

Fort Collins Housing Authority dba Housing Catalyst

Fort Collins, Colorado

Comprehensive Annual Financial Report and Single Audit Report

Year ended December 31, 2019

With Comparative Totals for the Year Ended December 31, 2018



Fort Collins Housing Authority dba Housing Catalyst

Fort Collins, Colorado

Comprehensive Annual Financial Report and Single Audit Report

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With Comparative Totals for the Year Ended December 31, 2018

Issued by:

Finance and Accounting Department of
the Fort Collins Housing Authority dba Housing Catalyst
Duane Hopkins, Chief Financial Officer



Fort Collins Housing Authority dba Housing Catalyst

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December 31, 2019

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Fort Collins Housing Authority dba Housing Catalyst

Fort Collins, Colorado

Introductory Section:

Letter of Transmittal

Certificate of Achievement for Excellence in Financial Reporting

Organizational Chart

List of Principal Officials





July 27, 2020

Ms. Nicole Staudinger, Chairperson of the Board of Commissioners



Members of the Board of Commissioners of Housing Catalyst:

We are pleased to present the Comprehensive Annual Financial Report (CAFR) for the Fort Collins Housing Authority dba Housing Catalyst (Housing Catalyst) for the year ended December 31, 2019. This report is prepared in conformance with standards of financial reporting as established by the Governmental Accounting Standards Board and the Government Finance Officers Association. The United States Department of Housing and Urban Development (HUD) requires that all public housing authorities publish within nine months after the fiscal year-end, financial statements presented in conformity with United States Generally Accepted Accounting Principles (GAAP), Housing Catalyst's financial statements presented here have been audited by Novogradac & Company, LLP. The auditors issued an unmodified opinion on Housing Catalyst's financial statements for the years ended December 31, 2019 and 2018. The data presented in this report is the responsibility of the management of Housing Catalyst. To the best of our knowledge and belief, the data as presented is accurate in all material aspects; is presented in a manner designed to fairly state the financial position and results of operations of Housing Catalyst; and all disclosures necessary have been included to enable the reader to gain an understanding of Housing Catalyst's financial affairs. GAAP requires that management provide a narrative introduction, overview and analysis to complement the basic financial statements in the form of Management's Discussion and Analysis (MD&A). Housing Catalyst's MD&A can be found immediately following the report of the independent auditors. This transmittal letter is designed to complement the MD&A and should be read in conjunction with it.

Housing Catalyst is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance)*. Information related to this single audit, including the independent auditors' report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with Government Auditing Standards; the independent auditors' report on compliance with requirements applicable to each major program and on internal control over compliance in accordance with the Uniform Guidance; the Schedule of Federal Awards; Schedule of Findings and Questioned Costs; and the schedule of prior year audit findings are included in the Single Audit Section of this report.



Organizational Overview

Housing Catalyst was formed as a quasi-governmental entity under state enabling legislation in 1971. This report includes all programs of Housing Catalyst as well as its component units. Component units are legally separate entities for which a government is financially accountable. Housing Catalyst is not a component unit of the City of Fort Collins (the City) as defined by the pronouncements of the Governmental Accounting Standards Board. The governing body for Housing Catalyst is its Board of Commissioners (Board) comprised of seven members appointed by the City Council. The Board appoints a Chief Executive Officer (CEO) to administer the affairs of Housing Catalyst. Sources of funding include resident rents, administration of HUD programs and HUD subsidies passed through to program participants. The City is not financially accountable for the operations of Housing Catalyst, has no responsibility to fund deficits or receive surpluses and has not guaranteed Housing Catalyst's debt.

Housing Catalyst is our community's leader in sustainable, long-term affordable housing solutions. Our mission is: To create vibrant, sustainable communities throughout Fort Collins. Housing Catalyst owns over 1,000 housing units and we fulfill our mission through innovative, award-winning affordable housing and programs that benefit the city's economy and revitalize neighborhoods. Through rent assistance and resident support programs, Housing Catalyst moves people out of homelessness, stabilizes families and improves lives. Each year, the agency helps over 2,000 families (more than 4,000 individuals) throughout Larimer County through various programs, the majority of which serve households earning 30 to 50% of the Area Median Income (AMI).

To achieve our mission, all Housing Catalyst functions are operated with attention paid to a triple bottom line:

- Maintaining the fiscal viability of the organization.
- Achieving a social goal through the provision of affordable housing and supportive services.
- Achieving environmental sustainability.

Housing Catalyst's goals are accomplished through a variety of housing programs and activities. These include several programs developed by HUD such as the Low Rent Housing Program (Public Housing) and the Housing Choice Voucher Program. In addition to these federal programs, Housing Catalyst has established various instrumentalities to explore and develop innovative private/public partnerships that provide a variety of housing opportunities for Fort Collins residents.

Housing Catalyst currently owns and operates 70 Public Housing units in addition to administering over 1,200 Housing Choice Vouchers for Fort Collins and Larimer County. The Larimer County allocation of 100 of these vouchers, 65 of which are targeted specifically to people with disabilities, is administered through an intergovernmental agreement. Housing Catalyst administered over \$11 million in Housing Assistance Payments (HAP) to local landlords on behalf of participating families in 2018. This amount includes funding for 136 Veterans Affairs Supportive Housing program vouchers. HUD grades this program through its Section 8 Management Assessment Program (SEMAP). Housing Catalyst received an "A" rating for 2019, was designated a High Performer and has utilized over 97% of its authorized annual funding.

Economic Condition and Outlook

Congressional housing legislation and the federal budget affect Housing Catalyst more than local economic factors. One of Housing Catalyst's primary sources of funding is HUD. As with most housing authorities, much of Housing Catalyst's operating and capital funding comes from federal dollars in the form of operating subsidies, capital fund grants and Housing Assistance Payments. During the year ended December 31, 2019, HUD and other federal agencies provided nearly 70% of Housing Catalyst's operating revenue and approximately 57% of Housing Catalyst's total revenues (including \$1,454,406 in pass-through grant funding).

For the Housing Choice Voucher program, HUD provides housing authorities with a fixed annual budget for Housing Assistance Payments and for administration fees. Funding for the Housing Choice Voucher program was prorated at 99.5% and 81.1% of eligibility for HAP and administration fees, respectively.

For the Public Housing program, housing authorities receive operating subsidies in accordance with an operating subsidy funding formula. In general, the calculated subsidy amount is the difference between an estimate of operating costs minus an estimate of income from rents. Operating subsidies are subject to annual appropriation by Congress. In 2019, Housing Catalyst, as with all housing authorities nationwide, was funded at 97.8% of eligibility.

Fort Collins has an estimated population of 172,653 (2019). Median household income for Larimer County is \$65,900 and median family income is \$94,100 (Colorado Housing and Finance Authority, 2020 Colorado County Income and Rent Tables). The rental market has tightened considerably in the past years and rents continue to increase with recent vacancy rates as low as 1-3%.

Long-Term Planning and Major Commitments and Initiatives

Housing Catalyst supports the development and preservation of affordable housing throughout Fort Collins, with funding from the City of Fort Collins/HUD, State Division of Housing, Colorado Housing and Finance Authority, equity investors, and lenders. Along with its partners, Housing Catalyst combines high quality design with sustainable development principles and sound planning to develop and maintain a vibrant and diverse affordable housing portfolio. Housing Catalyst employs many strategies to create and preserve its stock of affordable housing. These strategies include new construction, acquisition, rehabilitation and preservation of existing housing to create and maintain high-quality financially and environmentally sustainable units.

Between 2011 and 2013, Housing Catalyst analyzed options to dispose of or reposition the 154 units of public housing operated by the organization. This analysis included both a disposition strategy under Section 18 of the Housing Act of 1937 (Section 18) and the use of the opportunities available under the HUD Rental Assistance Demonstration (RAD) Program. In late 2013 we determined the best approach was to reposition the entire portfolio of 154 public housing units using a combination of disposition and conversion utilizing the HUD RAD program. In mid-2014, Housing Catalyst submitted an application for a multi-phase development under the RAD program, which proposed to use proceeds from the disposition of the public housing portfolio in seven separate projects. The seven projects were projected to result in the development, or renovation, of 665 units of affordable housing within Fort Collins.

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In 2019, after completing three projects under the RAD program, resulting in the disposition of 84 of the 154 public housing units, we decided to pursue a disposition strategy for the remaining 70 public housing units using the Section 18 criteria. The first three projects resulted in the construction or preservation of 453 affordable housing units. The repositioning of the remaining 70 public housing units is expected to be completed over the next 2-3 years. Specific projects have not yet been identified for using the funding generated by this mechanism.

A large renovation project of 285 units used proceeds from the disposition of some of the public housing units. Housing Catalyst acquired these units in 2012 as part of its purchase of Village on Cunningham Corners (VOCC). The VOCC purchase consisted of 345 total units of privately owned affordable housing located in Fort Collins (285 units) and Loveland (60 units), Colorado. The 60-unit property located in Loveland, known as Madison Avenue Apartments, was sold in 2014. After the payment of outstanding debt and selling costs, the sale of Madison Avenue Apartments resulted in a net cash increase of \$809,423. All properties in VOCC were previously developed or updated using Low Income Housing Tax Credits (LIHTC). All properties had completed their initial 15-year compliance periods but still have Land Use Regulatory Agreements (LURA) in place to ensure affordability for extended periods.

During 2017, Housing Catalyst sold the 285 Fort Collins VOCC units to Village on Shields, LLLP, and began renovation of the property. Started in late 2017 and completed in late 2018, the renovation used a portion of the public housing disposition proceeds, 4% Low Income Housing Tax Credits and grant funding through the City of Fort Collins. The grant funding included CDBG, HOME Investment Partnerships Program (HOME) and City of Fort Collins Affordable Housing Fund (AHF) grant funds.

Housing Catalyst began to accumulate the assignment of significant Private Activity Bond (PAB) authority in 2013 to be used for the VOCC rehabilitation and other significant 4% LIHTC funded projects. Housing Catalyst has partnered with the City of Fort Collins, Larimer County and Weld County to secure PAB assignments. Through 2019, Housing Catalyst secured the following assignments:

	<u>PAB Authority</u>
City of Fort Collins	\$ 39,334,459
Larimer County	13,711,768
Weld County	16,165,035
State of Colorado	58,194,381
Other Counties	<u>1,499,546</u>
Total	<u>\$ 128,905,189</u>

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In addition to the 285 Village on Shields units, additional projects that have used portions of the proceeds from the public housing disposition under the RAD program and PAB authority are: Village on Redwood, a new-build project that consists of 72 units of affordable housing; and Village on Horsetooth, a new-build project of 96 affordable units. Additional projects that have used portions of the PAB authority are: Village on Plum, a 95 unit rehabilitation project; and, Lakeview on the Rise, a 180 affordable unit new-build project with a private developer for which Housing Catalyst was the conduit issuer.

Projects have utilized or will utilize PAB authority as follows:

	<u>PAB Authority</u>	<u>Bonds Issued</u>
Village on Plum	\$ 8,750,000	2014
Village on Redwood	12,000,000	2016
Village on Horsetooth	19,190,000	2017
Village on Shields	35,000,000	2017
Lakeview on the Rise	30,950,600	2018
Future Projects	<u>23,014,589</u>	-
Total	<u>\$ 128,905,189</u>	

The Village on Redwood project included 72 new units of affordable housing with 36 townhome-style units and 36 flats-style units separated into 12 individual buildings surrounding a large community greenspace. The mix of unit types includes 1, 2, 3 and 4-bedroom units. The total cost was approximately \$18.98 million. In addition to the PAB Authority, the project was funded with \$2.72 million in CDBG and HOME grant funding, \$1.9 million in funding from CDBG-Disaster Recovery (CDBG-DR) funds and \$2.1 million from Housing Catalyst’s public housing disposition. State of Colorado low-income housing tax credits (State Tax Credits) were also utilized to finance the Redwood project. The CDBG-DR funds were available to projects in Larimer County because of a natural disaster from flooding that occurred in the region in late 2013. In 2014, the State of Colorado approved a \$5 million annual amount of State Tax Credits to be issued on a competitive basis in 2015 and 2016. The Village on Redwood was completed in 2017 and completed leasing in 2018.

The Village on Horsetooth project included 96 new units of affordable housing separated into 10 individual buildings surrounding a large community green with community gardens, a playground and walking paths. The project includes apartment homes with 1, 2, 3 and 4 bedrooms. Total cost for the project was \$24.37 million. In addition Housing Catalyst’s public housing disposition funds, we also used PAB authority, CDBG-Disaster Recovery (CDBG-DR) funds and State of Colorado low-income housing tax credits (State Tax Credits) to finance the Horsetooth project. This project provided a unique opportunity to partner with the City of Fort Collins to activate their Horsetooth Land Bank property to create much needed relief to the city's affordable housing rental shortage. The Village on Horsetooth was completed and began leasing units in late 2018.

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During 2018, Housing Catalyst acquired an existing building and adjacent parking lot located on the main transportation corridor in Fort Collins. The building, formerly a dinner theater, was deconstructed down to the foundation and is being rebuilt as a 60 unit apartment building for people with a disability who are also homeless. Construction on the apartment building, named Mason Place, began in late 2019 and will be Housing Catalyst's second permanent supportive housing development. The three-story building will contain 60 apartments along with a community room, laundry rooms and offices for staff and service providers. Total cost for the project is estimated at \$19.3 million and is being funded through 9% federal low-income housing tax credits awarded to the project in 2018, Colorado Division of Housing grant funds, a private sector grant and City of Fort Collins grant funds.

In late 2020 and early 2021, Housing Catalyst expects to finalize planning and move forward on two development projects in partnership with local nonprofits in the Fort Collins community. The first project will be a 75-unit apartment building located in downtown Fort Collins that will include commercial space on the ground floor. This project is a partnership between Housing Catalyst and the Fort Collins Downtown Development Authority. Housing Catalyst will be the developer for the project and will own and operate the 75 affordable apartment homes while the Downtown Development Authority will own and operate the commercial space. This project will be financed using 4% LIHTC and PAB authority accumulated by Housing Catalyst. The second project is an 84-unit rehabilitation project that Housing Catalyst in partnership with CARE Housing, Inc. (Fort Collins). Housing Catalyst will be the developer on this project. Projected funding will come from 4% LIHTC, Colorado Division of Housing grant funds and City of Fort Collins grant funds.

Financial Information

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

As a recipient of federal awards, Housing Catalyst is responsible for ensuring that adequate internal controls are in place to provide compliance with applicable laws, regulations, contracts and grants related to those programs. Those internal controls are subject to periodic evaluation by management and their independent auditors.

As part of Housing Catalyst's single audit, tests are made to determine the adequacy of the internal controls, including that portion related to federal award programs, as well as to learn whether Housing Catalyst has complied with applicable laws, regulations, contracts and grants. Housing Catalyst's single audit for the year ended December 31, 2019, found no instances of material weakness in the internal control or significant violations of the applicable laws, regulations, contracts and grants, audit reports regarding this are included in this CAFR in the Single Audit Section.

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2019 Comprehensive Annual Financial Report

Other Information - Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Fort Collins Housing Authority dba Housing Catalyst for its comprehensive annual financial report for the year ended December 31, 2018. This was the sixth consecutive year that Fort Collins Housing Authority has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

Acknowledgments

Preparation of the Comprehensive Annual Financial Report on a timely basis was accomplished through the dedicated service of the entire staff of the Finance and Accounting department under the leadership of Duane Hopkins, Housing Catalyst's Chief Financial Officer. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. Our sincere appreciation is also extended to the management and staff of Novogradac & Company, LLP who provided necessary expertise and technical assistance.

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

Respectfully submitted,



Julie J. Brewen
Chief Executive Officer



Duane Hopkins
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Fort Collins Housing Authority
dba Housing Catalyst, Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

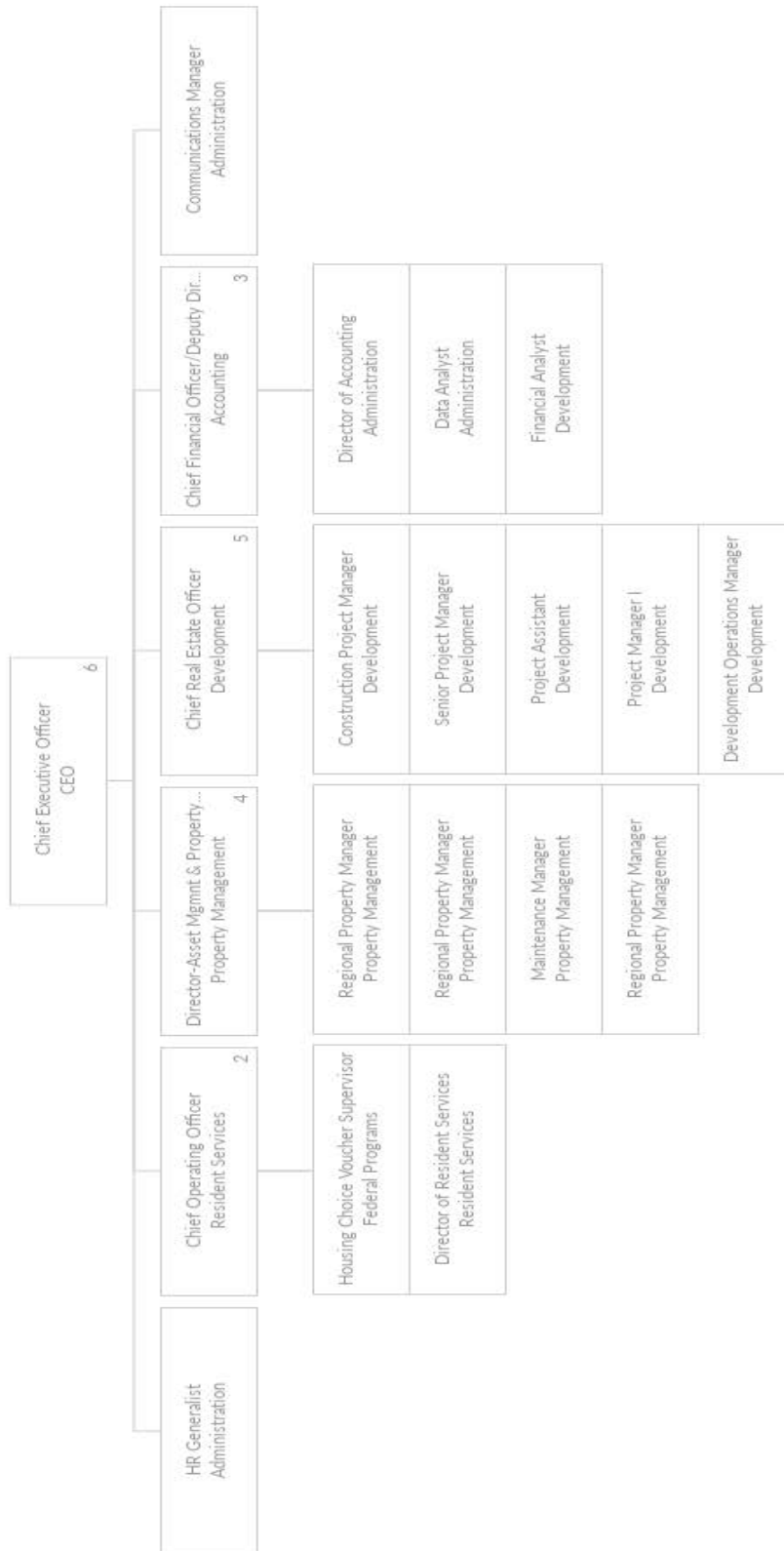
Christopher P. Morill

Executive Director/CEO

Fort Collins Housing Authority dba Housing Catalyst

Organizational Chart

December 31, 2019



Fort Collins Housing Authority dba Housing Catalyst

List of Principal Officials
December 31, 2019

Board of Commissioners:

Nicole Staudinger
Chairperson

Cathy Mathis
Vice-Chairperson

David Bye
Commissioner

Emily Gorgol
Commissioner

Ann Green
Resident Commissioner

Jennifer Wagner
Commissioner

Hep Wilkins
Commissioner

Management:

Julie Brewen
Chief Executive Director

Michele Christensen
Chief Operating Officer

Duane Hopkins
Chief Financial Officer

Kristin Fritz
Director of Real Estate Development

Traci McGraw
Director of Housing Assistance Programs

Justin Corey
Director of Asset Management and
Property Operations

Carrie Ratazzi
Director of Resident Services

Fort Collins Housing Authority dba Housing Catalyst

Fort Collins, Colorado

Financial Section:

Report of Independent Auditors

Management's Discussion and Analysis

Basic Financial Statements

Notes to Basic Financial Statements

Combining Financial Schedules



REPORT OF INDEPENDENT AUDITORS

To the Board of Commissioners of the
Fort Collins Housing Authority:

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities (primary government) and the aggregate discretely presented component units of the Fort Collins Housing Authority (the "Authority") as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net position of the primary government and the aggregate discretely presented component units of the Authority, as of December 31, 2019, and the changes in their net position and their cash flows, where applicable, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Change of Accounting Principle

As discussed in Note 1 to the financial statements, during the year ended December 31, 2019, the Authority adopted GASB 87, *Leases*. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The schedule of expenditures of federal awards is presented for purpose of additional analysis as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and is not a required part of the basic financial statements. The accompanying combining schedule of net position, combining schedule of revenues, expenses and changes in net position, and financial data schedule are also not a required part of the financial statements and are presented for the purposes of additional analysis.

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

The statistical section of this report, which is the responsibility of management, is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 27, 2020 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

July 27, 2020
Toms River, New Jersey

Novogradac & Company LLP

Fort Collins Housing Authority dba Housing Catalyst

Management's Discussion and Analysis

December 31, 2019

The Fort Collins Housing Authority dba Housing Catalyst (Housing Catalyst) offers readers of Housing Catalyst's financial statements this narrative overview and analysis of the financial activities of Housing Catalyst for the fiscal year ended December 31, 2019. We encourage readers to consider the information presented here in conjunction with Housing Catalyst's financial statements, which begin on page 13.

Financial Highlights

- The assets and deferred outflows of Housing Catalyst exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$56,453,841 (net position), an increase of \$6,251,410 from the prior year balance. The two most significant contributing factors to the current year increase were the sales of the remaining eight RAD properties (19 units) and the Mason Place property for a total net gain of \$3,054,217 and other grant income received for the year of \$1,454,406, an increase of \$831,980 as compared to the prior year. Of those amounts, a total of \$4,444,406 was loaned to tax credit partnerships to create new or rehabilitated housing.
- As of the close of the current fiscal year, Housing Catalyst's funds had an unrestricted net position of \$53,457,538 and \$285,791 in restricted net position, which represents HUD voucher funding.
- Housing Catalyst's unrestricted cash balance at December 31, 2019 was \$7,872,510, representing an increase of \$3,238,771 (70%) from December 31, 2018. The increase was mainly due to the collection of developer fees during the year of \$3,282,255.
- Housing Catalyst received HUD operating funding of \$13,092,354, internal service fees (management fees and overhead cost allocations) of \$2,501,752 and rental income of \$208,605 for the year. Housing Catalyst paid out \$11,223,214 in housing assistance payments and incurred \$5,744,482 in other operating expenses (excluding depreciation and amortization of \$201,716).
- Developer fee income decreased by \$8,824,005 (97%) as compared to the prior year. The prior year balance of \$9,073,601 represents the completion of Village on Horsetooth which resulted in developer fee income earned of \$2,326,739 and the Village on Shields rehabilitation, which resulted in developer fee income earned of \$6,705,633. The balance of current year developer fee income of \$249,596 represents the initial developer fee related to the development of Mason Place.
- As referenced above, Housing Catalyst released and sold properties under the Rental Assistance Demonstration (RAD) program through HUD. The program allows the release and subsequent sale of former public housing properties with the sale proceeds received required to be reinvested in low-income housing. Through 2019, there has been a total of 84 units released from public housing and of those 84 units, 19 were sold during 2019, 50 were sold during 2018 and 15 were sold during 2017.

