
Boulder Housing Partners

**Financial Report
with Supplemental Information
December 31, 2020**

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Independent Auditor's Report

To the Board of Commissioners
Boulder Housing Partners

Report on the Financial Statements

We have audited the accompanying financial statements of the primary government business-type activities and the aggregate discretely presented component units of the Housing Authority of the City of Boulder, Colorado, a Colorado Housing Authority d/b/a Boulder Housing Partners (BHP or the "Authority"), as of and for the year ended December 31, 2020 and the related notes to the financial statements, which collectively comprise Boulder Housing Partners' basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The discretely presented component units were not audited under *Government Auditing Standards*.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the primary government business-type activities and the aggregate discretely presented component units of Boulder Housing Partners as of December 31, 2020 and the respective changes in its financial position and its cash flows, where applicable, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Emphasis of Matter

As discussed in Note 15, the beginning net position of the financial statements has been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

To the Board of Commissioners
Boulder Housing Partners

Required Supplemental Information

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

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 25, 2021 on our consideration of Boulder Housing Partners' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Boulder Housing Partners' internal control over financial reporting and compliance.

Plante & Moran, PLLC

May 25, 2021

As management of the Housing Authority of the City of Boulder, Colorado. d/b/a Boulder Housing Partners (BHP or the "Authority"), we offer readers of the BHP financial statements this narrative overview and analysis of the financial activities of BHP for the fiscal year ended December 31, 2020.

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

Overview of the Financial Statements

The annual financial report consists of four parts:

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

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

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

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

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

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

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

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

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

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

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

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

Moving to Work

BHP was awarded the designation of a Moving to Work (MTW) agency by HUD effective January 1, 2012. MTW agencies, of which there are currently 70 in the country, are accepted into the program on the strength of their long-range plan of how to use deregulation to further three federal goals: increase efficiency/reduce cost; increase housing choices; and leverage customers' ability to achieve self-sufficiency. MTW agencies write an annual plan in which they are invited to request a waiver of rules in the Code of Federal Regulations that impede their ability to pursue their MTW plan.

The following programs are included in this designation:

- **Public Housing** - Under the public housing program, BHP rents units it owns to low-income households. This program operates under an annual contributions contract with HUD. HUD provides an operating subsidy to enable BHP to provide the housing at a rent that is based upon 30 percent of adjusted gross income of the tenant. BHP had 14 public housing units under contract at the end of calendar year 2020 having sold 35 units at the Madison property to a LIHTC partnership which BHP is the general partner during 2020.
- **Capital Fund Program** - Under this program, BHP receives funding from HUD for physical improvements to its units within the public housing program. The program operates under an annual contributions contract with HUD.
- **MTW Housing Choice Voucher Program** - Pursuant to the Moving to Work contract with HUD, BHP receives funding to subsidize the rent of low-income families in the private market and earns an administrative fee to cover the program's operating costs. As of December 31, 2020, BHP received funding for 788 Housing Choice vouchers in the MTW program.

Other Programs:

Housing Choice Voucher Programs - In addition to the 788 MTW Housing Choice vouchers mentioned above, BHP receives funding through an annual contributions contract with HUD to subsidize the rent of additional low-income families in the private market and earns an administrative fee to cover the program's operating costs. As of December 31, 2020, BHP received funding for 181 Housing Choice vouchers, 135 Rental Assistance demonstration ("RAD") vouchers and 138 Mainstream vouchers through this version of the Housing Choice voucher and the Mainstream voucher programs.

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

funded through HUD's Continuum of Care Program. Supportive services are managed by case managers through Boulder Shelter for the Homeless. This program began in 2014

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

In January 2018, BHP signed an agreement with the City of Boulder, which provides \$200,000 each year for three consecutive years to house 8 – 12 chronically homeless households. During 2019, the City of Boulder expanded this agreement for an additional \$220,000 for three consecutive years to house an additional 18 chronically homeless households. In 2020, the City of Boulder again expanded this agreement for an additional \$519,875 for three consecutive year to house an additional 20 households for a total grant of \$921,875 in 2020 to support 48 vouchers. The 2020 award included \$18,000 for BHP administrative costs. This program works just like the Housing First Scattered Site Program in that BHP administers the rental assistance and the Boulder Shelter for the Homeless provides the case management supportive services. This program was brought about based on the success of the Housing First Scattered Site and a desire by the City of Boulder to help find a solution to the homeless situation in Boulder.

Owned Permanently Affordable Housing - BHP owns 365 units in 17 properties that are permanently affordable under covenants with the City of Boulder. In additional

Market Rate Housing - BHP has a total of 263 market rate units. BHP has six properties at which some units have no restrictions on the rents.

- Bridgeway, with a total of 123 units, has 111 units with no restriction on rents and 12 units that are included in the Owned Permanently Affordable Housing count above;
- Foothills Community, with a total of 74 units, has 22 units with no restriction on rents and 52 units that are included in the Owned Permanently Affordable Housing count above;
- Tantra Lakes, with a total of 185 units, has 102 units with no restrictions on rents and 83 units that are included in the Owned Permanently Affordable Housing count above;
- Cedar and Casey, with a total of 19 units, currently have 2 units with no restrictions on rents and are targeting 2 units as affordable at unit turns;
- Twenty37 Walnut, with a total of 26 units, currently has 3 units with no restrictions on rents and is targeting 100% affordable at unit turns.
- Trout Farms, with a total of 31 units, currently has 23 units with no restrictions on rents and is targeting 8 units as affordable by the end of 2021 and 100% affordable by the end of 2022.

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

Partnerships in Low-income Tax Credit Housing – As of December 31, 2020, BHP or its affiliate is the general partner in thirteen tax credit partnerships with a total of 835 units; Boulder Communities, LLLP, Broadway West Community, LLLP, Canopy @ Red Oak Park, LLLP, Ciclo, LLLP, High Mar Community, LLLP, Holiday Community, LLLP, Lee Hill Community, LLLP, Madison Woods Communities, LLLP, Palo Park Community, LLLP, Red Oak Park, LLLP, WestView Community, LLLP, and West End Communities, LLLP. One additional tax credit partnership is under construction; 30Pearl, LLLP. . Construction began at 30Pearl November 2019 for 120 units, to be completed by Spring 2021.

In November 2018, BHP became a special limited partner, in the Ciclo, LLLP partnership. The general partner and developer was Boulder Junction DevCo Ciclo, LLC. Construction of 38 units were completed and became operational June 2020. . Per the 2018 Omnibus agreement, once this property achieved normal operational benchmarks, BHP acquired the general partner's ownership interest for \$843,738 in November 2020. BHP transitioned from being the special limited partner to the general partner for the remaining term of the tax credit partnership. Ciclo, LLLP is reported as a Discretely Presented Component Unit in this report beginning 2020.

Major Programs for 2020 Audit

For the current period ended December 31, 2020, one program has been deemed by our auditors, Plante & Moran, PLLC, to be a major program.

- Housing Choice Voucher Cluster:
 - o Housing Choice Voucher program, which includes the Non Elderly Disabled (NED) program and the Rental Assistance Demonstration (RAD) Programs.
 - o The Mainstream Program

Financial Highlights

During the years ended December 31, 2020 and 2019, respectively:

- In 2020, BHP acquired the Rally Fitness Center property located at 2727 29th Bluff St for \$8,750,000. The acquisition was funded by BHP funds and \$6,275,633 from our Line of Credit. Per the purchase agreement, the fitness center will occupy the site until the end of 2022. At that time, BHP intends to sell the property to a LIHTC partnership and demolish the existing building to construct new affordable housing. In 2021, BHP received approval from the City of Boulder to build up to 100 units on this site.
- In 2020, BHP sold 5 units of market rate housing at 101 Canyon for \$2,335,000 to an external buyer. \$450,000 of first mortgage for this property was paid down at time of sale.
- In 2020, In 2019, BHP sold two properties; Madison; 33 units of public housing and Woodlands; 35 units of affordable housing to Madison Woods Communities, LLLP. Madison Woods Ventures, LLC, 100% owned by BHP is the .01% general partner of the Madison Woods Communities, LLLP. The \$12,300,000 fair market value sales price resulted in two note receivable loans of \$7,600,000, \$2,650,000 payoff of a first mortgage and cash proceeds of \$2,050,000 to BHP. BHP received developer fees at closing of \$295,000.
- In 2020, BHP entered into a new Line of Credit with First Bank for \$10,000,000 for 3 years, at a 3.5% interest rate. Two properties serve as collateral; 2037 Walnut St, a 26 unit affordable housing property, and 4800 N. Broadway, BHP's home office building. Concurrently, BHP closed the Line of Credit with First National Bank. No outstanding balance was due to First National Bank.
- In 2020, BHP entered into a contract to purchase vacant land at 6500 Odell Pl, Gunbarrel for \$950,000. \$50,000 was paid at the time of contract and closing occurred January 2021. This land will be held for future development.
- In 2019, BHP acquired 44 units from Broadway East, LLLP at the exit of the limited partner and the dissolution of the tax credit partnership. The 44 units covenanted at 60% AMI were sold to BHP for \$4,604,879 (the forgiveness of debt and assumption of debt) and financed with the Operating Reserves previously held by the dissolved tax credit partnership. The transaction included a \$2,874,149 forgiveness of debt between BHP and Broadway East, LLLP and resulted in a reduction of building cost of \$1,771,000 having a deemed value \$6,376,000 for BHP.
- In 2019, BHP acquired 31 of 93 units at Trout Farms condominium complex for \$8,577,971. At closing, additional deposits of \$93,000 were made into replacement reserve accounts for capital improvements. At 2019 year-end, 27 of the property's 31 units were designated market rate. Units are expected to transition to permanently affordable under a covenant with the City of Boulder after receiving

Management's Discussion and Analysis (Continued)

\$2,635,000 grant funds (anticipated December 2022). At 12/31/2020, 22 of the 31 units were affordable. Financing for this acquisition included a first mortgage loan in the amount of \$4,197,000, grant revenue from the City of Boulder; \$350,000, BHP's Line of Credit; 2,871,304 and BHP equity for the remainder, \$1,159,667. The LOC advance was fully repaid within weeks from the sale of Canyon Pointe and Glen Willow to West End Communities, LLLP.

- In 2019, BHP sold two properties; Canyon Pointe and Glen Willow or 116 project-based contract voucher units to West End Communities, LLLP. West End Ventures, LLC, 100% owned by BHP is the .01% general partner of the West End Communities, LLLP. The \$23,800,000 fair market value sales price resulted in two note receivable loans of \$13,021,022 and cash proceeds of \$10,778,978 to BHP. The cash proceeds including \$966,237 Developer fees were used toward;
 - Pay off the outstanding HUD loan collateralized by Canyon Pointe at closing; \$980,400
 - Pay off the outstanding Line of Credit from the acquisition of Trout Farms during 2019; \$2,871,304
 - Pay off the outstanding Line of Credit from the acquisition of 2037 Walnut during 2018. \$3,327,766.
 - Payoff of the outstanding Line of Credit from Canyon Pointe's \$3,393,235 balloon mortgage paid December 2018.
 - \$1,325,973 of cash proceeds were set aside to loan to Canopy at ROP, LLLP upon construction completion mid-2020.
- In 2019, two single family houses were sold as separate transactions to unrelated parties. Cornell House, a market rate property was sold for \$1,050,000. \$255,000 of first mortgage for this property was paid down at time of sale. Orchard House, an affordable property was sold for \$400,000 passing along the restrictive deeded covenants to the new owner.
- At 2019 year-end, 13 of the Twenty37 Walnut property's 26 units were designated market rate. As current residents move out, units will be transitioned to affordable, with a target of 100% units by the end of 2020, under a covenant with the City of Boulder after receiving \$2,600,00 grant funds (anticipated by the end of 2020).

Condensed Comparative Financial Information

The following table reflects a summary of the statement of net position at December 31, 2020 compared to the prior year:

Summary Statement of Net Position

Assets:	2020	2019
Current assets	\$ 18,293,487	\$ 17,424,719
Noncurrent assets	\$ 108,769,377	\$ 95,800,333
Capital Assets (net of depreciation)	\$ 112,174,875	\$ 107,887,559
Total Assets	\$ 239,237,739	\$ 221,112,610
Deferred Outflows	\$ 1,151,919	\$ 3,291,244
Total Assets and Deferred Outflows	\$ 240,389,658	\$ 224,403,854
Liabilities		
Current liabilities	\$ 9,379,984	\$ 6,804,231
Long-term liabilities	\$ 73,751,644	\$ 85,777,345
Total liabilities	\$ 83,131,628	\$ 92,581,575
Deferred Inflows	\$ 3,459,477	\$ 1,436,658
Total Liabilities and Deferred Inflows	\$ 86,591,105	\$ 94,018,233
Net Position		
Unrestricted	\$ 111,005,859	\$ 93,896,922
Net Investment in Capital Assets	\$ 39,737,042	\$ 31,048,513
Restricted	\$ 3,055,652	\$ 5,440,186
Total net position	\$ 153,798,553	\$ 130,385,621
Total liabilities and net position	\$ 240,389,658	\$ 224,403,854

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

Financial Highlights Affecting the Statement of Net Position

Total assets increased by \$18,125,129 or 8.2% in 2020 primarily the result of Notes Receivables for one new tax credit partnerships that BHP is the general partner; Madison Woods Communities and the acquisition of the property at 2727 29th Bluff St. The notes receivable were derived from a combination of selling of two properties.

Current assets at December 31, 2019 increased by \$868,768 or 5% primarily due to;

- Increase of \$434,148 Unrestricted Cash; Replacement Reserves accounted for \$223,804 increase.
- Decrease of Restricted Cash; \$2,522,195; \$1,325,973 was set aside to loan to Canopy @ Red Oak Park at inception of the tax credit partnership upon completion of construction, achieved 2020. A decrease of \$1,500,922 relates to utilizing the prefunded construction costs for 30Pearl infrastructure project provided by the City of Boulder.
- Increase of \$3,315,572 current portion of Notes Receivable. \$3,112,727 increase in Developer Notes Receivable related to completing construction at West End Communities, LLLP and Canopy @ Red Oak Park, LLLP during 2020.

Management's Discussion and Analysis (Continued)

- \$631,162 decrease of Prepaid assets. In 2020, our insurance premiums were paid on a quarterly basis vs. annually the year before creating the timing difference.

Noncurrent assets at December 31, 2020 compared to 2019, increased by \$12,969,044 or 13.5%. The main contributors were;

- Investments in Partnerships increased by \$1,262,949, a result primarily from BHP acquiring the GP interest on the Ciclo property. This transaction transferred the prior general partners contribution of \$1,146,000 to BHP at no cost.
- Interest Receivable of related party loans increased by \$1,759,965. This reflects normal accrual of interest.
- Notes Receivable -related party loans increased by \$9,936,676. The seller carryback loans from the sale of two BHP properties; Madison and Woodlands totaled \$7,600,000. BHP loaned \$1,325,825 to Canopy @ Red Oak Park per initial funding agreement at inception of partnership agreement to occur upon construction completion, achieved 2020. In addition, BHP paid the exiting general partner of Ciclo, LLLP \$843,738, the present value of Developer Fee Notes Receivable.
- Capital Assets increased by \$4,287,315 in 2020, primarily the result of the \$8,750,000 acquisition of 2727 29th Bluff. See the section on Capital Asset for additional information.
- Deferred outflows decreased by \$2,139,325 in 2020, primarily the result of changes in unfunded pension and Other Post-Employment Benefits (OPEB) determined by Colorado's state defined benefit pension plan (PERA). Further detailed discussion can be found in the Notes section of this report.

Total Liabilities decreased by \$9,449,947 or 10.2% in 2020, primarily the result of \$3,600,000 reduction of long-term loans and \$4,297,568 reduction in Net Pension Liability.

Current liabilities increased by \$2,575,753 in 2020.

- A \$2,614,890 balloon payment due April 2021 on a maturing four property mortgage previously reflected in long term liabilities. This loan has been refinanced April 2021.

Long term liabilities decreased by \$12,025,701 in 2020 due to;

- Reclassification of long-term mortgage to current liabilities, \$2,614,890 for a loan maturing in 2021. This four property loan mortgage was refinanced in April 2021.
- Paydown of \$3,100,000 mortgage balance for Woodlands and 101 Canyon upon sale of those properties. Both properties were part of a combined four property mortgage, hence the residual mortgage remains to service two BHP properties.
- Paydown of \$750,000 toward the Trout Farms mortgage upon receipt of City of Boulder grant funds.

Management's Discussion and Analysis (Continued)

- Net Pension Liability decreased \$4,297,568 as per GASB 68 and 75 requirements dictate. The annual computations are based upon data provided by PERA. Further discussion on Pension information can be found in the Notes section of this report.

Deferred inflows increased \$2,022,819 in 2020, the result of data provided by PERA. Further discussion of Pension information can be found in the Notes section of this report.

