

**HOUSING AUTHORITY OF THE
TOWN OF SPRINGFIELD
Springfield, Colorado**

**FINANCIAL STATEMENTS
WITH INDEPENDENT ACCOUNTANTS'
COMPILATION REPORT**

SEPTEMBER 30, 2019

**HOUSING AUTHORITY OF THE TOWN OF SPRINGFIELD
Springfield, Colorado**

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INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To the Board of Commissioners
Housing Authority of the Town of Springfield
Springfield, Colorado

Management is responsible for the accompanying financial statements of Housing Authority of the Town of Springfield, (the "Housing Authority"), which comprise the statement of net position as of September 30, 2019, and the related statements of revenue, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Service Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The supplementary information contained on pages 12 through 15 are presented for the purposes of additional analysis and are not a required part of the basic financial statements. This information is the representation of management. The information was subject to our compilation engagement, however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

Hawkins Ash CPAs, LLP

La Crosse, Wisconsin
December 13, 2019

HOUSING AUTHORITY OF THE TOWN OF SPRINGFIELD
Springfield, Colorado
STATEMENT OF NET POSITION
SEPTEMBER 30, 2019

ASSETS

CURRENT ASSETS

| | |
|----------------------|------------|
| Cash | \$ 134,264 |
| Cash - restricted | 39,963 |
| TOTAL CURRENT ASSETS | 174,227 |

NONCURRENT ASSETS

| | |
|-------------------------------|-------------|
| Land | 70,000 |
| Buildings and improvements | 1,430,859 |
| Equipment | 54,415 |
| Less accumulated depreciation | (1,281,139) |
| TOTAL NONCURRENT ASSETS | 274,135 |

TOTAL ASSETS **\$ 448,362**

LIABILITIES AND NET POSITION

CURRENT LIABILITIES

| | |
|----------------------------------|----------|
| Accounts payable | \$ 9,208 |
| Accrued expenses | 50,703 |
| Accrued interest payable | 890 |
| Tenants' security deposits | 6,851 |
| Current portion of notes payable | 8,538 |
| TOTAL CURRENT LIABILITIES | 76,190 |

NONCURRENT LIABILITIES

| | |
|---------------|---------|
| Notes payable | 767,337 |
|---------------|---------|

TOTAL LIABILITIES 843,527

NET POSITION

| | |
|----------------------------------|-----------|
| Net investment in capital assets | (501,740) |
| Unrestricted | 106,575 |
| TOTAL NET POSITION | (395,165) |

TOTAL LIABILITIES AND NET POSITION **\$ 448,362**

The accompanying notes are an integral part of these financial statements.

HOUSING AUTHORITY OF THE TOWN OF SPRINGFIELD
Springfield, Colorado
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED SEPTEMBER 30, 2019

| | |
|------------------------------------|----------------------------|
| OPERATING REVENUE | |
| Tenant rents | \$ 88,250 |
| Operating grants | 138,669 |
| Other operating revenue | <u>6,288</u> |
| TOTAL OPERATING REVENUE | <u>233,207</u> |
| | |
| OPERATING EXPENSES | |
| Administration | 36,131 |
| Utilities | 35,845 |
| Maintenance and operations | 88,217 |
| General expenses | 19,782 |
| Depreciation | <u>63,667</u> |
| TOTAL OPERATING EXPENSES | <u>243,642</u> |
| | |
| OPERATING (LOSS) | <u>(10,435)</u> |
| | |
| NONOPERATING REVENUE (EXPENSE) | |
| Interest income | 1,337 |
| Interest expense | <u>(18,583)</u> |
| NET NONOPERATING (EXPENSE) | <u>(17,246)</u> |
| | |
| CHANGE IN NET POSITION | (27,681) |
| | |
| NET POSITION AT BEGINNING OF YEAR | <u>(367,484)</u> |
| | |
| NET POSITION AT END OF YEAR | <u>\$ (395,165)</u> |

The accompanying notes are an integral part of these financial statements.

