

JEFFERSON COUNTY HOUSING AUTHORITY

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

FOR THE YEAR ENDED DECEMBER 31, 2022

**WITH
REPORT OF INDEPENDENT AUDITORS**

**JEFFERSON COUNTY HOUSING AUTHORITY
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FOR THE YEAR ENDED DECEMBER 31, 2022**

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REPORT OF INDEPENDENT AUDITORS

To the Board of Commissioners
Jefferson County Housing Authority:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities (primary government) and the aggregate discretely presented component units of the Jefferson County Housing Authority (the "Authority") as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the primary government and the aggregate discretely presented component units of the Authority, as of December 31, 2022, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of the discretely presented component units were not audited in accordance with *Government Auditing Standards*. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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

Supplementary Information

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

The schedule of expenditures of federal awards and the financial data schedule are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 schedule of expenditures of federal awards and financial data schedule 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 March 20, 2024 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Novogradac & Company LLP

March 20, 2024
Toms River, New Jersey

MANAGEMENT'S DISCUSSION AND ANALYSIS

**JEFFERSON COUNTY HOUSING AUTHORITY
MANAGEMENT’S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022**

As management of the Jefferson County Housing Authority (the “Authority”), we offer the readers of the Authority’s financial statements this narrative overview and analysis of the financial activities of the Authority as of and for the year ended December 31, 2022. We encourage readers to consider the information presented here in conjunction with the Authority’s financial statements.

Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Executive Director, Jefferson County Housing Authority.

Overview of the Financial Statements

The financial statements included in this annual audit report are those of a special-purpose government engaged in a business-type activity.

The following statements are included:

The Statement of Net Position

The Statement of Net Position reports all financial and capital resources for the Authority. The statement is presented in the format where assets minus liabilities, equals “Net Position”, formerly known as equity. Assets and liabilities are presented in order of liquidity, and are classified as “Current” (convertible into cash within one year) and “Non-current”.

Components of Net Position are:

- Net Investment in Capital Assets:

This component of net position 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 restricted assets, when constraints are placed on the asset by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc.

- Unrestricted Net Position:

This component of net position consists of net position that does not meet the definition of “Net Investment in Capital Assets” or “Restricted Net Position”.

**JEFFERSON COUNTY HOUSING AUTHORITY
MANAGEMENT’S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022**

Overview of the Financial Statements (continued)

Statement of Revenue, Expenses, and Changes in Net Position

This statement reports the Authority’s operating and non-operating revenue, by major sources, along with operating and non-operating expenses and capital contributions. The statement includes operating revenues, such as rental income, operating expenses, such as administrative, utilities, maintenance, and depreciation, and non-operating revenue and expenses, such as grant revenue, investment income and interest expense.

Statement of Cash Flows

The Statement of Cash Flows presents information on the effects changes in assets and liabilities have on cash during the course of the Fiscal Year.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the Authority-wide financial statements.

Our analysis of the Authority as a whole begins on the next page. The most important question asked about the Authority’s finances is, “Is the Authority as a whole better or worse off as a result of the year’s activities?”

The attached analysis of entity wide net position, revenues, and expenses are provided to assist with answering the above question. This analysis includes all assets and liabilities using the accrual basis of accounting. Accrual accounting is similar to the accounting used by most private sector companies. Accrual accounting recognizes revenues when earned and expenses when incurred, regardless of when cash is received or paid.

Our analysis also presents the Authority’s net position and changes in it. One can think of the Authority’s net position as the difference between what the Authority owns (assets) to what the Authority owes (liabilities). The change in net position analysis will assist the reader with measuring the health or financial position of the Authority.

Over time, significant changes in the Authority’s net position are an indicator of whether its financial health is improving or deteriorating. To fully assess the financial health of any Authority the reader must also consider other non-financial factors such as changes in family composition, fluctuations in the local economy, HUD mandated program administrative changes, and the physical condition of the Authority’s capital assets.

**JEFFERSON COUNTY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022**

Overview of the Financial Statements (continued)

To fully understand the financial statements of the Authority, one must start with an understanding of what the Authority actually does. The following is a brief description of the programs and services that the Authority provides for the residents of Jefferson County, CO:

Section 8 Housing Choice Vouchers Program (HCV)

HUD has contracted with the Authority for administration of the Section 8 Housing Choice Vouchers program. The Authority pays housing assistance payments to landlords for low income tenants. The housing assistance payment matches the difference between the total rent that the landlord can charge, at or below a payment standard based on a fair market rent amount supplied by HUD, and the amount that the tenant can pay. For each unit that the Authority administers, HUD pays the Authority an administrative fee. The Authority is not responsible for the upkeep and maintenance of the units and properties associated with this program.