As of December 31, 2020 and 2019, the current ratio (current assets over current liabilities) is 1.95 and 2.49, respectively.

- 2020 current ratio is impacted by the reclass of the \$2,614,890 balloon mortgage payment reclassified to current liabilities in 2020. This loan was refinanced in 2021 and resumed being classified as Long -Term liabilities upon the 2021 refinance. Excluding the mortgage reclassification results in a current ratio for 2020 of 2.70.
- 2019 current ratio is impacted by \$1,325,973 restricted cash to be loaned to Canopy @ ROP, LLLP construction completion mid 2020. Excluding these restricted funds results in a current ratio for 2019 of 2.37.

The portfolio-wide debt coverage ratio as of December 31, 2020 and 2019, is 1.44 and 1.54 respectively. Our loans require a minimum debt service coverage ratio of 1.15.

Net Position increased \$23,212,932 or 18% in 2020, primarily the result of (1) the \$13,000,853 gain on sale of Madison, Woodlands and 101 Canyon, (2) \$4,059,847 of Capital Grants and \$5,603,259 of Operating Income.

Management’s Discussion and Analysis (Continued)

Operating Activities

BHP receives its operating revenues to support its operating expenditures from rental charges, federal government subsidies, and grants. BHP receives grant funding from HUD and the City of Boulder (the “City”) for certain capital expenditures. The following table summarizes and compares the changes related to BHP’s operating and capital transactions between fiscal years 2020 and 2019:

Summary Statement of Activities			
	2020	2019	Variance
Revenues			
Revenue - Tenant	\$ 10,928,410	\$ 11,255,563	\$ (327,153)
Grant Income	\$ 14,348,602	\$ 12,077,712	\$ 2,270,890
Management and Developer Fees	\$ 7,175,125	\$ 2,912,360	\$ 4,262,765
Other Income	\$ 1,313,532	\$ 984,132	\$ 329,400
Total	\$ 33,765,669	\$ 27,229,768	\$ 6,535,901
Expenses			
Salaries and benefits	\$ 6,120,346	\$ 5,178,294	\$ 942,052
Utilities	\$ 666,899	\$ 673,786	\$ (6,886)
Maintenance	\$ 1,957,431	\$ 2,228,178	\$ (270,747)
General	\$ 3,107,106	\$ 2,445,390	\$ 661,716
Housing assistance payments	\$ 11,745,590	\$ 9,911,877	\$ 1,833,714
Depreciation and Amortization	\$ 4,565,037	\$ 4,615,749	\$ (50,712)
Total	\$ 28,162,410	\$ 25,053,274	\$ 3,109,136
Operating Income	\$ 5,603,259	\$ 2,176,494	\$ 3,426,765
Other Income (Expense)			
Nonoperating Income (Expense)	\$ 13,749,833	\$ 21,133,770	\$ (7,383,937)
Capital Grants	\$ 4,059,847	\$ 16,338,537	\$ (12,278,690)
Change in Net Position	\$ 23,412,939	\$ 39,648,801	\$ (16,235,863)

For more detailed information, see the statement of activities.

Financial Highlights Affecting the Statement of Activities

Operating revenue in 2020 increased by \$6,535,901 or 24% vs. 2019 as a result of;

- Tenant revenue decreased \$327,153 primarily due to disposition of Canyon Pointe and Glen Willow’s full year of operations of 116 units that transitioned to a LIHTC ownership mid 2019.
- Grant Income increased \$2,270,889;
- HUD funding for the voucher programs increased \$2,223,873 as a result of;
 - increased Mainstream vouchers awarded and utilized; \$191,425 over prior year. Included in this increase is \$30,965 additional due to COVID-19 loss of voucher holder income.
 - HCV, NED and RAD reflect a combined \$1,853,806 increase due to several factors listed below. HUD provides funding based on expenditure levels. HUD increased 2020 available voucher funds by 12.7% vs. 2019.
 - \$324,806 additional voucher expenditures provided to voucher holders due to COVID-19 loss of income
 - 3% increased utilization of vouchers of 3%
 - 11% increase in average voucher payment, funded by voucher income

Management's Discussion and Analysis (Continued)

- Increased \$232,697 funding for COVID-19 Admin Fees used to fund COVID-19 expenditures
- Management and developer fees increased by \$4,262,764, in 2020, primarily the result the earned developer fees at construction completion at three construction projects the initial developer fees earned at closing of three tax credit partnerships; (1) West End, LLLP; \$966,237. (2) Canopy @ ROP, LLLP; \$ 388,112 and (3) 30Pearl; \$ 797,334.

Operating Expenses in 2020 increased by \$3,109,136 or 12.4% vs. 2019 primarily as a result of;

- Housing Assistance Payments increased \$2,061,712 vs 2019. This increase matches the increased related increase of Voucher revenue; Increased voucher funding due to COVID-19 and increased voucher utilization.
- Salaries and Benefits; PERA pension adjustments per GASB 68 and GASB 75 resulted in a \$622,343 reduction of salary expense. Excluding the annual PERA pension adjustments from Salaries and benefits results in a \$319,706 or 5% increase in 2020 vs 2019.
- Utilities, maintenance and general costs increased by \$ 384,196 (6%), vs. 2019.
 - COVID-19 prevented significant maintenance activities during 2020 providing a reduction in regular maintenance costs of \$209,412 vs. 2019. This was offset by unplanned COVID-19 expenditures of \$299,834.
 - General Costs include the City of Boulder voucher program costs to support permanent supportive housing. The related expenditures increased \$418,678 over 2019. These costs are matched by increased revenues noted earlier.
- Depreciation expense decreased by \$50,712 in 2019 reflecting a full year of 116 units transitioned to a LIHTC in 2019.

Non-Operating income and Expense decreased by \$7,383,937 vs 2019. This category includes Capital Grants, Development Fee Income, Interest Income on Soft debt notes, Mortgage Interest Expense and Gain or Loss on Sale of Assets. Capital Grants, Development Fees and Gain or Loss on Sale of assets normally vary significantly from year to year depending upon related Development activities. Mortgage Interest Expense decrease over time as a function of loan amortization. Interest Income on soft debt notes typically increase as a result of additional soft debt loans as new tax credit entities originate from Development activities.

- Capital grant income in 2020 consisted of
 - \$1,850,000 from the City of Boulder per the Inclusionary Housing funding agreement for the 2037 Walnut property acquired 2018.
 - \$600,000 Cedar from the City of Boulder per the Inclusionary Housing funding agreement for Cedar and Casey properties acquired 2017
 - \$750,000 from the City of Boulder per the Inclusionary Housing funding agreement for the Trout Farms property acquired 2019
 - \$400,000 from Boulder County Worthy Cause award for the 30Pearl property
 - \$301,825 HUD Moving to Work funds for the acquisition of 2037 Walnut.

In 2020 for the Rally acquisition, BHP drew upon the Line of Credit. At 12/31/2020 the outstanding balance was \$775,633 and incurred related interest expense of \$91,058. The Line of Credit was subsequently fully paid down in February 2021.

Boulder Housing Partners

Management's Discussion and Analysis (Continued)

Capital Assets

BHP's capital assets presented below include land, buildings and improvements, and equipment, net of depreciation, loan fees, net of amortization, and construction in progress at December 31, 2020 and 2019.

	Capital Assets		
	December 31, 2020	December 31, 2019	Change In Capital Assets
Land	\$ 46,547,857	\$ 38,052,616	\$ 8,495,241
Buildings	\$ 98,105,766	\$ 105,900,375	\$ (7,794,609)
Equipment	\$ 1,038,441	\$ 998,917	\$ 39,524
Accum Depreciation	\$ (34,883,561)	\$ (37,257,513)	\$ 2,373,952
Subtotal	\$ 110,808,503	\$ 107,694,395	\$ 3,114,108
Construction in Progress	\$ 1,366,371	\$ 193,164	\$ 1,173,207
Total Capital Assets	\$ 112,174,874	\$ 107,887,559	\$ 4,287,315

During 2020, Net Capital assets increased \$4,287,315 as a result of:

- Sale of 101 Canyon market rate units, related reduction of book value was \$193,758
- Sale of two properties to a LIHTC entity, the related reduction of book value was \$1,432,858
- Purchase of Rally Fitness Center for future development; Total acquisition cost was \$8,927,904
- Increase in Construction in Progress for Predevelopment activities of \$1,056,805
- Normal depreciation of existing assets decreased net book value by \$4,565,036

BHP debt, consisting of loans, bonds, and notes totaled \$72,437,833 and \$76,964,048 , (including current portion) at December 31, 2020 and 2019, respectively. In 2020, BHP paid down debt upon the sale of properties; 101 Canyon \$433,970, Woodlands; \$2,595,140 and \$750,000 paid down on the Trout Farms loan relate to City of Boulder grant funding received.

Economic Factors

Significant economic factors affecting BHP are as follows:

Moving to Work

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

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

MTW designation is one of a long list of strategic initiatives BHP has pursued to minimize the impact of declining appropriations from HUD. BHP's diverse portfolio, with an increasing portfolio of market-rate units, allows us a source of internal subsidy that becomes increasingly important. We have intentionally been minimizing the percentage of underfunded HUD units compared to less restrictive units. We are increasing, on the other hand,

our investment in the Housing Choice Voucher program. That program carries an economic risk that we find tolerable to manage.

Federal Funding

The domestic agenda of the past administration improved from 2019. The inflation factor for BHP was 11.35% and the pro-ration factor was set at 99.4%. This increased Budget Authority by \$1,325,977 for 2020. Voucher utilization rate on average in 2020 increased to 95%. BHP also used \$530,941 of HAP money toward the 2018 purchase of units at Twenty37. In 2020, BHP was awarded Mainstream Vouchers on two separate occasions (39 vouchers through a competitive process that started as of March 1, 2020 and 21 vouchers through the CARES Act which started October 1, 2020). The 12-month Budget Authority for these new Mainstream vouchers is \$715,141, which will overlap into 2021. The Mainstream Voucher funding is a separate stream from the Housing Choice Voucher Program.

Economy

The economy for rental housing in Boulder continues to operate at relatively low vacancy rates, although we continue to see softening in 2021 for market rate housing. Market rents continue to operate at a wide spread from our affordable rents, making our affordable rents more and more attractive. Market rents support our market portfolio, particularly our units at Bridgewalk and Foothills where we try to secure mid-to-top of the market rents. We expect a reasonably strong showing in our market rate portfolio this year, with rents holding steady and potentially increasing throughout the year.

Current Projects

- A modernization project for 35 affordable and 33 public housing units BHP sold to Madison Woods Communities, LLLP in 2020. BHP is the developer and general partner on this modernization project. This project is on schedule to be completed by December 2021 and has been significantly occupied during the rehab process.
- BHP is the master developer for the City of Boulder for a market / affordable housing and retail construction project. 120 affordable units at 30Pearl is under construction scheduled to be completed by mid 2021. The City has sold one parcel with the other two parcels under contract designated for market rate and commercial space to private developers. BHP is also constructing the shared infrastructure including an underground parking garage for the site.
- Predevelopment planning is ongoing for the disposition of Tantra property to a tax credit partnership. The LIHTC closing is planned for the end of 2021 and will include tax credit and private activity bond financing. This will provide funding to modernize 185 existing affordable and market units. BHP will become the general partner and developer of this rehab project.
- The Holiday property will exit tax credit partnership in 2021 and become fully owned by BHP continuing as permanently affordable housing. Of the 49 total units, 10 one bedroom units are covered by a Project Based Voucher Contract, and are set aside to house chronically homeless households who receive supportive services. These services are funded through HUD's Continuum of Care Grant.
- BHP continues to look for opportunities to acquire existing units rather than focusing solely on new construction. This allows us to add units quickly yet requires a large amount of equity funding and speed of execution which prohibits us from using tax credit financing. These opportunities will require significant support from the City of Boulder

Management's Discussion and Analysis (Continued)

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

Contacting BHP's Financial Management

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

Boulder Housing Partners

Statement of Net Position

December 31, 2020

	Primary Government (BHP)	Total Discrete Component Units
Assets		
Current assets:		
Cash and cash equivalents - Unrestricted (Notes 3 and 14)	\$ 8,899,574	\$ 2,797,674
Receivables:		
Grant receivable	141,960	-
Interest receivable - Related party (Note 4)	571,665	-
Developer fee receivable (Note 4)	3,112,727	-
Tenant and fraud recovery receivables	158,129	118,677
Notes receivable - Other (Note 6)	150,000	-
Related party (Note 4)	337,705	15,761
Notes receivable - Related party (Note 4)	1,186,018	-
Cash and cash equivalents - Restricted (Notes 3 and 14)	2,985,318	10,074,309
Tenant security deposits - Restricted (Notes 3 and 14)	538,594	424,160
Prepaid expenses and other assets	211,797	218,090
	<u>18,293,487</u>	<u>13,648,671</u>
Total current assets		
Noncurrent assets:		
Cash and cash equivalents - Restricted (Notes 3 and 14)	145,354	-
Investment in partnerships (Note 7)	1,671,898	-
Interest receivable - Related party notes (Note 4)	8,191,882	-
Notes receivable - Related party (Note 4)	98,760,243	-
Capital assets:		
Nondepreciable (Notes 5 and 14)	47,914,229	50,418,204
Net of depreciation (Notes 5 and 14)	64,260,646	184,758,001
	<u>220,944,252</u>	<u>235,176,205</u>
Total noncurrent assets		
Total assets		
	239,237,739	248,824,876
Deferred Outflows of Resources		
Excess consideration provided in acquisition	242,921	-
Pensions (Note 9)	816,705	-
OPEB (Note 10)	92,293	-
	<u>1,151,919</u>	<u>-</u>
Total deferred outflows of resources		
Liabilities		
Current liabilities:		
Accounts payable	1,041,999	3,351,412
Related party payable	9,581	278,937
Security deposit liability	532,911	425,327
Accrued liabilities and other:		
Miscellaneous agency accounts	80,445	-
Accrued pilot	17,493	-
Prefunded construction costs	2,254,415	236,923
Notes payable - Current portion (Notes 8 and 14)	4,674,118	6,574,046
Unearned revenue	63,796	34,626
Accrued wages/Payroll taxes payable	232,799	34,482
Accrued compensated absences	472,427	49,983
	<u>9,379,984</u>	<u>10,985,736</u>
Total current liabilities		
Noncurrent liabilities:		
Notes payable - Net of current portion (Notes 8 and 14)	67,763,715	172,546,711
Other liability	203,754	-
Net OPEB liability (Note 10)	606,250	-
Accrued interest	-	9,309,285
Net pension liability (Note 9)	5,177,925	-
	<u>73,751,644</u>	<u>181,855,996</u>
Total noncurrent liabilities		
Total liabilities		
	83,131,628	192,841,732

Boulder Housing Partners

Statement of Net Position (Continued)

December 31, 2020

	Primary Government (BHP)	Total Discrete Component Units
Deferred Inflows of Resources		
Grant revenue	\$ 825,256	\$ -
Pensions (Note 9)	2,476,160	-
OPEB (Note 10)	158,061	-
Total deferred inflows of resources	<u>3,459,477</u>	<u>-</u>
Net Position		
Net investment in capital assets	39,737,042	56,055,448
Restricted:		
Restricted for HAP equity	73,997	-
Restricted for required reserves and escrow deposits	2,981,655	10,074,309
Unrestricted	<u>111,005,859</u>	<u>(10,146,613)</u>
Total net position	<u><u>\$ 153,798,553</u></u>	<u><u>\$ 55,983,144</u></u>

Boulder Housing Partners

Statement of Activities

Year Ended December 31, 2020

	Primary Government (BHP)	Total Discrete Component Units
Operating Revenue		
Revenue - Tenant	\$ 10,928,410	\$ 9,631,455
HUD PHA operating grants	13,177,673	-
Other federal grants	285,647	-
State and local grants	885,282	-
Management and fee income	905,445	-
Developer fee income	6,269,680	-
Other income	1,313,532	21,977
Total operating revenue	33,765,669	9,653,432
Operating Expenses		
Housing assistance payments	11,745,590	-
Administrative salaries and benefits	6,120,346	912,853
Administrative operating	937,902	998,667
Tenant services	1,309,673	341,704
Utilities	666,899	960,134
Protective services	63,039	-
Maintenance	1,957,431	1,952,672
Insurance premiums	503,502	501,065
Other general expense	292,991	-
Depreciation and amortization	4,565,037	6,650,330
Total operating expenses	28,162,410	12,317,425
Operating Income (Loss)	5,603,259	(2,663,993)
Nonoperating Income (Expense)		
Gain (loss) on sale of capital assets (Note 5)	12,967,709	(22,232)
Interest income	2,534,293	7,360
Interest expense (Note 8)	(2,825,961)	(3,325,236)
Other	1,073,792	-
Total nonoperating income (expense)	13,749,833	(3,340,108)
Income (Loss) - Before contributions and distributions	19,353,092	(6,004,101)
Capital Contributions and Distributions		
Partner contributions	-	18,486,645
State and local capital grants and donations	3,556,400	-
Partner distributions	-	(6,834)
Total capital contributions and distributions	3,556,400	18,479,811
Capital Grants - Federal	503,447	-
Change in Net Position	23,412,939	12,475,710
Net Position - Beginning of year, as restated (Note 15)	130,385,614	43,507,434
Net Position - End of year	\$ 153,798,553	\$ 55,983,144