HOUSING AUTHORITY OF THE TOWN OF SPRINGFIELD
Springfield, Colorado
STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2019

| | |
|---|--------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Cash received from tenants/participants | \$ 87,842 |
| Cash received from operating grants | 138,669 |
| Other income received | 6,288 |
| Cash payments to vendors | (109,370) |
| Cash payments to employees | (51,696) |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | <u>71,733</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | |
| Acquisition of capital assets | (2,800) |
| Principal payments | (8,002) |
| Interest paid | (18,626) |
| NET CASH (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES | <u>(29,428)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | |
| Interest received | <u>1,337</u> |
| NET INCREASE IN CASH | 43,642 |
| CASH AT BEGINNING OF YEAR | <u>130,585</u> |
| CASH AT END OF YEAR | <u>\$ 174,227</u> |
| <u>RECONCILIATION OF CASH PER STATEMENT OF CASH FLOWS TO THE STATEMENT OF NET POSITION</u> | |
| Cash | \$ 134,264 |
| Cash - restricted | 39,963 |
| CASH PER STATEMENT OF NET POSITION | <u>\$ 174,227</u> |
| <u>RECONCILIATION OF NET (LOSS) FROM OPERATIONS TO NET CASH PROVIDED BY OPERATING ACTIVITIES</u> | |
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Operating (loss) | \$ (10,435) |
| Adjustments to reconcile operating (loss) to net cash provided by operating activities | |
| Depreciation | 63,667 |
| Changes in assets and liabilities | |
| Decrease in assets | |
| Accounts receivable | 14,557 |
| Increase (decrease) in liabilities | |
| Accounts payable | 2,213 |
| Accrued expenses | 2,139 |
| Tenants' security deposits | (408) |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | <u>\$ 71,733</u> |

The accompanying notes are an integral part of these financial statements.

**HOUSING AUTHORITY OF THE TOWN OF
SPRINGFIELD
Springfield, Colorado**

BASIC FINANCIAL STATEMENTS

HOUSING AUTHORITY OF THE TOWN OF SPRINGFIELD
Springfield, Colorado
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1 - Summary of Significant Accounting Policies

Reporting Entity - The Housing Authority of the Town of Springfield (the "Housing Authority") is a separate governmental entity created for the purpose of constructing, maintaining, and operating public housing and providing rental assistance to disabled and elderly persons. Most of the Housing Authority's funding is provided by the United States Department of Housing and Urban Development (HUD). All programs of the Housing Authority are included in these statements.

Based on the application of this criterion, the Housing Authority does not include additional organizations within its reporting entity.

Programs Administered by the Housing Authority - The programs of the Housing Authority are recorded in one enterprise fund. Each program is maintained using a separate set of self-balancing accounts. The programs include General Fund and Section 8 New Construction.

Basis of Accounting and Measurement Focus - The Housing Authority's financial statements are presented on the full accrual basis in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Housing Authority applies all GASB pronouncements as well as U.S. GAAP, as codified by the Financial Accounting Standards Board.

All activities of the Housing Authority are accounted for within one proprietary (enterprise) fund. A proprietary fund is used to account for operations that are (a) financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

A proprietary fund distinguishes operating revenue and expenses from non-operating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the Housing Authority are rents collected from tenants and operating grants. Operating expenses for the proprietary funds include the cost of operating properties owned, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as non-operating revenue and expenses

The accounting and financial reporting treatment applied to the Housing Authority is determined by its measurement focus. The transactions of the Housing Authority are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations are included on the statement of net position. Net position (i.e., total assets net of total liabilities) are segregated into net investment in capital assets, restricted, and unrestricted. When both restricted and unrestricted resources are available for use, it is the Housing Authority's policy to use restricted resources first, and then unrestricted resources as they are needed.

Cash - Cash amounts are segregated into individual accounts as unrestricted resources or resources restricted for tenants' security deposits and a replacement reserve account.

HOUSING AUTHORITY OF THE TOWN OF SPRINGFIELD
Springfield, Colorado
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
SEPTEMBER 30, 2019

NOTE 1 - Summary of Significant Accounting Policies - Continued

Accounts Receivable - Management has elected to record bad debt expense using the direct write-off method when receivables are determined to be uncollectible based on the periodic review of the accounts. U.S. GAAP requires 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.