Mainstream Vouchers (MV)

HUD has contracted with the Authority for administration of the Mainstream Vouchers program. The objective of the Mainstream Vouchers program is to aid non-elderly persons with disabilities in obtaining decent, safe, and sanitary rental housing.

Section 8 New Construction and Substantial Rehabilitation Program (S8NC)

The Section 8 New Construction and Substantial Rehabilitation program allows for the construction, purchase and rehabilitation of low-income housing units to be subsidized for a contracted period of time.

Community Development Block Grants – Entitlement Grants (CDBG)

The CDBG program is a flexible program that provides communities with resources to address a wide range of unique community development needs. Beginning in 1974, the CDBG program is one of the longest continuously run programs at HUD. The CDBG program provides annual grants on a formula basis to 1,180 general units of local government and states.

The CDBG entitlement program allocates annual grants to larger cities and urban counties to develop viable communities by providing decent housing, a suitable living environment, and opportunities to expand economic opportunities, principally for low and moderate-income persons. Housing, and Farm Labor Housing projects financed by Rural Rental Housing Loans. Local municipalities may pass through their CDBG awards to the Authority as a sub-grantee.

Family Unification Vouchers Program ("FUP")

FUP is a program under which housing assistance is provided under the HCV program in partnership with Public Child Welfare Agencies ("PCWAs") to two groups:

**JEFFERSON COUNTY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022**

Overview of the Financial Statements (continued)

Family Unification Vouchers Program ("FUP") (continued)

1. Families for whom the lack of adequate housing is a primary factor in the imminent placement of the family's child, or children, in out-of-home care; or the delay in the discharge of the child, or children, to the family from out-of-home care.

2. Youth at least 18 years and not more than 24 years of age (have not reached their 25th birthday) who left foster care, or will leave foster care within 90 days, in accordance with a transition plan described in Section 475(5)(H) of the Social Security Act, and are homeless or are at risk of becoming homeless at age 16 or older. As required by statute, 2 of 45 a FUP voucher issued to such a youth may only be used to provide housing assistance for the youth for a maximum of 36 months.

Emergency Housing Vouchers

The purpose of Emergency Housing Vouchers is to assist individuals and families who are experiencing homelessness; at risk of experiencing homelessness; fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking; or were recently homeless and for whom providing rental assistance will prevent the family's homelessness or having high risk of housing instability.

Emergency Rental Assistance Program

The Emergency Rental Assistance program was established to assist households that are unable to pay rent or utilities. Funding is provided by the U.S. Department of the Treasury to the County of Jefferson (the "County"), which is then passed-through to the Authority as the sub-grantee. The Authority is responsible for determining eligibility of the applicants on behalf of the County.

Financial Highlights

Total Assets for FY 2021 were \$87,678,439 and for FY 2022 the amount was \$102,296,873. This represents an overall net increase of \$14,618,434 or 16.7%.

Capital Assets (net) increased from \$29,724,073 in FY 2021 to \$39,026,007 in FY 2022, or by \$9,301,934 or 31.3%. The increase is the net amount of capital asset additions, capital asset disposals, and depreciation expense in FY 2022 in the amounts of \$11,808,797, (\$1,329,244), and (\$1,177,619), respectively.

Current Liabilities increased from \$2,074,226 in FY 2021 to \$3,223,128 in FY 2022 or by \$1,148,902 or 55.4%. The increase is primarily due to increases in other liabilities related to the Authority's various Business Activities programs in the amount of \$776,161 in the current year.

Restricted Net Position decreased from \$593,565 in FY 2021 to \$379,691 in FY 2022 or by \$213,874 or 36%. This was due to a decrease in housing assistance payment reserves in FY 2022.