Boulder Housing Partners

Statement of Cash Flows

Year Ended December 31, 2020

	Primary Government (BHP)
Cash Flows from Operating Activities	
Cash received from HUD operating subsidies and grants	\$ 11,291,133
Cash received from tenants	14,265,453
Other receipts	8,995,320
Cash payments for housing assistance	(11,745,590)
Cash payments for administrative expenses	(11,249,956)
Cash payments for other operating expenses	(4,511,851)
	<u>7,044,509</u>
Net cash provided by operating activities	7,044,509
Cash Flows Provided by Investing Activities - Interest income	441,839
Cash Flows from Capital and Related Financing Activities	
Capital grants received	4,059,847
Proceeds from line of credit	6,275,633
Purchase of property and equipment	(10,084,411)
Repayment of notes payable and line of credit	(8,151,848)
Payments from notes receivable	1,032,238
Issuance of notes receivable	(3,726,424)
Proceeds from sale of capital assets	3,949,767
Interest expense	(2,899,080)
	<u>(9,544,278)</u>
Net cash used in capital and related financing activities	(9,544,278)
Net Decrease in Cash and Cash Equivalents	(2,057,930)
Cash and Cash Equivalents - Beginning of year	14,626,770
Cash and Cash Equivalents - End of year	<u><u>\$ 12,568,840</u></u>
Cash and Cash Equivalents Reconciliation	
Cash and investments	\$ 8,899,574
Restricted cash and security deposits - Current and noncurrent	3,669,266
	<u><u>\$ 12,568,840</u></u>
Reconciliation of Operating Income to Net Cash from Operating Activities	
Operating income	\$ 5,603,259
Adjustments to reconcile operating income to net cash from operating activities:	
Depreciation	4,565,037
Bad debts	56,693
Deferred outflows/inflows	3,784,823
Gain on investment in partnerships	(116,038)
Changes in assets and liabilities that (used) provided cash and cash equivalents:	
Receivables	(2,556,691)
Prepaid expenses and other assets	631,160
Accounts payable and other accrued expenses	(4,933,707)
Security and other trust deposits	9,973
	<u>1,441,250</u>
Total adjustments	1,441,250
Net cash and cash equivalents provided by operating activities	<u><u>\$ 7,044,509</u></u>

Noncash Transaction

During 2020, Boulder Housing Partners sold Madison Woodlands to a discretely presented component unit, which created a noncash transaction with the issuance of \$7,600,000 in notes receivable to the discretely presented component unit and payment of debt of \$2,650,000.

Boulder Housing Partners

Combining Balance Sheet for Discretely Presented Component Units

December 31, 2020

	Ciclo	Madison Woods	Broadway West	Holiday Community	High Mar Community	Lee Hill Community	Red Oak Park
Assets							
Cash and investments	\$ 58,035	\$ 88,169	\$ 96,370	\$ 82,175	\$ 121,568	\$ 228,642	\$ 209,327
Receivables	9,421	28,162	4,904	9,572	6,640	1,309	6,685
Tenant security deposits -							
Restricted	45,743	24,535	20,219	39,795	22,416	-	53,867
Prepaid expenses	2,539	14,503	4,837	6,050	29,628	6,144	8,798
Cash and cash equivalents -							
Restricted	160,065	4	190,404	108,682	336,590	249,739	397,504
Capital assets:							
Nondepreciable	862,291	1,602,853	105,838	817,533	-	885,045	-
Net of depreciation	13,800,805	12,231,667	4,142,749	2,659,728	9,000,417	4,777,641	7,753,460
Total assets	14,938,899	13,989,893	4,565,321	3,723,535	9,517,259	6,148,520	8,429,641
Liabilities							
Accounts payable	19,806	24,158	6,428	12,675	12,417	785	15,367
Security deposit liability	45,743	25,707	20,219	39,794	22,416	-	53,866
Related party payable	21,913	33,329	6,557	12,263	17,442	13,301	15,676
Notes payable - Net of current							
portion	8,723,566	12,604,226	3,151,275	349,973	6,722,417	3,574,928	3,195,505
Accrued liabilities and other	2,217	56,417	1,815	-	5,000	97,757	11,091
Notes payable - Current portion	57,504	61,167	73,195	1,659,061	176,446	66,966	74,757
Unearned revenue	288	5,386	105	1,398	1,547	694	3,189
Accrued wages/Payroll taxes							
payable	1,567	2,805	1,072	2,021	2,434	1,279	2,434
Accrued compensated							
absences	606	325	2,304	4,542	3,412	1,860	5,456
Noncurrent liabilities - Due in							
more than one year	78,611	72,411	-	878,621	1,237,949	182,569	42,851
Total liabilities	8,951,821	12,885,931	3,262,970	2,960,348	8,201,480	3,940,139	3,420,192
Net Position							
Net investment in capital							
assets	5,882,026	1,169,127	1,024,117	1,468,227	2,101,554	2,020,792	4,483,198
Restricted	160,065	4	190,404	108,682	336,590	249,739	397,504
Unrestricted	(55,013)	(65,169)	87,830	(813,722)	(1,122,365)	(62,150)	128,747
Total net position	\$ 5,987,078	\$ 1,103,962	\$ 1,302,351	\$ 763,187	\$ 1,315,779	\$ 2,208,381	\$ 5,009,449

Boulder Housing Partners

Combining Balance Sheet for Discretely Presented Component Units (Continued)

December 31, 2020

	WestView Community	Palo Parkway	Boulder Communities	West End Communities	Canopy at ROP	30 Pearl	Total
Assets							
Cash and investments	\$ 78,289	\$ 68,409	\$ 608,898	\$ 1,140,627	\$ 17,164	\$ 1	\$ 2,797,674
Receivables	8,669	5,472	37,372	3,567	12,665	-	134,438
Tenant security deposits - Restricted	27,262	17,704	103,160	48,958	20,500	1	424,160
Prepaid expenses	4,995	15,017	43,891	44,595	37,093	-	218,090
Cash and cash equivalents - Restricted	234,566	151,423	1,820,745	683,579	5,741,004	4	10,074,309
Capital assets:							
Nondepreciable	470,000	173,721	12,331,149	1,700,000	925,000	30,544,774	50,418,204
Net of depreciation	3,972,722	10,756,145	59,588,907	39,008,522	17,065,238	-	184,758,001
Total assets	4,796,503	11,187,891	74,534,122	42,629,848	23,818,664	30,544,780	248,824,876
Liabilities							
Accounts payable	11,741	8,529	53,321	99,246	61,150	3,025,789	3,351,412
Security deposit liability	27,262	17,704	103,158	48,958	20,500	-	425,327
Related party payable	9,764	9,010	88,317	40,168	11,197	-	278,937
Notes payable - Net of current portion	3,996,640	5,427,093	55,730,282	29,788,860	16,576,450	22,705,496	172,546,711
Accrued liabilities and other	12,119	36,481	4,026	5,000	5,000	-	236,923
Notes payable - Current portion	65,015	83,313	708,569	2,367,800	1,180,253	-	6,574,046
Unearned revenue	627	46	10,800	10,197	349	-	34,626
Accrued wages/Payroll taxes payable	1,402	1,444	11,508	4,784	1,732	-	34,482
Accrued compensated absences	1,991	1,669	16,514	11,069	235	-	49,983
Noncurrent liabilities - Due in more than one year	157,818	96,727	5,544,002	439,836	207,707	370,183	9,309,285
Total liabilities	4,284,379	5,682,016	62,270,497	32,815,918	18,064,573	26,101,468	192,841,732
Net Position							
Net investment in capital assets	381,067	5,419,460	15,481,205	8,551,862	233,535	7,839,278	56,055,448
Restricted	234,566	151,423	1,820,745	683,579	5,741,004	4	10,074,309
Unrestricted	(103,509)	(65,008)	(5,038,325)	578,489	(220,448)	(3,395,970)	(10,146,613)
Total net position	\$ 512,124	\$ 5,505,875	\$ 12,263,625	\$ 9,813,930	\$ 5,754,091	\$ 4,443,312	\$ 55,983,144

Boulder Housing Partners

Combining Statement of Activities for Discretely Presented Component Units

Year Ended December 31, 2020

	Ciclo	Madison Woods	Broadway West	Holiday Community	High Mar Community	Lee Hill Community	Red Oak Park
Operating Revenue							
Revenue - Tenant	\$ 303,437	\$ 134,614	\$ 341,395	\$ 557,187	\$ 761,338	\$ 435,399	\$ 713,397
Other income	-	96	308	1,042	7,335	-	934
Total operating revenue	303,437	134,710	341,703	558,229	768,673	435,399	714,331
Operating Expenses (Income)							
Administrative salaries and benefits	26,590	12,342	31,528	56,674	68,241	98,940	68,241
Administrative operating	39,491	10,247	41,910	192,129	66,667	66,213	63,369
Tenant services	-	5,844	-	(23)	49,590	80	23,089
Utilities	24,918	9,413	37,110	10,433	78,869	51,022	100,549
Maintenance	69,714	16,199	89,793	115,536	129,322	131,225	142,295
Insurance premiums	17,049	7,111	18,996	25,956	41,309	29,586	41,644
Depreciation and amortization	307,231	68,333	258,773	240,745	462,302	245,280	453,181
Total operating expenses	484,993	129,489	478,110	641,450	896,300	622,346	892,368
Operating (Loss) Income	(181,556)	5,221	(136,407)	(83,221)	(127,627)	(186,947)	(178,037)
Nonoperating Income (Expense)							
Interest income	5	-	204	796	-	295	5,207
Gain (loss) on sale of capital assets	-	-	-	(22,232)	-	-	-
Interest expense	(269,936)	-	(43,286)	(196,684)	(441,473)	(25,000)	(244,310)
Total nonoperating (expense) income	(269,931)	-	(43,082)	(218,120)	(441,473)	(24,705)	(239,103)
Capital Contributions and Distributions							
Partner contributions	5,633,983	1,098,741	-	-	-	-	-
Partner distributions	-	-	-	(6,834)	-	-	-
Total capital contributions and distributions	5,633,983	1,098,741	-	(6,834)	-	-	-
Change in Net Position	5,182,496	1,103,962	(179,489)	(308,175)	(569,100)	(211,652)	(417,140)
Net Position - Beginning of year	804,582	-	1,481,840	1,071,362	1,884,879	2,420,033	5,426,589
Net Position - End of year	<u>\$ 5,987,078</u>	<u>\$ 1,103,962</u>	<u>\$ 1,302,351</u>	<u>\$ 763,187</u>	<u>\$ 1,315,779</u>	<u>\$ 2,208,381</u>	<u>\$ 5,009,449</u>

Boulder Housing Partners

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

Year Ended December 31, 2020

	WestView Community	Palo Parkway	Boulder Communities	West End Communities	Canopy at ROP	30 Pearl	Total
Operating Revenue							
Revenue - Tenant	\$ 460,327	\$ 461,685	\$ 3,502,152	\$ 1,881,147	\$ 79,377	\$ -	\$ 9,631,455
Other income	-	172	9,345	2,745	-	-	21,977
Total operating revenue	460,327	461,857	3,511,497	1,883,892	79,377	-	9,653,432
Operating Expenses (Income)							
Administrative salaries and benefits	39,327	40,482	327,129	134,170	9,189	-	912,853
Administrative operating	44,369	64,745	264,797	130,484	14,246	-	998,667
Tenant services	-	15,127	172,156	72,841	3,000	-	341,704
Utilities	36,380	58,366	421,258	127,162	4,654	-	960,134
Maintenance	76,820	77,269	770,821	289,779	43,899	-	1,952,672
Insurance premiums	22,641	34,709	147,475	102,280	12,309	-	501,065
Depreciation and amortization	205,952	383,256	3,013,088	909,485	102,704	-	6,650,330
Total operating expenses	425,489	673,954	5,116,724	1,766,201	190,001	-	12,317,425
Operating (Loss) Income	34,838	(212,097)	(1,605,227)	117,691	(110,624)	-	(2,663,993)
Nonoperating Income (Expense)							
Interest income	310	214	329	-	-	-	7,360
Gain (loss) on sale of capital assets	-	-	-	-	-	-	(22,232)
Interest expense	(158,556)	(95,868)	(1,766,878)	47,483	(130,728)	-	(3,325,236)
Total nonoperating (expense) income	(158,246)	(95,654)	(1,766,549)	47,483	(130,728)	-	(3,340,108)
Capital Contributions and Distributions							
Partner contributions	-	-	-	7,263,671	4,490,250	-	18,486,645
Partner distributions	-	-	-	-	-	-	(6,834)
Total capital contributions and distributions	-	-	-	7,263,671	4,490,250	-	18,479,811
Change in Net Position	(123,408)	(307,751)	(3,371,776)	7,428,845	4,248,898	-	12,475,710
Net Position - Beginning of year	635,532	5,813,626	15,635,401	2,385,085	1,505,193	4,443,312	43,507,434
Net Position - End of year	<u>\$ 512,124</u>	<u>\$ 5,505,875</u>	<u>\$ 12,263,625</u>	<u>\$ 9,813,930</u>	<u>\$ 5,754,091</u>	<u>\$ 4,443,312</u>	<u>\$ 55,983,144</u>

December 31, 2020**Note 1 - Nature of Business*****Organization and Reporting Entity***

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

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

Blended Component Units

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

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

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

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

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

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

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

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

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

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

December 31, 2020

Note 1 - Nature of Business (Continued)

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

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

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

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

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

3390 Valmont Ventures, LLC is a wholly owned subsidiary of the Authority. 3390 Valmont Ventures, LLC is the general partner of Ciclo, LLLP, a tax credit partnership.

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

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

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

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

Holiday Ventures, LLC is a wholly owned subsidiary of the Authority. Holiday Ventures, LLC is the limited partner of Holiday Community, LLLP as of January 1, 2021.

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

Discretely Presented Component Units

The component unit columns in the combining financial statements include the financial data of the Authority's 13 discretely presented component units. The units are reported in separate columns to emphasize that they are legally separate from the Authority. Complete financial reports can be obtained at their administrative offices at 4800 N. Broadway St., Boulder, CO 80304.

Broadway West Community, LLLP

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

High Mar Community, LLLP

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

December 31, 2020

Note 1 - Nature of Business (Continued)

Holiday Community, LLLP

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

Lee Hill Community, LLLP

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

Red Oak Park, LLLP

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

WestView Community, LLLP

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

Boulder Communities, LLLP

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

Palo Park Community, LLLP

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

West End Communities, LLLP

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

Note 1 - Nature of Business (Continued)

30Pearl, LLLP

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

Canopy at ROP, LLLP

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

Ciclo, LLLP

The general partner of this partnership, 3390 Valmont Ventures, LLC, is wholly owned by BHP. 3390 Valmont Ventures, LLC has an ownership percentage of 0.01 percent. As owner of the general partner and as the property manager, BHP has the responsibility of the establishment of the budget and the day-to-day operational responsibility of the partnership. BHP is entitled to the majority of the cash flow from the component units through repayment of debt. During 2020, BHP became the general partner.

Madison Woods Communities, LLLP

The general partner of this partnership, Madison Woods, LLC, is wholly owned by BHP. Madison Woods, LLC has an ownership percentage of 0.01 percent. As owner of the general partner and as the property manager, BHP has the responsibility of the establishment of the budget and the day-to-day operational responsibility of the partnership. BHP is entitled to the majority of the cash flow from the component units through repayment of debt. During 2020, BHP became the general partner.

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

Note 2 - Significant Accounting Policies

Basis of Accounting and Presentation

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

Note 2 - Significant Accounting Policies (Continued)

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

Cash and Cash Equivalents

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

Tenant Receivable - Recognition of Bad Debts

Tenant accounts receivable are stated at net rent amounts. Tenant accounts generally are collectible as long as the tenant is occupying the unit; however, the Authority has specifically reserved \$19,119 as potentially uncollectible as of December 31, 2020.

Inventories

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

Notes Receivable

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

Property and Equipment

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

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

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

Impaired capital assets that will no longer be used by the Authority are reported at the lower of carrying value or fair value or are written off entirely. During 2020, no impairments were recorded.