Property and Equipment - Property and equipment are stated at cost less accumulated depreciation. The Housing Authority's capitalization threshold is for property and equipment which exceed \$2,000. Replacements, maintenance, and repairs, which do not improve or extend the lives of the assets, are expensed as incurred. When an item is disposed of, the cost and accumulated depreciation are eliminated from the accounts and any gain or loss is recognized at that time.

The Housing Authority provides for depreciation of buildings and equipment on the straight-line method. The estimated useful lives used in computing the depreciation provisions are as follows:

| | |
|----------------------------|-------------|
| Buildings and Improvements | 30-40 years |
| Equipment | 5-36 years |

Impairment of Long-Lived Assets - In accordance with U.S. GAAP, the Housing Authority reviews its capital assets for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recovered. If the fair value is less than the carrying amount of the asset, an impairment loss is recognized for the difference. No impairment loss has been recognized during the year ended September 30, 2019

Deferred Outflows and Inflows of Resources - In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expenditure) until then. The Housing Authority does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position which applies to future periods and so will not be recognized as an inflow of resources (revenue) until then. The Housing Authority does not have any items that qualify for reporting in this category.

Federal Aids - Federal aids for reimbursable programs are recognized as revenue in the year related program expenditures are incurred. Aids received prior to meeting revenue recognition criteria are recorded as deferred revenue.

Interprogram Transactions - Quasi-external transactions are accounted for as revenue or expenses. Transactions that constitute reimbursements to a program for expenses initially made from it that are properly applicable to another program, are recorded as expenses in the reimbursing program and as reductions of expenses in the program that is reimbursed.

Rental Income - Rental income is recognized as rents become due.

HOUSING AUTHORITY OF THE TOWN OF SPRINGFIELD
Springfield, Colorado
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
SEPTEMBER 30, 2019

NOTE 1 - Summary of Significant Accounting Policies - Continued

Advertising - The Housing Authority expenses advertising costs as incurred.

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

Subsequent Events - The Housing Authority has evaluated subsequent events through December 13, 2019, the date which the financial statements were available to be issued.

NOTE 2 - Stewardship, Compliance and Accountability

Budgetary Information - Budgets are adopted for all funds as a management control device, but are not legally required. Therefore, budgetary information is not presented in the financial statements

Accountability - At September 30, 2019, the Springfield West Fund had net position of (\$529,050). Revenue of the property has not historically been sufficient to cover operating costs, including depreciation.

NOTE 3 - Cash

HUD regulations and statutes authorize the Housing Authority to have deposits in checking accounts, certificates of deposit, money-market funds, United States government securities, and repurchase agreements fully collateralized by United States government securities.

Cash reported in the financial statements at September 30, 2019, consisted of the following:

| | |
|---------------------------------------|--------------------------|
| Unrestricted | \$ 134,264 |
| Restricted - Tenant Security Deposits | 6,851 |
| Restricted - Replacement Reserves | <u>33,112</u> |
| TOTAL CASH | <u>\$ 174,227</u> |

Fair Value of Deposits - Deposits are reported at fair value. At September 30, 2019, the fair value of the Housing Authority's deposits approximated original cost; therefore, no fair value adjustments were necessary.

Determining Fair Value - Fair value of the Housing Authority's deposits are determined as follows, deposits with stated interest rates (operating and savings accounts) are stated at cost.

Income Allocation - Interest income is generally allocated to the program that owns the operating and savings accounts.

Custodial Credit Risk - Deposits - Custodial credit is the risk that, in the event of the failure of a depository financial institution; a government will not be able to recover its deposits. The Housing Authority does not have a deposit policy for custodial credit risk. As of September 30, 2019, none of the Housing Authority's bank balance of \$174,428 was exposed to custodial credit risk.

HOUSING AUTHORITY OF THE TOWN OF SPRINGFIELD
Springfield, Colorado
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
SEPTEMBER 30, 2019

NOTE 3 - Cash - Continued

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 statutes. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral determined by the PDPA. The PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102 percent of the uninsured deposits.

NOTE 4 - HUD Regulations and Restrictions

Some of the regulations and restrictions that HUD imposes on the Housing Authority include the following:

Tenant Security Deposits - Tenant security deposits are held in trust in a separate account under the Housing Authority's name.