Fort Collins Housing Authority dba Housing Catalyst

Management's Discussion and Analysis

December 31, 2019

- During 2018, Housing Catalyst purchased a building and adjacent parking lot (Mason Place) in Fort Collins for \$3,624,670. The building was sold to a low income housing tax credit partnership, Mason Place, LLLP, during 2019 and will be converted to a permanent supportive housing development. The property was purchased with new debt from ANB Bank of \$3,060,000 and Villages, Ltd of \$552,750, of which \$2,499,000 and \$453,000, respectively, was repaid through regular monthly payments and the sale of the property. Housing Catalyst retained the adjacent parking lot and a portion of the debt.

Overview of the Basic Financial Statements

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

- Reports on Compliance
- Schedule of Expenditures of Federal Awards
- Schedule of Findings and Questioned Costs

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

The **Statement of Revenues, Expenses and Changes in Net Position** presents information showing how Housing Catalyst's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in past or future periods.

The **Statement of Cash Flows** presents information showing Housing Catalyst's inflows and outflows of cash and cash equivalents during the most recent fiscal year. All changes in cash and cash equivalents are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related changes in net position. Thus, cash flows are reported in this statement for some items that will only result in revenue or expenses in past or future periods. This statement provides answers to such questions as where did the cash come from, how was cash used and what was the change in the cash balance during the year.

The **Combining Statements of Net Position and of Revenues, Expenses and Changes in Net Position for Discretely Presented Component Units** presents the financial information for Housing Catalyst's discretely presented component units. The discretely presented component units are described in Note 1 of the financial statements.

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

Fort Collins Housing Authority dba Housing Catalyst

Management's Discussion and Analysis
December 31, 2019

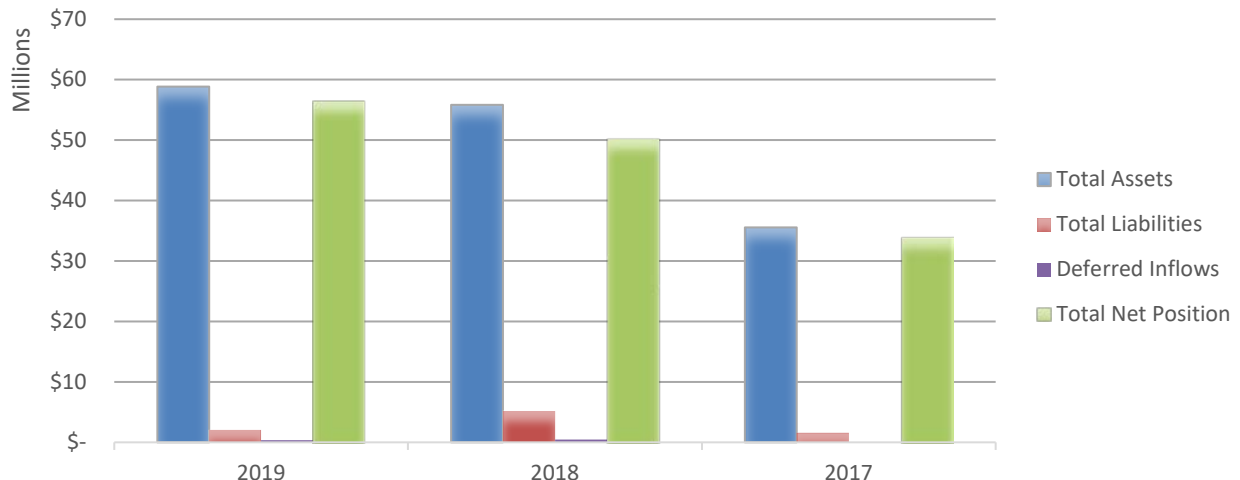
Financial Analysis

Statements of Net Position:

The following table reflects the condensed Statements of Net Position for the organization (balances in thousands of dollars).

	2019	2018	2017
Current assets, unrestricted	\$ 10,466	\$ 9,560	\$ 6,037
Other current assets, restricted	252	277	297
Capital assets, net	3,924	7,370	5,582
Non-current assets	44,213	38,628	23,650
Total Assets	\$ 58,855	\$ 55,835	\$ 35,566
Current liabilities	\$ 694	\$ 956	\$ 803
Current liabilities payable from restricted assets	224	273	250
Long-term liabilities	1,104	3,964	526
Total Liabilities	2,022	5,193	1,579
Deferred Inflows	379	439	-
Net Investment in Capital Assets	2,710	3,271	5,018
Restricted Net Position	286	115	94
Unrestricted Net Position	53,458	46,817	28,875
Total Net Position	56,454	50,203	33,987
Total Liabilities, Deferred Inflows & Net Position	\$ 58,855	\$ 55,835	\$ 35,566

Assets, Liabilities, Deferred Inflows and Net Position



Fort Collins Housing Authority dba Housing Catalyst

Management's Discussion and Analysis

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Unrestricted current assets are comprised of cash, receivables, prepaid items and inventories. The balance of unrestricted current assets is approximately 9% higher at December 31, 2019 than December 31, 2018, which represents an increase of over \$900 thousand, primarily due to the increase in cash (\$3.2 million) and decrease in current developer fees receivable (\$2.3 million).

Restricted current assets are comprised of cash that is restricted for payment of tenant security deposits, family self sufficiency program escrow balances, flex fund escrow balances and unspent federal funding. The balance of restricted current assets decreased by 9% as compared to the prior year which represents a decrease of approximately \$25 thousand, primarily due to a decrease in the family self sufficiency escrow balances in the Housing Choice Voucher program.

Capital assets include land, buildings, building improvements, furniture and equipment and are shown net of accumulated depreciation. Capital assets decreased by \$3.4 million (47%), primarily due to the sale of Mason Place.

Non-current assets consists of long-term developer fees receivable, lease receivable, notes receivable, investments in tax credit partnerships and investments in future developments. Non-current assets increased by over \$5.6 million (14%) due to an increase in notes receivable of \$6.7 million and a decrease in long-term developer fees receivable of \$700 thousand.

Current liabilities consist of accounts payable, accrued liabilities, accrued wages and payroll tax, accrued interest, unearned revenue, balances due to other agencies and current portion of leases and notes payable. Current liabilities decreased by over \$260 thousand (27%), primarily due to the payment of pre-development costs payable related to the development of Mason Place and a decrease in the balance of accrued compensation.

Current liabilities payable from restricted assets primarily consist of tenant security deposits payable, family self sufficiency escrow balances payable and flex fund escrow balances. These liabilities decreased by \$49 thousand (18%) as compared to the prior year. The decrease was primarily due to a decrease in security deposits payable related to the tenants in place at Mason Place, which was sold during the year and a decrease in the family self sufficient escrow balance in the Housing Choice Voucher program.

Long-term liabilities consist of leases and notes payable. The decrease in long-term liabilities of \$2.8 million (72%) as compared to the prior year is related to the debt payments made related to the sale of Mason Place.

Deferred inflows consist of the balance of lease income expected to be received over the life of the lease of the Mason street parking lot. The decrease in deferred inflows of \$60 thousand (14%) as compared to the prior year is due to the current year recognition of lease income.

Net position represents the equity of Housing Catalyst after liabilities are subtracted from assets. Net position is divided into three major categories.

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The first category, net investment in capital assets represents Housing Catalyst's equity in land, buildings, building improvements, furniture and equipment, net of related outstanding debt. The second category, restricted net position, has external limitations on the way in which these assets can be used. The last category, unrestricted net position, represents amounts that are available to Housing Catalyst to be used for any lawful and prudent purpose. Total net position of Housing Catalyst increased by over \$6.2 million (12%) from December 31, 2018 to December 31, 2019.

Housing Catalyst's current ratio reflects the relationship between current assets and current liabilities and is a measure of Housing Catalyst's ability to pay short-term obligations. At December 31, 2019 and 2018, Housing Catalyst's current ratios were 12:1 and 8:1, respectively.

Revenues, Expenses and Changes in Net Position:

The following table compares the revenue and expenses for the current and previous periods (balance in thousands of dollars):

	2019	2018	2017
Revenues:			
Grant income	\$ 14,547	\$ 12,611	\$ 14,491
Administrative fees	2,502	2,184	1,592
Tenant income	209	629	2,267
Interest income	1,197	903	483
Developer fees	249	9,074	2,009
Gain on sale of capital assets	3,054	6,096	13,720
Capital grants and contributions	158	150	658
Other	1,642	937	338
Total Revenue	23,558	32,584	35,558
Expenses			
Housing assistance payments	11,223	10,367	9,337
Administrative	4,144	3,895	3,925
Maintenance	1,102	1,146	1,599
Depreciation	202	245	774
Utilities	81	115	287
Insurance	95	83	158
Interest expense and financing costs	137	181	607
Other	323	336	386
Total Expenses	17,307	16,368	17,073
Change in Net Position	6,251	16,216	18,485
Net Position - Beginning of Year	50,203	33,987	15,502
Net Position - End of Year	\$ 56,454	\$ 50,203	\$ 33,987

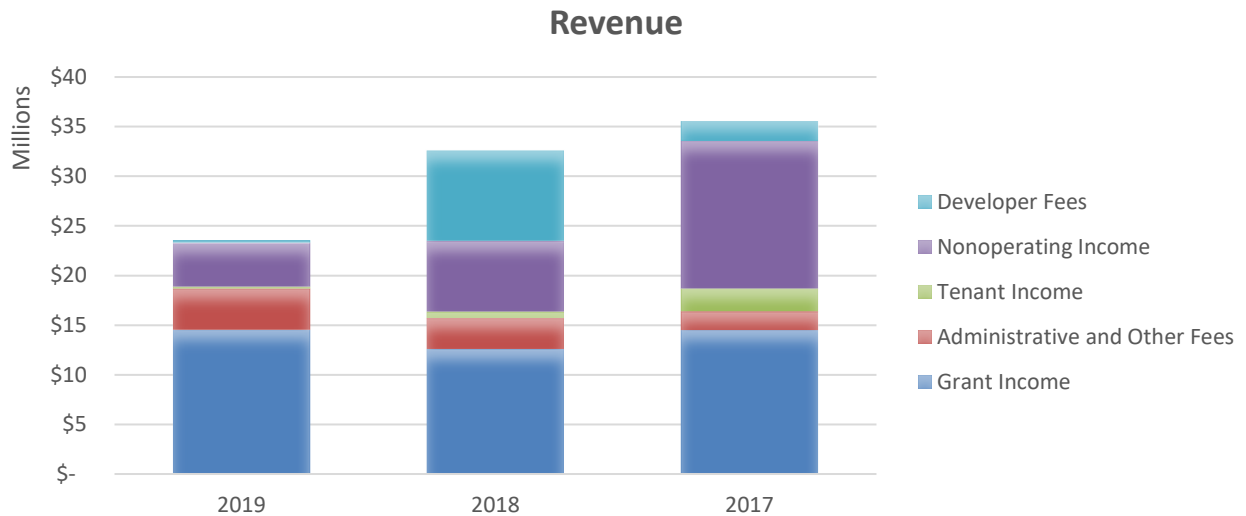
Fort Collins Housing Authority dba Housing Catalyst

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December 31, 2019

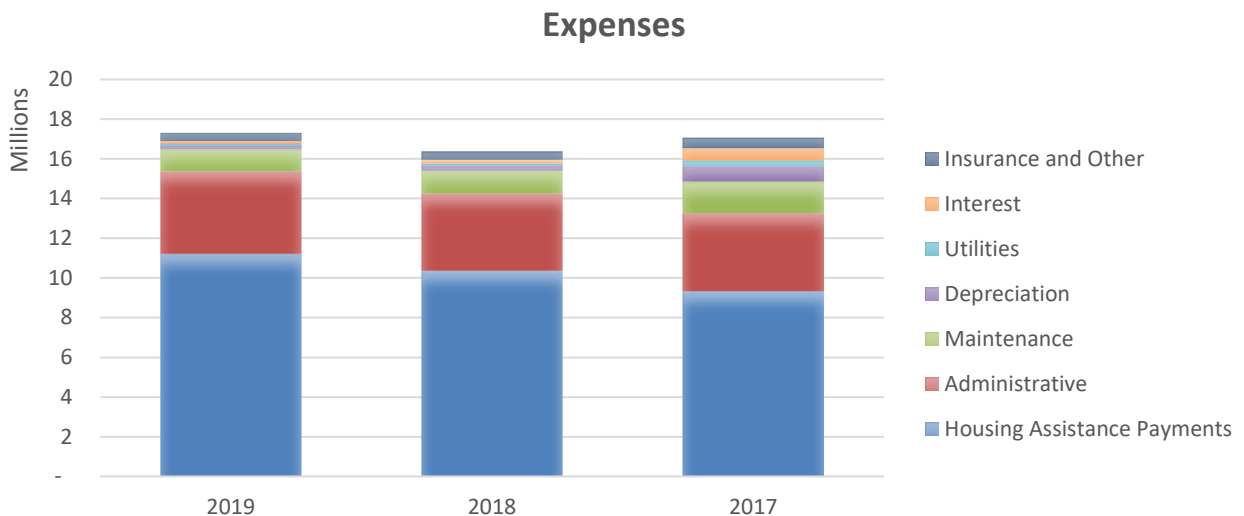
Revenues decreased by approximately \$9 million (28%) from the year ended December 31, 2018 to the year ended December 31, 2019. The decrease is primarily due to decreases in gain of sale of capital assets and developer fee income, as well as an increase in grant income.

The following graph compares the revenues for the current and previous years:



Expenses decreased by approximately \$900 thousand (6%) from the year ended December 31, 2018 to the year ended December 31, 2019. During the year, housing assistance payments increased by over \$850 thousand as compared to the prior year due to increased costs and the leasing of new 5-Year Mainstream vouchers.

The following graph compares the expenses for the current and previous years:



Fort Collins Housing Authority dba Housing Catalyst

Management's Discussion and Analysis
December 31, 2019

Departmental Financial Analysis

Housing Catalyst uses departmental accounting to ensure and demonstrate compliance with finance-related legal requirements. Each of the departments has a specific objective and purpose to accomplish. The focus of Housing Catalyst's funds is to provide information on near-term inflows, outflows, and balances of spendable resources. During 2019, Housing Catalyst maintained seven departmental funds as described below:

- 1. Public Housing:** Owns and operates 70 units of housing for rent to low-income families. The program ended 2019 with a net position of \$3,608,907 of which \$2,644,273 (73%) is invested in capital assets; and \$964,634 is available as operating reserves. The main sources of revenue are rents charged to tenants, HUD annual operating subsidy, and capital grants.
- 2. Management:** Provides administrative support for all departments and has outside management contracts with Villages, Ltd. (227 units), Wellington Housing Authority (42 units), Village on Elizabeth (48 units), Village on Stanford (82 units), Redtail Ponds PSH (60 units), Village on Plum (95 units), Village on Redwood (72 units), Village on Shields (285 units) and Village on Horsetooth (96 units). The net position is \$1,834,647, of which \$12,566 (1%) is invested in capital assets. The sources of revenues are cost allocations, administrative fees charged and maintenance fees charged.
- 3. Housing Development:** Provides for the development of rental housing and homeownership opportunities. This department presently has a net position in the amount of \$50,447,721. Revenues for 2019 included tenant rental income from Mason Place, HOME grant income for Village on Horsetooth, Colorado Division of Housing grant income for Village on Shields and Mason Place, accrued interest income on loans to tax credit funded properties, developer fees and gains on sales of RAD units.

At the end of 2018, Housing Catalyst owned 19 RAD units that were released from public housing during 2017. Those remaining RAD units were sold during 2019 with the proceeds being loaned to and invested in Village on Horsetooth.

- 4. Vouchers:** Housing Catalyst managed 1,005 Housing Choice Vouchers (HCV), 136 Veterans Affairs Supportive Housing (VASH) vouchers, 50 Family Unification Program (FUP) and 45 Five Year Mainstream vouchers at year-end 2019.

The revenue source for the HCV, VASH, FUP and Mainstream vouchers is HUD in the amount of \$11,363,848, which is an increase of \$1,026,782 (20%) as compared to the prior year total of \$10,337,066. The current year housing assistance payment (HAP) expenses of \$10,376,403 increased by \$817,892 (9%) as compared to the prior year expenses of \$9,558,511. The current year administrative expenses for the voucher program of \$808,855 decreased by \$13,618 (2%) as compared to the prior year expenses of \$822,473.

- 5. HUD Grant (FSS):** Provides funding for the salary and benefit expenses of family self sufficiency staff. This is a cost reimbursement grant with a current year funding of \$205,215.

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- 6. Larimer County Housing Authority:** Provides 100 rental vouchers for low-income clients. The revenue source is HUD cost reimbursement for the vouchers. The Larimer County Housing Authority is reported as a blended component unit of the Fort Collins Housing Authority.

The revenue source for the Larimer County Housing Authority vouchers is HUD in the amount of \$931,181, which is an increase of \$65,136 (8%) as compared to the prior year total of \$866,045. The current year housing assistance payment (HAP) expenses of \$846,811 increased by \$38,218 (5%) as compared to the prior year expenses of \$808,593. The current year administrative expenses for the voucher program of \$74,857 increased by \$13,238 (21%) as compared to the prior year expenses of \$61,619.

Capital Assets and Debt Administration

Capital Assets

As of December 31, 2019, Housing Catalyst's net investment in capital assets was \$2,710,512 (net of accumulated depreciation and capital loans). This investment in capital assets includes land, buildings, improvements, equipment, and computer software, but does not include leased assets.

Capital asset activity during the current fiscal year is as follows:

- Roof replacements of several Public Housing homes in the amount of \$70,775.
- Sale of building in Fort Collins, known as Mason Place, to tax credit entity Mason Place, LLLP for \$3,075,000, resulting in net gain on sale of \$230,570.
- Sale of 19 RAD units with total sales proceeds of \$3,684,808, costs of sales of \$248,331 and net book value of \$612,830 for a net gain on sales of \$2,823,647 and net sales proceeds of \$3,436,477.

Additional information on the Authority's capital assets can be found in Note 1 on page 28 and Note 6 on page 37 of this report.

Long-Term Debt

As of December 31, 2019, Housing Catalyst had three long-term loans totaling \$1,068,687. The long-term loans are to fund the remodeling costs for the Authority's main offices on Mountain Avenue and to purchase the parking lot on Mason Street.

Loan activity during the current fiscal year is as follows:

- Principal payments made to First Bank on the Taft Hill Road note in the amount of \$12,338.
- Principal payments made to First Bank on the Mountain Office remodel note in the amount of \$51,539.

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- Regular principal payments for the Mason Place building and parking lot made to ANB in the amount of \$74,557. Payoff of the portion of the ANB loan related to the sale of the Mason Place building in the amount of \$2,412,917.
- Payoff of the of the Villages, Ltd related to the Mason Place building in the amount of \$453,000.

Additional information on the Authority's debt can be found in Note 7 on pages 41 through 51 of this report.

Economic Outlook

Demand for affordable housing remains strong in the Fort Collins market. The rental market has tightened considerably in recent years and rents continue to increase. According to rentjungle.com apartment rents increased an average of 5% in Fort Collins during 2019. More recently, effects of the COVID-19 pandemic can be expected to increase the demand for affordable rental housing at a time when expansion of affordable units will be challenging. This is expected to keep upward pressure on rental rates overall. Additional funding through federal and state emergency programs may keep rental collection rates at near normal levels in the near term. The longer-term outlook for rent collection and demand for rental housing will be driven by the length and depth of what appears to be the inevitable recession which is now firmly on the horizon.

Housing Choice Voucher ("HCV") program funding utilization is expected to remain close to 100% going forward based on current leasing levels and the large number of individuals on the waiting list. The level of HUD funding available for the HCV program, combined with rising rental rates, resulted in 95% utilization of housing assistance payment (HAP) funding and a 88% HCV leased utilization in 2019. Given the lack of reserves held by Housing Catalyst, the level of funding received by HUD is expected to continue to negatively affect the total number of families served through the HCV programs. Additionally, due to the unknown consequences of the global pandemic related to the spread of COVID-19, the lack of reserves and unknown amounts of additional funding available, if any, could result in a further reduction of funds available to assist families served through the HCV program.

Housing Catalyst remains focused on development of new affordable housing units through both acquisition and new build strategies.

Contact Information

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

Duane Hopkins, Chief Financial Officer
1715 West Mountain Avenue
Fort Collins, Colorado 80521
Housing Catalyst website - www.housingcatalyst.com

Fort Collins Housing Authority dba Housing Catalyst

Statement of Net Position

December 31, 2019

	Primary Government	Discretely Presented Component Units
Assets and Deferred Outflows of Resources		
Current Assets		
Cash and cash equivalents	\$ 7,872,510	\$ 3,236,033
Restricted cash and cash equivalents	251,548	4,066,540
Accounts receivable		
Grants	42,666	-
Tenants	9,820	102,003
Developer fees, current	1,941,890	-
Other	251,084	46,468
Accrued interest	217,542	-
Lease receivable - current portion	51,775	-
Notes receivable - current portion	9,447	-
Prepaid expenses and other current assets	12,842	62,372
Inventory	56,837	-
Total Current Assets	10,717,961	7,513,416
Noncurrent Assets		
Capital Assets		
Non-depreciable	2,899,446	14,091,551
Depreciable, net	879,753	123,210,629
Leased capital assets, net	144,600	-
Total Capital Assets, Net	3,923,799	137,302,180
Other Assets		
Developer fees receivable, long-term	5,707,523	-
Lease receivable - net of current portion	358,474	-
Notes receivable - net of current portion	37,997,932	-
Other assets, net	-	578,125
Investment in tax credit partnerships	148,801	-
Investment in future developments	-	-
Total Other Assets	44,212,730	578,125
Total Noncurrent Assets	48,136,529	137,880,305
Total Assets	58,854,490	145,393,721
Deferred Outflows of Resources	-	-
Total Assets and Deferred Outflows of Resources	\$ 58,854,490	\$ 145,393,721

Fort Collins Housing Authority dba Housing Catalyst

Statement of Net Position

December 31, 2019

	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>
Liabilities, Deferred Inflows of Resources and Net Position		
Current Liabilities		
Accounts payable	\$ 47,269	\$ 222,069
Accrued liabilities	158,580	-
Accrued compensation	370,306	-
Accrued interest payable	2,712	382,455
Unearned revenues	2,223	-
Due to other agencies	-	-
Tenant security deposits payable	16,050	353,273
Due to related party	-	8,075
Money held in escrow	207,522	-
Developer fees payable - current portion	-	1,941,891
Leases payable - current portion	30,030	-
Notes and mortgages payable - current portion	83,064	618,171
Total Current Liabilities	<u>917,756</u>	<u>3,525,934</u>
Long-Term Liabilities		
Leases payable - net of current portion	118,525	-
Notes and mortgages payable - net of current portion	985,623	89,825,816
Developer fees payable - net of current portion	-	5,707,522
Other long-term liabilities	-	410,602
Total Long-Term Liabilities	<u>1,104,148</u>	<u>95,943,940</u>
Total Liabilities	<u>2,021,904</u>	<u>99,469,874</u>
Deferred Inflows of Resources	<u>378,745</u>	<u>-</u>
Net Position		
Net investment in capital assets	2,710,512	46,858,193
Restricted - housing assistance payments	285,791	-
Unrestricted	53,457,538	(934,346)
Total Net Position	<u>56,453,841</u>	<u>45,923,847</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 58,854,490</u>	<u>\$ 145,393,721</u>

Fort Collins Housing Authority dba Housing Catalyst

Statement of Net Position
December 31, 2018 (Comparative Totals Only)

	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>
Assets and Deferred Outflows of Resources		
Current Assets		
Cash and cash equivalents	\$ 4,633,739	\$ 1,859,989
Restricted cash and cash equivalents	276,527	2,351,338
Accounts receivable		
Grants	132,424	-
Tenants	10,526	79,000
Developer fees, current	4,261,416	-
Other	116,000	231,692
Accrued interest	209,895	-
Lease receivable - current portion	47,239	-
Notes receivable - current portion	53,037	-
Prepaid expenses and other current assets	36,089	126,988
Inventory	59,860	-
Total Current Assets	<u>9,836,752</u>	<u>4,649,007</u>
Noncurrent Assets		
Capital Assets		
Non-depreciable	4,135,801	8,246,286
Depreciable, net	3,195,998	128,410,161
Leased capital assets, net	38,482	-
Total Capital Assets, Net	<u>7,370,281</u>	<u>136,656,447</u>
Developer fees receivable, long-term	6,420,656	-
Lease receivable - net of current portion	410,249	-
Notes receivable - net of current portion	31,205,734	-
Other assets, net	-	1,191,560
Investment in tax credit partnerships	149,569	-
Investment in future developments	441,646	-
Total Other Assets	<u>38,627,854</u>	<u>1,191,560</u>
Total Noncurrent Assets	<u>45,998,135</u>	<u>137,848,007</u>
Total Assets	<u>55,834,887</u>	<u>142,497,014</u>
Deferred Outflows of Resources	<u>-</u>	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 55,834,887</u>	<u>\$ 142,497,014</u>