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

December 31, 2020**Note 2 - Significant Accounting Policies (Continued)*****Work in Progress***

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

Restricted Cash

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

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense) until then. The Authority has three items that qualify for reporting in this category. One is the deferred charge on the acquisition of Foothills Community, LLC, which is the difference in the carrying value of property and its acquisition price. The deemed purchase price exceeded the acquisition value of the acquisition, which created a deferred outflow at December 31, 2020 of \$242,921. This amount is deferred and amortized over the life of the building of 30 years. The second represents changes in the difference between expected and actual experience and employer contributions to the pension plan subsequent to the measurement date, as discussed in Note 9. The third represents changes in the difference between expected and actual experience and employer contributions to the OPEB plan subsequent to the measurement date, as discussed in Note 10.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Authority has three items that qualify for reporting in this category. At December 31, 2020, deferred revenue totaled \$825,256. This is deferred and recognized as an inflow of resources in the period in which the time requirements have been met. The second represents the changes in expected and actual experience related to the pension plan, as discussed in Note 9. The third represents the changes in expected and actual experience related to the other postemployment benefit (OPEB) plan, as discussed in Note 10.

Pensions

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

December 31, 2020**Note 2 - Significant Accounting Policies (Continued)*****Other Postemployment Benefit Costs***

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

Compensated Absences

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

Unearned Revenue

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

Net Position

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

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

Note 2 - Significant Accounting Policies (Continued)

Net Position Flow Assumption

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

Revenue Recognition

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

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

Operating Revenue and Expenses

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

Capital Grants

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

State and Local Contributions

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

Nonoperating Revenue and Expenses

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

Use of Estimates

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

Subsequent Events

The financial statements and related disclosures include evaluation of events through and including May 25, 2021, which is the date the financial statements were available to be issued.

Note 2 - Significant Accounting Policies (Continued)

Upcoming Accounting Pronouncement

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

Note 3 - Deposits and Investments

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

Cash and cash equivalents - Unrestricted (current)	\$ 8,899,574
Cash and cash equivalents - Restricted (current)	2,985,318
Tenant security deposits	538,594
Cash and cash equivalents - Restricted (noncurrent)	<u>145,354</u>
Total deposits and investments	<u>\$ 12,568,840</u>

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

Bank deposits (checking accounts and savings accounts)	\$ 12,568,640
Petty cash	<u>200</u>
Total	<u>\$ 12,568,840</u>

Deposits

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

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

December 31, 2020

Note 3 - Deposits and Investments (Continued)

Restricted Cash - Primary Government	Amount
Security deposits (current)	\$ 538,594
HAP equity (current)	73,997
Funded reserves (current)	171,207
COB PSH Program (current)	415,904
Construction funds (current)	2,057,300
Bond required reserves (current)	266,910
FSS escrow (noncurrent)	80,445
Construction funds (noncurrent)	64,909
Total restricted	<u>\$ 3,669,266</u>

Note 4 - Related Party Transactions

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

Included in current related party accounts receivable are advances made to, or expenses paid by, the Authority on behalf of the related tax credit operating partnerships totaling \$337,705 at December 31, 2020. Amounts are due on demand and are non-interest bearing.

Also, at December 31, 2020, included in related party accounts receivable are the developer fees receivable related to West End Communities, LLLP for \$1,932,474 and Canopy at ROP, LLLP for \$1,180,253. These developer fees will be received per scheduled limited partner equity payments during 2021.

Notes Receivable

At December 31, 2020, the Authority's related party notes receivable consisted of the following:

The Authority has two notes receivable in the original amount of \$717,500, in total, from Holiday Community, LLLP (Holiday), a tax credit project. The notes bear interest annually at 9.0 percent and are due in full with the accrued interest on December 31, 2021. Payments are required when Holiday generates positive cash flow. At December 31, 2020, the Authority had \$878,621 of accrued interest receivable. The notes are collateralized by deeds of trust	\$ 350,000
The Authority has a note receivable in the original amount of \$1,802,205 from Broadway West Community, LLLP (Broadway West). The note is non-interest bearing and is due in full by December 31, 2058. Payments are required when Broadway West generates positive cash flow. The note is collateralized by a deed of trust	1,452,676
The Authority has a note receivable in the original amount of \$1,100,000 from Red Oak Park, LLLP (Red Oak Park). The note bears interest at 5 percent compounded annually and is due in full with the accrued interest on December 31, 2040. Payments are required when Red Oak Park generates positive cash flow. At December 31, 2020, the Authority had \$42,851 of accrued interest receivable. The note is collateralized by a deed of trust	825,387
The Authority has two notes receivable in the original amount of \$1,568,813 in total from WestView Community, LLLP (WestView), a tax credit project. The notes bear interest compounded annually at 1.25 percent and are due in full with accrued interest on December 31, 2042. Payments are required when WestView generates positive cash flow. At December 31, 2020, the Authority had \$157,818 of accrued interest receivable. The notes are collateralized by deeds of trust	1,568,813

Note 4 - Related Party Transactions (Continued)

<p>The Authority has two notes receivable in the original amount of \$874,259, in total, from High Mar Community, LLLP, a tax credit project. The notes bear interest annually at 2.70 percent compounded annually and is due in full with the accrued interest on February 7, 2026. Payments are required when High Mar generates positive cash flow. At December 31, 2020, the Authority had \$7,924 of accrued interest receivable. The notes are collateralized by deeds of trust</p>	<p>\$ 262,137</p>
<p>The Authority has two notes receivable in the original amount of \$3,177,611, in total, from High Mar Community, LLLP (High Mar), a tax credit project. The notes bear interest annually at 2.5 percent and are due in full with the accrued interest on December 31, 2043. Payments are required when High Mar generates positive cash flow. At December 31, 2020, the Authority had \$684,285 of accrued interest receivable. The notes are collateralized by deeds of trust</p>	<p>3,177,611</p>
<p>The Authority has a note receivable in the original amount of \$625,000 from Lee Hill Community, LLLP (Lee Hill). The note bears interest at 4.0 percent compounded annually and is due in full with the accrued interest on August 31, 2043. Payments are required when Lee Hill generates positive cash flow. At December 31, 2020, the Authority had \$182,569 of accrued interest receivable. The note is collateralized by a deed of trust</p>	<p>625,000</p>
<p>The Authority has three notes receivable in the original amount of \$3,098,150, in total, from Lee Hill Community, LLLP, a tax credit project. The notes are non-interest bearing and are due in full by August 31, 2043. Payments are required when Lee Hill generates positive cash flow. The notes are collateralized by deeds of trust</p>	<p>3,016,894</p>
<p>The Authority entered into three notes receivable in the original amount of \$28,800,088 from Boulder Communities, LLLP, a tax credit property. The notes bear interest at 2.64 percent and are due in full on September 30, 2055. Payments are required when Boulder Communities, LLLP generates positive cash flow. At December 31, 2020, the Authority had \$4,224,238 of accrued interest receivable on the notes. The notes are collateralized by deeds of trust</p>	<p>28,800,088</p>
<p>The Authority entered into a note receivable in the original amount of \$12,025,000 from Boulder Communities, LLLP, a tax credit property. The note, bearing interest at 2.64 percent, is due on September 30, 2055. The loan amount was funded in 2017. At December 31, 2020, the Authority had \$1,292,410 of accrued interest. The note is collateralized by a deed of trust</p>	<p>12,025,000</p>
<p>The Authority entered into a note receivable in the original amount of \$400,000 from Palo Park Community, LLLP (Palo Park), a tax credit project. The note bears interest at 2.81 percent and is due on January 31, 2116. Effective November 13, 2018, the note was amended, and the interest rate changed from 2.81 to 0 percent. Payments are required when Palo Park generates positive cash flow. At December 31, 2020, the Authority had \$19,518 of accrued interest. The note is collateralized by a deed of trust</p>	<p>400,000</p>
<p>The Authority has two notes receivable in the original amount of \$1,537,580 from Palo Park Community, LLLP, a tax credit project. The notes bear interest at 2.81 percent and are due on December 31, 2057. Effective November 13, 2018, the note was amended, and the interest rate changed from 2.81 to 0 percent. Payments are required when Palo Park generates positive cash flow. At December 31, 2020, the Authority had \$75,024 of accrued interest. The notes are collateralized by a deed of trust</p>	<p>1,537,580</p>
<p>The Authority entered into a note receivable in the original amount of \$3,516,709 from Boulder Communities, LLLP (Boulder Communities), a tax credit property. The note bears interest at 1 percent compounded annually and is due in full with accrued interest on December 31, 2030. Payments are required Boulder Communities generates positive cash flow. At December 31, 2020, the Authority had \$27,355 of accrued interest. The note is collateralized by a deed of trust</p>	<p>2,605,176</p>

Note 4 - Related Party Transactions (Continued)

<p>The Authority has a note receivable in the original amount of \$4,825,000 from Canopy at ROP, LLLP, a tax credit project. The note bears interest at 2.76 percent compounded annually and is due in full with the accrued interest on June 30, 2049. At December 31, 2020, the Authority had \$205,346 of accrued interest receivable. The notes are collateralized by deeds of trust</p>	<p>\$ 4,825,000</p>
<p>The Authority has a note receivable in the original amount of \$321,253 from Palo Park Community, LLLP, a tax credit project. The note bears interest at 1 percent compounded annually and is due in full with accrued interest on December 31, 2057. Payments are required when Palo Park generates positive cash flow. At December 31, 2020, the Authority had \$2,185 of accrued interest. The note is collateralized by a deed of trust</p>	<p>202,790</p>
<p>The Authority entered into a notes receivable in the original amount of \$1,325,973 from Canopy at ROP, LLLP (Canopy), a tax credit project. The notes bear interest at 2.76 percent and are due in full with accrued interest on June 30, 2049. At December 31, 2020, the Authority had \$2,361 of accrued interest. The notes are collateralized by deeds of trust</p>	<p>1,325,973</p>
<p>The Authority entered into two notes receivable in the original amount of \$13,021,023 from West End Communities, LLLP (West End), a tax credit project. The notes bear interest at 2.76 percent and are due in full with accrued interest on June 30, 2049. Payments are required when West End generates positive cash flow. At December 31, 2020, the Authority had \$439,836 of accrued interest. The notes are collateralized by deeds of trust</p>	<p>12,496,601</p>
<p>The Authority entered into a note receivable in the original amount of \$2,865,000 from 30Pearl, LLLP (30 Pearl), a tax credit project. The note bears interest at 3 percent and is due in full with accrued interest on November 30, 2036. At December 31, 2020, the Authority had \$98,521 of accrued interest. The note is collateralized by a deed of trust</p>	<p>2,865,000</p>
<p>The Authority entered into a note receivable in the original amount of \$7,500,000 from 30Pearl, LLLP, a tax credit project. The note bears interest at 3 percent and is due in full with accrued interest on November 30, 2049. At December 31, 2020, the Authority had \$257,908 of accrued interest. The note is collateralized by a deed of trust</p>	<p>7,500,000</p>
<p>The Authority entered into a note receivable in the original amount of \$400,000 from 30Pearl, LLLP, a tax credit project. The note bears interest at 3 percent and is due in full with accrued interest on November 30, 2059. At December 31, 2020, the Authority had \$13,755 of accrued interest. The note is collateralized by a deed of trust</p>	<p>400,000</p>
<p>During 2020, the Authority entered into a note receivable in the original amount of \$3,700,000 from Ciclo, LLLP, a tax credit project. The note bears interest at 1 percent and is due in full with accrued interest on December 31, 2058. At December 31, 2020, the Authority had \$78,611 of accrued interest. The note is collateralized by a deed of trust</p>	<p>3,700,000</p>
<p>During 2020, the Authority entered into a note receivable in the original amount of \$843,738 from Ciclo, LLLP, a tax credit project. The note bears interest at 1 percent and is due in full with accrued interest on December 31, 2058. At December 31, 2020, the Authority had no accrued interest due. The note is collateralized by a deed of trust</p>	<p>843,738</p>
<p>During 2020, the Authority entered into a note receivable in the original amount of \$7,600,000 from Madison Woods Communities, LLLP, a tax credit project. The note bears interest at 7 percent and is due in full with accrued interest on November 30, 2060. At December 31, 2020, the Authority had \$72,411 of accrued interest. The note is collateralized by a deed of trust</p>	<p>7,600,000</p>
<p>During 2020, the Authority entered into a note receivable in the original amount of \$697,461 from Canopy at ROP, LLLP, a tax credit project. The note bears interest at 1 percent and is due in full with accrued interest on October 31, 2033. At December 31, 2020, the Authority had no accrued interest due. The note is collateralized by a deed of trust</p>	<p>681,545</p>

December 31, 2020

Note 4 - Related Party Transactions (Continued)

During 2020, the Authority entered into a note receivable in the original amount of \$859,252 from West End Communities, LLLP, a tax credit project. The note bears interest at 1 percent and is due in full with accrued interest on December 31, 2033. Payments are required when West End generates positive cash flow. At December 31, 2020, the Authority had no accrued interest due. The note is collateralized by a deed of trust

	\$ 859,252
Total	99,946,261
Less current portion	<u>1,186,018</u>
Long-term portion	<u>\$ 98,760,243</u>

Note 5 - Capital Assets

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

	Balance January 1, 2020	Additions and Transfers In	Reductions and Transfers Out	Balance December 31, 2020
Capital assets not being depreciated:				
Land	\$ 38,052,616	\$ 8,927,905	\$ (432,663)	\$ 46,547,858
Work in progress	193,164	8,464,127	(7,290,920)	1,366,371
Total nondepreciable assets	38,245,780	17,392,032	(7,723,583)	47,914,229
Capital assets being depreciated:				
Building and improvements	105,900,375	60,923	(7,855,532)	98,105,766
Furniture and equipment	998,917	39,524	-	1,038,441
Total depreciable capital assets	106,899,292	100,447	(7,855,532)	99,144,207
Accumulated depreciation:				
Buildings and improvements	(36,605,994)	(4,419,242)	6,938,989	(34,086,247)
Furniture and equipment	(651,519)	(145,795)	-	(797,314)
Subtotal	<u>(37,257,513)</u>	<u>(4,565,037)</u>	<u>6,938,989</u>	<u>(34,883,561)</u>
Net capital assets being depreciated	<u>69,641,779</u>	<u>(4,464,590)</u>	<u>(916,543)</u>	<u>64,260,646</u>
Net business-type activities capital assets	<u>\$ 107,887,559</u>	<u>\$ 12,927,442</u>	<u>\$ (8,640,126)</u>	<u>\$ 112,174,875</u>

Depreciation expense for the year ended December 31, 2020 was \$4,565,037.

During 2020, the Authority had the following transactions:

The Authority sold one project-based voucher housing site and one public housing site to Madison Woods Communities, LLLP, a discretely presented component unit of the Authority, as part of the conversion to a low-income housing tax credit partnership. This transaction resulted in a reduction in land, building, and accumulated depreciation. The sale price was \$12,300,000 and resulted in a gain of \$10,927,931. This amount is included in the gain on sale of capital assets on the statement of activities.

The authority sold a market rate five complex at 101 Canyon to an unrelated party. This resulted in a reduction in land, building, and accumulated depreciation. The sale price was \$2,335,000 and resulted in a gain of \$2,079,923. This amount is included in the gain on sale of capital assets on the statement of activities.

Note 5 - Capital Assets (Continued)

The Authority purchased an existing fitness center located at 2727 29th Street for \$8,837,775. The fitness center will continue to occupy the property until 2022. The City of Boulder, Colorado has approved a site review that will allow up to 100 units of affordable housing. The existing building will be demolished prior to new construction. The entire purchase has been recognized as an addition of land.

Note 6 - Notes Receivable

The Authority had a note receivable from Orchard House, an unrelated party. This note is non-interest bearing; at December 31, 2020, the outstanding balance is \$150,000. No monthly payments are required, and the note is due in full in 2021. The note is collateralized by a deed of trust.