Replacement Reserve - The Housing Authority is required to set aside amounts for the replacement of property and other Housing Authority expenditures approved by HUD. These deposits are held in a separate account and generally are not available for operating purposes.

Distributions - The Housing Authority's regulatory agreement with HUD stipulates, among other things, that the Housing Authority will not make distributions of assets or income to any of its officers or directors.

Rent Increases - Under the regulatory agreement, the Housing Authority may not increase rents charged to tenants without HUD approval.

Management Fee - The Housing Authority paid a HUD-approved flat rate management fee of \$50 for each unit (32) during each month of year, totaling an annual fee of \$19,200. Fees were transferred internally across funds to their General program, for the management of their Springfield West property.

HOUSING AUTHORITY OF THE TOWN OF SPRINGFIELD
Springfield, Colorado
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
SEPTEMBER 30, 2019

NOTE 5 - Capital Assets

| <u>FIXED ASSETS</u> | <u>Land and Improvements</u> | <u>Buildings and Improvements</u> | <u>Building Equipment - Portable</u> | <u>Furniture for Project/ Tenant Use</u> | <u>Total</u> |
|---|--------------------------------------|---|--|--|--------------------------|
| Balance, September 30, 2018 | \$ 70,000 | \$1,433,818 | \$ 25,958 | \$ 38,687 | \$1,568,463 |
| Additions | - | - | - | 2,800 | 2,800 |
| Retirements | - | (2,959) | (6,432) | (6,598) | (15,989) |
| Balance, September 30, 2019 | <u>70,000</u> | <u>1,430,859</u> | <u>19,526</u> | <u>34,889</u> | <u>1,555,274</u> |
| <u>ACCUMULATED DEPRECIATION</u> | | | | | |
| Balance, September 30, 2018 | - | 1,173,233 | 21,541 | 38,687 | 1,233,461 |
| Current provision | - | 62,851 | 583 | 233 | 63,667 |
| Retirements | - | (2,959) | (6,432) | (6,598) | (15,989) |
| Balance, September 30, 2019 | <u>-</u> | <u>1,233,125</u> | <u>15,692</u> | <u>32,322</u> | <u>1,281,139</u> |
| NET BOOK VALUE, SEPTEMBER 30, 2019 | <u>\$ 70,000</u> | <u>\$ 197,734</u> | <u>\$ 3,834</u> | <u>\$ 2,567</u> | <u>\$ 274,135</u> |

DETAIL OF ASSET ADDITIONS:

ATV trailer **\$ 2,800**

DETAIL OF ASSET RETIREMENTS:

| | |
|-----------------------|-------------------------|
| Air conditioners | \$ 2,959 |
| Typewriter | 220 |
| Tubmate | 572 |
| Tubmate/computer | 4,047 |
| Blinds, drapes/alarms | 6,598 |
| Computer | 893 |
| Software | 700 |
| Total | <u>\$ 15,989</u> |

NOTE 6 - Long-Term Debt

Long-term debt at September 30, 2019, consists of the following:

| | |
|--|--------------------------|
| Mortgage note with monthly payments of \$1,580, including 6.50 percent interest, due June 1, 2032 | \$ 164,234 |
| HUD mortgage note, including 1.00 percent simple interest, due July 1, 2032 | \$ 253,905 |
| HUD mortgage note, including 1.00 percent simple interest, due July 1, 2032 | <u>\$ 357,736</u> |

Buildings and equipment of the Housing Authority are pledged as collateral on the note.

| | |
|--------------|--------------------------|
| Total | <u>\$ 775,875</u> |
|--------------|--------------------------|

HOUSING AUTHORITY OF THE TOWN OF SPRINGFIELD
Springfield, Colorado
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
SEPTEMBER 30, 2019

NOTE 6 - Long-Term Debt - Continued

Maturities of long-term debt for the five years following September 30, 2019, are as follows:

| | Principal | Interest | Total |
|------------|-------------------|-------------------|-------------------|
| 2020 | \$ 8,538 | \$ 10,424 | \$ 18,962 |
| 2021 | 9,121 | 9,840 | 18,961 |
| 2022 | 9,732 | 9,230 | 18,962 |
| 2023 | 10,384 | 8,578 | 18,962 |
| 2024 | 11,080 | 7,882 | 18,962 |
| 2025-2029 | 67,574 | 27,237 | 94,811 |
| Thereafter | 659,446 | 130,779 | 790,225 |
| | \$ 775,875 | \$ 203,970 | \$ 979,845 |

For the fiscal year ending September 30, 2019, interest paid on long-term debt totaled \$18,583.