Fort Collins Housing Authority dba Housing Catalyst

Statement of Net Position
December 31, 2018 (Comparative Totals Only)

	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>
Liabilities, Deferred Inflows of Resources and Net Position		
Current Liabilities		
Accounts payable	\$ 39,505	\$ 207,820
Accrued liabilities	314,950	-
Accrued compensation	414,197	-
Accrued interest payable	35,042	416,650
Unearned revenues	1,363	-
Due to other agencies	2,782	-
Tenant security deposits payable	39,119	301,868
Due to related party	-	6,206
Money held in escrow	233,642	-
Developer fees payable - current portion	-	4,261,416
Leases payable - current portion	9,741	-
Construction loan payable	-	31,268,446
Notes and mortgages payable - current portion	138,432	241,379
	<u>1,228,773</u>	<u>36,703,785</u>
Total Current Liabilities		
Long-Term Liabilities		
Leases payable - net of current portion	29,733	-
Notes and mortgages payable - net of current portion	3,934,606	73,696,521
Developer fees payable	-	6,420,656
Other long-term liabilities	-	4,375,008
	<u>3,964,339</u>	<u>84,492,185</u>
Total Long-Term Liabilities		
Total Liabilities		
	<u>5,193,112</u>	<u>121,195,970</u>
Deferred Inflows of Resources		
	<u>439,344</u>	<u>-</u>
Net Position		
Net investment in capital assets	3,271,099	31,450,101
Restricted	114,697	-
Unrestricted	46,816,635	(10,149,057)
	<u>50,202,431</u>	<u>21,301,044</u>
Total Net Position		
Total Liabilities, Deferred Inflows of Resources and Net Position		
	<u>\$ 55,834,887</u>	<u>\$ 142,497,014</u>

Fort Collins Housing Authority dba Housing Catalyst

Statement of Revenues, Expenses and Changes in Net Position
Year Ended December 31, 2019

	Primary Government	Discretely Presented Component Units
Operating Revenues		
HUD PHA grants	\$ 13,092,354	\$ -
Other grants	1,454,406	-
Rental income	208,605	7,658,580
Administration fees	2,501,752	-
Developer fees	249,596	-
Other	1,642,595	566,055
Total Operating Revenues	<u>19,149,308</u>	<u>8,224,635</u>
Operating Expenses		
Housing assistance payments	11,223,214	-
Administrative salaries and benefits	3,060,494	1,293,776
Maintenance salaries and benefits	822,912	-
Other administrative	1,083,148	1,403,462
Ordinary maintenance	278,683	1,582,779
Depreciation and amortization	201,716	6,059,399
Utilities	81,047	482,821
Insurance	95,027	364,259
Payments in lieu of taxes	12,069	-
Other	311,102	-
Total Operating Expenses	<u>17,169,412</u>	<u>11,186,496</u>
Operating Income (Loss)	<u>1,979,896</u>	<u>(2,961,861)</u>
Non-Operating Revenues (Expenses)		
Interest income	1,196,545	11,954
Interest expense	(131,979)	(3,671,046)
Other financing costs	(5,000)	-
Gain on sale of capital assets	3,054,217	-
Total Non-Operating Revenues (Expenses), net	<u>4,113,783</u>	<u>(3,659,092)</u>
Income (Loss) Before Contributions and Distributions	6,093,679	(6,620,953)
HUD Capital Contributions	157,731	-
Capital Contributions	-	31,246,837
Priority Distributions	-	(3,081)
Change in Net Position	6,251,410	24,622,803
Net Position, Beginning of the Year	<u>50,202,431</u>	<u>21,301,044</u>
Net Position, End of the Year	<u>\$ 56,453,841</u>	<u>\$ 45,923,847</u>

Fort Collins Housing Authority dba Housing Catalyst

Statement of Revenues, Expenses and Changes in Net Position
Year Ended December 31, 2018 (Comparative Totals Only)

	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>
Operating Revenues		
HUD PHA grants	\$ 11,989,079	\$ -
Other grants	622,426	-
Rental income	628,577	5,869,801
Administration fees	2,183,563	-
Developer fees	9,073,601	-
Other	936,930	471,732
Total Operating Revenues	<u>25,434,176</u>	<u>6,341,533</u>
Operating Expenses		
Housing assistance payments	10,367,104	-
Administrative salaries and benefits	2,826,779	999,339
Maintenance salaries and benefits	788,137	-
Other administrative	1,067,993	1,465,500
Ordinary maintenance	358,088	1,154,276
Depreciation and amortization	245,023	4,606,804
Utilities	115,438	525,719
Insurance	82,637	369,445
Payments in lieu of taxes	9,447	-
Other	326,434	-
Total Operating Expenses	<u>16,187,080</u>	<u>9,121,083</u>
Operating Income (Loss)	<u>9,247,096</u>	<u>(2,779,550)</u>
Non-Operating Revenues (Expenses)		
Interest income	903,029	6,232
Interest expense	(164,660)	(2,386,414)
Other financing costs	(16,532)	-
Gain on sale of capital assets	6,096,457	-
Total Non-Operating Revenues (Expenses), net	<u>6,818,294</u>	<u>(2,380,182)</u>
Income (Loss) Before Contributions and Distributions	16,065,390	(5,159,732)
HUD Capital Contributions	149,720	-
Capital Contributions	-	1,363,300
Priority Distributions	-	(3,012)
Change in Net Position	16,215,110	(3,799,444)
Net Position, Beginning of the Year	<u>33,987,321</u>	<u>25,100,488</u>
Net Position, End of the Year	<u>\$ 50,202,431</u>	<u>\$ 21,301,044</u>

Fort Collins Housing Authority dba Housing Catalyst

Statement of Cash Flows
Year Ended December 31, 2019

	<u>Primary Government</u>
Operating Activities	
HUD PHA grants	\$ 13,182,112
Other grants	1,454,406
Receipts from tenants	187,102
Administration fees	2,501,752
Other income	1,494,151
Developer fee income	3,282,255
Housing assistance payments	(11,249,334)
Payments to employees	(3,927,297)
Payments to suppliers	(1,986,194)
Net Cash from Operating Activities	<u>4,938,953</u>
Capital and Related Financing Activities	
Principal payments on long-term debt	(3,004,351)
Principal payments on leases payable	(16,244)
HUD capital contributions	157,731
Proceeds from sale of capital assets	6,495,083
Interest paid on leases payable and long-term debt	(164,309)
Other financing costs paid	(5,000)
Acquisition of capital assets	(70,775)
Net Cash from Capital and Related Financing Activities	<u>3,392,135</u>
Investing Activities	
Receipts on notes receivable	53,037
Note receivable advance to related party	(5,888,360)
Interest income	275,613
Investment in tax credit partnerships	768
Reimbursement of development costs	978,328
Investments in future developments	(536,682)
Net Cash used for Investing Activities	<u>(5,117,296)</u>
Net Change in Cash and Cash Equivalents	3,213,792
Cash and Cash Equivalents, Beginning of Year	<u>4,910,266</u>
Cash and Cash Equivalents, End of Year	<u>\$ 8,124,058</u>

Fort Collins Housing Authority dba Housing Catalyst

Statement of Cash Flows
Year Ended December 31, 2019

	Primary Government
Reconciliation of Cash and Cash Equivalents	
Cash	\$ 7,872,510
Restricted Cash	251,548
Total Cash and Cash Equivalents	\$ 8,124,058
Reconciliation of Change in Net Position to Net Cash	
From Operating Activities	
Operating Income	\$ 1,979,896
Adjustments to reconcile operating income to net cash from operating activities	
Depreciation and amortization	201,716
Changes in assets and liabilities	
(Increase) decrease in assets:	
Receivables	3,035,278
Inventory	3,023
Prepaid expenses	23,247
Due from other agencies	-
Increase (decrease) in liabilities:	
Accounts payable	7,764
Tenant security deposits payable	(23,069)
Money held in escrow	(26,120)
Accrued compensation	(43,891)
Accrued liabilities	(156,370)
Unearned revenue	860
Due to other agencies	(2,782)
Decrease in deferred inflows of resources	(60,599)
Net Cash from Operating Activities	\$ 4,938,953
Schedule of Noncash Investing Activities:	
Increase in notes receivable from accrued interest	\$ 913,285

Fort Collins Housing Authority dba Housing Catalyst

Statement of Cash Flows

Year Ended December 31, 2018 (Comparative Totals Only)

	Primary Government
Operating Activities	
HUD PHA grants	\$ 11,885,774
Other grants	622,426
Receipts from tenants	641,621
Administration fees	2,192,307
Other income	930,818
Developer fee income	379,398
Housing assistance payments	(10,358,984)
Payments to employees	(3,683,897)
Payments to suppliers	(1,801,247)
Net Cash from Operating Activities	808,216
Capital and Related Financing Activities	
Principal payments on long-term debt	(139,528)
Principal payments on leases payable	(7,951)
Proceeds from long-term debt	3,612,750
HUD capital contributions	149,720
Proceeds from sale of capital assets	7,724,679
Interest paid on leases payable and long-term debt	(181,789)
Other financing costs paid	(16,532)
Acquisition of capital assets	(3,614,670)
Net Cash from Capital and Related Financing Activities	7,526,679
Investing Activities	
Receipts on notes receivable	23,715
Note receivable advance to related party	(8,308,468)
Interest income	168,114
Investment in tax credit partnerships	402
Reimbursement of development costs	-
Investment in future development	(402,327)
Net Cash used for Investing Activities	(8,518,564)
Net Change in Cash and Equivalents	(183,669)
Cash and Cash Equivalents, Beginning of Year	5,093,935
Cash and Cash Equivalents, End of Year	\$ 4,910,266

Fort Collins Housing Authority dba Housing Catalyst

Statement of Cash Flows

Year Ended December 31, 2018 (Comparative Totals Only)

	<u>Primary Government</u>
Reconciliation of Cash and Cash Equivalents	
Cash	\$ 4,633,739
Restricted Cash	<u>276,527</u>
Total Cash and Cash Equivalents	<u><u>\$ 4,910,266</u></u>
Reconciliation of Change in Net Position to Net Cash	
From Operating Activities	
Operating Income	\$ 9,247,096
Adjustments to reconcile operating income	
to net cash from operating activities	
Depreciation and amortization	245,023
Changes in assets and liabilities	
(Increase) decrease in assets:	
Receivables	(9,243,409)
Inventory	4,606
Prepaid expenses	(11,837)
Due from other agencies	8,744
Increase (decrease) in liabilities:	
Accounts payable	(65,783)
Tenant security deposits payable	14,608
Money held in escrow	8,120
Accrued compensation	(68,981)
Accrued liabilities	229,022
Unearned revenue	(1,119)
Due to other agencies	2,782
Increase in deferred inflows of resources	<u>439,344</u>
Net Cash from Operating Activities	<u><u>\$ 808,216</u></u>
Schedule of Noncash Investing Activities:	
Increase in notes receivable from accrued interest	<u><u>\$ 676,834</u></u>

Fort Collins Housing Authority dba Housing Catalyst
Combining Statement of Net Position - Discretely Presented Component Units
December 31, 2019

	Mason Place	Redtail Ponds PSH	Village on Elizabeth	Village on Horsetooth	Village on Plum	Village on Redwood	Village on Shields	Village on Stanford	Total
Assets									
Current Assets									
Cash	\$ 1,267,552	\$ 70,800	\$ 138,292	\$ 277,995	\$ 588,812	\$ 315,083	\$ 304,161	\$ 273,338	\$ 3,236,033
Restricted cash	-	724,338	193,432	55,041	604,259	398,075	1,645,571	445,824	4,066,540
Accounts receivable									
Tenants	-	7,620	7,731	10,438	16,320	7,402	44,372	8,120	102,003
Other	-	42,666	324	-	976	-	1,498	1,004	46,468
Prepaid expenses	-	6,263	-	-	49,757	-	65	6,287	62,372
Due from related party	-	-	-	-	-	-	-	-	-
Total Current Assets	1,267,552	851,687	339,779	343,474	1,260,124	720,560	1,995,667	734,573	7,513,416
Capital Assets									
Non-depreciable	5,845,265	862,000	640,000	1,113,963	543,454	230,000	3,858,432	998,437	14,091,551
Depreciable, net	-	8,796,042	2,706,609	23,343,188	11,619,527	16,609,230	54,765,496	5,370,537	123,210,629
Total Capital Assets, Net	5,845,265	9,658,042	3,346,609	24,457,151	12,162,981	16,839,230	58,623,928	6,368,974	137,302,180
Other Assets	-	41,359	5,294	105,270	42,018	62,140	310,909	11,135	578,125
Total Assets	\$ 7,112,817	\$ 10,551,088	\$ 3,691,682	\$ 24,905,895	\$ 13,465,123	\$ 17,621,930	\$ 60,930,504	\$ 7,114,682	\$ 145,393,721
Liabilities and Net Position									
Current Liabilities									
Accounts payable	\$ -	\$ 30,048	\$ 3,474	\$ 23,904	\$ 17,435	\$ 56,321	\$ 57,479	\$ 33,408	\$ 222,069
Accrued interest payable	2,335	9,056	59,582	78,363	50,958	27,567	72,550	82,044	382,455
Tenant security deposits payable	-	12,200	22,612	48,240	52,313	43,136	133,206	41,566	353,273
Due to related party	-	-	8,075	-	-	-	-	-	8,075
Developer fee payable - current portion	-	52,758	-	1,148,101	80,845	69,970	590,217	-	1,941,891
Construction loan	-	-	-	-	-	-	-	-	-
Notes and mortgages mortgages payable - current portion	-	48,094	18,701	144,807	126,945	43,624	207,611	28,389	618,171
Total Current Liabilities	2,335	152,156	112,444	1,443,415	328,496	240,618	1,061,063	185,407	3,525,934
Long-Term Liabilities									
Notes and mortgages payable - net of current portion	3,721,598	4,588,997	4,146,218	13,566,336	10,159,658	9,460,464	39,052,220	5,130,325	89,825,816
Developer fee payable - net of current portion	-	-	-	478,638	381,984	326,510	4,520,390	-	5,707,522
Other long-term liabilities	410,602	-	-	-	-	-	-	-	410,602
Total Long-Term Liabilities	4,132,200	4,588,997	4,146,218	14,044,974	10,541,642	9,786,974	43,572,610	5,130,325	95,943,940
Total Liabilities	4,134,535	4,741,153	4,258,662	15,488,389	10,870,138	10,027,592	44,633,673	5,315,732	99,469,874
Net Position									
Net investment in capital assets	2,123,667	5,020,951	(818,310)	10,746,008	1,876,378	7,335,142	19,364,097	1,210,260	46,858,193
Unrestricted	854,615	788,984	251,330	(1,328,502)	718,607	259,196	(3,067,266)	588,690	(934,346)
Total Net Position	2,978,282	5,809,935	(566,980)	9,417,506	2,594,985	7,594,338	16,296,831	1,798,950	45,923,847
Total Liabilities and Net Position	\$ 7,112,817	\$ 10,551,088	\$ 3,691,682	\$ 24,905,895	\$ 13,465,123	\$ 17,621,930	\$ 60,930,504	\$ 7,114,682	\$ 145,393,721

Fort Collins Housing Authority dba Housing Catalyst

Combining Statement of Revenues, Expenses and Changes in Net Position - Discretely Presented Component Units
Year Ended December 31, 2019

	Mason Place	Redtail Ponds PSH	Village on Elizabeth	Village on Horsetooth	Village on Plum	Village on Redwood	Village on Shields	Village on Stanford	Total
Operating Revenues									
Rental income	\$ -	\$ 745,829	\$ 477,101	\$ 869,862	\$ 1,073,271	\$ 743,639	\$ 3,032,462	\$ 716,416	\$ 7,658,580
Other	-	315,260	22,608	15,238	54,711	22,125	112,954	23,159	566,055
Total Operating Revenues	-	1,061,089	499,709	885,100	1,127,982	765,764	3,145,416	739,575	8,224,635
Operating Expenses									
Administrative salaries and benefits	-	361,820	76,177	128,710	132,722	66,216	410,376	117,755	1,293,776
Other administrative	-	172,212	84,759	200,042	172,279	198,050	487,718	88,402	1,403,462
Regular and extraordinary maintenance	-	219,378	124,290	177,949	200,952	155,377	500,691	204,142	1,582,779
Depreciation and amortization	-	491,853	195,748	1,026,375	659,572	780,162	2,580,896	324,793	6,059,399
Utilities	-	69,701	29,633	80,974	72,400	50,952	137,026	42,135	482,821
Insurance	-	38,892	19,954	54,156	40,059	42,396	144,155	24,647	364,259
Total Operating Expenses	-	1,353,856	530,561	1,668,206	1,277,984	1,293,153	4,260,862	801,874	11,186,496
Operating Income (Loss)	-	(292,767)	(30,852)	(783,106)	(150,002)	(527,389)	(1,115,446)	(62,299)	(2,961,861)
Non-Operating Revenues (Expenses)									
Interest income	-	673	876	50	830	1,880	5,154	2,491	11,954
Interest expense	-	(161,843)	(188,934)	(540,082)	(420,351)	(349,572)	(1,794,673)	(215,591)	(3,671,046)
Total Non-Operating Revenues (Expenses)	-	(161,170)	(188,058)	(540,032)	(419,521)	(347,692)	(1,789,519)	(213,100)	(3,659,092)
Loss Before Contributions and Distributions	-	(453,937)	(218,910)	(1,323,138)	(569,523)	(875,081)	(2,904,965)	(275,399)	(6,620,953)
Capital Contributions	2,978,282	-	-	9,206,045	-	587,701	18,474,809	-	31,246,837
Priority Distributions	-	-	(3,081)	-	-	-	-	-	(3,081)
Change in Net Position	2,978,282	(453,937)	(221,991)	7,882,907	(569,523)	(287,380)	15,569,844	(275,399)	24,622,803
Net Position, Beginning of the Year	-	6,263,872	(344,989)	1,534,599	3,164,508	7,881,718	726,987	2,074,349	21,301,044
Net Position, End of the Year	\$ 2,978,282	\$ 5,809,935	\$ (566,980)	\$ 9,417,506	\$ 2,594,985	\$ 7,594,338	\$ 16,296,831	\$ 1,798,950	\$ 45,923,847

Fort Collins Housing Authority dba Housing Catalyst

Notes to Financial Statements
December 31, 2019

Note 1 - Nature of Operations and Significant Accounting Policies

General

The Fort Collins Housing Authority dba Housing Catalyst (Housing Catalyst) is a corporate body created in May 1971 and uses available federal, state, and local resources to serve the residents of Fort Collins, Colorado by upgrading and maintaining the existing housing stock, encouraging the construction of new housing affordable to low and moderate income households, and providing low and moderate income families and senior households with decent, safe, and affordable rental housing opportunities. Housing Catalyst owns and operates 70 units of family housing and administers 1,005 Section 8 Housing Choice Vouchers, 152 Section 8 VASH vouchers, 50 Family Unification Program vouchers and 79 Five Year Mainstream vouchers.

Housing Catalyst is governed by a seven-member Board of Commissioners.

Reporting Entity

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

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

Blended Component Units

Included within the financial reporting entity of Housing Catalyst as a blended component unit is the Larimer County Housing Authority (LCHA). The purpose of LCHA is to provide safe and sanitary accommodations to the low and moderate-income residents of the County of Larimer. Over the past several years, Housing Catalyst has maintained a contractual relationship with LCHA for the administration of its housing activities. However, in January 1997, the Larimer County Board of Supervisors assigned all interests in LCHA to Housing Catalyst, as LCHA was deemed immaterial with respect to the overall functions of the County. Thus, despite being a legally separate entity and receiving funds directly from the Department of Housing and Urban Development, LCHA has been accounted for as a blended component unit of Housing Catalyst as the members of Housing Catalyst's Board also acts as the governing body of LCHA and LCHA's operations are fully the responsibility of the management of Housing Catalyst. Accordingly, the balances and transactions of this component unit are reported within the proprietary funds of Housing Catalyst.

Fort Collins Housing Authority dba Housing Catalyst

Notes to Financial Statements
December 31, 2019

Also included within the financial reporting entity of Housing Catalyst as blended component units are Village on Elizabeth, LLC, Village on Stanford, LLC, Redtail Ponds Permanent Supportive Housing, LLC, Redtail Ponds Permanent Supportive Housing Development, LLC, Village on Plum, LLC, Village on Plum Development, LLC, Village on Redwood, LLC, Village on Redwood Development, LLC, Village on Horsetooth, LLC, Village on Horsetooth Development, LLC, Village on Shields, LLC, Village on Shields Development, LLC, Mason Place, LLC, Mason Place Development, LLC and Housing Catalyst, LLC, which are single-member LLC's. Separate financial statements for the component units are not issued.

Village on Elizabeth, LLC is the general partner in Village on Elizabeth, LLLP, Village on Stanford, LLC is the general partner in Village on Stanford, LLLP, Redtail Ponds Permanent Supportive Housing, LLC is the general partner in Redtail Ponds Permanent Supportive Housing, LLLP, Village on Plum, LLC is the general partner in Village on Plum, LLLP, Village on Redwood, LLC is the general partner in Village on Redwood, LLLP, Village on Horsetooth, LLC is the general partner of Village on Horsetooth, LLLP, Village on Shields, LLC is the general partner of Village on Shields, LLLP and Mason Place, LLC is the general partner of Mason Place, LLLP which are discretely presented component units and are described below.

Redtail Ponds Permanent Supportive Housing Development, LLC was formed to be the developer in Permanent Supportive Housing, LLC, Village on Plum Development, LLC was formed to be the developer in Village on Plum, LLLP, Village on Redwood Development, LLC was formed to be the developer in Village on Redwood, LLLP, Village on Horsetooth Development, LLC was formed to be the developer in Village on Horsetooth, LLLP, Village on Shields Development, LLC was formed to be the developer in Village on Shields, LLLP and Mason Place Development, LLC was formed to be the developer for Mason Place, LLLP. Housing Catalyst, LLC was formed to be an entity that will be used, as needed, to participate as the partner in future development projects for Housing Catalyst when desired to facilitate project financing. Housing Catalyst, LLC is the administrative general partner in Provincetowne Green LLLP, an 85 unit low income housing tax credit project.

Discretely Presented Component Units

The component unit columns in the combining financial statements include the financial data of Housing Catalyst's seven discretely presented component units. These units are reported in separate columns to emphasize that they are legally separate from Housing Catalyst.

Village on Elizabeth, LLLP (VOE) – the general partner of this partnership, Village on Elizabeth, LLC, is wholly owned by Housing Catalyst. Village on Elizabeth, LLC has an ownership percentage of 0.01%. As the general partner, Housing Catalyst has the day to day management responsibilities of the partnership.

Village on Stanford, LLLP (VOS) – the general partner of this partnership, Village on Stanford, LLC, is wholly owned by Housing Catalyst. Village on Stanford, LLC has an ownership percentage of 0.01%. As the general partner, Housing Catalyst has the day to day management responsibilities of the partnership.

Fort Collins Housing Authority dba Housing Catalyst

Notes to Financial Statements
December 31, 2019

Redtail Ponds Permanent Supportive Housing, LLLP (Redtail Ponds PSH) – the general partner of this partnership, Redtail Ponds Permanent Supportive Housing, LLC, is wholly owned by Housing Catalyst. Redtail Ponds Permanent Supportive Housing, LLC has an ownership percentage of 0.01%. As the general partner, Housing Catalyst has the day to day management responsibilities of the partnership.

Village on Plum, LLLP (VOP) – the general partner of this partnership, Village on Plum, LLC, is wholly owned by Housing Catalyst. Village on Plum, LLC has an ownership percentage of 0.01%. As the general partner, Housing Catalyst has the day to day management responsibilities of the partnership.

