,891	\$ (3,079,491)	\$ 276,646
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$ (18)					\$ -	\$ (14,394,598)	\$ (6,154,388)
11050 Changes in Compensated Absence Balance								
11060 Changes in Contingent Liability Balance								
11070 Changes in Unrecognized Pension Transition Liability								
11080 Changes in Special Term/Severance Benefits Liability								
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents								
11100 Changes in Allowance for Doubtful Accounts - Other								
11170 Administrative Fee Equity						\$ -		
11180 Housing Assistance Payments Equity						\$ 3,499		
11190 Unit Months Available	\$ 564	\$ 9,072				\$ 3,792	\$ 492	\$ 204
11210 Number of Unit Months Leased	\$ 553	\$ 8,351				\$ 3,623	\$ 444	\$ 179
11270 Excess Cash	\$ 85,718							
11610 Land Purchases								
11620 Building Purchases								
11630 Furniture & Equipment - Dwelling Purchases								
11640 Furniture & Equipment - Administrative Purchases								
11650 Leasehold Improvements Purchases								
11660 Infrastructure Purchases								
13510 CFFP Debt Service Payments								
13901 Replacement Housing Factor Funds								

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		14.181 Supportive Housing for Persons with Disabilities	14.267 Continuum of Care Program	Business Activities	Central Office Cost Center	Subtotal	ELIM	Total	6.1 Component Unit - Discretely Presented
10010	Operating Transfer In		\$ 40,000	\$ 17,253,392	\$ 3,807,728	\$ 29,957,999		\$ 29,957,999	
10020	Operating transfer Out			\$ (18,136,083)	\$ (1,483,702)	\$ (29,957,998)		\$ (29,957,998)	
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)			\$ (856,018)		\$ 22,142,001		\$ 22,142,001	
10091	Inter Project Excess Cash Transfer In								
10092	Inter Project Excess Cash Transfer Out								
10093	Transfers between Program and Project - In					\$ -		\$ -	
10094	Transfers between Project and Program - Out					\$ -		\$ -	
10100	Total Other financing Sources (Uses)	\$ -	\$ 40,000	\$ (1,738,709)	\$ 2,324,026	\$ 22,142,002	\$ -	\$ 22,142,002	\$ -
10000	Excess (Deficiency) of Total Revenue Over (Under) Total Expense	\$ 94,742	\$ 42,026	\$ 5,283,010	\$ 11,148,198	\$ 39,649,781	\$ -	\$ 39,649,781	\$ (5,681,208)
11020	Required Annual Debt Principal Payments	\$ -	\$ -	\$ (2,561,806)	\$ -	\$ (2,561,806)	\$ -	\$ (2,561,806)	\$ (14,653,315)
11030	Beginning Equity	\$ 1,475	\$ 69,979	\$ 31,561,143	\$ 57,279,739	\$ 86,991,286	\$ -	\$ 86,991,286	\$ 39,956,257
11040	Prior Period Adjustments, Equity Transfers and Correction of Error	\$ 36,569		\$ 1,726,622	\$ 18,830,365	\$ 44,552	\$ -	\$ 44,552	\$ 8,427,847
11050	Changes in Compensated Absence Balance								
11060	Changes in Contingent Liability Balance								
11070	Changes in Unrecognized Pension Transition Liability								
11080	Changes in Special Term/Severance Benefits Liability								
11090	Changes in Allowance for Doubtful Accounts - Dwelling Rents								
11100	Changes in Allowance for Doubtful Accounts - Other								
11170	Administrative Fee Equity					\$ -		\$ -	
11180	Housing Assistance Payments Equity					\$ 3,499		\$ 3,499	
11190	Unit Months Available	\$ 939	\$ 264	\$ 7,817	\$ -	\$ 23,144		\$ 23,144	\$ 7,604
11210	Number of Unit Months Leased	\$ 787	\$ 262	\$ 7,289	\$ -	\$ 21,488		\$ 21,488	\$ 7,258
11270	Excess Cash					\$ 85,718		\$ 85,718	
11610	Land Purchases								
11620	Building Purchases								
11630	Furniture & Equipment - Dwelling Purchases								
11640	Furniture & Equipment - Administrative Purchases								
11650	Leasehold Improvements Purchases								
11660	Infrastructure Purchases								
13510	CFFP Debt Service Payments								
13901	Replacement Housing Factor Funds								

December 31, 2019

As required by HUD for REAC reporting purposes, the Authority prepares its financial data schedules in accordance with HUD requirements in a prescribed format. The HUD-prescribed format differs from the required classification of several balances under accounting principles generally accepted in the United States of America, as follows: (1) depreciation expense and housing assistance payments are excluded from operating activities; (2) investment revenue is included in operating activities; (3) tenant revenue and bad debt expense are reflected separately; (4) the blended component unit activities are presented in the business-type activities column, which is included in total programs; (5) the total column includes the discretely presented component units and primary government; and (6) the discretely presented component units partner contributions are included as an equity transfer.