NOTE 7 - Commitments and Contingencies

Taxpayer's Bill of Rights

In November 1992, the voters of the State of Colorado approved an amendment to the state's constitution limiting the amount of revenue which may be spent or retained by Colorado governmental entities. The amendment is in effect for most governmental entities for the years beginning after 1992, but exempts "enterprise" funds and activities from the limitations. The Board of Commissioners of the Housing Authority believes it is exempt from the provisions of the Taxpayer's Bill of Rights (TABOR) because it is an "enterprise" (a business operation able to issue its own revenue bonds and receiving less than 10 percent of its revenue from state and local grants) as defined in the constitutional amendment. The Board also believes it is not subject to the provisions of TABOR because the governing board is not an elected board, does not have an electoral constituency, and does not have the power to impose taxes which are all the basic operational requirements of TABOR. However, many provisions of the TABOR Amendment are complex and subject to further interpretation and will require judicial interpretation.

NOTE 8 - Risk Management

The Housing Authority is exposed to various risks of loss due to torts; theft, damage, and destruction of assets; errors and omissions; and natural disasters for which the Housing Authority carries commercial insurance. There has been no significant reduction in insurance coverage from the previous year. In addition, there have been no material settlements in excess of coverage in any of the prior three fiscal years.

NOTE 9 - Economic Dependency

The Housing Authority received approximately 58 percent of its total revenue from the United States Department of Housing and Urban Development. This funding is subject to federal government budget appropriations and potential funding reductions.

**HOUSING AUTHORITY OF THE TOWN OF
SPRINGFIELD**

Springfield, Colorado

SUPPLEMENTARY INFORMATION

HOUSING AUTHORITY OF THE TOWN OF SPRINGFIELD
Springfield, Colorado
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2019

| <u>ASSETS</u> | <u>GENERAL FUND</u> | <u>SECTION 8 NEW CONSTRUCTION SPRINGFIELD WEST</u> | <u>ELIMINATING ENTRY</u> | <u>TOTAL</u> |
|---|-------------------------|--|------------------------------|-------------------|
| CURRENT ASSETS | | | | |
| Cash | \$ 122,704 | \$ 11,560 | \$ - | \$ 134,264 |
| Cash - restricted | - | 39,963 | - | 39,963 |
| Due from other programs | 771 | - | (771) | - |
| TOTAL CURRENT ASSETS | <u>123,475</u> | <u>51,523</u> | <u>(771)</u> | <u>174,227</u> |
| NONCURRENT ASSETS | | | | |
| Land | - | 70,000 | - | 70,000 |
| Buildings and improvements | - | 1,430,859 | - | 1,430,859 |
| Equipment | 24,482 | 29,933 | - | 54,415 |
| Less accumulated depreciation | (20,648) | (1,260,491) | - | (1,281,139) |
| TOTAL NONCURRENT ASSETS | <u>3,834</u> | <u>270,301</u> | <u>-</u> | <u>274,135</u> |
| TOTAL ASSETS | <u>\$ 127,309</u> | <u>\$ 321,824</u> | <u>\$ (771)</u> | <u>\$ 448,362</u> |
| <u>LIABILITIES AND NET POSITION</u> | | | | |
| CURRENT LIABILITIES | | | | |
| Accounts payable | \$ - | \$ 9,208 | \$ - | \$ 9,208 |
| Due to other programs | - | 771 | (771) | - |
| Accrued interest payable | - | 890 | - | 890 |
| Accrued expenses | - | 50,703 | - | 50,703 |
| Tenants' security deposits | - | 6,851 | - | 6,851 |
| Current portion of notes payable | - | 8,538 | - | 8,538 |
| TOTAL CURRENT LIABILITIES | <u>-</u> | <u>76,961</u> | <u>(771)</u> | <u>76,190</u> |
| NONCURRENT LIABILITIES | | | | |
| Notes payable | - | 767,337 | - | 767,337 |
| TOTAL LIABILITIES | <u>-</u> | <u>844,298</u> | <u>(771)</u> | <u>843,527</u> |
| NET POSITION | | | | |
| Net investment in capital assets | 3,834 | (505,574) | - | (501,740) |
| Unrestricted | 123,475 | (16,900) | - | 106,575 |
| TOTAL NET POSITION | <u>127,309</u> | <u>(522,474)</u> | <u>-</u> | <u>(395,165)</u> |
| TOTAL LIABILITIES AND NET POSITION | <u>\$ 127,309</u> | <u>\$ 321,824</u> | <u>\$ (771)</u> | <u>\$ 448,362</u> |