Village on Redwood, LLLP (VOR) – the general partner of this partnership, Village on Redwood, LLC, is wholly owned by Housing Catalyst. Village on Redwood, LLC has an ownership percentage of 0.01%. As the general partner, Housing Catalyst has the day to day management responsibilities of the partnership.

Village on Horsetooth, LLLP (VOH) – the general partner of this partnership, Village on Horsetooth, LLC, is wholly owned by Housing Catalyst. Village on Horsetooth, LLC has an ownership percentage of 0.01%. As the general partner, Housing Catalyst has the day to day management responsibilities of the partnership.

Village on Shields, LLLP (VOSH) – the general partner of this partnership, Village on Shields, LLC, is wholly owned by Housing Catalyst. Village on Shields, LLC has an ownership percentage of 0.01%. As the general partner, Housing Catalyst has the day to day management responsibilities of the partnership.

Mason Place, LLLP (Mason Place) – the general partner of this partnership, Mason Place, LLC, is wholly owned by Housing Catalyst. Mason Place, LLC has an ownership percentage of 0.01%. As the general partner, Housing Catalyst has the day to day management responsibilities of the partnership.

The financial statements of the discretely presented component units are presented in Housing Catalyst's basic financial statements. Complete financial statements of the individual component units can be obtained from the Chief Financial Officer, Housing Catalyst, 1715 W. Mountain Ave., Fort Collins, CO 80521.

Basis of Accounting

The accounts of Housing Catalyst are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets and deferred outflows, liabilities and deferred inflows, net position, revenues, and expenses. Housing Catalyst classifies its funds as proprietary.

Fort Collins Housing Authority dba Housing Catalyst

Notes to Financial Statements

December 31, 2019

Housing Catalyst accounts for its operations in one fund type, the enterprise fund. Enterprise funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Revenue is recognized when earned and expenses are recorded at the time liabilities are incurred. All assets, deferred outflows, liabilities and deferred inflows associated with the operations of Housing Catalyst are included on the statement of net position. All significant interfund transactions have been eliminated.

Cash and Cash Equivalents

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

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

Accounts and Notes Receivable

Management considers receivables to be fully collectible. If amounts become uncollectible, they are charged to operations in the period in which that determination is made. Accounting principles generally accepted in the United States of America require that the allowance method be used to recognize bad debts; however, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method.

Inventory

Inventories are valued at cost using the first-in/first-out method.

Capital Assets

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

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

Buildings and Improvements	15 - 30 Years
Furniture and Equipment	3 - 15 Years

Fort Collins Housing Authority dba Housing Catalyst

Notes to Financial Statements

December 31, 2019

Housing Catalyst reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of the asset may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the asset to the future net undiscounted cash flow expected to be generated and any estimated proceeds from the eventual disposition. If the long-lived assets are considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the asset exceeds the fair value as determined from an appraisal, discounted cash flows analysis, or other valuation technique. There were no impairment losses recognized during 2019.

Investment in Tax Credit Partnerships and Future Developments

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

Investments in future developments represents costs incurred by Housing Catalyst for future developments and are recorded at cost until a project is established.

Operating Revenues and Expenses

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

Fraud Recovery

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

Developer Fee Revenue Recognition

Housing Catalyst earns development fees based on agreements with certain partnerships for the development of affordable housing. Developer fees are generally recognized under the percentage-of-completion method and in accordance with the corresponding development agreement.

Restricted and Unrestricted Resources

Housing Catalyst applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Fort Collins Housing Authority dba Housing Catalyst

Notes to Financial Statements

December 31, 2019

Accumulated Unpaid Vacation Leave

Accumulated unpaid vacation leave is accrued in the period incurred. Employees are permitted to accumulate a limited amount of vacation benefits. Upon separation or termination from the Housing Catalyst, an employee will not be paid time in excess of 240 hours.

Unearned Revenues

As of December 31, 2019, unearned revenue consisted of \$2,223 of prepaid rent from tenants.

Components of Net Position

Components of net position include the following:

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

Budgetary

Housing Catalyst's annual budgets are the annual contracts, which are with, and approved by, HUD. No budget to actual statements are presented in this report, as housing authorities are not legally required to adopt a budget under the Local Government Budget Law of Colorado.

Accounting Estimates

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

Fort Collins Housing Authority dba Housing Catalyst

Notes to Financial Statements

December 31, 2019

Comparative Totals

The financial statements and related footnotes include certain prior year summarized comparative information in total. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Authority's financial statements for the year ended December 31, 2018, from which the summarized information was derived.

Change in Accounting Principles

On January 1, 2019, Housing Catalyst adopted a new accounting standard that affects the accounting for leases. The new standard requires the recognition on certain lease assets and liabilities for leases that previously were classified as operating leases and not accounted for on the statement of net position. Under the standard, a lessee is required to recognize a lease liability and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The standard was originally to be effective for reporting periods beginning after December 15, 2019 with early adoption encouraged; however, the standard was recently delayed to be effective for periods beginning after June 15, 2021. The adoption of the standard resulted in a restatement of the prior period financial statements. The effect of revisions to the statements for the year ended December 31, 2019 are as follows:

	Previously Reported	Adjustment	Revised
Statement of Net Position			
Total Assets	\$ 55,338,917	\$ 495,970	\$ 55,834,887
Total Liabilities	5,153,638	39,474	5,193,112
Deferred Inflows of Resources	-	439,344	439,344
Total Net Position	50,185,279	17,152	50,202,431
Statement of Revenues, Expenses and Changes in Net Position			
Operating Revenues	25,416,032	18,144	25,434,176
Operating Expenses	16,188,227	(1,147)	16,187,080
Non-Operating Revenues (Expenses), net	6,820,433	(2,139)	6,818,294
Change in Net Position	16,197,958	17,152	16,215,110
Statement of Cash Flows			
Net Cash from Operating Activities	798,370	9,846	808,216
Net Cash from Capital and Related Financing Activities	7,536,525	(9,846)	7,526,679

Fort Collins Housing Authority dba Housing Catalyst

Notes to Financial Statements
December 31, 2019

Note 2 - Deposits and Investments

Primary Government

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The institution is allowed to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at or equal to 102% of the uninsured deposits. The general depository agreement required by annual contract with HUD has additional collateral requirements, which Housing Catalyst met in 2019.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, Housing Catalyst's deposits may not be returned to it. As of December 31, 2019, Housing Catalyst's deposits were not exposed to custodial credit risk, as all deposits were insured by the Federal Deposit Insurance Corporation (FDIC) and collateralized in accordance with PDPA.

At December 31, 2019, Housing Catalyst's carrying amount of deposits was \$8,123,408 and the bank balance was \$8,296,291. Of the bank balances, \$350,524 was covered by Federal Depository Insurance. Of the remaining balances for 2019, \$7,945,767 was collateralized with securities held by a pledging financial institution's agent in the government's name.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of certificates of deposit will adversely affect the fair value of investments. Housing Catalyst did not have any certificates of deposit as of December 31, 2019.

Investments

Housing Catalyst's investment policy allows for investments to be solely in securities approved by HUD. Authorized investment instruments are as follows:

- Obligations of the United States and certain U.S. government agency securities
- Insured Money Market Deposit Accounts
- Municipal Depository Fund
- Super NOW Accounts
- Certificates of Deposit
- Repurchase Agreements

Fort Collins Housing Authority dba Housing Catalyst

Notes to Financial Statements

December 31, 2019

- Sweep Accounts
- Separate Trading of Registered Interest and Principal of Securities (STRIPS)
- Mutual Funds that meet HUD criteria

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

Discretely Presented Component Units

Mason Place

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, Mason Place's deposits may not be returned to it. As of December 31, 2019, Mason Place's carrying amount of deposits and bank balance was \$1,267,552. Of the bank balances, \$251,001 was covered by Federal Depository Insurance. The remaining balance of \$1,016,551 was not insured and is exposed to custodial credit risk. Management does not believe that the deposits are exposed to a significant level of risk.

Redtail Ponds PSH

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, Redtail Pond PSH's deposits may not be returned to it. As of December 31, 2019, Redtail Ponds PSH's carrying amount of deposits and bank balance was \$700,865. Of the bank balances, \$250,000 was covered by Federal Depository Insurance. The remaining balance of \$450,865 was not insured and is exposed to custodial credit risk. Management does not believe that the deposits are exposed to a significant level of risk.

Village on Elizabeth

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, VOE's deposits may not be returned to it. As of December 31, 2019, VOE's deposits were not exposed to custodial credit risk, as all deposits were insured by the FDIC.

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Village on Horsetooth

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, VOH's deposits may not be returned to it. As of December 31, 2019, VOH's carrying amount of deposits and bank balance was \$333,036. Of the bank balances, \$259,109 was covered by Federal Depository Insurance. The remaining balance of \$73,927 was not insured and is exposed to custodial credit risk. Management does not believe that the deposits are exposed to a significant level of risk.

Village on Plum

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, VOP's deposits may not be returned to it. As of December 31, 2019, VOP's carrying amount of deposits and bank balance was \$1,193,071. Of the bank balances, \$250,000 was covered by Federal Depository Insurance. The remaining balance of \$943,071 was not insured and is exposed to custodial credit risk. Management does not believe that the deposits are exposed to a significant level of risk.

Village on Redwood

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, VOR's deposits may not be returned to it. As of December 31, 2019, VOR's carrying amount of deposits and bank balance was \$712,212. Of the bank balances, \$500,000 was covered by Federal Depository Insurance. The remaining balance of \$212,212 was not insured and is exposed to custodial credit risk. Management does not believe that the deposits are exposed to a significant level of risk.

Village on Stanford

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, VOS's deposits may not be returned to it. As of December 31, 2019, VOS's carrying amount of deposits and bank balance was \$718,436. Of the bank balances, \$250,000 was covered by Federal Depository Insurance. The remaining balance of \$468,436 was not insured and is exposed to custodial credit risk. Management does not believe that the deposits are exposed to a significant level of risk.

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Village on Shields

Custodial credit risk is the risk that, in the event of a bank failure, VOSH's deposits may not be returned to it. As of December 31, 2019, VOSH's carrying amount of deposits and bank balance was \$1,948,459. Of the bank balances, \$250,000 was covered by Federal Depository Insurance. The remaining balance of \$1,698,459 was not insured and is exposed to custodial credit risk. Management does not believe that the deposits are exposed to a significant level of risk.

Note 3 - Restricted Cash

Restricted cash consists of cash and cash equivalents balances restricted for use in the Housing Choice Voucher program, held in escrow in order to comply with HUD requirements for the family self-sufficiency program and held for tenant security deposits.

Note 4 - Lease Receivable (Primary Government)

Housing Catalyst is leasing a parking lot with monthly payments of \$5,796. The monthly payments increase by 3% annually and the lease has a maturity date of March 2026. During the year ended December 31, 2019, Housing Catalyst recognized revenue of \$82,410 which includes income from deferred inflows of \$60,599 and interest income of \$21,811.

Note 5 - Notes Receivable (Primary Government)

Village on Elizabeth, LLLP - Note receivables with stated interest rates of 3.50% - 5.31% per annum, yearly payments to the extent of available cash flow with the entire balance due December 2037 and collateralized by real property located at 2209 - 2217 West Elizabeth, Fort Collins, Colorado. \$ 3,200,007

Village on Stanford, LLLP - Note receivable with a stated interest rate of 3.57% per annum, yearly payments to the extent of available cash flow with the entire balance due December 2037 and collateralized by a deed of trust, security agreement, financing statement and assignment of rents and revenues. 1,242,721

Redtail Ponds Permanent Supportive Housing, LLLP - Notes receivable with stated interest rates ranging from 2.50% to 4.00% per annum, yearly payments to the extent of available cash flow with the entire balance due January 2045 and collateralized by a deed of trust and an agreement of restrictive covenants on the property. 1,647,370

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Village on Redwood, LLLP - Notes receivable with stated interest rates ranging from 2.50% to 4.00% per annum, yearly payments to the extent of available cash flow with the entire balance due January 2045 and collateralized by a deed of trust and an agreement of restrictive covenants on the property.	5,387,233
Village on Horsetooth, LLLP - Note receivable with a stated interest rate of 2.68% per annum, yearly payments to the extent of available cash flow with the entire balance due August 2057 and collateralized by a deed of trust and an agreement of restrictive covenants on the property.	4,617,608
Village on Shields, LLLP - Notes receivable with stated interest rates ranging from 2.00% to 2.60% per annum, yearly payments to the extent of available cash flow with the entire balance due April 2059 and collateralized by a deed of trust and an agreement of restrictive covenants on the property.	20,569,741
Mason Place, LLLP - Notes receivable with stated interest rates ranging from 2.00% to 2.60% per annum, yearly payments to the extent of available cash flow with the entire balance due April 2059 and collateralized by a deed of trust and an agreement of restrictive covenants on the property.	1,321,989
Other notes receivable	<u>20,710</u>
Total notes receivable	38,007,379
Less current portion	<u>(9,447)</u>
Notes receivable - net of current portion	<u><u>\$ 37,997,932</u></u>

Fort Collins Housing Authority dba Housing Catalyst

Notes to Financial Statements
December 31, 2019

Note 6 - Capital Assets

The following is a summary of capital assets for the year ended December 31, 2019:

Primary Government

	Balance 01/01/19	Additions	Deletions	Balance 12/31/19
Non-Depreciable				
Land	\$ 4,135,801	\$ -	\$ (1,236,355)	\$ 2,899,446
	<u>4,135,801</u>	<u>-</u>	<u>(1,236,355)</u>	<u>2,899,446</u>
Depreciable/Amortizable				
Buildings and improvements	6,739,874	70,775	(2,910,158)	3,900,491
Furniture and equipment	1,046,470	-	(23,389)	1,023,081
Leased equipment	49,322	125,325	-	174,647
	<u>7,835,666</u>	<u>196,100</u>	<u>(2,933,547)</u>	<u>5,098,219</u>
Total depreciable capital assets				
Less: Accumulated Depreciation				
Buildings and improvements	(3,588,020)	(164,505)	708,906	(3,043,619)
Furniture and equipment	(1,002,326)	(18,004)	20,130	(1,000,200)
Less: Accumulated Amortization				
Leased equipment	(10,840)	(19,207)	-	(30,047)
	<u>(4,601,186)</u>	<u>(201,716)</u>	<u>729,036</u>	<u>(4,073,866)</u>
Total accumulated depreciation and amortization				
Net Depreciable Capital Assets	<u>3,234,480</u>	<u>(5,616)</u>	<u>(2,204,511)</u>	<u>1,024,353</u>
Total	<u>\$ 7,370,281</u>	<u>\$ (5,616)</u>	<u>\$ (3,440,866)</u>	<u>\$ 3,923,799</u>

Discretely Presented Component Units

Mason Place

	Balance 01/01/19	Additions	Deletions	Balance 12/31/19
Non-Depreciable				
Land	\$ -	\$ 2,868,000	\$ -	\$ 2,868,000
Construction in progress	-	2,977,265	-	2,977,265
	<u>-</u>	<u>5,845,265</u>	<u>-</u>	<u>5,845,265</u>
Total	<u>\$ -</u>	<u>\$ 5,845,265</u>	<u>\$ -</u>	<u>\$ 5,845,265</u>

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Redtail Ponds PSH

	Balance 01/01/19	Additions	Deletions	Balance 12/31/19
Non-Depreciable				
Land	\$ 862,000	\$ -	\$ -	\$ 862,000
	<u>862,000</u>	<u>-</u>	<u>-</u>	<u>862,000</u>
Depreciable				
Buildings and improvements	9,498,123	-	-	9,498,123
Land improvements	1,229,790	-	-	1,229,790
Furniture and equipment	422,884	-	-	422,884
Total depreciable capital assets	<u>11,150,797</u>	<u>-</u>	<u>-</u>	<u>11,150,797</u>
Total accumulated depreciation	<u>(1,866,971)</u>	<u>(487,784)</u>	<u>-</u>	<u>(2,354,755)</u>
Net Depreciable Capital Assets	<u>9,283,826</u>	<u>(487,784)</u>	<u>-</u>	<u>8,796,042</u>
Total	<u>\$ 10,145,826</u>	<u>\$ (487,784)</u>	<u>\$ -</u>	<u>\$ 9,658,042</u>

Village on Elizabeth

	Balance 01/01/19	Additions	Deletions	Balance 12/31/19
Non-Depreciable				
Land	\$ 640,000	\$ -	\$ -	\$ 640,000
	<u>640,000</u>	<u>-</u>	<u>-</u>	<u>640,000</u>
Depreciable				
Buildings and improvements	4,689,947	9,000	-	4,698,947
Furniture and equipment	562,755	-	-	562,755
Total depreciable capital assets	<u>5,252,702</u>	<u>9,000</u>	<u>-</u>	<u>5,261,702</u>
Total accumulated depreciation	<u>(2,361,110)</u>	<u>(193,983)</u>	<u>-</u>	<u>(2,555,093)</u>
Net Depreciable Capital Assets	<u>2,891,592</u>	<u>(184,983)</u>	<u>-</u>	<u>2,706,609</u>
Total	<u>\$ 3,531,592</u>	<u>\$ (184,983)</u>	<u>\$ -</u>	<u>\$ 3,346,609</u>

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Notes to Financial Statements
December 31, 2019

Village on Horsetooth

	Balance 01/01/19	Additions	Deletions	Balance 12/31/19
Non-Depreciable				
Land	\$ 1,113,963	\$ -	\$ -	\$ 1,113,963
	<u>\$ 1,113,963</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,113,963</u>
Depreciable				
Buildings and improvements	22,627,098	99,185	-	22,726,283
Land improvements	1,194,759	8,537	-	1,203,296
Furniture and equipment	542,378	15,879	-	558,257
Total depreciable capital assets	<u>24,364,235</u>	<u>123,601</u>	<u>-</u>	<u>24,487,836</u>
Less: Accumulated Depreciation				
Buildings and improvements	(126,366)	(1,018,282)	-	(1,144,648)
Total accumulated depreciation	<u>(126,366)</u>	<u>(1,018,282)</u>	<u>-</u>	<u>(1,144,648)</u>
Net Depreciable Capital Assets	<u>24,237,869</u>	<u>(894,681)</u>	<u>-</u>	<u>23,343,188</u>
Total	<u>\$ 25,351,832</u>	<u>\$ (894,681)</u>	<u>\$ -</u>	<u>\$ 24,457,151</u>

Village on Plum

	Balance 01/01/19	Additions	Deletions	Balance 12/31/19
Non-Depreciable				
Land	\$ 543,454	\$ -	\$ -	\$ 543,454
	<u>543,454</u>	<u>-</u>	<u>-</u>	<u>543,454</u>
Depreciable				
Buildings and improvements	12,826,728	-	-	12,826,728
Land improvements	1,411,097	5,300	-	1,416,397
Furniture and equipment	432,135	-	-	432,135
Total depreciable capital assets	<u>14,669,960</u>	<u>5,300</u>	<u>-</u>	<u>14,675,260</u>
Total accumulated depreciation	<u>(2,400,080)</u>	<u>(655,653)</u>	<u>-</u>	<u>(3,055,733)</u>
Net Depreciable Capital Assets	<u>12,269,880</u>	<u>(650,353)</u>	<u>-</u>	<u>11,619,527</u>
Total	<u>\$ 12,813,334</u>	<u>\$ (650,353)</u>	<u>\$ -</u>	<u>\$ 12,162,981</u>

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Notes to Financial Statements
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Village on Redwood

	Balance 01/01/19	Additions	Deletions	Balance 12/31/19
Non-Depreciable				
Land	\$ 230,000	\$ -	\$ -	\$ 230,000
	<u>230,000</u>	<u>-</u>	<u>-</u>	<u>230,000</u>
Depreciable				
Buildings and improvements	16,722,452	-	-	16,722,452
Land improvements	1,581,517	-	-	1,581,517
Furniture and equipment	307,303	-	-	307,303
Total depreciable capital assets	<u>18,611,272</u>	<u>-</u>	<u>-</u>	<u>18,611,272</u>
Total accumulated depreciation	<u>(1,227,058)</u>	<u>(774,984)</u>	<u>-</u>	<u>(2,002,042)</u>
Net Depreciable Capital Assets	<u>17,384,214</u>	<u>(774,984)</u>	<u>-</u>	<u>16,609,230</u>
Total	<u>\$ 17,614,214</u>	<u>\$ (774,984)</u>	<u>\$ -</u>	<u>\$ 16,839,230</u>

Village on Shields

	Balance 01/01/19	Additions	Deletions	Balance 12/31/19
Non-Depreciable				
Land	\$ 3,858,432	\$ -	\$ -	\$ 3,858,432
	<u>3,858,432</u>	<u>-</u>	<u>-</u>	<u>3,858,432</u>
Depreciable				
Buildings and improvements	54,446,360	43,827	-	54,490,187
Land improvements	2,457,973	591,258	-	3,049,231
Furniture and equipment	2,000,853	14,853	-	2,015,706
Total depreciable capital assets	<u>58,905,186</u>	<u>649,938</u>	<u>-</u>	<u>59,555,124</u>
Less: Accumulated Depreciation				
Buildings and improvements	<u>(2,242,148)</u>	<u>(2,547,480)</u>	<u>-</u>	<u>(4,789,628)</u>
Total accumulated depreciation	<u>(2,242,148)</u>	<u>(2,547,480)</u>	<u>-</u>	<u>(4,789,628)</u>
Net Depreciable Capital Assets	<u>56,663,038</u>	<u>(1,897,542)</u>	<u>-</u>	<u>54,765,496</u>
Total	<u>\$ 60,521,470</u>	<u>\$ (1,897,542)</u>	<u>\$ -</u>	<u>\$ 58,623,928</u>

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Notes to Financial Statements
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Village on Stanford

	Balance 01/01/19	Additions	Deletions	Balance 12/31/19
Non-Depreciable				
Land	\$ 998,437	\$ -	\$ -	\$ 998,437
	<u>998,437</u>	<u>-</u>	<u>-</u>	<u>998,437</u>
Depreciable				
Buildings and improvements	8,574,150	13,322	-	8,587,472
Land improvements	66,615	-	-	66,615
Furniture and equipment	226,186	-	-	226,186
Total depreciable capital assets	<u>8,866,951</u>	<u>13,322</u>	<u>-</u>	<u>8,880,273</u>
Total accumulated depreciation	<u>(3,187,209)</u>	<u>(322,527)</u>	<u>-</u>	<u>(3,509,736)</u>
Net Depreciable Capital Assets	<u>5,679,742</u>	<u>(309,205)</u>	<u>-</u>	<u>5,370,537</u>
Total	<u>\$ 6,678,179</u>	<u>\$ (309,205)</u>	<u>\$ -</u>	<u>\$ 6,368,974</u>

Note 7 - Long-Term Debt

During the year ended December 31, 2019, the following changes occurred in long-term debt:

Primary Government

	Balance January 1	Increases	Decreases	Balance December 31	Due Within One Year
Notes Payable	<u>\$ 4,073,038</u>	<u>\$ -</u>	<u>\$ (3,004,351)</u>	<u>\$ 1,068,687</u>	<u>\$ 83,064</u>

Discretely Presented Component Units

Mason Place

	Balance January 1	Increases	Decreases	Balance December 31	Due Within One Year
Notes Payable	<u>\$ -</u>	<u>\$ 3,721,598</u>	<u>\$ -</u>	<u>\$ 3,721,598</u>	<u>\$ -</u>

Redtail Ponds PSH

	Balance January 1	Increases	Decreases	Balance December 31	Due Within One Year
Notes Payable	<u>\$ 4,604,247</u>	<u>\$ 79,170</u>	<u>\$ (46,326)</u>	<u>\$ 4,637,091</u>	<u>\$ 48,094</u>

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Notes to Financial Statements
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Village on Elizabeth

	Balance January 1	Increases	Decreases	Balance December 31	Due Within One Year
Notes Payable	\$ 4,111,161	\$ 71,371	\$ (17,613)	\$ 4,164,919	\$ 18,701

Village on Horsetooth

	Balance January 1	Increases	Decreases	Balance December 31	Due Within One Year
Notes Payable	\$ 19,615,047	\$ 5,759,761	\$ (11,663,665)	\$ 13,711,143	\$ 144,807