Note 7 - Investment in Partnerships - Joint Ventures

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

The investments are recorded under the equity method as joint ventures. These joint ventures are also discretely presented component units of the Authority. The Authority recognizes contributions, distributions, and net income or loss on its ownership share of the activity of the Partnerships on an annual basis. The total gain recognized by the Authority as part of miscellaneous revenue during the year ended December 31, 2020 was \$1,262,949. This miscellaneous revenue was due to a contribution to Ciclo, LLLP where BHP received partnership equity for approximately \$1,147,000. The investments in the Partnerships at December 31 were as follows:

Partnership name:		
Boulder Communities, LLLP	\$	(1,497)
Madison Woods Communities, LLLP		100
Broadway West Community, LLLP		(139)
High Mar Community, LLLP		(243)
Holiday Community, LLLP		399,620
Lee Hill Community, LLLP		(56)
Red Oak Park, LLLP		(385)
Ciclo, LLLP		1,146,912
WestView Community, LLLP		(98)
Palo Park Community, LLLP		10,886
Canopy at ROP, LLLP		76
West End Communities, LLLP		116,622
30Pearl, LLLP		100
		<hr/>
Total	\$	<u>1,671,898</u>

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

December 31, 2020

Note 8 - Long-term Debt

Long-term debt activity for the year ended December 31, 2020 can be summarized as follows for the Authority's direct borrowings of debt:

	Interest Rate Ranges	Principal Maturity	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year	Original Loan Amount
Note payable - Broadway East	Variable	8/29/2020	\$ 1,665,000	\$ -	\$ (60,000)	\$ 1,605,000	\$ 60,000	\$ 1,710,000
Mortgage payable - Arapahoe East, Dakota Ridge, Sanitas Place, and Twin Pines	3.50%	04/01/21	2,742,331	-	(126,004)	2,616,327	2,616,327	4,500,000
Mortgage payable - Walnut	3.25%	02/01/28	2,375,865	-	(40,201)	2,335,664	41,551	2,449,358
Mortgage payable - Foothills	3.25%	09/01/28	6,044,648	-	(170,722)	5,873,926	176,452	7,000,000
Mortgage payable - Hayden Place, Woodlands, Whittier, and 101 Canyon	3.85%	07/01/27	4,672,665	-	(3,243,958)	1,428,707	43,140	5,815,000
Mortgage payable - Hayden Place 2	4.20%	07/01/27	565,569	-	(11,666)	553,903	12,167	600,000
Note payable to the City of Boulder, Colorado	0%	01/17/20	3,000,000	-	-	3,000,000	-	3,000,000
Mortgage payable - Bridgewalk	3.86%	04/01/32	22,634,311	-	(345,166)	22,289,145	369,583	23,460,000
Mortgage payable - Tantra Lake	3.42%	04/01/27	28,512,354	-	(487,146)	28,025,208	504,164	29,705,000
Mortgage payable - Vistoso	4.79%	12/01/47	582,216	-	(9,948)	572,268	10,510	600,000
Mortgage payable - Trout Farms	3.97%	06/01/29	4,169,089	-	(807,037)	3,362,052	64,591	4,197,000
Line of credit	3.40%	4/15/23	-	6,275,633	(5,500,000)	775,633	775,633	6,275,633
Total long-term debt			\$ 76,964,048	\$ 6,275,633	\$(10,801,848)	\$ 72,437,833	\$ 4,674,118	\$ 89,311,991

Subsequent to year end, the Authority entered into a \$7,200,000 mortgage payable with an interest rate of 3.30 percent and a maturity date of April 1, 2031 to refinance the mortgage payable - Arapahoe East, Dakota Ridge, Sanitas Place, and Twin Pines. Principal and interest payments are due monthly in the amount of \$29,127. Also, subsequent to year end, the line of credit was fully paid.

Debt Service Requirements to Maturity

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

Years Ending December 31	Principal	Interest	Total
2021	\$ 3,898,485	\$ 2,448,688	\$ 6,347,173
2022	1,309,243	2,380,703	3,689,946
2023	1,355,376	2,334,569	3,689,945
2024	2,761,800	2,271,058	5,032,858
2025	1,392,814	2,148,777	3,541,591
2026-2030	39,637,944	6,112,604	45,750,548
2031-2035	17,971,602	966,735	18,938,337
2036-2047	334,936	111,583	446,519
Total	\$ 68,662,200	\$ 18,774,717	\$ 87,436,917

Future minimum principal payments do not include the line of credit for \$775,663. They also do not include \$3,000,000 of debt to the City of Boulder, Colorado (the "City") under the Affordable Housing Fund note described above. The note becomes due and payable only in the event a development strategy is not approved or the term extended by the City or in the event of bankruptcy or dissolution of the Authority.

Interest expense for the year ended December 31, 2020 was \$2,825,961.

December 31, 2020**Note 8 - Long-term Debt (Continued)*****Tax-exempt Bond Issuance***

BHP has issued tax-exempt revenue bonds to provide debt financing for nine legally separate entities. Upon bond issuance, all financial activity is assumed by the paying agent, and BHP is not obligated for the repayment of these bonds. As conduit, there is no obligation for financing; thus, the bonds are not reflected in the Authority's financial statements. Information regarding the status of each bond issue, including possible default, must be obtained from the paying agent or other knowledgeable source. The entities and the original issue amounts are as follows: Thistle Housing (\$2,603,862); WestView Community, LLLP (a related party) (\$2,562,356); High Mar Community, LLLP (a related party) (\$3,491,847); Boulder Communities, LLLP (a related party) (\$13,115,408); Palo Park Community, LLLP (a related party) (\$2,444,135); Canopy at ROP, LLLP (a related party) (\$9,837,072); 30Pearl, LLLP (a related party) (\$11,940,496); Madison Woods Communities, LLLP (a related party) (\$5,065,393); and Ciclo, LLLP (a related party) (\$4,335,380). The total amount outstanding on the bonds at December 31, 2020 is approximately \$55,000,000.

Unused Line of Credit

The Authority has an unused line of credit in the amount of \$9,224,367.

Assets Pledge**Direct Borrowings**

The Authority's outstanding debt above is secured with collateral of the assets and properties with which the corresponding loan is associated, as listed in the table above.

Significant Terms**Direct Borrowings**

The Authority's outstanding mortgage payables in relation to Vitoso, Foothills, Walnut, Arapahoe East, Dakota Ridge, Sanitas Place, Twin Pines, Hayden Place 2, Tantra Lake, Bridgewalk, Trout Farms, and Broadway East and the note payable to the City of Boulder, Colorado contain terms in the specified debt agreements related to (1) significant events of defaults with finance-related consequences and (2) a subjective acceleration clause that allows the lender to accelerate payment of the entire principal amount to become immediately due if the lender determines an event of default, as described in the agreements.

Additionally, for the mortgage payable in relation to Hayden Place, in the event of a default, the note will bear interest at a rate that is 15 percent in excess of the note's rate otherwise in effect. For the mortgage payables in relation to Tantra Lake, Bridgewalk, and Trout Farms, in the event of a default, the notes will bear interest at a rate that is 5 percent in excess of the notes' rate otherwise in effect.

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

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

December 31, 2020

Note 9 - Pension Plan (Continued)

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

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

Contributions

The Authority is required to contribute member and employer contributions to PERA at a rate set by statute. The contribution requirements of plan members and the Authority are established under Title 24, Article 51, Part 4 of the C.R.S., as amended. The contribution rate for members is 8.0 to 8.50 percent and for the Authority is 13.7 to 14.2 percent of covered salary. A portion of the Authority's contribution (1.02 percent of covered salary) is allocated to the Health Care Trust Fund. The Authority is also required to pay an amortization equalization disbursement (AED) equal to 2.20 percent of the total payroll for calendar year 2020. Additionally, the Authority is required to pay a supplemental amortization equalization disbursement (SAED) equal to 1.50 percent of the total payroll for calendar year 2020. For the year ended December 31, 2020, the Authority's employer contributions to the LGDTF were equal to its required contributions of \$635,472.

Net Pension Liability

At December 31, 2020, the Authority reported a liability of \$5,177,925 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2019 for the year ended December 31, 2020. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018, which used update procedures to roll forward the estimated liability to December 31, 2020. The Authority's proportion of the net pension liability was based on the Authority's contributions as a percentage of total employer contributions during the measurement period. At December 31, 2020, the Authority's proportion was 0.7068962006 percent.

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

For the year ended December 31, 2020, the Authority recognized pension income of \$(451,472).

At December 31, 2020, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 181,233	\$ -
Net difference between projected and actual investment	-	2,476,160
Employer contributions to the plan subsequent to the measurement date	635,472	-
Total	<u>\$ 816,705</u>	<u>\$ 2,476,160</u>

Note 9 - Pension Plan (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the table below. These amounts are exclusive of the employer contributions to the plan made subsequent to the measurement date totaling \$635,472, which will impact net pension liability in fiscal year 2021 rather than pension expense:

Years Ending December 31	Amount
2021	\$ (1,069,182)
2022	(1,069,182)
2023	(229,057)
2024	36,247
2025	36,247
Total	<u>\$ (2,294,927)</u>

Actuarial Assumptions

The total pension liability as of December 31, 2020 is based on results of an actuarial valuation date of December 31, 2018 rolled forward, and was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Mortality rates were based on the RP-2014 White Collar Employee Mortality Table for males with a 70 percent factor applied and a 55 percent factor applied to females. The actuarial assumptions were the following as of December 31, 2018:

- Inflation - 2.40 percent
- Salary increases - 3.50-10.45 percent, average, including inflation
- Investment rate of return - 7.25 percent, net of pension plan investment expense, including inflation

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of the 2016 experience analysis for the period from January 1, 2012 through December 31, 2015, as well as the October 28, 2016 actuarial assumptions workshop, and were adopted by PERA's board during the November 18, 2016 board meeting.

Discount Rate

The discount rate used to measure the total pension liability as of December 31, 2019 was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the fixed statutory rates specified in law.

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

Note 9 - Pension Plan (Continued)

Investment Rate of Return

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

Asset Class	Target Allocation (%)	Long-term Expected Real Rate of Return
U.S. equity - Large cap	21.20 %	4.30 %
U.S. equity - Small cap	7.42	4.80
Non-U.S. equity - Developed	18.55	5.20
Non-U.S. equity - Emerging	5.83	5.40
Core fixed income	19.32	1.20
High yield	1.38	4.30
Non-U.S. fixed income - Developed	1.84	0.60
Emerging market debt	0.46	3.90
Core real estate	8.50	4.90
Opportunity fund	6.00	3.80
Private equity	8.50	6.60
Cash	1.00	0.20

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

The following presents the net pension liability of the Authority, calculated using the discount rate of 7.25 percent, as well as what the Authority's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25 percent) or 1 percentage point higher (8.25 percent) than the current rate for December 31, 2020:

	1 Percentage Point Decrease (6.25%)	Current Discount Rate (7.25%)	1 Percentage Point Increase (8.25%)
Net pension liability - December 31, 2020	\$ 9,497,228	\$ 5,177,925	\$ 1,531,166

Pension Plan Fiduciary Net Position

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

Note 10 - Other Postemployment Benefit Plan

Plan Description

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

Note 10 - Other Postemployment Benefit Plan (Continued)

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

Contributions

The Authority is required to contribute member and employer contributions to PERA at a rate set by statute. The contribution requirements of plan members and the Authority are established under Title 24, Article 51, Part 4 of the C.R.S., as amended. Contributions to the plan from the Authority were \$49,575 for the year ended December 31, 2020.

Net OPEB Liability

At December 31, 2020, the Authority reported a liability of \$606,250 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2019. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2018, which used update procedures to roll forward the estimated liability to December 31, 2019. The Authority's proportion of the net OPEB liability was based on the Authority's contributions as a percentage of total employer contributions during the measurement period. At December 31, 2020, the Authority's proportion was 0.539319882 percent.

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

For the year ended December 31, 2020, the Authority recognized OPEB income of \$71,990.

At December 31, 2020, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 42,718	\$ -
Difference between projected and actual investment earnings	-	158,061
Employer contributions to the plan subsequent to the measurement date	49,575	-
Total	\$ 92,293	\$ 158,061

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the table below. These amounts are exclusive of the employer contributions to the plan made subsequent to the measurement date totaling \$49,575, which will impact net OPEB liability in fiscal year 2021, rather than OPEB expense:

Years Ending December 31	Amount
2021	\$ (24,563)
2022	(24,563)
2023	(24,563)
2024	(24,563)
2025	(24,563)
Thereafter	7,472
Total	\$ (115,343)

December 31, 2020

Note 10 - Other Postemployment Benefit Plan (Continued)

Actuarial Assumptions

The total OPEB liability as of December 31, 2020 is based on results of an actuarial valuation date of December 31, 2018, respectively, rolled forward, and was determined using the following actuarial assumptions, applied to all periods included in the measurement:

- Inflation - 2.40 percent
- Salary increases, including wage inflation - 3.50 percent in the aggregate
- Investment rate of return - 7.25 percent, net of OPEB plan investment expense, including price inflation
- Mortality rates were based on the RP-2014 White Collar Employee Mortality Table for males or females. The mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.
- Health care cost trend rate - 5.60 percent

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of a 2016 actuarial experience study for the period from January 1, 2012 through December 31, 2015, as well as the October 28, 2016 actuarial assumptions workshop adopted by PERA's board on November 18, 2016.

Discount Rate

The discount rate used to measure the total OPEB liability as of December 31, 2019 was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the fixed statutory rates specified in law.

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

Note 10 - Other Postemployment Benefit Plan (Continued)

Investment Rate of Return

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

Asset Class	Target Allocation (%)	Long-term Expected Real Rate of Return
U.S. equity - Large cap	21.20 %	4.30 %
U.S. equity - Small cap	7.42	4.80
Non-U.S. equity - Developed	18.55	5.20
Non-U.S. equity - Emerging	5.83	5.40
Core fixed income	19.32	1.20
High yield	1.38	4.30
Non-U.S. fixed income - Developed	1.84	0.60
Emerging market debt	0.46	3.90
Core real estate	8.50	4.90
Opportunity fund	6.00	3.80
Private equity	8.50	6.60
Cash	1.00	0.20

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

The following presents the net OPEB liability of the Authority, calculated using the discount rate of 7.25 percent, as well as what the Authority's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25 percent) or 1 percentage point higher (8.25 percent) than the current rate for December 31, 2020:

	1 Percentage Point Decrease (6.25%)	Current Discount Rate (7.25%)	1 Percentage Point Increase (8.25%)
Net OPEB liability of the plan - December 31, 2020	\$ 685,425	\$ 606,250	\$ 538,436

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

The following presents the net OPEB liability of the Authority, calculated using the health care cost trend rate of 5.60 percent, as well as what the Authority's net OPEB liability would be if it were calculated using a health care cost trend rate that is 1 percentage point lower (4.60 percent) or 1 percentage point higher (6.60 percent) than the current rate for December 31, 2020:

	1 Percentage Point Decrease (4.60%)	Current Health Care Cost Trend Rate (5.60%)	1 Percentage Point Increase (6.60%)
Net OPEB liability of the Plan - December 31, 2020	\$ 591,795	\$ 606,250	\$ 622,835

Note 11 - Nonexchange Financial Guarantees

General Partner Operating Deficit Guarantees

In relation to the performance of the tax credit partnerships for which the Authority is the general partner, the Authority has agreed to provide certain levels of funding in the event of partnership operating deficits that exceed operating reserves. The maximum amount required to fund the excess operating deficits ranges by partnership from zero to the total amount of the excess operating deficit for a single partnership. The guarantees are in place until specific milestones specifically defined in the partnership agreement are met. If the Authority is required to fund a deficit under this guarantee, the advance would be structured as a loan to the partnership. These loans would be repayable without interest in accordance with available cash flow. As of December 31, 2020, there were no additional liabilities relating to excess operating deficits for any of the partnerships.

General Partner Guarantees of Debt

The Authority has provided payment guarantees to a lender of a portion of the outstanding debt for Red Oak Park, LLLP; WestView Community, LLLP; High Mar Community, LLLP; Boulder Communities, LLLP; Ciclo, LLLP; and Palo Park Community, LLLP. The amount of the debt that was guaranteed was \$28,566,865 as of December 31, 2020. The debt has various maturity dates ranging from June 1, 2027 through November 1, 2036. In the event that any of these partnerships is unable to make a payment when due, the Authority will be required to make that payment.

Note 12 - Commitments and Contingencies

The Authority received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with the terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the Authority. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the Authority at December 31, 2020.