HOUSING AUTHORITY OF THE TOWN OF SPRINGFIELD
Springfield, Colorado
COMBINING STATEMENT OF REVENUE, EXPENSES, CHANGES IN NET POSITION
YEAR ENDED SEPTEMBER 30, 2019

| | GENERAL FUND | SECTION 8 NEW CONSTRUCTION SPRINGFIELD WEST | ELIMINATING ENTRY | TOTAL |
|---|-------------------|---|----------------------|---------------------|
| OPERATING REVENUE | | | | |
| Tenant rents | \$ - | \$ 88,250 | \$ - | \$ 88,250 |
| Management fee | 19,200 | - | (19,200) | - |
| Operating grants | - | 138,669 | - | 138,669 |
| Other operating revenue | 771 | 5,517 | - | 6,288 |
| TOTAL OPERATING REVENUE | <u>19,971</u> | <u>232,436</u> | <u>(19,200)</u> | <u>233,207</u> |
| OPERATING EXPENSES | | | | |
| Administration | 275 | 55,056 | (19,200) | 36,131 |
| Utilities | - | 35,845 | - | 35,845 |
| Maintenance and operations | - | 88,217 | - | 88,217 |
| General expenses | - | 19,782 | - | 19,782 |
| Depreciation | 583 | 63,084 | - | 63,667 |
| TOTAL OPERATING EXPENSES | <u>858</u> | <u>261,984</u> | <u>(19,200)</u> | <u>243,642</u> |
| OPERATING INCOME (LOSS) | <u>19,113</u> | <u>(29,548)</u> | <u>-</u> | <u>(10,435)</u> |
| NONOPERATING REVENUE (EXPENSE) | | | | |
| Interest income | 1,070 | 267 | - | 1,337 |
| Interest expense | - | (18,583) | - | (18,583) |
| NET NONOPERATING REVENUE (EXPENSE) | <u>1,070</u> | <u>(18,316)</u> | <u>-</u> | <u>(17,246)</u> |
| CHANGE IN NET POSITION | <u>20,183</u> | <u>(47,864)</u> | <u>-</u> | <u>(27,681)</u> |
| NET POSITION AT BEGINNING OF YEAR | <u>107,126</u> | <u>(474,610)</u> | <u>-</u> | <u>(367,484)</u> |
| NET POSITION AT END OF YEAR | <u>\$ 127,309</u> | <u>\$ (522,474)</u> | <u>\$ -</u> | <u>\$ (395,165)</u> |

HOUSING AUTHORITY OF THE TOWN OF SPRINGFIELD
Springfield, Colorado
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2019