**JEFFERSON COUNTY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022**

Analysis of Entity Wide Assets & Liabilities (Statement of Net Position)

The table below illustrates our analysis:

	<u>2022</u>	<u>2021</u>	<u>Net Change</u>	<u>Percent Variance</u>
Cash & Cash Equivalents	\$ 14,638,723	\$ 10,360,713	\$ 4,278,010	41.3%
Other Current Assets	6,648,584	4,057,796	2,590,788	63.8%
Other Non-Current Assets	41,983,559	43,535,857	(1,552,298)	-3.6%
Net Capital Assets	39,026,007	29,724,073	9,301,934	31.3%
Total Assets	\$ 102,296,873	\$ 87,678,439	\$ 14,618,434	16.7%
Current Liabilities	\$ 3,223,128	\$ 2,074,226	\$ 1,148,902	55.4%
Non Current Liabilities	21,520,043	17,248,335	4,271,708	24.8%
Total Liabilities	24,743,171	19,322,561	5,420,610	28.1%
Net Investment in Capital Assets	16,900,245	11,794,711	5,105,534	43.3%
Restricted Net Position	379,691	593,565	(213,874)	-36.0%
Unrestricted Net Position	60,273,766	55,967,602	4,306,164	7.7%
Total Net Position/Liabilities/Equity	\$ 102,296,873	\$ 87,678,439	\$ 14,618,434	16.7%

Analysis of Entity Wide Revenues

The Authority administers the following programs and the revenues generated from these programs during Fiscal Year Ended 2022 were as follows:

Section 8 Housing Choice Vouchers (HCV)	\$ 21,314,993
Other Governmental Grants - Jefferson County	150,000
Mainstream Vouchers	2,198,396
Emergency Housing Voucher	590,365
Family Unification Program	6,652
Section 8 New Construction	1,908,311
Emergency Rental Assistance	580,763
Community Development Block Grant - Entitlement Grants	627,968
HOME Investment Partnership Program	415,000
Component Units - Blended	7,421,017
Business Activities (BA)	13,200,170
Total Revenue	\$ 48,413,635

Total revenues for FY 2021 were \$45,686,491 as compared to \$48,413,635 of total revenues for FY 2022. Comparatively, FY 2022 revenues increased by \$2,727,144 from FY 2021 revenues.

**JEFFERSON COUNTY HOUSING AUTHORITY
MANAGEMENT’S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022**

Analysis of Entity Wide Expenses

Administrative expenditures for FY 2022 were \$8,096,393 as compared to \$5,626,701 in FY 2021. This represents an increase of \$2,469,692 or 43.9%. The main reasons for this change were due to increases in salaries, employee benefits, office expenses, legal expenses, and administrative expenditures related to the Emergency Rental Assistance Payments program.

Housing Assistance Payments expenditures for FY 2022 were \$22,562,088 as compared to \$21,258,561 in FY 2021, an increase of \$1,303,527 or 6.1%. This is primarily due to an increase in unit months leased in the Section 8 Housing Choice Vouchers and Mainstream Vouchers Programs in FY 2022.

Insurance and General Expense decreased from \$3,541,583 in FY 2021 to \$1,277,727 in FY 2022 or by \$2,263,856 or 63.9%. The main reason for this change was due to decreases in expenditures related to the Emergency Rental Assistance Payments program.

Depreciation Expense decreased from \$1,160,323 in FY 2021 to \$1,177,619 in FY 2022 or by \$17,296 or 1.5%.

The table below illustrates our analysis:

	<u>2022</u>	<u>2021</u>	<u>Net Change</u>	<u>Percent Variances</u>
Administrative	\$ 8,096,393	\$ 5,626,701	\$ 2,469,692	43.9%
Protective Services	213,419	107,272	106,147	100.0%
Utilities	1,080,512	1,005,039	75,473	7.5%
Maintenance	4,093,835	4,177,914	(84,079)	-2.0%
Insurance and General Expense	1,277,727	3,541,583	(2,263,856)	-63.9%
Housing Assistance Payments	22,562,088	21,258,561	1,303,527	6.1%
Depreciation Expense	1,177,619	1,160,323	17,296	1.5%
Total Operating Expenses	<u>\$ 38,501,593</u>	<u>\$ 36,877,393</u>	<u>\$ 1,624,200</u>	4.4%

**JEFFERSON COUNTY HOUSING AUTHORITY
MANAGEMENT’S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022**

Analysis of Capital Asset Activity

The table below illustrates the changes in Capital Assets throughout the fiscal year:

	<u>2022</u>	<u>2021</u>	<u>Net Change</u>	<u>Percent Variances</u>
Land	\$ 12,514,186	\$ 8,959,216	\$ 3,554,970	39.7%
Buildings	41,795,875	37,708,316	4,087,559	10.8%
Furniture, Equip., & Mach. - Dwelling	916,025	2,979,635	(2,063,610)	-69.3%
Furniture, Equip., & Mach. - Administrative	698,721	104,057	594,664	571.5%
Construction in Process	2,067,829	91,806	1,976,023	100.0%
Total Fixed Assets	57,992,636	49,843,030	8,149,606	16.4%
Accumulated Depreciation	18,966,629	20,118,957	(1,152,328)	-5.7%
Net Fixed Assets	\$ 39,026,007	\$ 29,724,073	\$ 9,301,934	31.3%

In fiscal year 2022, the Authority acquired capital assets in the amount of \$11,808,797, which was offset by disposals of (\$1,329,244) and annual depreciation expense of (\$1,177,619).