Village on Plum

	Balance January 1	Increases	Decreases	Balance December 31	Due Within One Year
Notes Payable	\$ 10,248,983	\$ 157,349	\$ (119,729)	\$ 10,286,603	\$ 126,945

Village on Redwood

	Balance January 1	Increases	Decreases	Balance December 31	Due Within One Year
Notes Payable	\$ 9,324,560	\$ 221,885	\$ (42,357)	\$ 9,504,088	\$ 43,624

Village on Shields

	Balance January 1	Increases	Decreases	Balance December 31	Due Within One Year
Notes Payable	\$ 20,800,787	\$ 18,921,125	\$ (462,081)	\$ 39,259,831	\$ 207,611

Village on Stanford

	Balance January 1	Increases	Decreases	Balance December 31	Due Within One Year
Notes Payable	\$ 5,233,115	\$ 3,318	\$ (77,719)	\$ 5,158,714	\$ 28,389

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Notes payable as of December 31, 2019, consisted of the following:

Primary Government

Mountain Office Remodel - Note payable due to First Bank with a stated interest rate of 3.00% per annum, due in monthly principal and interest installments of \$5,534 with a maturity date of October 2027 and secured by a deed of trust and all deposit accounts held by First Bank Holding Company.	\$ 462,361
Mason Place - Notes payable due to ANB Bank with a stated interest rate of 3.95% per annum, due in monthly principal and interest installments of \$16,092 with a maturity date of January 2023 and secured by a deed of trust and all deposit accounts held by ANB Bank.	506,576
Mason Place - Notes payable due to Villages, Ltd. with stated interest rates of 4.50% per annum, due in monthly interest installments with maturity dates of January 2022 and secured by a deed of trust.	<u>99,750</u>
Total notes payable - Primary Government	<u><u>\$ 1,068,687</u></u>

Discretely Presented Component Units

Mason Place

Construction loan payable with a maximum available amount of \$9,500,000 with a stated and effective interest rate of 4.35% per annum and secured by real property with a maturity date of September 2037. The note will be converted to permanent financing with an maximum principal balance of \$2,300,000.	\$ 1,199,609
Mortgage notes payable due to Housing Catalyst with stated and effective interest rates ranging from 1.00% to 5.00% per annum, due in annual installments from cash flow or proceeds of capital transactions with maturity dates ranging from December 2050 to December 2060 and secured by a mortgage on substantially all assets and an assignment of rent.	1,321,989
Mortgage note payable with a stated and effective interest rate of 0.00% per annum, due in annual with the principal balance due on the maturity date of September 2059 and secured by real property.	<u>1,200,000</u>
Total notes payable - Mason Place	<u><u>\$ 3,721,598</u></u>

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Redtail Ponds PSH

Mortgage note payable with a stated interest rate of 3.75% per annum and an effective interest rate of 3.92%, due in monthly principal and interest installments of \$10,559 with a maturity date of April 2046 and secured by a mortgage on substantially all assets and an assignment of rent.	\$ 2,118,292
Mortgage notes payable due to Housing Catalyst with stated and effective interest rates ranging from 2.50% to 4.00% per annum, due in annual installments from cash flow or proceeds of capital transactions with a maturity date of January 2045 and secured by a deed of trust and an Agreement of Restrictive Covenants Affecting Real Property.	1,647,370
Mortgage note payable due to Villages, LTD with a stated and effective interest rate of 4.00% per annum, due in annual installments from cash flow or proceeds of capital transactions with a maturity date of January 2045 and secured by a mortgage on substantially all assets and an assignment of rent.	<u>966,269</u>
Total notes payable - Redtail Ponds PSH	4,731,931
Less: unamortized debt issuance costs	<u>(94,840)</u>
Total notes payable, net - Redtail Ponds PSH	<u><u>\$ 4,637,091</u></u>

Village on Elizabeth

Mortgage note payable with a stated interest rate of 7.20% per annum and an effective interest rate of 7.33%, due in monthly principal and interest installments of \$5,876 with a maturity date of June 2026 and secured by a mortgage on substantially all assets and an assignment of rent.	\$ 798,125
Mortgage note payable with a stated interest rate of 3.00% per annum and an effective interest rate of 3.13%, due in monthly principal and interest installments of \$866 with a maturity date of June 2026 and secured by a mortgage on all property and equipment and an assignment of rent.	175,073
Mortgage notes payable due to Housing Catalyst with stated and effective interest rates ranging from 3.50% to 5.31% per annum, due in annual installments from cash flow or proceeds of capital transactions with a maturity date of December 2037 and secured by a mortgage on substantially all assets and an assignment of rent.	<u>2,288,140</u>
Total notes payable - Village on Elizabeth	3,261,338
Long-term accrued interest due to Housing Catalyst added to principal balance	911,867
Less: unamortized debt issuance costs	<u>(8,286)</u>
Total notes payable, net - Village on Elizabeth	<u><u>\$ 4,164,919</u></u>

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Notes to Financial Statements

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Village on Horsetooth

Mortgage note payable with a stated and effective interest rate of 3.285% per annum, due in monthly installments of principal and interest of \$31,933 starting January 2020 with a maturity date of December 2049 and secured by a mortgage on substantially all assets and an assignment of rent.	\$ 7,302,869
Mortgage note payable due to the State of Colorado with a stated and effective interest rate of 0.00% per annum, due in annual installments of principal and interest from available cash flows of \$52,632 beginning in June 2020 with a maturity date of August 2057 and secured by real property.	2,000,000
Mortgage note payable due to Housing Catalyst with a stated and effective interest rate of 2.68% per annum, due in annual installments from cash flow or proceeds of capital transactions with a maturity date of August 2057 and secured by a mortgage on substantially all assets and an assignment of rent.	<u>4,486,143</u>
Total notes payable - Village on Horsetooth	13,789,012
Long-term accrued interest due to Housing Catalyst added to principal balance	\$ 131,465
Less: unamortized debt issuance costs	<u>(209,334)</u>
Total notes payable, net - Village on Horsetooth	<u><u>\$ 13,711,143</u></u>

Village on Plum

Mortgage note payable with a stated interest rate of 3.75% per annum and an effective interest rate of 4.17%, due in monthly principal and interest installments of \$10,559 with a maturity date of April 2046 and secured by a mortgage on substantially all assets and an assignment of rent.	\$ 5,718,633
Mortgage notes payable due to Villages, LTD with stated and effective interest rates of 3.50% per annum, due in annual installments from cash flow or proceeds of capital transactions with maturity dates of October 2044 and secured by a mortgage on substantially all assets and an assignment of rent.	<u>4,792,537</u>
Total notes payable - Village on Plum	10,511,170
Less: unamortized debt issuance costs	<u>(224,567)</u>
Total notes payable, net - Village on Plum	<u><u>\$ 10,286,603</u></u>

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Notes to Financial Statements

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Village on Redwood

Mortgage note payable due to the Bank of Colorado with a stated interest rate of 4.25% per annum and an effective interest rate of 4.9%, due in monthly installments of principal and interest of \$12,414 with a maturity date of February 2036 and secured by real property, operating reserve account and assignment of rents of the Partnership.	\$ 2,457,910
Mortgage note payable due to the State of Colorado with a stated and effective interest rate of 0.00% per annum, due in annual installments of principal and interest from available cash flows of \$48,879 beginning in June 2018 with a maturity date of March 2056 and secured by real property.	1,906,269
Mortgage notes payable due to Housing Catalyst with stated and effective interest rates of 4.00% per annum, due in annual installments from cash flow or proceeds of capital transactions with a maturity date of April 2056 and secured by a mortgage on substantially all assets and an assignment of rent.	<u>5,387,233</u>
Total notes payable - Village on Redwood	9,751,412
Less: unamortized debt issuance costs	<u>(247,324)</u>
Total notes payable, net - Village on Redwood	<u><u>\$ 9,504,088</u></u>

Village on Shields

Mortgage note payable due to the US Bank National Association with a stated interest rate of 4.79% per annum and an effective interest rate of 3.19%, due in monthly installments of principal and interest of \$89,474 with a maturity date of October 2036 and secured by real property, operating reserve account and assignment of rents of the Partnership.	\$ 18,175,353
Mortgage note payable due to the State of Colorado with a stated and effective interest rate of 1.00% per annum, due in annual installments of principal and interest from available cash flows of \$16,701 beginning in May 2019 with a maturity date of May 2059 and secured by real property.	557,610
Mortgage notes payable due to Housing Catalyst with stated and effective interest rates ranging from 2.00% of 2.60% per annum, due in annual installments from cash flow or proceeds of capital transactions with a maturity date of April 2059 and secured by a mortgage on substantially all assets and an assignment of rent.	19,665,382
Mortgage notes payable due to Villages, Ltd with stated and effective interest rates ranging from 2.00% to 2.60% per annum, due in annual installments from cash flow or proceeds of capital transactions with maturity dates of April 2059 and secured by a mortgage on substantially all assets and an assignment of rent.	<u>500,000</u>
Total notes payable - Village on Shields	38,898,345

Fort Collins Housing Authority dba Housing Catalyst

Notes to Financial Statements
December 31, 2019

Long-term accrued interest added to principal balance	\$ 937,394
Less: unamortized debt issuance costs	<u>(575,908)</u>
 Total notes payable, net - Village on Shields	 <u><u>\$ 39,259,831</u></u>

Village on Stanford

Mortgage note payable with a stated interest rate of 7.85% per annum and an effective interest rate of 8.14%, due in monthly principal and interest installments of \$12,889 with a maturity date of December 2028 and secured by a mortgage on substantially all assets and an assignment of rent. \$ 1,776,647

Mortgage notes payable due to Housing Catalyst with stated and effective interest rates of 3.57% per annum, due in annual installments from cash flow or proceeds of capital transactions with a maturity date of December 2038 and secured by a mortgage on substantially all assets and an assignment of rent. 1,242,721

Mortgage note payable due to Villages, LTD with a stated and effective interest rate of 3.57% per annum, due in annual installments from cash flow or proceeds of capital transactions with a maturity date of December 2038 and secured by a mortgage on substantially all assets and an assignment of rent. 729,867

CDBG mortgage note payable with a stated and effective interest rate of 0.00% per annum, due in annual installments from cash flow or proceeds of capital transactions with a maturity date of December 2038 and secured by a mortgage on substantially all assets and an assignment of rent. 219,534

CDBG mortgage note payable with a stated and effective interest rate of 0.00% per annum, due in annual installments from cash flow or proceeds of capital transactions with a maturity date of December 2038 and secured by a mortgage on substantially all assets and an assignment of rent. 230,466

Tax Credit Assistance Program (TCAP) loan payable from the Colorado Housing and Finance Authority with a stated and effective interest rate of 0.00% per annum, with the principal balance due on the maturity date of February 2029 and secured by a second mortgage on substantially all assets and an assignment of rent. 989,065

Total notes payable - Village on Stanford 5,188,300

Less: unamortized debt issuance costs (29,586)

Total notes payable, net - Village on Stanford \$ 5,158,714

Fort Collins Housing Authority dba Housing Catalyst

Notes to Financial Statements
December 31, 2019

The estimated debt requirements to maturity for the year ending December 31, 2019 are as follows:

Primary Government

	Principal	Interest	Total
2020	\$ 83,064	\$ 37,649	\$ 120,713
2021	86,020	34,693	120,713
2022	188,735	27,239	215,974
2023	470,817	9,667	480,484
2024	59,918	5,489	65,407
2025-2029	180,133	8,101	188,234
Total	<u>\$ 1,068,687</u>	<u>\$ 122,838</u>	<u>\$ 1,191,525</u>

Discretely Presented Component Units

Mason Place

	Principal	Interest	Total
2020	\$ -	\$ 118,183	\$ 118,183
2021	-	118,183	118,183
2022	-	118,183	118,183
2023	-	118,183	118,183
2024	-	118,183	118,183
2025-2029	-	590,915	590,915
2030-2034	-	590,915	590,915
2035-2039	1,199,609	469,155	1,668,764
2040-2044	-	330,000	330,000
2045-2049	-	330,000	330,000
2050-2054	-	330,000	330,000
2055-2059	1,200,000	330,000	1,530,000
2060-2064	1,321,989	66,000	1,387,989
Total	<u>\$ 3,721,598</u>	<u>\$ 3,627,900</u>	<u>\$ 7,349,498</u>

Fort Collins Housing Authority dba Housing Catalyst

Notes to Financial Statements
December 31, 2019

Redtail Ponds PSH

	Principal	Interest	Total
2020	\$ 48,094	\$ 154,183	\$ 202,277
2021	49,928	152,349	202,277
2022	51,833	150,444	202,277
2023	53,811	148,466	202,277
2024	55,864	146,413	202,277
2025-2029	312,961	698,422	1,011,383
2030-2034	377,393	633,990	1,011,383
2035-2039	455,089	556,294	1,011,383
2040-2044	548,782	462,601	1,011,383
2045-2049	2,778,176	10,705	2,788,881
Total	\$ 4,731,931	\$ 3,113,867	\$ 7,845,798

Village on Elizabeth

	Principal	Interest	Total
2020	\$ 18,701	\$ 186,642	\$ 205,343
2021	19,864	185,480	205,344
2022	21,106	184,238	205,344
2023	22,433	182,911	205,344
2024	23,852	181,492	205,344
2025-2029	867,243	704,887	1,572,130
2030-2034	-	622,180	622,180
2035-2039	3,200,006	373,308	3,573,314
Total	\$ 4,173,205	\$ 2,621,138	\$ 6,794,343

Village on Horsetooth

	Principal	Interest	Total
2020	\$ 144,807	\$ 362,469	\$ 507,276
2021	202,940	356,633	559,573
2022	207,952	351,620	559,572
2023	213,132	346,440	559,572
2024	217,870	341,703	559,573
2025-2029	1,178,493	1,619,368	2,797,861
2030-2034	1,341,705	1,456,156	2,797,861
2035-2039	1,534,026	1,263,835	2,797,861
2040-2044	1,760,458	1,037,403	2,797,861
2045-2049	2,027,802	770,056	2,797,858
2050-2054	263,158	618,737	881,895
2055-2059	4,828,134	329,993	5,158,127
Total	\$ 13,920,477	\$ 8,854,413	\$ 22,774,890

Fort Collins Housing Authority dba Housing Catalyst

Notes to Financial Statements
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Village on Plum

	Principal	Interest	Total
2020	\$ 126,945	\$ 360,992	\$ 487,937
2021	132,552	354,996	487,548
2022	137,747	349,801	487,548
2023	143,145	344,403	487,548
2024	148,754	338,794	487,548
2025-2029	835,912	1,601,825	2,437,737
2030-2034	4,193,578	1,383,283	5,576,861
2035-2039	-	710,189	710,189
2040-2044	4,792,537	686,546	5,479,083
Total	\$ 10,511,170	\$ 6,130,829	\$ 16,641,999

Village on Redwood

	Principal	Interest	Total
2020	\$ 43,624	\$ 321,490	\$ 365,114
2021	94,719	318,703	413,422
2022	96,734	316,688	413,422
2023	98,837	314,585	413,422
2024	100,757	312,665	413,422
2025-2029	541,306	1,525,803	2,067,109
2030-2034	612,572	1,454,537	2,067,109
2035-2039	1,798,055	1,153,900	2,951,955
2040-2044	244,394	1,077,862	1,322,256
2045-2049	244,394	1,077,862	1,322,256
2050-2054	244,394	1,077,862	1,322,256
2055-2059	5,631,626	287,430	5,919,056
Total	\$ 9,751,412	\$ 9,239,387	\$ 18,990,799

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Notes to Financial Statements
December 31, 2019

Village on Shields

	Principal	Interest	Total
2020	\$ 207,611	\$ 1,346,767	\$ 1,554,378
2021	228,744	1,341,030	1,569,774
2022	239,517	1,330,257	1,569,774
2023	250,814	1,318,960	1,569,774
2024	262,659	1,307,115	1,569,774
2025-2029	1,512,139	6,336,732	7,848,871
2030-2034	1,907,680	5,941,191	7,848,871
2035-2039	13,794,415	3,589,006	17,383,421
2040-2044	67,583	2,412,827	2,480,410
2045-2049	71,031	2,409,379	2,480,410
2050-2054	74,654	2,405,756	2,480,410
2055-2059	21,218,892	2,082,361	23,301,253
Total	\$ 39,835,739	\$ 31,821,381	\$ 71,657,120

Village on Stanford

	Principal	Interest	Total
2020	\$ 13,394	\$ 211,692	\$ 225,086
2021	14,914	210,172	225,086
2022	16,146	208,940	225,086
2023	17,479	207,607	225,086
2024	18,526	206,560	225,086
2025-2029	2,685,253	1,014,773	3,700,026
2030-2034	-	352,107	352,107
2035-2039	2,422,588	281,686	2,704,274
Total	\$ 5,188,300	\$ 2,693,537	\$ 7,881,837

Fort Collins Housing Authority dba Housing Catalyst

Notes to Financial Statements
December 31, 2019

Note 8 - Construction Loan Payable

Village on Shields, LLLP had a construction loan payable with JPMorgan Chase Bank with a fixed interest rate of 3.81% and interest only payments during the construction period. The loan had a maximum available amount of \$35,000,000 and an original maturity date of September 2019. The loan was secured by a first mortgage on all real property and improvements on the property, assignment of leases, rents and other income, assignments of all service, construction and architect's contracts and an assignment of capital contributions. The construction loan was paid in full and converted to permanent financing with U.S. Bank National Association on August 2, 2019 with a principal balance of \$18,209,000.

Note 9 - Leases Payable

Housing Catalyst is leasing seven vehicles for the maintenance departments and six copiers for various locations. The lease terms are between four and five years and have monthly payments of \$3,835. The lease payment requirements to maturity for the year ending December 31, 2019 are as follows:

	Principal	Interest	Total
2020	\$ 30,030	\$ 15,991	\$ 46,021
2021	33,377	12,644	46,021
2022	34,565	8,882	43,447
2023	29,516	5,011	34,527
2024	21,067	1,038	22,105
Total	<u>\$ 148,555</u>	<u>\$ 43,566</u>	<u>\$ 192,121</u>

Note 10 - Restricted Net Position

As of December 31, 2019, restricted net position consisted of \$285,791 in Section 8 HAP received but not yet paid to eligible individuals.

Note 11 - Annual Contributions Contract

Housing Catalyst has an annual contributions contract for Section 8 HAP and adjustments vary based on requirements. The maximum contract was \$11,740,366 for the year ended December 31, 2019.

Fort Collins Housing Authority dba Housing Catalyst

Notes to Financial Statements
December 31, 2019

Note 12 - Related Party Transactions

Management Fees and Reimbursement of Expenses

Housing Catalyst is also a general partner in Mason Place, LLLP, a 60 unit low income housing tax credit project, and provides management services to the project. After the completion of construction, under the management agreement, Housing Catalyst is to be paid management fees totaling 6% of net rental income and accounting fees totaling 4% of net rental income on the project. During the year ended December 31, 2019, Housing Catalyst did not receive compensation for management services.

Housing Catalyst is also a general partner in Redtail Ponds PSH, LLLP, a 60 unit low income housing tax credit project, and provides management services to the project. Under the management agreement, Housing Catalyst is to be paid management fees totaling 8% of net rental income and accounting fees totaling 3% of net rental income on the project. During the year ended December 31, 2019, Housing Catalyst earned \$82,041 for these fees. As of December 31, 2019, Housing Catalyst was owed \$874 for these fees and that balance is included in accounts receivable. Additionally, under the partnership agreement, Housing Catalyst is to be paid an annual Partnership Management Fee of \$20,000. The fee is payable solely to the extent that there are funds available to make the payment and does not accrue. During the year ended December 31, 2019, Housing Catalyst earned \$7,212 for this fee and it is included in accounts receivable as of December 31, 2019.

Housing Catalyst is also a general partner in Village on Elizabeth, LLLP, a 48 unit low income housing tax credit project, and provides management services to the project. Under the management agreement, Housing Catalyst is to be paid management fees totaling 7.5% of gross collections on the project. During the year ended December 31, 2019, Housing Catalyst earned \$36,866 in property management fees. As of December 31, 2019, Housing Catalyst was owed \$410 for that fee and that balance is included in accounts receivable.

Housing Catalyst is also a general partner in Village on Horsetooth, LLLP, a 92 unit low income housing tax credit project, and provides management services to the project. Under the management agreement, Housing Catalyst is to be paid management fees totaling 8% of net rental income and accounting fees totaling 9% of net rental income on the project. During the year ended December 31, 2019, Housing Catalyst earned \$147,877 for these fees. As of December 31, 2019, Housing Catalyst was owed \$824 for these fees and that balance is included in accounts receivable.

Housing Catalyst is also a general partner in Village on Plum, LLLP, a 95 unit low income housing tax credit project, and provides management services to the project. Under the management agreement, Housing Catalyst is to be paid management fees totaling 8% of net rental income and accounting fees totaling 3% of net rental income on the project. During the year ended December 31, 2019, Housing Catalyst earned \$118,060 for these fees. As of December 31, 2019, Housing Catalyst was owed \$946 for these fees and that balance is included in accounts receivable.

Fort Collins Housing Authority dba Housing Catalyst

Notes to Financial Statements
December 31, 2019

Housing Catalyst is also a general partner in Village on Redwood, LLLP, a 72 unit low income housing tax credit project, and provides management services to the project. Under the management agreement, Housing Catalyst is to be paid management fees totaling 8% of net rental income and accounting fees totaling 9% of net rental income on the project. During the year ended December 31, 2019, Housing Catalyst earned \$128,767 for these fees. As of December 31, 2019, Housing Catalyst was owed \$652 for these fees and that balance is included in accounts receivable. Additionally, under the partnership agreement, Housing Catalyst is to be paid an annual Partnership Management Fee of \$15,000. The fee increases by 3% on an annual basis, is payable from available cash and accrues to the extent that the fee was not paid during the year. During the year ended December 31, 2019, Housing Catalyst earned \$15,914 for this fee and it is included in accounts receivable as of December 31, 2019.

Housing Catalyst is also a general partner in Village on Shields, LLLP, a 285 unit low income housing tax credit project, and provides management services to the project. Under the management agreement, Housing Catalyst is to be paid management fees totaling 8% of rental income and accounting fees totaling 3% of rental income on the project. During the year ended December 31, 2019, Housing Catalyst earned \$333,571 for these fees. As of December 31, 2019, Housing Catalyst was owed \$2,626 for these fees and that balance is included in accounts receivable.

Housing Catalyst is also a general partner in Village on Stanford, LLLP, an 82 unit low income housing tax credit project, and provides management services to the project. Under the management agreement, Housing Catalyst is to be paid management fees totaling 8% of gross rents of the project. During the year ended December 31, 2019, Housing Catalyst received \$58,200 in property management fees. As of December 31, 2019, Housing Catalyst was owed \$599 for these fees and that balance is included in accounts receivable.

Housing Catalyst is reimbursed for various office expenses, caretaker payroll and benefits, and other maintenance costs incidental to the operations of Redtail Ponds, VOE, VOH, VOP, VOR VOSH and VOS. During the year ended December 31, 2019, Housing Catalyst received approximately \$410,100 from Redtail, \$121,723 from VOE, \$172,000 from VOH, \$224,500 from VOP, \$129,200 from VOR, \$597,000 from VOSH and \$196,700 from VOS for these expenses. As of December 31, 2019, Housing Catalyst was owed \$13,240 from Redtail, \$4,584 from VOE, \$8,250 from VOH, \$7,538 from VOP, \$5,186 from VOR, \$17,559 from VOSH and \$7,573 from VOS for these fees and expenses and those balances are included in accounts receivable. There were no balances reimbursed or due from Mason Place.

Fort Collins Housing Authority dba Housing Catalyst

Notes to Financial Statements
December 31, 2019

As of December 31, 2019, Housing Catalyst was owed \$52,758, \$1,626,739, \$462,829, \$396,480 and \$5,110,607 in developer fees from Redtail Ponds Permanent Supportive Housing, LLLP, Village on Horsetooth, LLLP, Village on Plum, LLLP, Village on Redwood, LLLP and Village on Shields, LLLP, respectively, related to the construction and development of the projects. Of these amounts, the Authority expects to receive \$52,758 from Redtail Ponds, \$1,148,101 from VOH, \$80,845 from VOP, \$69,969 from VOR and \$590,217 from VOSH during 2020. The remaining balances of \$0, \$478,638, \$381,984, \$326,510 and \$4,520,390, respectively, will be paid to Housing Catalyst from future available cash flows of the projects. In addition, Housing Catalyst was owed accrued interest of \$2,436, \$57,988, \$37,503 and \$20,893 from Redtail Ponds, VOH, VOP and VOR, respectively, as of December 31, 2019.