| | GENERAL FUND | SECTION 8 NEW CONSTRUCTION SPRINGFIELD WEST | ELIMINATING ENTRY | TOTAL |
|---|-------------------|---|----------------------|-------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Cash received from tenants/participants | \$ - | \$ 87,842 | \$ - | \$ 87,842 |
| Cash received from operating grants | - | 138,669 | - | 138,669 |
| Other income received | 19,971 | 5,517 | (19,200) | 6,288 |
| Cash received from interprogram services provided | - | (15,873) | 15,873 | - |
| Cash payments for interprogram services used | 15,873 | - | (15,873) | - |
| Cash payments to vendors | (275) | (128,295) | 19,200 | (109,370) |
| Cash payments to employees | - | (51,696) | - | (51,696) |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | 35,569 | 36,164 | - | 71,733 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | |
| Acquisition of capital assets | - | (2,800) | - | (2,800) |
| Principal payments | - | (8,002) | - | (8,002) |
| Interest paid | - | (18,626) | - | (18,626) |
| NET CASH (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES | - | (29,428) | - | (29,428) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Interest received | 1,070 | 267 | - | 1,337 |
| NET INCREASE IN CASH | 36,639 | 7,003 | - | 43,642 |
| CASH AT BEGINNING OF YEAR | 86,065 | 44,520 | - | 130,585 |
| CASH AT END OF YEAR | \$ 122,704 | \$ 51,523 | \$ - | \$ 174,227 |
| <u>RECONCILIATION OF CASH PER STATEMENT OF CASH FLOWS TO THE STATEMENT OF NET POSITION</u> | | | | |
| Cash | \$ 122,704 | \$ 11,560 | \$ - | \$ 134,264 |
| Cash - restricted | - | 39,963 | - | 39,963 |
| CASH PER STATEMENT OF NET POSITION | \$ 122,704 | \$ 51,523 | \$ - | \$ 174,227 |
| <u>RECONCILIATION OF NET INCOME (LOSS) FROM OPERATION TO NET CASH PROVIDED BY OPERATING ACTIVITIES</u> | | | | |
| Operating income (loss) | \$ 19,113 | \$ (29,548) | \$ - | \$ (10,435) |
| Adjustments to reconcile operating income (loss) to net cash provided by operating activities | | | | |
| Depreciation | 583 | 63,084 | - | 63,667 |
| Changes in assets and liabilities | | | | |
| Decrease (increase) in assets | | | | |
| Accounts receivable | - | 14,557 | - | 14,557 |
| Due from other programs | 15,873 | - | (15,873) | - |
| Increase (decrease) in liabilities | | | | |
| Accounts payable | - | 2,213 | - | 2,213 |
| Accrued expenses | - | 2,139 | - | 2,139 |
| Due to other programs | - | (15,873) | 15,873 | - |
| Tenants' security deposits | - | (408) | - | (408) |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | \$ 35,569 | \$ 36,164 | \$ - | \$ 71,733 |

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
HOUSING - FEDERAL HOUSING COMMISSIONER
OFFICE OF MULTIFAMILY HOUSING MANAGEMENT AND OCCUPANCY

**COMPUTATION OF SURPLUS CASH, DISTRIBUTIONS, AND
RESIDUAL RECEIPTS**

| PROJECT NAME: | FISCAL PERIOD ENDED: | PROJECT NUMBER |
|--|----------------------|----------------|
| Housing Authority of the Town of Springfield | September 30, 2019 | 101-35324V |
| PART A-COMPUTE SURPLUS CASH | | |
| 1 Cash (Accounts 1110,1120,1191) | \$ 18,411 | |
| 2 Tenant subsidy vouchers due for period covered by financial statement | - | |
| 3 Other (describe) | - | |
| (a) Total Cash (Add Lines 1,2, and 3) | | \$ 18,411 |
| 4 Accrued mortgage interest payable | \$ 890 | |
| 5 Delinquent mortgage principal payments | | |
| 6 Delinquent deposits to reserve for replacements | | |
| 7 Accounts payable (due within 30 days) | 9,208 | |
| 8 Loans and notes payable (Due within 30 days) | 691 | |
| 9 Deficient Tax Insurance or MIP Escrow deposits | | |
| 10 Accrued expenses (not escrowed) | - | |
| 11 Prepaid rents (Account 2210) | - | |
| 12 Tenant security deposits liability (Accounts 2191 and 2192) | 6,851 | |
| 13 Other (Describe) | 0 | |
| (b) Less Total Current Obligations (Add Lines 4 through 13) | | \$ 17,640 |
| (c) Surplus Cash (Deficiency)(Line (a) minus Line (b)) | | \$ 771 |
| PART B - COMPUTE DISTRIBUTIONS TO OWNERS AND REQUIRED DEPOSIT TO RESIDUAL RECEIPTS | | |
| 1 Surplus Cash | | \$ 771 |