Special Conditions and Economic Factors

Management is not aware of any facts, decisions, or conditions that would have a significant effect on the future operation of the Authority.

Contacting the Authority's Financial Management

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

FINANCIAL STATEMENTS

JEFFERSON COUNTY HOUSING AUTHORITY
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2022

ASSETS

	Primary Government	Discretely Presented Component Units	Total Reporting Entity (Memorandum Only)
Current assets:			
Cash and cash equivalents	\$ 14,392,977	\$ 1,693,426	\$ 16,086,403
Tenant security deposits	245,746	103,695	349,441
Accounts receivable, net	3,134,307	194,999	3,329,306
Accrued interest receivable, current portion	196,174	-	196,174
Developer fee receivable, current portion	3,188,198	-	3,188,198
Prepaid expenses	<u>129,905</u>	<u>-</u>	<u>129,905</u>
Total current assets	<u>21,287,307</u>	<u>1,992,120</u>	<u>23,279,427</u>
Non-current assets:			
Restricted cash	7,166,827	6,962,492	14,129,319
Notes receivable	27,703,769	-	27,703,769
Capital assets, net	39,026,007	107,096,797	146,122,804
Investment in limited partnerships	700,000	-	700,000
Developer fee receivable, net of current	3,606,033	-	3,606,033
Accrued interest receivable, net of current portion	2,482,112	-	2,482,112
Other assets	<u>324,818</u>	<u>541,569</u>	<u>866,387</u>
Total non-current assets	<u>81,009,566</u>	<u>114,600,858</u>	<u>195,610,424</u>
Total assets	<u>\$ 102,296,873</u>	<u>\$ 116,592,978</u>	<u>\$ 218,889,851</u>

See accompanying notes to financial statements.

JEFFERSON COUNTY HOUSING AUTHORITY
STATEMENT OF NET POSITION (continued)
AS OF DECEMBER 31, 2022

LIABILITIES

	Primary Government	Discretely Presented Component Units	Total Reporting Entity (Memorandum Only)
Current liabilities:			
Accounts payable	\$ 380,528	\$ 979,647	\$ 1,360,175
Accrued expenses	135,066	-	135,066
Accrued compensated absences, current	475,801	8,852	484,653
Tenant security deposits	245,746	103,695	349,441
Unearned revenue	78,653	67,109	145,762
Current portion of loans payable	605,719	221,699	827,418
Other accrued liabilities	<u>1,301,615</u>	<u>1,928,337</u>	<u>3,229,952</u>
Total current liabilities	<u>3,223,128</u>	<u>3,309,339</u>	<u>6,532,467</u>
Non-current liabilities:			
Loans payable, net of current portion	21,520,043	83,543,660	105,063,703
Accrued interest	-	2,858,165	2,858,165
Other non-current liabilities	<u>-</u>	<u>6,794,231</u>	<u>6,794,231</u>
Total non-current liabilities	<u>21,520,043</u>	<u>93,196,056</u>	<u>114,716,099</u>
Total liabilities	<u>24,743,171</u>	<u>96,505,395</u>	<u>121,248,566</u>

NET POSITION

Net position:			
Net investment in capital assets	16,900,245	23,331,438	40,231,683
Restricted	379,691	6,962,492	7,342,183
Unrestricted	<u>60,273,766</u>	<u>(10,206,347)</u>	<u>50,067,419</u>
Total net position	<u>77,553,702</u>	<u>20,087,583</u>	<u>97,641,285</u>
Total liabilities and net position	<u>\$ 102,296,873</u>	<u>\$ 116,592,978</u>	<u>\$ 218,889,851</u>

See accompanying notes to financial statements.