Notes Receivable

As of December 31, 2019, Housing Catalyst was owed \$1,321,989 on one note receivable from Mason Place with a stated interest rate of 5.00% per annum (see Note 4). Interest income from Mason Place for the year ended December 31, 2019, was \$1,989.

As of December 31, 2019, Housing Catalyst was owed \$1,647,370 on two notes receivable from Redtail Ponds PSH with stated interest rates ranging from 2.50% per annum to 4.00% per annum (see Note 4). Interest income from Redtail Ponds for the year ended December 31, 2019, was \$43,569.

As of December 31, 2019, Housing Catalyst was owed \$3,200,007 on various notes receivable from VOE with interest rates ranging from 3.50% per annum to 5.31% per annum (see Note 4). In addition, Housing Catalyst was owed accrued interest of \$63,356 from VOE. Interest income from VOE for the year ended December 31, 2019, was \$124,436.

As of December 31, 2019, Housing Catalyst was owed \$4,486,143 on three notes receivable from VOH with stated interest rates of 2.68% per annum (see Note 4). Interest income from VOH for the year ended December 31, 2019, was \$96,842.

As of December 31, 2019, Housing Catalyst was owed \$5,387,233 on three notes receivable from VOR with stated interest rates of 4.00% per annum (see Note 4). Interest income from VOR for the year ended December 31, 2019, was \$207,262.

As of December 31, 2019, Housing Catalyst was owed \$19,665,382 on five notes receivable from VOSH with stated interest rates ranging from 2.00% to 2.60% per annum (see Note 4). Interest income from VOSH for the year ended December 31, 2019, was \$458,124.

As of December 31, 2019, Housing Catalyst was owed \$1,242,721 on two notes receivable from VOS with stated interest rates of 3.57% per annum (see Note 4). In addition, Housing Catalyst was owed accrued interest of \$44,365 from VOS. Interest income from VOS for the year ended December 31, 2019, was \$44,365.

Fort Collins Housing Authority dba Housing Catalyst

Notes to Financial Statements
December 31, 2019

Investment in Tax Credit Partnerships

Housing Catalyst is the managing general partner in Mason Place, Redtail Ponds, VOE, VOH, VOP, VOR, VOSH and VOS with ownership interests generally 0.01% or less. As the general partner, Housing Catalyst has the day to day management responsibilities of each partnership. Housing Catalyst's equity interest in the partnerships above was \$148,801 as of December 31, 2019.

Note 13 - Management Services

As mentioned in Note 10, Housing Catalyst provides management services for Redtail Ponds PSH, LLLP, Village on Elizabeth, LLLP, Village on Horsetooth, LLLP, Village on Plum, LLLP, Village on Redwood, LLLP, Village on Shields, LLLP and Village on Stanford, LLLP. In addition, Housing Catalyst provides management services for The Villages, Ltd. (Villages) and the Wellington Housing Authority (WHA). The Villages and WHA pay for all direct charges and then reimburse Housing Catalyst through a management fee agreement for the salaries, employee benefits, and other overhead items. Housing Catalyst will also provide management services for Mason Place, LLLP once construction is complete and the property begins operations.

Note 14 - Risk Management

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

Note 15 - Pension Plan

Beginning on January 1, 2019, Housing Catalyst provides eligible employees with a 401a deferred compensation retirement plan, a type of defined contribution plan. The plan and the contributions rates are authorized by Housing Catalyst's Board of Commissioners. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Under the plan, eligible employees are required to contribute 4.5% of earnings for 2019 and of 6.2% for 2020 and beyond and the employer contributes 10% of each employee's earnings, including overtime and bonuses. Contributions are made to and maintained by the plan administrator, ICMA-RC, which maintains an individual account for each participant. Employees are vested in their account by years of service, 33% (year 1), 66% (year 2), 99% (year 3) and 100% (year 4) and are eligible for plan benefits at retirement, which is defined as reaching age 62 and no longer being employed with Housing Catalyst. For the year ended December 31, 2019, the total employer cost of the plan totaled \$334,085. Prior to 2019, Housing Catalyst provided eligible employees with a 457 deferred compensation retirement plan. For the years ended December 31, 2018 and 2017, the employer cost of the plan totaled \$186,539 and \$185,753, respectively.

Fort Collins Housing Authority dba Housing Catalyst

Notes to Financial Statements
December 31, 2019

Note 16 - Line of Credit

Housing Catalyst has an unsecured line of credit with a total available balance of \$2,000,000 with First Bank of Northern Colorado. The line expires on August 1, 2020, and interest on the line of credit is variable based on the Wall Street Journal Prime Rate plus 1.00% with a minimum rate of 5.25% per annum. The funds from this line are designated for the temporary financing of Housing Development projects. As of December 31, 2019, there was no outstanding balance due on the line of credit.

Note 17 - Conduit Debt

In September of 2011, Housing Catalyst arranged for tax exempt financing in the amount of \$2,737,000 for Neighbor to Neighbor, a local housing provider. The debt has a final maturity date of September 9, 2026 and is secured by real estate. Housing Catalyst in no way guarantees the loan or has any liability for the loan. Accordingly, the loan is not reported as liabilities in Housing Catalyst's financial statements. Neighbor to Neighbor pays the principal and interest directly to Home State Bank, paid a fee for the refinancing of the loan, and pays Housing Catalyst a yearly fee for arranging the loan. As of December 31, 2019, the outstanding balance of the debt was \$2,130,875.

Note 18 - CDBG and HOME Grants

Housing Catalyst received HOME grant funds from the City of Fort Collins (City) for the payment of development costs for the Village on Horsetooth project. The grant funds were loaned to the partnership with a maturity date of 2057. The HOME grants are restricted for a period of time. Housing Catalyst is to repay the City upon the sale of property that was acquired, constructed or improved with the HOME grant funds through the restricted period. During the year ended December 31, 2019, Housing Catalyst had total HOME grant income of \$112,500.

Note 19 - Commitments and Contingencies

Housing Catalyst receives significant financial assistance from the United States Government in the form of contracts and grants. Entitlement to these resources is generally contingent upon compliance with the terms and conditions of the contract or grant agreements and applicable federal regulations, including the expenditure of the resources for eligible purposes. Substantially all federal grants and contracts are subject to a financial and compliance audit under federal regulations. Disallowed costs as a result of compliance audits become a liability of Housing Catalyst. Management believes that the potential for a material liability due to future audit disallowance is remote.

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Notes to Financial Statements
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Note 20 - Subsequent Events

Subsequent events have been evaluated through July 27, 2020, which is the date the financial statements were available to be issued, and there are no subsequent events requiring disclosure.

In early March, the COVID-19 virus was declared a global pandemic, and it unfortunately continues to spread rapidly. Business continuity, including supply chains and consumer demand across a broad range of industries and countries, could be severely impacted for months or more, as governments and their citizens take significant and unprecedented measures to mitigate the consequences of the pandemic. Management is carefully monitoring the situation and evaluating its options during this time. No adjustments have been made to these financial statements as a result of this uncertainty.

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Fort Collins Housing Authority dba Housing Catalyst

Combining Schedule of Net Position

December 31, 2019

	Public Housing	Housing Choice Vouchers	Mainstream Vouchers	Larimer County Housing Authority	State and Local	Housing Development
Assets and Deferred Outflows						
Cash and cash equivalents	\$ 997,849	\$ 335,877	\$ 224,980	\$ 16,624	\$ 2,922	\$ 4,298,480
Restricted cash and cash equivalents	25,714	213,639	-	11,235	-	-
Accounts receivable						
Grants	-	-	-	-	-	-
Tenants	9,820	-	-	-	-	-
Developer fees, current	-	-	-	-	-	1,941,890
Other	-	-	-	-	-	88,398
Accrued interest	-	-	-	-	-	217,542
Lease receivable - current	-	-	-	-	-	51,775
Notes receivable - current	-	-	-	-	-	9,447
Prepaid expenses	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	1,455
Total current assets	<u>1,033,383</u>	<u>549,516</u>	<u>224,980</u>	<u>27,859</u>	<u>2,922</u>	<u>6,608,987</u>
Non-depreciable capital assets	2,199,946	-	-	-	-	660,000
Depreciable capital assets, net	444,327	-	-	-	-	-
Leased capital assets, net	-	-	-	-	-	-
Developer fees receivable, long-term	-	-	-	-	-	5,707,523
Lease receivable, net	-	-	-	-	-	358,474
Notes receivable, net	-	-	-	-	-	37,997,932
Investment in tax credit partnerships	-	-	-	-	-	148,801
Investment in future developments	-	-	-	-	-	-
Total Assets	<u>3,677,656</u>	<u>549,516</u>	<u>224,980</u>	<u>27,859</u>	<u>2,922</u>	<u>51,481,717</u>
Deferred Outflows of Resources	-	-	-	-	-	-
Total Assets	<u>\$ 3,677,656</u>	<u>\$ 549,516</u>	<u>\$ 224,980</u>	<u>\$ 27,859</u>	<u>\$ 2,922</u>	<u>\$ 51,481,717</u>
Liabilities, Deferred Inflows and Net Position						
Liabilities						
Accounts payable	\$ 4,260	\$ 999	\$ -	\$ 55	\$ -	\$ 799
Accrued liabilities	21,516	8,587	3,188	9,459	-	4,500
Accrued compensation	14,491	65,804	96	-	-	42,069
Accrued interest payable	-	-	-	-	-	1,556
Unearned revenues	2,223	-	-	-	-	-
Due to other funds	545	3,809	-	-	-	-
Due to other agencies	-	-	-	-	-	-
Tenant security deposits	16,050	-	-	-	-	-
Money held in escrow	9,664	188,725	-	7,038	-	-
Leases payable - current	-	-	-	-	-	-
Notes and mortgages payable - current	-	-	-	-	-	30,022
Total current liabilities	<u>68,749</u>	<u>267,924</u>	<u>3,284</u>	<u>16,552</u>	<u>-</u>	<u>78,946</u>
Leases payable, net	-	-	-	-	-	-
Notes and mortgages payable, net	-	-	-	-	-	576,305
Total Liabilities	<u>68,749</u>	<u>267,924</u>	<u>3,284</u>	<u>16,552</u>	<u>-</u>	<u>655,251</u>
Deferred Inflows of Resources	-	-	-	-	-	378,745
Net Position						
Net investment in capital assets	2,644,273	-	-	-	-	53,673
Restricted - housing assistance payments	-	24,914	215,807	21	-	-
Unrestricted	<u>964,634</u>	<u>256,678</u>	<u>5,889</u>	<u>11,286</u>	<u>2,922</u>	<u>50,394,048</u>
Total Net Position	<u>3,608,907</u>	<u>281,592</u>	<u>221,696</u>	<u>11,307</u>	<u>2,922</u>	<u>50,447,721</u>
Total Liabilities, Deferred Inflows and Net Position	<u>\$ 3,677,656</u>	<u>\$ 549,516</u>	<u>\$ 224,980</u>	<u>\$ 27,859</u>	<u>\$ 2,922</u>	<u>\$ 51,481,717</u>

Fort Collins Housing Authority dba Housing Catalyst

Combining Schedule of Net Position

December 31, 2019

Management	HUD Grant	Section 8 SRO	COCC	Subtotal	Elimination of Intercompany Activity	Total
\$ 1,950,729	\$ -	\$ 45,049	\$ -	\$ 7,872,510	\$ -	\$ 7,872,510
960	-	-	-	251,548	-	251,548
42,666	-	-	-	42,666	-	42,666
-	-	-	-	9,820	-	9,820
-	-	-	-	1,941,890	-	1,941,890
162,686	-	-	-	251,084	-	251,084
-	-	-	-	217,542	-	217,542
-	-	-	-	51,775	-	51,775
-	-	-	-	9,447	-	9,447
12,842	-	-	-	12,842	-	12,842
56,837	-	-	-	56,837	-	56,837
2,899	-	-	-	4,354	(4,354)	-
<u>2,229,619</u>	<u>-</u>	<u>45,049</u>	<u>-</u>	<u>10,722,315</u>	<u>(4,354)</u>	<u>10,717,961</u>
39,500	-	-	-	2,899,446	-	2,899,446
435,426	-	-	-	879,753	-	879,753
144,600	-	-	-	144,600	-	144,600
-	-	-	-	5,707,523	-	5,707,523
-	-	-	-	358,474	-	358,474
-	-	-	-	37,997,932	-	37,997,932
-	-	-	-	148,801	-	148,801
-	-	-	-	-	-	-
<u>2,849,145</u>	<u>-</u>	<u>45,049</u>	<u>-</u>	<u>58,858,844</u>	<u>(4,354)</u>	<u>58,854,490</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 2,849,145</u>	<u>\$ -</u>	<u>\$ 45,049</u>	<u>\$ -</u>	<u>\$ 58,858,844</u>	<u>\$ (4,354)</u>	<u>\$ 58,854,490</u>
\$ 41,156	\$ -	\$ -	\$ -	\$ 47,269	\$ -	\$ 47,269
111,330	-	-	-	158,580	-	158,580
247,846	-	-	-	370,306	-	370,306
1,156	-	-	-	2,712	-	2,712
-	-	-	-	2,223	-	2,223
-	-	-	-	4,354	(4,354)	-
-	-	-	-	-	-	-
-	-	-	-	16,050	-	16,050
2,095	-	-	-	207,522	-	207,522
30,030	-	-	-	30,030	-	30,030
53,042	-	-	-	83,064	-	83,064
<u>486,655</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>922,110</u>	<u>(4,354)</u>	<u>917,756</u>
118,525	-	-	-	118,525	-	118,525
409,318	-	-	-	985,623	-	985,623
<u>1,014,498</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,026,258</u>	<u>(4,354)</u>	<u>2,021,904</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>378,745</u>	<u>-</u>	<u>378,745</u>
12,566	-	-	-	2,710,512	-	2,710,512
-	-	45,049	-	285,791	-	285,791
<u>1,822,081</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>53,457,538</u>	<u>-</u>	<u>53,457,538</u>
<u>1,834,647</u>	<u>-</u>	<u>45,049</u>	<u>-</u>	<u>56,453,841</u>	<u>-</u>	<u>56,453,841</u>
<u>\$ 2,849,145</u>	<u>\$ -</u>	<u>\$ 45,049</u>	<u>\$ -</u>	<u>\$ 58,858,844</u>	<u>\$ (4,354)</u>	<u>\$ 58,854,490</u>

Fort Collins Housing Authority dba Housing Catalyst
Combining Schedule of Revenues, Expenses and Changes in Net Position
Year Ended December 31, 2018

	Public Housing	Housing Choice Vouchers	Mainstream Vouchers	Larimer County Housing Authority	State and Local	Housing Development
Operating Revenues						
HUD PHA grants	\$ 297,155	\$ 11,049,364	\$ 314,484	\$ 931,181	\$ -	\$ -
Other grants	-	-	-	-	-	1,454,406
Rental income	208,605	-	-	-	-	-
Administration fees	-	-	-	-	-	-
Developer fees	-	-	-	-	-	249,596
Other	11,596	20,241	-	1,794	-	1,579,073
Total Operating Revenues	517,356	11,069,605	314,484	932,975	-	3,283,075
Operating Expenses						
Housing assistance payments	-	10,220,866	155,537	846,811	-	-
Administrative salaries and benefits	160,329	404,263	2,121	33,814	-	577,832
Maintenance salaries and benefits	30,191	-	-	-	-	27,383
Other administrative Regular and extraordinary maintenance	135,314	397,012	5,459	41,043	-	506,863
Depreciation and amortization	202,087	-	-	-	-	48,298
Utilities	52,481	-	-	-	-	54,378
Insurance	66,103	-	-	-	-	4,532
Payments in lieu of taxes	26,188	-	-	-	-	17,899
Other	12,069	-	-	-	-	-
	14,079	-	-	-	-	2,068
Total Operating Expenses	698,841	11,022,141	163,117	921,668	-	1,239,253
Operating Income (Loss)	(181,485)	47,464	151,367	11,307	-	2,043,822
Non-Operating Revenues (Expenses)						
Interest income	10,735	3,472	609	-	38	1,156,243
Interest expense	-	-	-	-	-	(109,529)
Other financing costs	-	-	-	-	-	-
Gain on sale of capital assets	-	-	-	-	-	3,054,217
Total Non-Operating Revenues (Expenses)	10,735	3,472	609	-	38	4,100,931
Income (Loss) Before Contributions	(170,750)	50,936	151,976	11,307	38	6,144,753
HUD Capital Contributions	157,731	-	-	-	-	-
Change in Net Position	(13,019)	50,936	151,976	11,307	38	6,144,753
Equity transfers	-	-	-	-	-	(277,377)
Net Position-Beginning of Year	3,621,926	230,656	69,720	-	2,884	44,580,345
Net Position-End of Year	\$ 3,608,907	\$ 281,592	\$ 221,696	\$ 11,307	\$ 2,922	\$ 50,447,721

Fort Collins Housing Authority dba Housing Catalyst
Combining Schedule of Revenues, Expenses and Changes in Net Position
Year Ended December 31, 2018

Management	HUD Grant	Section 8 SRO	COCC	Subtotal	Elimination of Intercompany Activity	Total
\$ 294,955	\$ 205,215	\$ -	\$ -	\$ 13,092,354	\$ -	\$ 13,092,354
-	-	-	-	1,454,406	-	1,454,406
-	-	-	-	208,605	-	208,605
831,653	-	-	2,832,636	3,664,289	(1,162,537)	2,501,752
-	-	-	-	249,596	-	249,596
22,912	-	-	6,979	1,642,595	-	1,642,595
<u>1,149,520</u>	<u>205,215</u>	<u>-</u>	<u>2,839,615</u>	<u>20,311,845</u>	<u>(1,162,537)</u>	<u>19,149,308</u>
-	-	-	-	11,223,214	-	11,223,214
43,457	205,215	-	1,633,463	3,060,494	-	3,060,494
542,213	-	-	223,125	822,912	-	822,912
193,643	-	-	877,820	2,157,154	(1,074,006)	1,083,148
65,965	-	-	50,864	367,214	(88,531)	278,683
86,163	-	-	8,694	201,716	-	201,716
-	-	-	10,412	81,047	-	81,047
17,199	-	-	33,741	95,027	-	95,027
-	-	-	-	12,069	-	12,069
294,955	-	-	-	311,102	-	311,102
<u>1,243,595</u>	<u>205,215</u>	<u>-</u>	<u>2,838,119</u>	<u>18,331,949</u>	<u>(1,162,537)</u>	<u>17,169,412</u>
<u>(94,075)</u>	<u>-</u>	<u>-</u>	<u>1,496</u>	<u>1,979,896</u>	<u>-</u>	<u>1,979,896</u>
25,376	-	72	-	1,196,545	-	1,196,545
(20,954)	-	-	(1,496)	(131,979)	-	(131,979)
(5,000)	-	-	-	(5,000)	-	(5,000)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,054,217</u>	<u>-</u>	<u>3,054,217</u>
<u>(578)</u>	<u>-</u>	<u>72</u>	<u>(1,496)</u>	<u>4,113,783</u>	<u>-</u>	<u>4,113,783</u>
(94,653)	-	72	-	6,093,679	-	6,093,679
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>157,731</u>	<u>-</u>	<u>157,731</u>
(94,653)	-	72	-	6,251,410	-	6,251,410
277,377	-	-	-	-	-	-
<u>1,651,923</u>	<u>-</u>	<u>44,977</u>	<u>-</u>	<u>50,202,431</u>	<u>-</u>	<u>50,202,431</u>
<u>\$ 1,834,647</u>	<u>\$ -</u>	<u>\$ 45,049</u>	<u>\$ -</u>	<u>\$ 56,453,841</u>	<u>\$ -</u>	<u>\$ 56,453,841</u>

See accompanying Report of Independent Auditors

Fort Collins Housing Authority dba Housing Catalyst

Fort Collins, Colorado

Statistical Section:

Financial Trends

Revenue Capacity

Debt Capacity

Demographic and Economic Information

Operation Information



Fort Collins Housing Authority dba Housing Catalyst

Statistical Section

Year Ended December 31, 2018

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

Contents

Tables

Financial Trends

These schedules contain trend information to help the reader understand how Housing Catalyst's financial performance and well-being have changed over the past 10 years.

1 - 2

Revenue Capacity

These schedules contain trend information to help the reader assess Housing Catalyst's most significant revenue sources.

3 - 4

Debt Capacity

These schedules contain trend information to help the reader assess the affordability of Housing Catalyst's current levels of outstanding debt and ability to issue additional debt in the future.

5 - 6

Demographic and Economic Information

These schedules contain trend information of the demographic and economic indicators to help the reader understand the environment within which Housing Catalyst's financial activities take place.

7 - 10

Operating Information

These schedules contain data to help the reader understand how the information in Housing Catalyst's financial report relates to the services Housing Catalyst provides and the activities it performs.