Note 13 - Blended Component Units

Condensed combining information for the Authority's blended component units is presented as follows:

	Woodland Communities, LLC	Foothills Community, LLC	Vistoso Community, LLC	2037 Walnut, LLC	Broadway East, LLC	Total
Assets						
Current assets	\$ 435,797	\$ 289,354	\$ 166,478	\$ 89,002	\$ 181,851	\$ 1,162,482
Capital assets	-	8,692,166	792,674	7,134,759	4,330,796	20,950,395
Total assets	435,797	8,981,520	959,152	7,223,761	4,512,647	22,112,877
Deferred Outflows of Resources	-	242,921	-	-	-	242,921
Liabilities						
Current liabilities	-	299,173	31,080	30,021	125,693	485,967
Noncurrent liabilities	-	5,697,474	561,758	-	1,748,754	8,007,986
Total liabilities	-	5,996,647	592,838	30,021	1,874,447	8,493,953
Net Position						
Net investment in capital assets	-	2,994,692	230,916	7,134,759	2,582,042	12,942,409
Restricted	435,797	144,207	120,251	10,399	60,014	770,668
Unrestricted	-	88,895	15,147	48,582	(3,856)	148,768
Total net position	\$ 435,797	\$ 3,227,794	\$ 366,314	\$ 7,193,740	\$ 2,638,200	\$ 13,861,845

December 31, 2020

Note 13 - Blended Component Units (Continued)

Income statement information is as follows:

	Woodland Communities, LLC	Foothills Community, LLC	Vistoso Community, LLC	2037 Walnut, LLC	Broadway East, LLC	Total
Operating Revenue						
Rent - Net	\$ 421,990	\$ 1,111,162	\$ 176,561	\$ 360,565	\$ 581,431	\$ 2,651,709
Other	2,646	13,056	3,297	1,879,866	19,617	1,918,482
Total operating revenue	424,636	1,124,218	179,858	2,240,431	601,048	4,570,191
Operating Expenses						
Operating expenses	251,181	633,267	116,914	154,349	376,122	1,531,833
Depreciation	226,118	414,331	30,357	219,249	157,372	1,047,427
Total operating expenses	477,299	1,047,598	147,271	373,598	533,494	2,579,260
Nonoperating (Expense) Income						
Interest expense	(91,786)	(197,737)	(28,097)	-	(106,430)	(424,050)
Gain on disposal of property	4,996,819	-	-	-	-	4,996,819
Total nonoperating income (expense)	4,905,033	(197,737)	(28,097)	-	(106,430)	4,572,769
Equity Transfer	(3,469,857)	(155,000)	(75,000)	(2,070,420)	(138,000)	(5,908,277)
Change in Net Position	1,382,513	(276,117)	(70,510)	(203,587)	(176,876)	655,423
Net Position (Deficit) - Beginning of year	(946,716)	3,503,911	436,824	7,397,327	2,815,076	13,206,422
Net Position - End of year	\$ 435,797	\$ 3,227,794	\$ 366,314	\$ 7,193,740	\$ 2,638,200	\$ 13,861,845

Cash flow statement information is as follows:

	Woodland Communities, LLC	Foothills Community, LLC	Vistoso Community, LLC	2037 Walnut, LLC	Broadway East, LLC	Total
Net Cash Provided by (Used in) Operating Activities - Receipts from customers	\$ 2,582,883	\$ 28,090	\$ (35,915)	\$ 19,253	\$ 2,096	\$ 2,596,407
Net Cash Used in Financing Activities	(2,674,322)	(170,722)	(9,949)	(9,581)	(41,924)	(2,906,498)
Net (Decrease) Increase in Cash	(91,439)	(142,632)	(45,864)	9,672	(39,828)	(310,091)
Cash - Beginning of year	527,236	283,613	210,206	71,757	201,413	1,294,225
Cash - End of year	\$ 435,797	\$ 140,981	\$ 164,342	\$ 81,429	\$ 161,585	\$ 984,134

December 31, 2020**Note 14 - Discretely Presented Component Units**

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

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

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

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

	<u>2020</u>
Cash and cash equivalents - Unrestricted (current)	\$ 2,697,673
Cash and cash equivalents - Restricted (current)	\$ 10,174,310
Tenant security deposits	<u>\$ 424,160</u>
Total	<u>\$ 13,296,143</u>

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

The restricted cash balances of the discretely presented component units are made up of \$424,160 of security deposits and \$10,174,310 of funded reserves for the year ended December 31, 2020.

December 31, 2020

Note 14 - Discretely Presented Component Units (Continued)

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

Schedule of Component Unit Capital Assets December 31, 2020	Nondepreciable		Depreciable or Amortizable		Accumulated Depreciation and Amortization	2020 Net Capital Assets
	Land	Tax Credit Fees	Buildings and Improvements	Furniture, Fixtures, and Equipment		
	Boulder Communities, LLLP	\$ 12,331,149	\$ 239,220	\$ 72,053,503		
Broadway East Community, LLLP	-	-	-	-	-	-
Broadway West Community, LLLP	105,838	32,862	6,954,226	19,416	(2,863,755)	4,248,587
Holiday Community, LLLP	817,533	27,473	6,752,253	26,388	(4,146,386)	3,477,261
High Mar Community, LLLP	-	44,371	11,990,459	39,121	(3,073,534)	9,000,417
Lee Hill Community, LLLP	885,045	34,030	6,213,921	107,164	(1,577,474)	5,662,686
Palo Park Community, LLLP	173,721	58,384	11,680,409	52,045	(1,034,693)	10,929,866
Red Oak Park Community, LLLP	-	68,404	11,968,255	206,892	(4,490,091)	7,753,460
West End Community, LLLP	1,700,000	121,228	40,029,463	197,038	(1,339,207)	40,708,522
30Pearl Community, LLLP	2,865,000	-	-	-	-	2,865,000
Canopy at ROP, LLLP	925,000	53,816	17,095,978	18,148	(102,704)	17,990,238
Madison Woods, LLLP	-	-	12,300,000	-	(68,333)	12,231,667
Ciclo, LLLP	862,291	47,343	13,915,940	144,753	(307,231)	14,663,096
WestView Community, LLLP	470,000	19,840	5,626,913	-	(1,674,031)	4,442,722
Total fixed assets placed in service	21,135,577	746,971	216,581,320	1,882,814	(34,453,104)	205,893,578
30Pearl Community, LLLP - Construction in progress	-	-	27,679,774	-	-	27,679,774
Madison Woods, LLLP - Construction in progress	-	-	1,602,853	-	-	1,602,853
Total Discrete Component Unit Net Capital Assets	\$ 21,135,577	\$ 746,971	\$ 245,863,947	\$ 1,882,814	\$ (34,453,104)	\$ 235,176,205

December 31, 2020

Note 14 - Discretely Presented Component Units (Continued)

	Beginning Balance	Capital Additions and Other Adjustments	Depreciation and Amortization	End of Year Balance
Boulder Communities, LLLP	\$ 74,858,167	\$ 74,977	\$ (3,013,088)	\$ 71,920,056
Broadway West Community, LLLP	4,498,065	9,296	(258,774)	4,248,587
Holiday Community, LLLP	3,704,874	13,132	(240,745)	3,477,261
High Mar Community, LLLP	9,462,497	222	(462,302)	9,000,417
Lee Hill Community, LLLP	5,907,966	-	(245,280)	5,662,686
Palo Park Community, LLLP	11,313,122	-	(383,256)	10,929,866
Red Oak Park Community, LLLP	8,191,619	15,021	(453,180)	7,753,460
West End Community, LLLP	23,370,278	18,247,729	(909,485)	40,708,522
30Pearl Community, LLLP	2,865,000	-	-	2,865,000
Canopy at ROP, LLLP	925,000	17,167,942	(102,704)	17,990,238
Madison Woods, LLLP	-	12,300,000	(68,333)	12,231,667
Ciclo, LLLP	-	14,970,327	(307,231)	14,663,096
WestView Community, LLLP	4,619,346	29,328	(205,952)	4,442,722
	<u>149,715,934</u>	<u>62,827,974</u>	<u>(6,650,330)</u>	<u>205,893,578</u>
Total fixed assets placed in service - December 31, 2020				
Madison Woods, LLLP - Construction in progress	-	1,602,853	-	1,602,853
West End Community, LLLP - Construction in progress	7,090,204	(7,090,204)	-	-
30Pearl Community, LLLP - Construction in progress	6,097,093	21,582,681	-	27,679,774
Broadway West Community, LLLP - Construction in progress	4,717	(4,717)	-	-
Canopy Community, LLLP - Construction in progress	5,630,801	(5,630,801)	-	-
Red Oak Park Community, LLLP - Construction in progress	5,488	(5,488)	-	-
	-	-	-	-
Total discrete component unit net capital assets	<u>\$ 168,544,237</u>	<u>\$ 73,282,298</u>	<u>\$ (6,650,330)</u>	<u>\$ 235,176,205</u>

December 31, 2020

Note 14 - Discretely Presented Component Units (Continued)

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

Schedule of Component Unit Debt December 31, 2020		Balance - Beginning of Year	Additions (Payments)	Balance - End of Year	Principal Due Within One Year
Lender					
Boulder Communities	First Bank of Boulder	13,385,991	(270,583)	13,115,408	282,424
	Boulder Housing Partners	1,152,519	-	1,152,519	-
	Boulder Housing Partners	12,025,000	-	12,025,000	-
	Boulder Housing Partners	7,647,569	-	7,647,569	-
	Boulder Housing Partners	20,000,000	-	20,000,000	-
	Boulder Housing Partners	2,822,469	(217,293)	2,605,176	426,145
Broadway West Community, LLLP	First Bank of Boulder	856,684	(21,188)	835,496	22,387
	Colorado Housing Finance Agency	936,298	-	936,298	-
	Boulder Housing Partners	1,484,377	(31,701)	1,452,676	50,808
Holiday Community, LLLP	First Bank of Boulder	1,735,855	(76,794)	1,659,061	1,659,061
	Boulder Housing Partners	-	-	-	-
	Boulder Housing Partners	350,000	(27)	349,973	-
High Mar Community, LLLP	Wells Fargo	3,928,520	(436,673)	3,491,847	87,163
	Boulder Housing Partners	2,587,611	-	2,587,611	-
	Boulder Housing Partners	590,000	-	590,000	-
	Boulder Housing Partners	307,117	(44,980)	262,137	89,283
Lee Hill Community, LLLP	Boulder Housing Partners	625,000	-	625,000	-
	Boulder Housing Partners	3,092,146	(75,252)	3,016,894	66,966
Palo Park, LLLP	First Bank of Boulder	2,494,540	(50,405)	2,444,135	52,229
	Colorado Division of Housing	999,822	-	999,822	-
	Boulder Housing Partners	230,565	(27,775)	202,790	31,084
	Boulder Housing Partners	1,209,659	-	1,209,659	-
	Boulder Housing Partners	400,000	-	400,000	-
	Boulder Housing Partners	327,921	-	327,921	-
Red Oak Park Community, LLLP	Keybank National Association	2,672,181	(54,442)	2,617,739	58,652
	Boulder Housing Partners	857,534	(32,147)	825,387	16,105

December 31, 2020

Note 14 - Discretely Presented Component Units (Continued)

Schedule of Component Unit Debt December 31, 2020		Balance - Beginning of Year	Additions (Payments)	Balance - End of Year	Principal Due Within One Year
	Lender		2,791,726	2,791,726	1,932,474
West End Community, LLLP	Boulder Housing Partners	7,246,625	(516,657)	6,729,968	435,326
	Boulder Housing Partners	5,774,398	(7,765)	5,766,633	-
	First Bank of Boulder	15,228,540	1,896,460	17,125,000	-
30 Pearl Community, LLLP	Boulder Housing Partners	2,865,000	-	2,865,000	-
	Boulder Housing Partners	7,500,000	-	7,500,000	-
	Boulder Housing Partners	400,000	-	400,000	-
	First Bank of Boulder	50,001	11,890,495	11,940,496	-
Canopy at ROP Community, LLLP	Boulder Housing Partners	700,000	-	700,000	-
	Boulder Housing Partners	3,200,000	-	3,200,000	-
	Boulder Housing Partners	925,000	-	925,000	-
	Boulder Housing Partners	-	1,861,798	1,861,798	1,180,253
	Boulder Housing Partners	-	1,325,973	1,325,973	-
	First Bank of Boulder	50,001	9,787,071	9,837,072	-
WestView Community, LLLP	First Bank of Boulder	2,623,987	(61,631)	2,562,356	65,015
	Boulder Housing Partners	1,622,433	(53,620)	1,568,813	-
Ciclo, LLLP	First Bank of Boulder	-	4,335,380	4,335,380	48,370
	Boulder Housing Partners	-	3,700,000	3,700,000	-
	Boulder Housing Partners	-	843,738	843,738	9,134
Madison Woods, LLLP	First Bank of Boulder	-	5,126,560	5,126,560	61,167
	Boulder Housing Partners	-	6,300,000	6,300,000	-
	Boulder Housing Partners	-	1,238,833	1,238,833	-
Totals		130,905,363	49,119,101	180,024,464	6,574,046
	Debt Issuance Costs; all props net of amortization			(903,707)	
	Total DCU Debt			179,120,757	

December 31, 2020

Note 15 - Prior Period Adjustment

The accompanying financial statements for 2020 have been restated to correct an error in the recording of income received from the City of Boulder, Colorado in relation to the close of Ciclo, LLLP made in a previous year. The effect of the restatement was to increase net position by \$3,700,000 for 2019.

Net position at the beginning of the year has been adjusted for the effects of the restatement of prior years, as described above. Net position at the beginning of the year was \$126,685,614 and was restated to \$130,385,614.

Required Supplemental Information

Boulder Housing Partners

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

	Last Six Fiscal Years					
	Years Ended December 31					
	2020	2019	2018	2017	2016	2015
Authority's proportion of the net pension liability	0.70689 %	0.73642 %	0.74987 %	0.68883 %	0.67773 %	0.61627 %
Authority's proportionate share of the net pension liability	\$ 5,177,925	\$ 9,266,390	\$ 8,357,242	\$ 9,301,527	\$ 7,465,755	\$ 5,523,658
Authority's covered payroll	\$ 4,834,180	\$ 6,406,137	\$ 6,280,931	\$ 7,348,110	\$ 6,090,485	\$ 5,059,089
Authority's proportionate share of the net pension liability as a percentage of its covered payroll	107.11 %	144.65 %	133.06 %	126.58 %	122.60 %	109.20 %
Plan fiduciary net position as a percentage of total pension liability	86.20 %	75.95 %	79.37 %	73.60 %	76.90 %	80.70 %

Boulder Housing Partners

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

	Last Six Fiscal Years					
	Years Ended December 31					
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 635,472	\$ 618,188	\$ 612,464	\$ 645,238	\$ 575,312	\$ 527,311
Contributions in relation to the contractually required contribution	<u>635,472</u>	<u>618,188</u>	<u>612,464</u>	<u>645,238</u>	<u>575,312</u>	<u>527,311</u>
Contribution Deficiency	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority's Covered Payroll	\$ 4,834,180	\$ 6,406,137	\$ 6,280,931	\$ 7,348,110	\$ 6,090,485	\$ 5,059,089
Contributions as a Percentage of Covered Payroll	13.15 %	9.65 %	7.39 %	8.78 %	9.40 %	10.40 %

Boulder Housing Partners

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

	Last Three Fiscal Years		
	Years Ended December 31		
	2020	2019	2018
Authority's proportion of the net OPEB liability	0.05393 %	0.05711 %	0.05827 %
Authority's proportionate share of the net OPEB liability	\$ 606,250	\$ 815,353	\$ 742,344
Authority's covered-employee payroll	\$ 4,834,180	\$ 6,406,137	\$ 6,280,931
Authority's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	12.54 %	12.73 %	11.82 %
Plan fiduciary net position as a percentage of total OPEB liability	24.50 %	17.02 %	17.53 %

Boulder Housing Partners

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

	Last Three Fiscal Years		
	Years Ended December 31		
	2020	2019	2018
Statutorily required contribution	\$ 49,575	\$ 47,817	\$ 53,076
Contributions in relation to the statutorily required contribution	49,575	47,817	53,076
Contribution Excess	\$ -	\$ -	\$ -
Authority's Covered-employee Payroll	\$ 4,834,180	\$ 6,406,137	\$ 6,280,931
Contributions as a Percentage of Covered-employee Payroll	1.03 %	0.75 %	0.85 %

Other Supplemental Information

December 31, 2020

		Project Total	14.PHC Public Housing CARES Act Funding	14.MSC Mainstream CARES Act Funding	14.CCC Central Office Cost Center CARES Act Funding	14.HCC HCV CARES Act Funding	1 Business Activities	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers
	Balance Sheet								
	Assets								
111	Cash - Unrestricted	\$41,056					\$5,045,488	\$2,911	\$501
112	Cash - Restricted - Modernization and Development								
113	Cash - Other Restricted			\$17,996		\$214,702	\$2,743,532	\$73,996	
114	Cash - Tenant Security Deposits	\$4,303					\$525,320		
115	Cash - Restricted for Payment of Current Liabilities			\$916		\$8,054			
100	Total Cash	\$45,359	\$0	\$18,912	\$0	\$222,756	\$8,314,340	\$76,907	\$501
121	Accounts Receivable - PHA Projects								
122	Accounts Receivable - HUD Other Projects								
124	Accounts Receivable - Other Government	\$105,583							
125	Accounts Receivable - Miscellaneous	\$8,253					\$17,978		\$6,656
126	Accounts Receivable - Tenants	\$60					\$154,567	\$437	\$1,365
126	Allowance for Doubtful Accounts - Tenants	\$0					-\$7,347	\$0	\$0
126	Allowance for Doubtful Accounts - Other	\$0					\$0		\$0
127	Notes, Loans, & Mortgages Receivable - Current						\$3,668,373		
128	Fraud Recovery							\$437	\$1,365
128	Allowance for Doubtful Accounts - Fraud							\$0	\$0
129	Accrued Interest Receivable						\$37,124		
120	Total Receivables, Net of Allowances for Doubtful Accounts	\$113,896	\$0	\$0	\$0	\$0	\$3,870,695	\$874	\$9,386
131	Investments - Unrestricted								
132	Investments - Restricted								
135	Investments - Restricted for Payment of Current Liability								
142	Prepaid Expenses and Other Assets	\$2,002					\$144,565		
143	Inventories								
143	Allowance for Obsolete Inventories								
144	Inter Program Due From								
145	Assets Held for Sale								
150	Total Current Assets	\$161,257	\$0	\$18,912	\$0	\$222,756	\$12,329,600	\$77,781	\$9,887