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Fort Collins Housing Authority dba Housing Catalyst

Table 1 - Net Position - Last Ten Fiscal Years
(Unaudited)

<u>Fiscal Year</u>	<u>Net investment in capital assets</u>	<u>Restricted Net Position</u>	<u>Unrestricted Net Position</u>	<u>Total</u>
2010	\$ 6,258,078	\$ 881,203	\$ 6,386,691	\$ 13,525,972
2011	6,257,376	1,394,254	6,148,049	13,799,679
2012	6,127,227	830,743	5,650,992	12,608,962
2013	5,983,000	124,601	5,838,915	11,946,516
2014	3,820,752	165,676	8,388,192	12,374,620
2015	2,979,363	166,313	11,094,127	14,239,803
2016	2,743,188	153,278	12,605,986	15,502,452
2017	5,017,912	94,058	28,875,351	33,987,321
2018	3,271,099	114,697	46,816,635	50,202,431
2019	2,710,512	285,791	53,457,538	56,453,841

Source: Previous years' audits and current year financial statements

Fort Collins Housing Authority dba Housing Catalyst

Table 2 - Changes in Net Position - Last Ten Fiscal Years
(Unaudited)

	2010	2011	2012	2013
<i>Operating Revenue:</i>				
Intergovernmental revenues	\$ 8,689,444	\$ 9,417,341	\$ 8,760,939	\$ 9,776,237
Net tenant revenue	266,956	247,980	200,224	3,416,131
Other revenues	3,182,309	1,480,943	1,511,301	1,435,805
	12,138,709	11,146,264	10,472,464	14,628,173
<i>Operating Expenses:</i>				
Administrative	2,426,037	2,508,848	2,675,531	3,239,544
Utilities	138,805	136,511	155,801	382,351
Ordinary maintenance and operating	1,198,615	804,992	900,628	1,509,999
General expenses	56,821	51,805	48,204	187,225
Depreciation and amortization	237,949	202,784	181,422	1,055,276
Housing assistance payments	7,040,168	7,553,141	7,911,438	8,335,325
	11,098,395	11,258,081	11,873,024	14,709,720
<i>Operating Income (Loss)</i>	1,040,314	(111,817)	(1,400,560)	(81,547)
<i>Nonoperating Revenue (Expenses):</i>				
Investment revenue	268,582	225,730	161,089	164,195
Interest expense	(120,673)	(86,963)	(34,275)	(923,213)
Other revenue	-	-	-	-
Other financing costs	-	-	(238,495)	(17,380)
	147,909	138,767	(111,681)	(776,398)
<i>Income (Loss) before Capital Contribution</i>	1,188,223	26,950	(1,512,241)	(857,945)
Capital grants	727,869	246,757	321,524	195,499
Change in net position	1,916,092	273,707	(1,190,717)	(662,446)
<i>Net Position, Beginning of the Year</i>	11,609,880	13,525,972	13,799,679	12,608,962
<i>Net Position, End of the Year</i>	\$ 13,525,972	\$ 13,799,679	\$ 12,608,962	\$ 11,946,516

Source: Previous years' audits and current year financial statements

Fort Collins Housing Authority dba Housing Catalyst

Table 2 - Changes in Net Position - Last Ten Fiscal Years
(Unaudited)

2014	2015	2016	2017	2018	2019
\$ 9,900,985	\$ 10,985,136	\$ 13,155,946	\$ 14,490,955	\$ 12,611,505	\$ 14,546,760
3,700,398	3,262,352	3,235,677	2,267,117	628,577	208,605
1,770,297	3,831,760	1,925,236	3,939,178	12,194,094	4,393,943
<u>15,371,680</u>	<u>18,079,248</u>	<u>18,316,859</u>	<u>20,697,250</u>	<u>25,434,176</u>	<u>19,149,308</u>
3,401,757	3,751,172	3,948,358	3,925,781	3,894,772	4,143,642
353,235	295,063	305,204	286,844	115,438	81,047
1,728,885	1,605,998	1,773,239	1,599,555	1,146,225	1,101,595
240,514	502,260	523,253	543,771	418,518	418,198
1,064,166	964,299	974,967	773,858	245,023	201,716
8,319,806	8,722,655	9,175,020	9,337,277	10,367,104	11,223,214
<u>15,108,363</u>	<u>15,841,447</u>	<u>16,700,041</u>	<u>16,467,086</u>	<u>16,187,080</u>	<u>17,169,412</u>
263,317	2,237,801	1,616,818	4,230,164	9,247,096	1,979,896
188,389	202,582	401,994	483,378	903,029	1,196,545
(776,907)	(694,151)	(712,532)	(558,364)	(164,660)	(131,979)
495,254	-	-	13,720,482	6,096,457	3,054,217
-	-	(52,521)	(48,521)	(16,532)	(5,000)
<u>(93,264)</u>	<u>(491,569)</u>	<u>(363,059)</u>	<u>13,596,975</u>	<u>6,818,294</u>	<u>4,113,783</u>
170,053	1,746,232	1,253,759	17,827,139	16,065,390	6,093,679
258,051	118,951	8,890	657,730	149,720	157,731
428,104	1,865,183	1,262,649	18,484,869	16,215,110	6,251,410
11,946,516	12,374,620	14,239,803	15,502,452	33,987,321	50,202,431
<u>\$ 12,374,620</u>	<u>\$ 14,239,803</u>	<u>\$ 15,502,452</u>	<u>\$ 33,987,321</u>	<u>\$ 50,202,431</u>	<u>\$ 56,453,841</u>

Fort Collins Housing Authority dba Housing Catalyst

Table 3 - Operating Revenues by Source - Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Net Tenant Rental		Intergovernmental		Other		Total
	Amount	% of Total	Amount	% of Total	Amount	% of Total	
2010	\$ 266,956	2.20%	\$ 8,689,444	71.58%	\$ 3,182,309	26.22%	\$ 12,138,709
2011	247,980	2.22%	9,417,341	84.49%	1,480,943	13.29%	11,146,264
2012	200,224	1.91%	8,760,939	83.66%	1,511,301	14.43%	10,472,464
2013	3,416,131	23.35%	9,776,237	66.83%	1,435,805	9.82%	14,628,173
2014	3,700,398	24.07%	9,900,985	64.41%	1,770,297	11.52%	15,371,680
2015	3,262,352	18.04%	10,985,136	60.77%	3,831,760	21.19%	18,079,248
2016	3,235,677	17.67%	13,155,946	71.82%	1,925,236	10.51%	18,316,859
2017	2,267,117	10.95%	14,490,955	70.02%	3,939,178	19.03%	20,697,250
2018	628,577	2.47%	12,611,505	49.58%	12,194,094	47.95%	25,434,176
2019	208,605	1.09%	14,546,760	75.96%	4,393,943	22.95%	19,149,308

Source: Previous years' audits and current year financial statements

Fort Collins Housing Authority dba Housing Catalyst

Table 4 - Non-Operating Revenues by Source - Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Intergovernmental		Investment		Other Income		Total
	Amount	% of Total	Amount	% of Total	Amount	% of Total	
2010	\$ -	0.00%	\$ 268,582	100.00%	\$ -	0.00%	\$ 268,582
2011	-	0.00%	225,730	100.00%	-	0.00%	225,730
2012	-	0.00%	161,089	100.00%	-	0.00%	161,089
2013	-	0.00%	164,195	100.00%	-	0.00%	164,195
2014	-	0.00%	188,389	27.56%	495,254	72.44%	683,643
2015	-	0.00%	202,582	100.00%	-	0.00%	202,582
2016	-	0.00%	401,994	100.00%	-	0.00%	401,994
2017	-	0.00%	483,378	3.40%	13,720,482	96.60%	14,203,860
2018	-	0.00%	903,029	12.90%	6,096,457	87.10%	6,999,486
2019	-	0.00%	1,196,545	28.15%	3,054,217	71.85%	4,250,762

Source: Previous years' audits and current year financial statements

Fort Collins Housing Authority dba Housing Catalyst

Table 5 - Debt Service Coverage - Last Ten Fiscal Years

(Unaudited)

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Revenue	\$ 13,135,160	\$ 11,618,751	\$ 10,955,077	\$ 14,987,867
Expenses (excluding depreciation)	<u>(10,981,119)</u>	<u>(11,142,260)</u>	<u>(11,963,372)</u>	<u>(14,595,037)</u>
Revenue Available for debt service	<u>\$ 2,154,041</u>	<u>\$ 476,491</u>	<u>\$ (1,008,295)</u>	<u>\$ 392,830</u>
Debt Service Requirements:				
Principal	\$ 333,451	\$ 286,483	\$ 16,523	\$ 70,488
Interest	<u>115,142</u>	<u>104,289</u>	<u>24,213</u>	<u>897,721</u>
Total	<u>\$ 448,593</u>	<u>\$ 390,772</u>	<u>\$ 40,736</u>	<u>\$ 968,209</u>
Debt Service Coverage Ratio	4.80	1.22	(24.75)	0.41

Source: Previous years' audits and current year financial statements

Fort Collins Housing Authority dba Housing Catalyst

Table 5 - Debt Service Coverage - Last Ten Fiscal Years
(Unaudited)

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$ 16,313,374 <u>(14,821,104)</u>	\$ 18,400,781 <u>(15,571,299)</u>	\$ 18,727,743 <u>(16,490,127)</u>	\$ 21,838,358 <u>(16,300,113)</u>	\$ 26,486,925 <u>(16,130,956)</u>	\$ 20,503,584 <u>(17,104,675)</u>
<u>\$ 1,492,270</u>	<u>\$ 2,829,482</u>	<u>\$ 2,237,616</u>	<u>\$ 5,538,245</u>	<u>\$ 10,355,969</u>	<u>\$ 3,398,909</u>
\$ 149,502 <u>749,985</u>	\$ 133,526 <u>674,464</u>	\$ 636,696 <u>682,021</u>	\$ 1,896,521 <u>691,314</u>	\$ 139,528 <u>162,521</u>	\$ 83,064 <u>37,649</u>
<u>\$ 899,487</u>	<u>\$ 807,990</u>	<u>\$ 1,318,717</u>	<u>\$ 2,587,835</u>	<u>\$ 302,049</u>	<u>\$ 120,713</u>
1.66	3.50	1.70	2.14	34.29	28.16

Fort Collins Housing Authority dba Housing Catalyst

Table 6 -Ratio of Debt to Capital Assets - Last Ten Fiscal Years
(Unaudited)

<u>Fiscal Year</u>	<u>Short-Term Debt</u>	<u>Long-Term Debt</u>	<u>Total Debt</u>	<u>Capital Assets</u>	<u>Ratio of Total Debt to Capital Assets</u>
2010	\$ 286,483	\$ 2,718,440	\$ 3,004,923	\$ 6,269,347	47.93%
2011	16,523	414,326	430,849	6,490,876	6.64%
2012	70,489	26,019,709	26,090,198	39,545,585	65.97%
2013	149,502	25,898,780	26,048,282	31,511,522	82.66%
2014	133,526	23,109,456	23,242,982	26,963,072	86.20%
2015	2,462,284	21,157,763	23,620,047	26,019,250	90.78%
2016	1,896,521	20,318,407	22,214,928	24,899,469	89.22%
2017	73,619	526,197	599,816	5,581,675	10.75%
2018	138,432	3,934,606	4,073,038	7,331,799	55.55%
2019	83,064	985,623	1,068,687	3,923,799	27.24%

Source: Previous years' audits and current year financial statements

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

Fort Collins Housing Authority dba Housing Catalyst

Table 7 - Service Area Demographics / Statistics - Last Ten Fiscal Years
(Unaudited)

<u>Fiscal Year</u>	<u>City of Fort Collins Population</u>	<u>Residents of FCHA</u>	<u>Fort Collins & Larimer County Unemployment Rate</u>
2010	143,986	2,342	7.4%
2011	144,875	2,430	6.8%
2012	148,700	2,446	6.4%
2013	151,330	3,433	5.4%
2014	155,400	3,433	4.3%
2015	160,935	3,286	3.3%
2016	161,000	3,164	2.8%
2017	167,500	2,717	2.2%
2018	171,100	2,847	2.8%
2019	172,653	2,828	2.0%

Note: 2019 unemployment rate is based on the Fort Collins / Loveland regional area. This table includes all FCHA housing programs.

Source: City of Fort Collins, Bureau of Labor Statistics and Housing Catalyst tenant records.

Fort Collins Housing Authority dba Housing Catalyst

Table 8 - Principal Employers for the City of Fort Collins
(Unaudited)

	2018 (1)		
	Employees	Rank	Percentage of Total City Employment
Colorado State University	7,200	1	7.0%
Poudre R-1 School District	4,500	2	4.4%
UC Health: Poudre Valley Hospital	4,100	3	4.0%
City of Fort Collins	2,200	4	2.1%
Larimer County	1,700	5	1.6%
Broadcom (Avago)	1,500	6	1.5%
Woodward	1,300	7	1.3%
Otter Products, LLC	1,000	8	1.0%
Department of Agriculture	740	9	0.6%
Tolmar Inc	650	10	0.6%
Total	24,890		24.1%
	2009 (1) *		
	Employees	Rank	Percentage of Total City Employment
Colorado State University	6,755	1	7.8%
Poudre R-1 School District	3,929	2	4.5%
UC Health: Poudre Valley Hospital	2,832	3	3.3%
Larimer County	1,975	4	2.3%
City of Fort Collins	1,795	5	2.1%
Hewlett Packard	1,524	6	1.8%
Center Partners	1,081	7	1.2%
Woodward	994	8	1.1%
Broadcom (Avago)	656	9	0.8%
Anheuser-Busch	609	10	0.7%
Total	22,150		25.4%

Source: City of Fort Collins CAFR, FY 12/31/2018

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

* 2008 data not available

Fort Collins Housing Authority dba Housing Catalyst

Table 9 - Resident Demographics / Population Statistics - Last Ten Fiscal Years
(Unaudited)

Public Housing and Non-HUD Housing Programs				
Fiscal Year	Number of minors (ages 0-18)	Number of adults (ages 19-61)	Number of elderly (ages 62+)	Total number of residents
2010	160	207	15	382
2011	158	203	15	376
2012	153	202	19	374
2013	160	197	23	380
2014	337	626	63	1,026
2015	265	543	68	876
2016	261	449	64	774
2017	81	89	17	187
2018	80	87	20	187
2019	73	89	20	182
Housing Choice Voucher Program				
Fiscal Year	Number of minors (ages 0-18)	Number of adults (ages 19-61)	Number of elderly (ages 62+)	Total number of residents
2010	784	855	143	1,782
2011	845	983	138	1,966
2012	884	1,008	164	2,056
2013	888	992	186	2,066
2014	995	1,137	275	2,407
2015	975	1,145	290	2,410
2016	917	1,154	319	2,390
2017	987	1,222	321	2,530
2018	996	1,251	413	2,660
2019	951	1,255	440	2,646

Source: Housing Catalyst tenant records.

Fort Collins Housing Authority dba Housing Catalyst

Table 10 - Resident Demographics / Ethnicity Statistics - Last Ten Fiscal Years
(Unaudited)

Public Housing and Non-HUD Housing Programs

<u>Fiscal Year</u>	<u>Caucasian</u>	<u>Latino</u>	<u>African American</u>	<u>Native American</u>	<u>Other</u>	<u>Total</u>
2010	240	126	8	8	-	382
2011	203	143	11	11	8	376
2012	218	131	11	7	7	374
2013	220	133	8	11	8	380
2014	650	330	16	18	12	1,026
2015	565	232	43	20	16	876
2016	511	217	25	13	8	774
2017	96	75	6	6	4	187
2018	90	81	8	8	-	187
2019	85	81	9	7	-	182

Housing Choice Voucher Program

<u>Fiscal Year</u>	<u>Caucasian</u>	<u>Latino</u>	<u>African American</u>	<u>Native American</u>	<u>Other</u>	<u>Total</u>
2010	1,194	446	53	71	18	1,782
2011	1,336	472	79	59	20	1,966
2012	1,398	493	82	62	21	2,056
2013	1,404	496	83	62	21	2,066
2014	1,724	515	96	48	24	2,407
2015	1,712	530	96	48	24	2,410
2016	1,720	502	96	48	24	2,390
2017	1,770	557	101	51	51	2,530
2018	1,534	856	186	75	9	2,660
2019	1,556	819	155	58	58	2,646

Source: Housing Catalyst tenant records.

Fort Collins Housing Authority dba Housing CatalystTable 11 - Number of Housing Catalyst Dwelling Units - Last Ten Fiscal Years
(Unaudited)

<u>Fiscal Year</u>	<u>Public Housing</u>	<u>Housing Choice Vouchers</u>	<u>VASH Vouchers</u>	<u>Five Year Mainstream Vouchers</u>	<u>RAD</u>	<u>SRO</u>	<u>TBRA</u>	<u>VOCC</u>	<u>Total</u>
2010	154	735	46	64	-	27	10	-	1,036
2011	154	793	65	60	-	27	7	-	1,106
2012	154	836	64	64	-	27	6	-	1,151
2013	154	810	79	65	-	27	9	344	1,488
2014	154	853	89	63	-	27	6	285	1,477
2015	154	901	112	63	-	27	10	285	1,552
2016	154	916	121	64	-	-	5	285	1,545
2017	70	870	115	60	69	-	-	-	1,184
2018	70	983	122	63	19	-	-	-	1,257
2019	70	969	119	99	-	-	-	-	1,257

Source: Housing Catalyst tenant records.

Fort Collins Housing Authority dba Housing Catalyst

Table 12 - Property Characteristics and Unit Composition - Last Ten Fiscal Years
(Unaudited)

Name of Development	Address	Number of Units	Year Built
Public Housing:			
Gallup	804 - 824 Gallup Road	8	1976
Grant - 307-317	307 - 317 N. Grant Avenue	6	1976
Impala	300 - 330 Impala Circle	11	1976
Jamith	112 - 125 Jamith Place	14	1980
Loomis	331 S Loomis Avenue	2	1890
Morgan	1016 - 1018 Morgan Street	3	1965
Plum - 2155	2155 W. Plum Street	15	1980
Rams	2912 - 2926 Rams Lane	2	1976
Rocky	800 - 813 Rocky Road	3	1976
Sycamore	905 Sycamore Street	1	1940
West - 512-514	512 - 514 West Street	2	1976
Whedbee - 228	228 Whedbee Street	1	1890
Whitcomb	311 N. Whitcomb Street	1	1930
Wood	500 Wood Street	1	1940
Total Public Housing Units		<u>70</u>	
Total Units		<u><u>70</u></u>	

Source: Housing Catalyst Property Records

Fort Collins Housing Authority dba Housing Catalyst

Table 13 - Number of Housing Catalyst Staff - Last Ten Fiscal Years
(Unaudited)

<u>Fiscal Year</u>	<u>Administration</u>	<u>Development</u>	<u>Finance</u>	<u>Housing</u>	<u>Maintenance</u>	<u>Total</u>
2010	6	3	5	23	8	45
2011	7	3	6	26	9	51
2012	6	4	6	25	10	51
2013	6	5	6	29	11	57
2014	7	6	6	23	15	57
2015	8	6	7	24	16	61
2016	8	6	7	27	15	63
2017	8	6	6	27	16	63
2018	8	4	6	28	14	60
2019	9	4	7	36	16	72

Source: Housing Catalyst employment records.

Fort Collins Housing Authority dba Housing Catalyst

Fort Collins, Colorado

Single Audit Section:

Independent Auditors' Reports

Schedule of Expenditures of Federal Awards

Schedule of Findings and Questioned Costs

Schedule of Prior Year Audit Findings



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Commissioners of the
Fort Collins Housing Authority:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Fort Collins Housing Authority (the "Authority"), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated July 27, 2020.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Novogradac & Company LLP

July 27, 2020
Toms River, New Jersey

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Commissioners of the
Fort Collins Housing Authority:

Report on Compliance for the Major Federal Program

We have audited the Fort Collins Housing Authority's (the "Authority") compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on the Authority's major federal program for the year ended December 31, 2019. The Authority's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on the Major Federal Program

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2019.

Report on Internal Control Over Compliance

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

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

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

Purpose of this Report

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

July 27, 2020
Toms River, New Jersey

Novogradac & Company LLP

**FORT COLLINS HOUSING AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
DECEMBER 31, 2019**

I. Summary of Auditors' Results

Financial Statement Section

- | | | |
|----|-----------------------------------------------------|------------|
| 1. | Type of auditors' report issued: | Unmodified |
| 2. | Internal control over financial reporting | |
| | a. Material weakness(es) identified? | No |
| | b. Significant deficiency(ies) identified? | No |
| 3. | Noncompliance material to the financial statements? | No |

Federal Awards Section

- | | | |
|----|----------------------------------------------------------------------------------------------------|------------|
| 1. | Internal control over compliance: | |
| | a. Material weakness(es) identified? | No |
| | b. Significant deficiency(ies) identified? | No |
| 2. | Type of auditors' report on compliance for major programs: | Unmodified |
| 3. | Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | No |

4. Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
<u>Housing Voucher Cluster</u>	
14.871	Section 8 Housing Choice Vouchers
14.879	Mainstream Vouchers

- | | | |
|----|--------------------------------------------------------------------------|-----------|
| 5. | Dollar threshold used to distinguish between Type A and Type B Programs: | \$750,000 |
| 6. | Auditee qualified as low-risk Auditee? | Yes |

FORT COLLINS HOUSING AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)
DECEMBER 31, 2019

II. Financial Statement Findings

There were no findings relating to the financial statements which are required to be reported in accordance with *Government Auditing Standards*.

III. Federal Award Findings and Questioned Costs

There were no findings or questioned costs relating to federal awards.

IV. Schedule of Prior Year Audit Findings

There were no findings or questioned costs in the prior year

Fort Collins Housing Authority dba Housing Catalyst

Schedule of Expenditures of Federal Awards
Year Ended December 31, 2019

Federal Agency / Pass-Through Grantor Program Title	CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
United States Department of Housing and Urban Development:			
Section 8 Housing Choice Vouchers **	14.871	-	\$ 11,022,141
Mainstream Vouchers **	14.879	-	163,117
Public and Indian Housing	14.850	-	297,155
Family Self-Sufficiency Program	14.896	-	205,215
Public Housing Capital Fund	14.872	-	157,731
Continuum of Care Program	14.267	-	294,955
 Total Direct Awards			12,140,314
Passed through the City of Fort Collins:			
HOME Investment Partnership Program - Development Funds	14.239	1506 Horsetooth	112,500
 Total Pass-Through Awards			112,500
Blended Component Unit (Larimer County Housing Authority)			
United States Department of Housing and Urban Development:			
Housing Choice Voucher Cluster ***			
Section 8 Housing Choice Vouchers	14.871	-	347,977
Mainstream Vouchers	14.879	-	573,691
 Total Housing Choice Voucher Cluster			921,668
 Total Federal Expenditures			\$ 13,174,482

** - Denotes a Major Program

*** - Denotes operations tested as part of the Larimer County Housing Authority Single Audit and was not included in the Major Program determination of Housing Catalyst

Fort Collins Housing Authority dba Housing Catalyst

Notes to Schedule of Expenditures of Federal Awards
Year Ended December 31, 2019

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the Fort Collins Housing Authority dba Housing Catalyst (Housing Catalyst) under programs of the federal government for the year ended December 31, 2019. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Housing Catalyst, it is not intended to and does not present the financial position, changes in net position or cash flows of Housing Catalyst.

Note 2 - Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3 - Indirect Cost Rate

Housing Catalyst has not elected to use the 10-percent de minimis indirect cost rate.

Fort Collins Housing Authority dba Housing Catalyst

Fort Collins, Colorado

HUD Financial Data Schedule (FDS)



Fort Collins Housing Authority dba Housing Catalyst

Financial Data Schedule

Year Ended December 31, 2019

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.267 Continuum of Care Program	2.5 Internal Service Fund	14.871 Housing Choice Vouchers	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.879 Mainstream Vouchers	6.1 Component Unit - Discretely Presented
111 Cash - Unrestricted	\$997,849			\$1,950,729	\$335,877	\$45,049	\$224,980	\$3,236,033
112 Cash - Restricted - Modernization and Development								
113 Cash - Other Restricted					\$24,914			\$3,713,267
114 Cash - Tenant Security Deposits	\$16,050							\$353,273
115 Cash - Restricted for Payment of Current Liabilities	\$9,664			\$960	\$188,725			
100 Total Cash	\$1,023,563	\$0	\$0	\$1,951,689	\$549,516	\$45,049	\$224,980	\$7,302,573
121 Accounts Receivable - PHA Projects			\$42,666					
122 Accounts Receivable - HUD Other Projects								
124 Accounts Receivable - Other Government								
125 Accounts Receivable - Miscellaneous				\$162,686				\$46,468
126 Accounts Receivable - Tenants	\$9,820							\$102,003
126.1 Allowance for Doubtful Accounts - Tenants	\$0							\$0
126.2 Allowance for Doubtful Accounts - Other			\$0	\$0				\$0
127 Notes, Loans, & Mortgages Receivable - Current								
128 Fraud Recovery								
128.1 Allowance for Doubtful Accounts - Fraud								
129 Accrued Interest Receivable								
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$9,820	\$0	\$42,666	\$162,686	\$0	\$0	\$0	\$148,471
131 Investments - Unrestricted								
132 Investments - Restricted								
135 Investments - Restricted for Payment of Current Liability								
142 Prepaid Expenses and Other Assets				\$12,842				\$62,372
143 Inventories				\$56,837				
143.1 Allowance for Obsolete Inventories				\$0				
144 Inter Program Due From				\$2,899				
145 Assets Held for Sale								
150 Total Current Assets	\$1,033,383	\$0	\$42,666	\$2,186,953	\$549,516	\$45,049	\$224,980	\$7,513,416
161 Land	\$2,199,946			\$39,500				\$11,114,286
162 Buildings	\$2,908,470			\$992,021				\$138,097,038
163 Furniture, Equipment & Machinery - Dwellings	\$182,084							\$4,525,226
164 Furniture, Equipment & Machinery - Administration	\$550,845			\$273,522	\$16,630			
165 Leasehold Improvements								
166 Accumulated Depreciation	-\$3,197,072			-\$830,117	-\$16,630			-\$19,411,635
167 Construction in Progress								\$2,977,265
168 Infrastructure								
160 Total Capital Assets, Net of Accumulated Depreciation	\$2,644,273	\$0	\$0	\$474,926	\$0	\$0	\$0	\$137,302,180
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				\$144,600				\$578,125
176 Investments in Joint Ventures								
180 Total Non-Current Assets	\$2,644,273	\$0	\$0	\$619,526	\$0	\$0	\$0	\$137,880,305
200 Deferred Outflow of Resources								
290 Total Assets and Deferred Outflow of Resources	\$3,677,656	\$0	\$42,666	\$2,806,479	\$549,516	\$45,049	\$224,980	\$145,393,721
311 Bank Overdraft								
312 Accounts Payable <= 90 Days	\$4,260			\$41,156	\$999			\$222,069
313 Accounts Payable >90 Days Past Due								
321 Accrued Wage/Payroll Taxes Payable	\$14,491			\$247,846	\$65,804		\$96	
322 Accrued Compensated Absences - Current Portion								
324 Accrued Contingency Liability								
325 Accrued Interest Payable				\$1,156				\$382,455
331 Accounts Payable - HUD PHA Programs					\$3,162		\$2,062	
332 Account Payable - PHA Projects								
333 Accounts Payable - Other Government								
341 Tenant Security Deposits	\$16,050							\$353,273
342 Unearned Revenue	\$2,223							
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue				\$53,042				\$618,171

See accompanying Report of Independent Auditors

344 Current Portion of Long-term Debt - Operating Borrowings								
345 Other Current Liabilities	\$31,180		\$42,666	\$100,789	\$194,150		\$1,126	\$1,949,966
346 Accrued Liabilities - Other								
347 Inter Program - Due To	\$545				\$3,809			
348 Loan Liability - Current								
310 Total Current Liabilities	\$68,749	\$0	\$42,666	\$443,989	\$267,924	\$0	\$3,284	\$3,525,934
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue				\$409,318				\$89,825,816
352 Long-term Debt, Net of Current - Operating Borrowings								
353 Non-current Liabilities - Other				\$118,525				\$6,118,124
354 Accrued Compensated Absences - Non Current								
355 Loan Liability - Non Current								
356 FASB 5 Liabilities								
357 Accrued Pension and OPEB Liabilities								
350 Total Non-Current Liabilities	\$0	\$0	\$0	\$527,843	\$0	\$0	\$0	\$95,943,940
300 Total Liabilities	\$68,749	\$0	\$42,666	\$971,832	\$267,924	\$0	\$3,284	\$99,469,874
400 Deferred Inflow of Resources								
508.4 Net Investment in Capital Assets	\$2,644,273			\$12,566				\$46,858,193
511.4 Restricted Net Position					\$24,914	\$45,049	\$215,807	
512.4 Unrestricted Net Position	\$964,634	\$0	\$0	\$1,822,081	\$256,678	\$0	\$5,889	-\$934,346
513 Total Equity - Net Assets / Position	\$3,608,907	\$0	\$0	\$1,834,647	\$281,592	\$45,049	\$221,696	\$45,923,847
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$3,677,656	\$0	\$42,666	\$2,806,479	\$549,516	\$45,049	\$224,980	\$145,393,721

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Financial Data Schedule

Year Ended December 31, 2019

	6.2 Component Unit - Blended	14.239 HOME Investment Partnerships Program	2 State/Local	1 Business Activities	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$16,624		\$2,922	\$4,298,480		\$11,108,543		\$11,108,543
112 Cash - Restricted - Modernization and Development								
113 Cash - Other Restricted	\$21					\$3,738,202		\$3,738,202
114 Cash - Tenant Security Deposits						\$369,323		\$369,323
115 Cash - Restricted for Payment of Current Liabilities	\$11,214					\$210,563		\$210,563
100 Total Cash	\$27,859	\$0	\$2,922	\$4,298,480	\$0	\$15,426,631	\$0	\$15,426,631
121 Accounts Receivable - PHA Projects						\$42,666		\$42,666
122 Accounts Receivable - HUD Other Projects								
124 Accounts Receivable - Other Government								
125 Accounts Receivable - Miscellaneous				\$140,173		\$349,327		\$349,327
126 Accounts Receivable - Tenants						\$111,823		\$111,823
126.1 Allowance for Doubtful Accounts - Tenants						\$0		\$0
126.2 Allowance for Doubtful Accounts - Other				\$0		\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current				\$1,951,337		\$1,951,337		\$1,951,337
128 Fraud Recovery								
128.1 Allowance for Doubtful Accounts - Fraud								
129 Accrued Interest Receivable				\$217,542		\$217,542		\$217,542
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$0	\$0	\$2,309,052	\$0	\$2,672,695	\$0	\$2,672,695
131 Investments - Unrestricted								
132 Investments - Restricted								
135 Investments - Restricted for Payment of Current Liability								
142 Prepaid Expenses and Other Assets						\$75,214		\$75,214
143 Inventories						\$56,837		\$56,837
143.1 Allowance for Obsolete Inventories						\$0		\$0
144 Inter Program Due From				\$1,455		\$4,354	-\$4,354	\$0
145 Assets Held for Sale								
150 Total Current Assets	\$27,859	\$0	\$2,922	\$6,608,987	\$0	\$18,235,731	-\$4,354	\$18,231,377
161 Land				\$660,000		\$14,013,732		\$14,013,732
162 Buildings						\$141,997,529		\$141,997,529
163 Furniture, Equipment & Machinery - Dwellings						\$4,707,310		\$4,707,310
164 Furniture, Equipment & Machinery - Administration						\$840,997		\$840,997
165 Leasehold Improvements								
166 Accumulated Depreciation						-\$23,455,454		-\$23,455,454
167 Construction in Progress						\$2,977,265		\$2,977,265
168 Infrastructure								
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$0	\$660,000	\$0	\$141,081,379	\$0	\$141,081,379
171 Notes, Loans and Mortgages Receivable - Non-Current				\$43,705,455		\$43,705,455		\$43,705,455
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due								
173 Grants Receivable - Non Current								
174 Other Assets				\$358,474		\$1,081,199		\$1,081,199
176 Investments in Joint Ventures				\$148,801		\$148,801		\$148,801
180 Total Non-Current Assets	\$0	\$0	\$0	\$44,872,730	\$0	\$186,016,834	\$0	\$186,016,834
200 Deferred Outflow of Resources								
290 Total Assets and Deferred Outflow of Resources	\$27,859	\$0	\$2,922	\$51,481,717	\$0	\$204,252,565	-\$4,354	\$204,248,211
311 Bank Overdraft								
312 Accounts Payable <= 90 Days	\$55			\$799		\$269,338		\$269,338
313 Accounts Payable >90 Days Past Due								
321 Accrued Wage/Payroll Taxes Payable				\$42,069		\$370,306		\$370,306
322 Accrued Compensated Absences - Current Portion								
324 Accrued Contingency Liability								
325 Accrued Interest Payable				\$1,556		\$385,167		\$385,167
331 Accounts Payable - HUD PHA Programs	\$4,176					\$9,400		\$9,400
332 Account Payable - PHA Projects								
333 Accounts Payable - Other Government								
341 Tenant Security Deposits						\$369,323		\$369,323
342 Unearned Revenue						\$2,223		\$2,223
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue				\$30,022		\$701,235		\$701,235

See accompanying Report of Independent Auditors

344 Current Portion of Long-term Debt - Operating Borrowings								
345 Other Current Liabilities	\$12,321			\$4,500		\$2,336,698		\$2,336,698
346 Accrued Liabilities - Other								
347 Inter Program - Due To						\$4,354	-\$4,354	\$0
348 Loan Liability - Current								
310 Total Current Liabilities	\$16,552	\$0	\$0	\$78,946	\$0	\$4,448,044	-\$4,354	\$4,443,690
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue				\$576,305		\$90,811,439		\$90,811,439
352 Long-term Debt, Net of Current - Operating Borrowings								
353 Non-current Liabilities - Other						\$6,236,649		\$6,236,649
354 Accrued Compensated Absences - Non Current								
355 Loan Liability - Non Current								
356 FASB 5 Liabilities								
357 Accrued Pension and OPEB Liabilities								
350 Total Non-Current Liabilities	\$0	\$0	\$0	\$576,305	\$0	\$97,048,088	\$0	\$97,048,088
300 Total Liabilities	\$16,552	\$0	\$0	\$655,251	\$0	\$101,496,132	-\$4,354	\$101,491,778
400 Deferred Inflow of Resources				\$378,745		\$378,745		\$378,745
508.4 Net Investment in Capital Assets				\$53,673		\$49,568,705		\$49,568,705
511.4 Restricted Net Position	\$21					\$285,791		\$285,791
512.4 Unrestricted Net Position	\$11,286	\$0	\$2,922	\$50,394,048	\$0	\$52,523,192	\$0	\$52,523,192
513 Total Equity - Net Assets / Position	\$11,307	\$0	\$2,922	\$50,447,721	\$0	\$102,377,688	\$0	\$102,377,688
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$27,859	\$0	\$2,922	\$51,481,717	\$0	\$204,252,565	-\$4,354	\$204,248,211

Fort Collins Housing Authority dba Housing Catalyst

Financial Data Schedules

Year Ended December 31, 2019

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.267 Continuum of Care Program	2.5 Internal Service Fund	14.871 Housing Choice Vouchers	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.879 Mainstream Vouchers	6.1 Component Unit - Discretely Presented
70300 Net Tenant Rental Revenue	\$189,401							\$7,658,580
70400 Tenant Revenue - Other	\$19,204							\$251,068
70500 Total Tenant Revenue	\$208,605	\$0	\$0	\$0	\$0	\$0	\$0	\$7,909,648
70600 HUD PHA Operating Grants	\$454,886	\$205,215	\$294,955		\$11,049,364		\$314,484	
70610 Capital Grants								
70710 Management Fee								
70720 Asset Management Fee								
70730 Book Keeping Fee								
70740 Front Line Service Fee								
70750 Other Fees								
70700 Total Fee Revenue								
70800 Other Government Grants								
71100 Investment Income - Unrestricted	\$10,735			\$25,376	\$3,472	\$72	\$609	\$11,954
71200 Mortgage Interest Income								
71300 Proceeds from Disposition of Assets Held for Sale								
71310 Cost of Sale of Assets								
71400 Fraud Recovery					\$1,189			
71500 Other Revenue	\$11,596			\$854,565	\$80,266			\$31,561,824
71600 Gain or Loss on Sale of Capital Assets								
72000 Investment Income - Restricted								
70000 Total Revenue	\$685,822	\$205,215	\$294,955	\$879,941	\$11,134,291	\$72	\$315,093	\$39,483,426
91100 Administrative Salaries	\$130,629			\$9,512	\$326,874		\$1,641	\$1,057,434
91200 Auditing Fees	\$8,011				\$8,011			\$79,811
91300 Management Fee	\$102,471			\$137,771	\$360,643		\$5,398	
91310 Book-keeping Fee								
91400 Advertising and Marketing								\$12,999
91500 Employee Benefit contributions - Administrative	\$29,700			\$2,545	\$77,389		\$480	\$137,651
91600 Office Expenses	\$5,027				\$3,920		\$61	
91700 Legal Expense	\$717			\$405				\$39,616
91800 Travel								
91810 Allocated Overhead								
91900 Other	\$18,192			\$55,459	\$21,786			\$1,117,507
91000 Total Operating - Administrative	\$294,747	\$0	\$0	\$205,692	\$798,623	\$0	\$7,580	\$2,445,018
92000 Asset Management Fee								
92100 Tenant Services - Salaries		\$163,586		\$25,482				\$81,783
92200 Relocation Costs	\$494							\$14,644
92300 Employee Benefit Contributions - Tenant Services		\$41,629		\$5,918				\$16,908
92400 Tenant Services - Other	\$402			\$8	\$2,652			\$30,761
92500 Total Tenant Services	\$896	\$205,215	\$0	\$31,408	\$2,652	\$0	\$0	\$144,096
93100 Water	\$59,674							\$260,240
93200 Electricity	\$3,765							\$154,324
93300 Gas	\$2,664							\$68,257
93400 Fuel								
93500 Labor								
93600 Sewer								
93700 Employee Benefit Contributions - Utilities								
93800 Other Utilities Expense								
93000 Total Utilities	\$66,103	\$0	\$0	\$0	\$0	\$0	\$0	\$482,821
94100 Ordinary Maintenance and Operations - Labor	\$25,126			\$428,572				\$42,358
94200 Ordinary Maintenance and Operations - Materials and Other	\$16,792			\$34,680				\$142,598
94300 Ordinary Maintenance and Operations Contracts	\$185,295			\$31,285				\$1,388,747
94500 Employee Benefit Contributions - Ordinary Maintenance	\$5,065			\$113,641				\$9,076
94000 Total Maintenance	\$232,278	\$0	\$0	\$608,178	\$0	\$0	\$0	\$1,582,779
95100 Protective Services - Labor								
95200 Protective Services - Other Contract Costs								
95300 Protective Services - Other								
95500 Employee Benefit Contributions - Protective Services								
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance	\$24,953							\$364,259
96120 Liability Insurance								
96130 Workmen's Compensation								
96140 All Other Insurance	\$1,235			\$17,199				
96100 Total insurance Premiums	\$26,188	\$0	\$0	\$17,199	\$0	\$0	\$0	\$364,259
96200 Other General Expenses	\$2,607		\$294,955	\$15,513				
96210 Compensated Absences								
96300 Payments in Lieu of Taxes	\$12,069							
96400 Bad debt - Tenant Rents	\$11,472							\$111,205

96500	Bad debt - Mortgages								
96600	Bad debt - Other								
96800	Severance Expense								
96000	Total Other General Expenses	\$26,148	\$0	\$294,955	\$15,513	\$0	\$0	\$111,205	
96710	Interest of Mortgage (or Bonds) Payable				\$20,954			\$3,671,046	
96720	Interest on Notes Payable (Short and Long Term)								
96730	Amortization of Bond Issue Costs								
96700	Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$20,954	\$0	\$0	\$3,671,046	
96900	Total Operating Expenses	\$646,360	\$205,215	\$294,955	\$898,944	\$801,275	\$0	\$7,580	\$8,801,224
97000	Excess of Operating Revenue over Operating Expenses	\$39,462	\$0	\$0	-\$19,003	\$10,333,016	\$72	\$307,513	\$30,682,202
97100	Extraordinary Maintenance								
97200	Casualty Losses - Non-capitalized								
97300	Housing Assistance Payments					\$10,220,866		\$155,537	
97350	HAP Portability-In					\$61,214			
97400	Depreciation Expense	\$52,481			\$75,650			\$6,059,399	
97500	Fraud Losses								
97600	Capital Outlays - Governmental Funds								
97700	Debt Principal Payment - Governmental Funds								
97800	Dwelling Units Rent Expense								
90000	Total Expenses	\$698,841	\$205,215	\$294,955	\$974,594	\$11,083,355	\$0	\$163,117	\$14,860,623
10010	Operating Transfer In	\$157,731							
10020	Operating transfer Out	-\$157,731							
10030	Operating Transfers from/to Primary Government								
10040	Operating Transfers from/to Component Unit								
10050	Proceeds from Notes, Loans and Bonds								
10060	Proceeds from Property Sales								
10070	Extraordinary Items, Net Gain/Loss								
10080	Special Items (Net Gain/Loss)								
10091	Inter Project Excess Cash Transfer In								
10092	Inter Project Excess Cash Transfer Out								
10093	Transfers between Program and Project - In								
10094	Transfers between Project and Program - Out								
10100	Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
10000	Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$13,019	\$0	\$0	-\$94,653	\$50,936	\$72	\$151,976	\$24,622,803
11020	Required Annual Debt Principal Payments	\$0	\$0	\$0	\$53,042	\$0	\$0	\$0	\$618,171
11030	Beginning Equity	\$3,621,926	\$0	\$0	\$1,652,915	\$230,656	\$44,977	\$69,720	\$21,301,044
11040	Prior Period Adjustments, Equity Transfers and Correction of Errors				\$276,385				
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					\$256,678			
11180	Housing Assistance Payments Equity					\$24,914			
11190	Unit Months Available	840				14289		540	8856
11210	Number of Unit Months Leased	835				12782		200	8649
11270	Excess Cash	\$910,771							
11610	Land Purchases	\$0							
11620	Building Purchases	\$70,775							
11630	Furniture & Equipment - Dwelling Purchases	\$0							
11640	Furniture & Equipment - Administrative Purchases	\$0							
11650	Leasehold Improvements Purchases	\$0							
11660	Infrastructure Purchases	\$0							
13510	CFFP Debt Service Payments	\$0							
13901	Replacement Housing Factor Funds	\$0							

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Financial Data Schedules

Year Ended December 31, 2019

	6.2 Component Unit - Blended	14.239 HOME Investment Partnerships Program	2 State/Local	1 Business Activities	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue						\$7,847,981		\$7,847,981
70400 Tenant Revenue - Other						\$270,272		\$270,272
70500 Total Tenant Revenue	\$0	\$0	\$0	\$0	\$0	\$8,118,253	\$0	\$8,118,253
70600 HUD PHA Operating Grants	\$931,181					\$13,250,085		\$13,250,085
70610 Capital Grants								
70710 Management Fee					\$1,065,073	\$1,065,073	-\$1,065,073	\$0
70720 Asset Management Fee								
70730 Book Keeping Fee								
70740 Front Line Service Fee								
70750 Other Fees					\$1,767,563	\$1,767,563		\$1,767,563
70700 Total Fee Revenue					\$2,832,636	\$2,832,636	-\$1,065,073	\$1,767,563
70800 Other Government Grants		\$112,500		\$1,341,906		\$1,454,406		\$1,454,406
71100 Investment Income - Unrestricted			\$38	\$25,417		\$77,673		\$77,673
71200 Mortgage Interest Income				\$1,130,826		\$1,130,826		\$1,130,826
71300 Proceeds from Disposition of Assets Held for Sale								
71310 Cost of Sale of Assets								
71400 Fraud Recovery	\$1,794					\$2,983		\$2,983
71500 Other Revenue				\$1,828,669	\$6,979	\$34,343,899	-\$97,464	\$34,246,435
71600 Gain or Loss on Sale of Capital Assets				\$3,054,217		\$3,054,217		\$3,054,217
72000 Investment Income - Restricted								
70000 Total Revenue	\$932,975	\$112,500	\$38	\$7,381,035	\$2,839,615	\$64,264,978	-\$1,162,537	\$63,102,441
91100 Administrative Salaries	\$27,157			\$474,740	\$1,335,694	\$3,363,681		\$3,363,681
91200 Auditing Fees	\$5,500			\$1,299	\$4,345	\$106,977		\$106,977
91300 Management Fee	\$33,735			\$425,055		\$1,065,073	-\$1,065,073	\$0
91310 Book-keeping Fee								
91400 Advertising and Marketing					\$23,102	\$36,101		\$36,101
91500 Employee Benefit contributions - Administrative	\$6,657			\$103,092	\$265,565	\$623,079		\$623,079
91600 Office Expenses	\$320					\$9,328	-\$8,933	\$395
91700 Legal Expense				\$1,193	\$30,001	\$71,932		\$71,932
91800 Travel								
91810 Allocated Overhead								
91900 Other	\$1,488			\$79,316	\$820,300	\$2,114,048		\$2,114,048
91000 Total Operating - Administrative	\$74,857	\$0	\$0	\$1,084,695	\$2,479,007	\$7,390,219	-\$1,074,006	\$6,316,213
92000 Asset Management Fee								
92100 Tenant Services - Salaries					\$27,846	\$298,697		\$298,697
92200 Relocation Costs						\$15,138		\$15,138
92300 Employee Benefit Contributions - Tenant Services					\$4,358	\$68,813		\$68,813
92400 Tenant Services - Other					\$72	\$33,895		\$33,895
92500 Total Tenant Services	\$0	\$0	\$0	\$0	\$32,276	\$416,543	\$0	\$416,543
93100 Water				\$683	\$2,833	\$323,430		\$323,430
93200 Electricity				\$614	\$6,268	\$164,971		\$164,971
93300 Gas				\$3,235	\$1,311	\$75,467		\$75,467
93400 Fuel								
93500 Labor								
93600 Sewer								
93700 Employee Benefit Contributions - Utilities								
93800 Other Utilities Expense								
93000 Total Utilities	\$0	\$0	\$0	\$4,532	\$10,412	\$563,868	\$0	\$563,868
94100 Ordinary Maintenance and Operations - Labor				\$22,450	\$181,190	\$699,696		\$699,696
94200 Ordinary Maintenance and Operations - Materials and Other				\$5,863	\$5,096	\$205,029		\$205,029
94300 Ordinary Maintenance and Operations Contracts				\$42,435	\$45,768	\$1,693,530	-\$88,531	\$1,604,999
94500 Employee Benefit Contributions - Ordinary Maintenance				\$4,933	\$41,935	\$174,650		\$174,650
94000 Total Maintenance	\$0	\$0	\$0	\$75,681	\$273,989	\$2,772,905	-\$88,531	\$2,684,374
95100 Protective Services - Labor								
95200 Protective Services - Other Contract Costs								
95300 Protective Services - Other								
95500 Employee Benefit Contributions - Protective Services								
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance				\$15,265		\$404,477		\$404,477
96120 Liability Insurance								
96130 Workmen's Compensation								
96140 All Other Insurance				\$2,634	\$33,741	\$54,809		\$54,809
96100 Total insurance Premiums	\$0	\$0	\$0	\$17,899	\$33,741	\$459,286	\$0	\$459,286
96200 Other General Expenses					\$8,694	\$321,769		\$321,769
96210 Compensated Absences								
96300 Payments in Lieu of Taxes						\$12,069		\$12,069
96400 Bad debt - Tenant Rents						\$122,677		\$122,677

96500	Bad debt - Mortgages								
96600	Bad debt - Other				\$2,068		\$2,068	\$2,068	
96800	Severance Expense								
96000	Total Other General Expenses	\$0	\$0	\$0	\$2,068	\$8,694	\$458,583	\$0	\$458,583
96710	Interest of Mortgage (or Bonds) Payable				\$109,529	\$1,496	\$3,803,025		\$3,803,025
96720	Interest on Notes Payable (Short and Long Term)								
96730	Amortization of Bond Issue Costs								
96700	Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$109,529	\$1,496	\$3,803,025	\$0	\$3,803,025
96900	Total Operating Expenses	\$74,857	\$0	\$0	\$1,294,404	\$2,839,615	\$15,864,429	-\$1,162,537	\$14,701,892
97000	Excess of Operating Revenue over Operating Expenses	\$858,118	\$112,500	\$38	\$6,086,631	\$0	\$48,400,549	\$0	\$48,400,549
97100	Extraordinary Maintenance								
97200	Casualty Losses - Non-capitalized								
97300	Housing Assistance Payments	\$846,811					\$11,223,214		\$11,223,214
97350	HAP Portability-In						\$61,214		\$61,214
97400	Depreciation Expense				\$54,378		\$6,241,908		\$6,241,908
97500	Fraud Losses								
97600	Capital Outlays - Governmental Funds								
97700	Debt Principal Payment - Governmental Funds								
97800	Dwelling Units Rent Expense								
90000	Total Expenses	\$921,668	\$0	\$0	\$1,348,782	\$2,839,615	\$33,390,765	-\$1,162,537	\$32,228,228
10010	Operating Transfer In						\$157,731	-\$157,731	\$0
10020	Operating transfer Out						-\$157,731	\$157,731	\$0
10030	Operating Transfers from/to Primary Government								
10040	Operating Transfers from/to Component Unit								
10050	Proceeds from Notes, Loans and Bonds								
10060	Proceeds from Property Sales								
10070	Extraordinary Items, Net Gain/Loss								
10080	Special Items (Net Gain/Loss)								
10091	Inter Project Excess Cash Transfer In								
10092	Inter Project Excess Cash Transfer Out								
10093	Transfers between Program and Project - In								
10094	Transfers between Project and Program - Out								
10100	Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10000	Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$11,307	\$112,500	\$38	\$6,032,253	\$0	\$30,874,213	\$0	\$30,874,213
11020	Required Annual Debt Principal Payments	\$0	\$0	\$0	\$30,022	\$0	\$701,235		\$701,235
11030	Beginning Equity	\$0	\$0	\$2,884	\$44,562,201	\$0	\$71,486,323		\$71,486,323
11040	Prior Period Adjustments, Equity Transfers and Correction of Errors		-\$112,500		-\$146,733		\$17,152		\$17,152
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						\$256,678		\$256,678
11180	Housing Assistance Payments Equity						\$24,914		\$24,914
11190	Unit Months Available	1200					25725		25725
11210	Number of Unit Months Leased	1133					23599		23599
11270	Excess Cash						\$910,771		\$910,771
11610	Land Purchases					\$0	\$0		\$0
11620	Building Purchases					\$0	\$70,775		\$70,775
11630	Furniture & Equipment - Dwelling Purchases					\$0	\$0		\$0
11640	Furniture & Equipment - Administrative Purchases					\$0	\$0		\$0
11650	Leasehold Improvements Purchases					\$0	\$0		\$0
11660	Infrastructure Purchases					\$0	\$0		\$0
13510	CFFP Debt Service Payments					\$0	\$0		\$0
13901	Replacement Housing Factor Funds					\$0	\$0		\$0