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	14.881 Moving to Work Demonstration Program	14.CFP MTW Demonstration Program for Capital Fund	14.HCV MTW Demonstration Program for HCV program	14.OPS MTW Demonstration Program for Low Rent	14.267 Continuum of Care Program	COCC	Subtotal	ELIM	Total	6.1 Component Unit - Discretely Presented
Balance Sheet										
Assets										
111	Cash - Unrestricted	\$598,246		\$0	\$47,893	\$3,163,480	\$8,899,575	-	\$8,899,575	\$2,797,673
112	Cash - Restricted - Modernization and Development							-		
113	Cash - Other Restricted	\$80,445					\$3,130,671	-	\$3,130,671	\$10,074,307
114	Cash - Tenant Security Deposits						\$529,623	-	\$529,623	\$424,161
115	Cash - Restricted for Payment of Current Liabilities						\$8,970	-	\$8,970	
100	Total Cash	\$678,691	\$0	\$0	\$47,893	\$3,163,480	\$12,568,839	\$0	\$12,568,839	\$13,296,141
121	Accounts Receivable - PHA Projects									
122	Accounts Receivable - HUD Other Projects									
124	Accounts Receivable - Other Government				\$22,118	\$8,603	\$136,304	-	\$136,304	
125	Accounts Receivable - Miscellaneous	\$9,889			\$922	\$299,660	\$343,358	-	\$343,358.00	\$15,761
126	Accounts Receivable - Tenants	\$3,622				\$11,771	\$171,822	-	\$171,822	\$128,600
126	Allowance for Doubtful Accounts - Tenants	\$0				-\$11,771	-\$19,118	-	-\$19,118	-\$10,231
126	Allowance for Doubtful Accounts - Other	\$0			\$0	\$0	\$0	-	\$0	\$0
127	Notes, Loans, & Mortgages Receivable - Current					\$780,371	4448744	-	\$4,448,744	
128	Fraud Recovery	\$3,622					\$5,424	-	\$5,424	
128	Allowance for Doubtful Accounts - Fraud	\$0					\$0	-	\$0	
129	Accrued Interest Receivable					\$534,542	\$571,666	-	\$571,666	
120	Total Receivables, Net of Allowances for Doubtful Accounts	\$17,133	\$0	\$0	\$23,040	\$1,623,176	\$ 5,658,200	\$0	\$ 5,658,200	\$134,130
131	Investments - Unrestricted									
132	Investments - Restricted									
135	Investments - Restricted for Payment of Current Liability									
142	Prepaid Expenses and Other Assets	\$1,173				\$64,057	\$211,797	-	\$211,797.00	\$218,088
143	Inventories									
143	Allowance for Obsolete Inventories									
144	Inter Program Due From					\$140,675	\$140,675	-\$140,675	\$0	
145	Assets Held for Sale									
150	Total Current Assets	\$696,997	\$0	\$0	\$70,933	\$ 4,991,388.00	\$ 18,579,511.00	-\$140,675	\$18,438,836	\$13,648,359

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		Project Total	14.PHC Public Housing CARES Act Funding	14.MSC Mainstream CARES Act Funding	14.CCC Central Office Cost Center CARES Act Funding	14.HCC HCV CARES Act Funding	1 Business Activities	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers
161	Land	\$32,787					\$45,574,694		
162	Buildings	\$878,398					\$93,300,032		
163	Furniture, Equipment & Machinery - Dwellings						\$127,832		
164	Furniture, Equipment & Machinery - Administration						\$53,929		
165	Leasehold Improvements						\$57,277		
166	Accumulated Depreciation	-\$831,896					-\$30,902,661		
167	Construction in Progress						\$1,307,769		
168	Infrastructure								
160	Total Capital Assets, Net of Accumulated Depreciation	\$79,289	\$0	\$0	\$0	\$0	\$109,518,872	\$0	\$0
171	Notes, Loans and Mortgages Receivable - Non-Current						\$400,340		
172	Notes, Loans, & Mortgages Receivable - Non Current - Past Due								
173	Grants Receivable - Non Current								
174	Other Assets						\$4,898,992		
176	Investments in Joint Ventures						\$1,272,438		
180	Total Non-Current Assets	\$79,289	\$0	\$0	\$0	\$0	\$116,090,642	\$0	\$0
200	Deferred Outflow of Resources	\$5,618					\$549,408		
290	Total Assets and Deferred Outflow of Resources	\$246,164	\$0	\$18,912	\$0	\$222,756	\$128,969,650	\$77,781	\$9,887

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		14.881 Moving to Work Demonstration Program	14.CFP MTW Demonstration Program for Capital Fund	14.HCV MTW Demonstration Program for HCV program	14.OPS MTW Demonstration Program for Low Rent	14.267 Continuum of Care Program	COCC	Subtotal	ELIM	Total	6.1 Component Unit - Discretely Presented
161	Land						\$940,376	\$46,547,857	-	\$46,547,857	\$21,135,578
162	Buildings						\$3,870,058	98048488	-	\$98,048,488	\$217,302,476
163	Furniture, Equipment & Machinery - Dwellings						\$15,947	143779	-	\$143,779	\$139,412
164	Furniture, Equipment & Machinery - Administration						\$840,732	\$2,638,064	-	\$2,638,064	\$1,743,403
165	Leasehold Improvements							\$53,929	-	\$53,929	\$25,810
166	Accumulated Depreciation						-\$3,149,002	-34883559	-	-34883559	-\$34,453,104
167	Construction in Progress						\$58,601	1366370	-	\$1,366,370	\$29,282,627
168	Infrastructure										
160	Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$0	\$0	\$0	\$2,576,712	\$ 112,174,873.00	\$0	\$112,174,873	\$235,176,202
171	Notes, Loans and Mortgages Receivable - Non-Current						\$101,652,795	\$102,053,135		\$102,053,135	
172	Notes, Loans, & Mortgages Receivable - Non Current - Past Due										
173	Grants Receivable - Non Current										
174	Other Assets						\$0	\$4,898,992		\$4,898,992	
176	Investments in Joint Ventures						\$399,460	\$1,671,898		\$1,671,898	
180	Total Non-Current Assets	\$0	\$0	\$0	\$0	\$0	\$104,628,967	\$ 220,798,898.00	\$0	\$ 220,798,898.00	\$235,176,202
200	Deferred Outflow of Resources	\$55,855					\$541,038	\$1,151,919		\$1,151,919	
290	Total Assets and Deferred Outflow of Resources	\$752,852	\$0	\$0	\$0	\$70,933	\$110,161,393	\$ 240,530,328	-\$140,675	\$ 240,389,653	\$248,824,561

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		Project Total	14.PHC Public Housing CARES Act Funding	14.MSC Mainstream CARES Act Funding	14.CCC Central Office Cost Center CARES Act Funding	14.HCC HCV CARES Act Funding	1 Business Activities	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers
311	Bank Overdraft	\$0							
312	Accounts Payable <= 90 Days	\$690					\$698,005		\$960
313	Accounts Payable >90 Days Past Due								
321	Accrued Wage/Payroll Taxes Payable	\$577					\$69,115		
322	Accrued Compensated Absences - Current Portion	\$3,767					\$105,602		
324	Accrued Contingency Liability								
325	Accrued Interest Payable						\$226,811		
331	Accounts Payable - HUD PHA Programs								
332	Account Payable - PHA Projects								
333	Accounts Payable - Other Government	\$17,494							
341	Tenant Security Deposits	\$3,138					\$529,773		
342	Unearned Revenue	\$1,125					\$62,671		
343	Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue						\$4,674,119		
344	Current Portion of Long-term Debt - Operating Borrowings								
345	Other Current Liabilities								
346	Accrued Liabilities - Other	\$5,506					\$2,220,588		
347	Inter Program - Due To	\$4,527		\$916		\$8,054	\$54,266	\$3,678	\$6,458
348	Loan Liability - Current								
310	Total Current Liabilities	\$36,824	\$0	\$916	\$0	\$8,054	\$8,640,950	\$3,678	\$7,418
351	Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue						\$67,763,715		
352	Long-term Debt, Net of Current - Operating Borrowings								
353	Non-current Liabilities - Other								
354	Accrued Compensated Absences - Non Current								
355	Loan Liability - Non Current						\$203,755		
356	FASB 5 Liabilities								
357	Accrued Pension and OPEB Liabilities	\$38,460					\$1,765,716		
350	Total Non-Current Liabilities	\$38,460	\$0	\$0	\$0	\$0	\$69,733,186	\$0	\$0
300	Total Liabilities	\$75,284	\$0	\$916	\$0	\$8,054	\$78,374,136	\$3,678	\$7,418
400	Deferred Inflow of Resources	\$19,919		\$17,996		\$214,702	\$1,139,251		
	Equity								
508	Net Investment in Capital Assets	\$79,290					\$37,081,038		
511	Restricted Net Position	\$0		\$17,996		\$214,701	\$2,743,531	\$74,433	\$1,365
512	Unrestricted Net Position	\$71,671	\$0	-\$17,996	\$0	-\$214,701	\$9,631,694	-\$330	\$1,104
513	Total Equity - Net Assets / Position	\$150,961	\$0	\$0	\$0	\$0	\$49,456,263	\$74,103	\$2,469
600	Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$246,164	\$0	\$18,912	\$0	\$222,756	\$128,969,650	\$77,781	\$9,887

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	14.881 Moving to Work Demonstration Program	14.CFP MTW Demonstration Program for Capital Fund	14.HCV MTW Demonstration Program for HCV program	14.OPS MTW Demonstration Program for Low Rent	14.267 Continuum of Care Program	COCC	Subtotal	ELIM	Total	6.1 Component Unit - Discretely Presented
311	Bank Overdraft						\$0	-	\$0	
312	Accounts Payable <= 90 Days	\$15,272				\$109,842	\$824,769	-	\$824,769	\$3,630,348
313	Accounts Payable >90 Days Past Due									
321	Accrued Wage/Payroll Taxes Payable	\$23,333				\$139,775	\$232,800	-	\$232,800	\$34,484
322	Accrued Compensated Absences - Current Portion	\$35,240				\$327,818	472,427	-	\$472,427	\$49,983
324	Accrued Contingency Liability									
325	Accrued Interest Payable						\$226,811	-	\$226,811	\$8,763,550
331	Accounts Payable - HUD PHA Programs									
332	Account Payable - PHA Projects									
333	Accounts Payable - Other Government						\$17,494	-	\$17,494	
341	Tenant Security Deposits						532,911	-	\$532,911	\$425,327
342	Unearned Revenue						\$63,796	-	\$63,796	\$34,626
343	Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue						\$4,674,119	-	\$4,674,119	\$6,574,046
344	Current Portion of Long-term Debt - Operating Borrowings									
345	Other Current Liabilities	\$80,445					\$80,445	-	\$80,445	
346	Accrued Liabilities - Other					\$28,321	\$2,254,415	-	\$2,254,415	\$236,922
347	Inter Program - Due To	\$60,788				\$580	\$140,675	-\$140,675	\$0	
348	Loan Liability - Current									
310	Total Current Liabilities	\$215,078	\$0	\$0	\$580	\$607,164	\$ 9,520,662	-\$140,675	\$ 9,379,987	\$19,749,286
351	Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue						\$67,763,715	-	\$67,763,715	\$172,546,710
352	Long-term Debt, Net of Current - Operating Borrowings									
353	Non-current Liabilities - Other									
354	Accrued Compensated Absences - Non Current									
355	Loan Liability - Non Current						\$203,755	-	203,755.00	\$545,739
356	FASB 5 Liabilities									
357	Accrued Pension and OPEB Liabilities	\$345,751				\$3,634,247	\$5,784,174	-	\$5,784,174	
350	Total Non-Current Liabilities	\$345,751	\$0	\$0	\$0	\$3,634,247	\$ 73,751,644	\$0	\$ 73,751,644	\$173,092,449
300	Total Liabilities	\$560,829	\$0	\$0	\$580	\$4,241,411	\$ 83,272,306	-\$140,675	\$ 83,131,631	\$192,841,735
400	Deferred Inflow of Resources	\$148,906				\$1,918,701	\$3,459,475		\$3,459,475	
	Equity									
508	Net Investment in Capital Assets	\$0				\$2,576,713	\$39,737,041	-	\$39,737,041	\$56,055,446
511	Restricted Net Position	\$3,623					\$3,055,649	-	\$3,055,649	\$10,074,307
512	Unrestricted Net Position	\$39,494	\$0	\$0	\$0	\$101,424,568	\$111,005,857	-	\$111,005,857	-\$10,146,927
513	Total Equity - Net Assets / Position	\$43,117	\$0	\$0	\$70,353	\$104,001,281	\$ 153,798,547	\$0	\$ 153,798,547	\$55,982,826
600	Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$752,852	\$0	\$0	\$70,933	\$110,161,393	\$ 240,530,328	-\$140,675	\$ 240,389,653	\$248,824,561

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		Project Total	14.PHC Public Housing CARES Act Funding	14.MSC Mainstream CARES Act Funding	14.CCC Central Office Cost Center CARES Act Funding	14.HCC HCV CARES Act Funding	1 Business Activities	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers
	Income Statement Revenue								
70300	Net Tenant Rental Revenue	\$223,903					\$10,238,950		
70400	Tenant Revenue - Other	\$2,507					\$460,925		
70500	Total Tenant Revenue	\$226,410	\$0	\$0	\$0	\$0	\$10,699,875	\$0	\$0
70600	HUD PHA Operating Grants		\$5,524	\$9,468		\$177,740		\$1,086,674	\$2,877,991
70610	Capital Grants								
70710	Management Fee								
70720	Asset Management Fee								
70730	Book Keeping Fee								
70740	Front Line Service Fee								
70750	Other Fees								
70700	Total Fee Revenue	\$0	\$5,524	\$9,468	\$0	\$177,740	\$0	\$1,086,674	\$2,877,991
70800	Other Government Grants	\$2,647					\$4,421,035		
71100	Investment Income - Unrestricted	\$33					\$23,825		
71200	Mortgage Interest Income						\$37,804		
71300	Proceeds from Disposition of Assets Held for Sale								
71310	Cost of Sale of Assets								
71400	Fraud Recovery							\$1,040	
71500	Other Revenue	\$2,791			\$91,878		\$7,669,273		
71600	Gain or Loss on Sale of Capital Assets								
72000	Investment Income - Restricted								
70000	Total Revenue	\$231,881	\$5,524	\$9,468	\$91,878	\$177,740	\$22,851,812	\$1,087,714	\$2,877,991

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		14.881 Moving to Work Demonstration Program	14.CFP MTW Demonstration Program for Capital Fund	14.HCV MTW Demonstration Program for HCV program	14.OPS MTW Demonstration Program for Low Rent	14.267 Continuum of Care Program	COCC	Subtotal	ELIM	Total	6.1 Component Unit - Discretely Presented
	Income Statement Revenue										
70300	Net Tenant Rental Revenue							\$10,462,853	-	\$10,462,853	\$8,098,888
70400	Tenant Revenue - Other						\$2,124	\$465,556	-	\$465,556	\$100,335
70500	Total Tenant Revenue	\$0	\$0	\$0	\$0	\$0	\$2,124	\$10,928,409	\$0	\$10,928,409	\$8,199,223
70600	HUD PHA Operating Grants	\$200	\$142,803	\$8,566,576	\$35,874	\$560,469		\$13,463,319.00	-	\$13,463,319.00	\$1,425,582
70610	Capital Grants		\$201,647	\$301,800				\$503,447		\$503,447	
70710	Management Fee						\$1,367,670	\$1,367,670	(\$793,417)	\$574,253.00	
70720	Asset Management Fee						\$84,290	\$84,290	(\$84,290)		
70730	Book Keeping Fee						\$63,135	\$63,135	(\$63,135)		
70740	Front Line Service Fee										
70750	Other Fees										
70700	Total Fee Revenue	\$ 200.00	\$ 344,450.00	\$ 8,868,376.00	\$35,874	\$560,469	\$1,515,095	\$ 15,481,861	\$ (940,842)	\$ 14,541,019	
70800	Other Government Grants	\$18,000					\$96,261	\$4,537,943		\$4,537,943	
71100	Investment Income - Unrestricted						\$4,646	\$28,504	-	\$28,504	\$7,359
71200	Mortgage Interest Income						\$2,467,986	\$2,505,790		\$2,505,790	
71300	Proceeds from Disposition of Assets Held for Sale										
71310	Cost of Sale of Assets										
71400	Fraud Recovery	\$7,316						\$8,356		\$8,356	
71500	Other Revenue	\$22,362					\$2,363,333	\$10,149,637	-\$1,192,939	8,956,698	\$28,276
71600	Gain or Loss on Sale of Capital Assets						\$1,599	\$1,599		\$1,599	
72000	Investment Income - Restricted										
70000	Total Revenue	\$47,878	\$344,450	\$8,868,376	\$35,874	\$560,469	\$6,451,044	\$ 43,642,099	\$ (2,133,781)	\$ 41,508,318	\$9,660,440

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		Project Total	14.PHC Public Housing CARES Act Funding	14.MSC Mainstream CARES Act Funding	14.CCC Central Office Cost Center CARES Act Funding	14.HCC HCV CARES Act Funding	1 Business Activities	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers
	Expenses								
91100	Administrative Salaries	\$37,077					\$1,181,705	\$40,922	\$119,878
91200	Auditing Fees	\$2,404					\$38,873	\$726	\$2,942
91300	Management Fee	\$28,645	\$5,524	\$9,468		\$76,887	\$484,501	\$15,898	\$48,107
91310	Book-keeping Fee	\$3,652					\$59,482	\$7,425	\$28,020
91400	Advertising and Marketing						\$3,233		
91500	Employee Benefit contributions - Administrative	\$3,688					\$518,392	\$14,323	\$41,957
91600	Office Expenses	\$5,659					\$76,165		
91700	Legal Expense						\$10,383		
91800	Travel	\$78					\$5,157		
91810	Allocated Overhead								
91900	Other	\$562					\$82,031		
91000	Total Operating - Administrative	\$81,765	\$5,524	\$9,468	\$0	\$76,887	\$2,459,922	\$79,294	\$240,904
92000	Asset Management Fee	\$4,980					\$79,310		
92100	Tenant Services - Salaries								
92200	Relocation Costs						\$7,840		
92300	Employee Benefit Contributions - Tenant Services								
92400	Tenant Services - Other	\$19,612	\$4,496		\$122,570	\$100,853	\$359,437		
92500	Total Tenant Services	\$19,612	\$4,496	\$0	\$122,570	\$100,853	\$367,277	\$0	\$0
93100	Water	\$10,242					\$169,912		
93200	Electricity	\$10,092					\$89,521		
93300	Gas	\$11,383					\$113,440		
93400	Fuel								
93500	Labor								
93600	Sewer	\$14,240					\$222,373		
93700	Employee Benefit Contributions - Utilities								
93800	Other Utilities Expense								
93000	Total Utilities	\$45,957	\$0	\$0	\$0	\$0	\$595,246	\$0	\$0
94100	Ordinary Maintenance and Operations - Labor	\$53,738					\$877,034		
94200	Ordinary Maintenance and Operations - Materials and Other	\$5,597					\$169,908		
94300	Ordinary Maintenance and Operations Contracts	\$50,179					\$1,334,963		
94500	Employee Benefit Contributions - Ordinary Maintenance								
94000	Total Maintenance	\$109,514	\$0	\$0	\$0	\$0	\$2,381,905	\$0	\$0

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		14.881 Moving to Work Demonstration Program	14.CFP MTW Demonstration Program for Capital Fund	14.HCV MTW Demonstration Program for HCV program	14.OPS MTW Demonstration Program for Low Rent	14.267 Continuum of Care Program	COCC	Subtotal	ELIM	Total	6.1 Component Unit - Discretely Presented
	Expenses										
91100	Administrative Salaries	\$275,945					\$3,465,328	\$5,120,855	-	\$5,120,855	\$701,362
91200	Auditing Fees	\$8,192					\$14,138	\$67,275	-	\$67,275	\$62,750
91300	Management Fee	\$131,129						\$800,159	-\$880,095	(\$79,936)	\$613,149
91310	Book-keeping Fee	\$62,490						\$161,069	-\$63,135	\$97,934	
91400	Advertising and Marketing	\$211					\$29,570	\$33,014	-	\$33,014	\$273
91500	Employee Benefit contributions - Administrative	\$39,699					\$96,213	\$714,272	-	\$714,272	\$174,062
91600	Office Expenses	\$58,740					\$399,653	\$540,217	-\$42,090	\$498,127	\$87,546
91700	Legal Expense	\$11,964					\$21,230	\$43,577	-	\$43,577	\$9,599
91800	Travel	\$1,748					\$27,762	\$35,895	-	\$35,895	\$1,150
91810	Allocated Overhead										
91900	Other	\$21,310				\$13,256	\$171,281	\$288,440	-\$12,015	\$276,425	\$63,703
91000	Total Operating - Administrative	\$611,428	\$0	\$0	\$0	\$13,256	\$4,225,175	\$ 7,803,623	-\$997,335	\$ 6,806,288	\$1,713,594
92000	Asset Management Fee							\$84,290	-\$84,290	\$0	
92100	Tenant Services - Salaries										
92200	Relocation Costs							\$7,840	-	\$7,840	\$1,381
92300	Employee Benefit Contributions - Tenant Services										
92400	Tenant Services - Other	\$12				\$211,745	\$12,061	\$830,786	-\$64,605	\$766,181	\$405,248
92500	Total Tenant Services	\$12	\$0	\$0	\$0	\$211,745	\$12,061	\$ 838,626	-\$64,605	\$ 774,021	\$406,629
93100	Water						\$2,783	\$182,937	-	\$182,937	\$189,623
93200	Electricity						\$12,995	\$112,608	-	\$112,608	\$307,137
93300	Gas						\$6,110	\$130,933	-	\$130,933	\$80,767
93400	Fuel										
93500	Labor										
93600	Sewer						\$3,808	\$240,421	-	\$240,421	\$196,651
93700	Employee Benefit Contributions - Utilities										
93800	Other Utilities Expense										
93000	Total Utilities	\$0	\$0	\$0	\$0	\$0	\$25,696	\$ 666,899	\$0	\$ 666,899	\$774,178
94100	Ordinary Maintenance and Operations - Labor						\$53,224	\$983,996	-\$983,997	-1.00	\$878,019
94200	Ordinary Maintenance and Operations - Materials and Other						\$122,070	\$297,575	-	\$297,575	\$132,710
94300	Ordinary Maintenance and Operations Contracts						\$165,281	\$1,550,423	-	\$1,550,423	\$912,698
94500	Employee Benefit Contributions - Ordinary Maintenance										
94000	Total Maintenance	\$0	\$0	\$0	\$0	\$0	\$340,575	\$ 2,831,994	-\$983,997	\$ 1,847,997	\$1,923,427

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		Project Total	14.PHC Public Housing CARES Act Funding	14.MSC Mainstream CARES Act Funding	14.CCC Central Office Cost Center CARES Act Funding	14.HCC HCV CARES Act Funding	1 Business Activities	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers
95100	Protective Services - Labor								
95200	Protective Services - Other Contract Costs	\$7,659					\$52,186		
95300	Protective Services - Other								
95500	Employee Benefit Contributions - Protective Services								
95000	Total Protective Services	\$7,659	\$0	\$0	\$0	\$0	\$52,186	\$0	\$0
96110	Property Insurance	\$23,342					\$302,479		
96120	Liability Insurance	\$2,561					\$42,580		
96130	Workmen's Compensation	\$330					\$9,145		
96140	All Other Insurance	\$706					\$12,643		
96100	Total insurance Premiums	\$26,939	\$0	\$0	\$0	\$0	\$366,847	\$0	\$0
96200	Other General Expenses	\$2,549					\$298,455		
96210	Compensated Absences	\$1,491					\$53,661		
96300	Payments in Lieu of Taxes	\$17,493							
96400	Bad debt - Tenant Rents	\$11,034					\$45,084		
96500	Bad debt - Mortgages								
96600	Bad debt - Other								
96800	Severance Expense								
96000	Total Other General Expenses	\$32,567	\$0	\$0	\$0	\$0	\$397,200	\$0	\$0
96710	Interest of Mortgage (or Bonds) Payable						\$2,624,432		
96720	Interest on Notes Payable (Short and Long Term)						\$197,488		
96730	Amortization of Bond Issue Costs						\$10,717		
96700	Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0	\$2,832,637	\$0	\$0
96900	Total Operating Expenses	\$328,993	\$10,020	\$9,468	\$122,570	\$177,740	\$9,532,530	\$79,294	\$240,904
97000	Excess of Operating Revenue over Operating Expenses	-\$97,112	-\$4,496	\$0	-\$30,692	\$0	\$13,319,282	\$1,008,420	\$2,637,087
97100	Extraordinary Maintenance	\$312					\$109,121		
97200	Casualty Losses - Non-capitalized								
97300	Housing Assistance Payments						\$468,566	\$1,067,103	\$2,638,117
97350	HAP Portability-In								
97400	Depreciation Expense	\$61,077					\$4,240,298		
97500	Fraud Losses								
97600	Capital Outlays - Governmental Funds								
97700	Debt Principal Payment - Governmental Funds								
97800	Dwelling Units Rent Expense								
90000	Total Expenses	\$390,382	\$10,020	\$9,468	\$122,570	\$177,740	\$14,350,515	\$1,146,397	\$2,879,021

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		14.881 Moving to Work Demonstration Program	14.CFP MTW Demonstration Program for Capital Fund	14.HCV MTW Demonstration Program for HCV program	14.OPS MTW Demonstration Program for Low Rent	14.267 Continuum of Care Program	COCC	Subtotal	ELIM	Total	6.1 Component Unit - Discretely Presented
95100	Protective Services - Labor										
95200	Protective Services - Other Contract Costs						\$3,194	\$63,039.00	-	\$63,039.00	\$104,244
95300	Protective Services - Other										
95500	Employee Benefit Contributions - Protective Services										
95000	Total Protective Services	\$0	\$0	\$0	\$0	\$0	\$3,194	\$ 63,039	\$0	\$ 63,039	\$104,244
96110	Property Insurance						\$13,800	\$339,621		\$339,621	
96120	Liability Insurance	\$4,688					\$2,425	\$52,254		\$52,254	
96130	Workmen's Compensation	\$3,490					\$29,842	\$42,807.00	-	\$48,283	\$5,476
96140	All Other Insurance						\$55,472	\$68,821.00	-	\$569,885	\$501,064
96100	Total insurance Premiums	\$8,178	\$0	\$0	\$0	\$0	\$101,539	\$ 503,503	\$0	\$ 503,503	\$506,540
96200	Other General Expenses	\$3,852				\$60,643		\$365,499	-	\$535,308	\$169,809
96210	Compensated Absences	\$11,319					\$109,921	\$176,392	-	\$201,689	\$25,297
96300	Payments in Lieu of Taxes							\$17,493		\$17,493	
96400	Bad debt - Tenant Rents						\$575	\$56,693.00	-	\$63,520	\$6,827
96500	Bad debt - Mortgages										
96600	Bad debt - Other										
96800	Severance Expense										
96000	Total Other General Expenses	\$15,171	\$0	\$0	\$0	\$60,643	\$110,496	\$ 616,077	\$0	\$ 616,077	\$201,933
96710	Interest of Mortgage (or Bonds) Payable							\$2,624,432	-	\$2,624,432	\$1,761,520
96720	Interest on Notes Payable (Short and Long Term)	\$0						\$197,488	-	\$197,488	\$1,562,515
96730	Amortization of Bond Issue Costs							\$10,717	-	\$10,717	\$39,278
96700	Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$ 2,832,637	\$0	\$ 2,832,637	\$3,363,313
96900	Total Operating Expenses	\$634,789	\$0	\$0	\$0	\$285,644	\$4,818,736	\$ 16,240,688	-\$2,130,227	\$ 14,110,461	\$8,993,858
97000	Excess of Operating Revenue over Operating Expenses	-\$586,911	\$344,450	\$8,868,376	\$35,874	\$274,825	\$1,632,308	\$27,401,411	\$ (3,554)	\$27,397,857	\$666,582
97100	Extraordinary Maintenance							\$109,433.00	-	\$109,433	\$37,760
97200	Casualty Losses - Non-capitalized										
97300	Housing Assistance Payments	\$7,767,446				\$276,477		\$12,217,709	-\$3,554	\$12,214,155	
97350	HAP Portability-In										
97400	Depreciation Expense						\$263,665	\$4,565,040	-	\$4,565,040	\$6,611,055
97500	Fraud Losses										
97600	Capital Outlays - Governmental Funds										
97700	Debt Principal Payment - Governmental Funds										
97800	Dwelling Units Rent Expense										
90000	Total Expenses	\$8,402,235	\$0	\$0	\$0	\$562,121	\$5,082,401	\$ 33,132,870	-\$2,133,781	\$ 30,999,089	\$15,642,673

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		Project Total	14.PHC Public Housing CARES Act Funding	14.MSC Mainstream CARES Act Funding	14.CCC Central Office Cost Center CARES Act Funding	14.HCC HCV CARES Act Funding	1 Business Activities	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers
10010	Operating Transfer In	\$297,675	\$4,496		\$122,570		\$12,238,275		
10020	Operating transfer Out	-\$34,321			-\$91,878		-\$13,690,418		
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)	\$5,931,111					\$7,045,716		
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)	\$6,194,465	\$4,496	\$0	\$30,692	\$0	\$5,593,573	\$0	\$0
10000	Excess (Deficiency) of Total Revenue Over (Under) Total Expe	\$6,035,964	\$0	\$0	\$0	\$0	\$14,094,870	-\$58,683	-\$1,030
11020	Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0	\$1,506,704	\$0	\$0
11030	Beginning Equity	\$415,183	\$0	\$0	\$0	\$0	\$38,570,775	\$132,786	\$3,499
11040	Prior Period Adjustments, Equity Transfers and Correction of	-\$6,300,186					-\$3,209,382	\$0	\$0
11050	Changes in Compensated Absence Balance								
11060	Changes in Contingent Liability Balance								
11070	Changes in Unrecognized Pension Transition Liability								
11080	Changes in Special Term/Severance Benefits Liability								
11090	Changes in Allowance for Doubtful Accounts - Dwelling Rents								
11100	Changes in Allowance for Doubtful Accounts - Other								
11170	Administrative Fee Equity								\$0
11180	Housing Assistance Payments Equity								\$2,469
11190	Unit Months Available	498					8,010	1,389	3,792
11210	Number of Unit Months Leased	487					7,344	1,036	3,736
11270	Excess Cash	\$95,015							
11610	Land Purchases	\$0							
11620	Building Purchases	\$0							
11630	Furniture & Equipment - Dwelling Purchases	\$0							
11640	Furniture & Equipment - Administrative Purchases	\$0							
11650	Leasehold Improvements Purchases	\$0							
11660	Infrastructure Purchases	\$0							
13510	CFFP Debt Service Payments	\$0							
13901	Replacement Housing Factor Funds	\$0							

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	14.881 Moving to Work Demonstration Program	14.CFP MTW Demonstration Program for Capital Fund	14.HCV MTW Demonstration Program for HCV program	14.OPS MTW Demonstration Program for Low Rent	14.267 Continuum of Care Program	COCC	Subtotal	ELIM	Total	6.1 Component Unit - Discretely Presented	
10010	Operating Transfer In	\$9,284,353		\$238,188		\$2,475,341	\$24,660,898	-	\$24,660,898	\$721	
10020	Operating transfer Out	-\$1,079,948	-\$344,450	-\$9,106,564	-\$35,874	-\$40,000	-\$237,446	-	-\$24,660,899	-\$721	
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)						\$12,976,827	-	\$12,976,827	-\$22,232	
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)	\$8,204,405	-\$344,450	-\$8,868,376	-\$35,874	-\$40,000	\$ 12,976,826.00	\$0	\$ 12,976,826.00	-\$22,232	
10000	Excess (Deficiency) of Total Revenue Over (Under) Total Expe	-\$149,952	\$0	\$0	\$0	-\$41,652	\$3,606,538	\$23,486,055	\$0.00	\$23,486,055	-\$6,004,465
11020	Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0	\$1,506,704	-	\$1,506,704	\$2,129,955	
11030	Beginning Equity	\$193,069	\$0	\$0	\$0	\$112,005	\$87,258,302	\$126,685,619	-	\$126,685,619	\$42,702,897
11040	Prior Period Adjustments, Equity Transfers and Correction of	\$0				\$13,136,441	\$3,626,873	-	\$3,626,873	\$19,284,394	
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						\$0		\$0		
11180	Housing Assistance Payments Equity						\$2,469		\$2,469		
11190	Unit Months Available	9,104				264	23,057	-	23,057	8,752	
11210	Number of Unit Months Leased	8,734				264	21,601	-	21,601	8,374	
11270	Excess Cash						\$95,015		\$95,015		
11610	Land Purchases					\$0	\$0		\$0		
11620	Building Purchases					\$0	\$0		\$0		
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		

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