JEFFERSON COUNTY HOUSING AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>	<u>Total Reporting Entity (Memorandum Only)</u>
Operating revenues:			
Tenant revenue	\$ 8,826,250	\$ 4,350,633	\$ 13,176,883
HUD operating grants	25,395,952	-	25,395,952
Other government grants	2,000,413	8,000	2,008,413
Other revenues	<u>5,893,804</u>	<u>19,096</u>	<u>5,912,900</u>
 Total operating revenues	 <u>42,116,419</u>	 <u>4,377,729</u>	 <u>46,494,148</u>
Operating expenses:			
Administrative	8,096,393	1,170,401	9,266,794
Utilities	1,080,512	452,134	1,532,646
Ordinary maintenance and operations	4,093,835	1,446,305	5,540,140
Protective services	213,419	60,550	273,969
Insurance	484,807	230,875	715,682
General	792,920	92,625	885,545
Housing assistance payments	22,562,088	-	22,562,088
Depreciation	<u>1,177,619</u>	<u>3,182,456</u>	<u>4,360,075</u>
 Total operating expenses	 <u>38,501,593</u>	 <u>6,635,346</u>	 <u>45,136,939</u>
 Operating income (loss)	 <u>3,614,826</u>	 <u>(2,257,617)</u>	 <u>1,357,209</u>
Non-operating revenues (expenses):			
Investment income	1,017,468	2,882	1,020,350
Interest expense	(714,218)	(2,152,537)	(2,866,755)
Gain on sale of capital assets	<u>5,279,748</u>	<u>-</u>	<u>5,279,748</u>
 Net non-operating revenues (expenses)	 <u>5,582,998</u>	 <u>(2,149,655)</u>	 <u>3,433,343</u>
 Income (loss) before special items	 9,197,824	 (4,407,272)	 4,790,552
Special items - capital contributions	<u>-</u>	<u>7,950,106</u>	<u>7,950,106</u>
 Change in net position	 9,197,824	 3,542,834	 12,740,658
Net position, beginning of year	<u>68,355,878</u>	<u>16,544,749</u>	<u>84,900,627</u>
Net position, end of year	<u>\$ 77,553,702</u>	<u>\$ 20,087,583</u>	<u>\$ 97,641,285</u>

See accompanying notes to financial statements.

**JEFFERSON COUNTY HOUSING AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Primary Government	Discretely Presented Component Units	Total Reporting Entity (Memorandum Only)
Cash Flows from Operating Activities:			
Cash received from tenants and others	\$ 15,364,419	\$ 4,330,351	\$ 19,694,770
Cash received from grantors	27,710,282	8,000	27,718,282
Cash paid to vendors	(36,129,766)	(3,456,432)	(39,586,198)
Cash paid to employees	<u>(4,240,104)</u>	<u>(227,845)</u>	<u>(4,467,949)</u>
Net cash provided by operating activities	<u>2,704,831</u>	<u>654,074</u>	<u>3,358,905</u>
Cash Flows from Capital and Related Financing Activities:			
Purchases of capital assets	(11,808,797)	(24,935,803)	(36,744,600)
Proceeds from the issuance of loan payable	9,066,029	20,708,089	29,774,118
Special item - capital contributions	-	7,950,106	7,950,106
Interest paid on loan payable	(714,218)	(1,295,434)	(2,009,652)
Principal payments on loan payable	(4,869,629)	(2,956,596)	(7,826,225)
Cost of assets held for sale	200	-	200
Proceeds from sale of capital assets	<u>6,608,992</u>	<u>-</u>	<u>6,608,992</u>
Net cash used in capital and related financing activities	<u>(1,717,423)</u>	<u>(529,638)</u>	<u>(2,247,061)</u>
Cash Flows from Investing Activities:			
Repayment on notes receivable	1,115,630	-	1,115,630
Interest received from notes receivable	<u>320,673</u>	<u>2,882</u>	<u>323,555</u>
Net cash provided by investing activities	<u>1,436,303</u>	<u>2,882</u>	<u>1,439,185</u>
Net increase in cash, cash equivalents, and restricted cash	2,423,711	127,318	2,551,029
Cash, cash equivalents, and restricted cash, beginning of year	<u>19,381,839</u>	<u>8,632,295</u>	<u>28,014,134</u>
Cash, cash equivalents, and restricted cash, end of year	<u>\$ 21,805,550</u>	<u>\$ 8,759,613</u>	<u>\$ 30,565,163</u>

See accompanying notes to financial statements.

JEFFERSON COUNTY HOUSING AUTHORITY
STATEMENT OF CASH FLOWS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2022

A reconciliation of cash, cash equivalents, and restricted cash to the Statement of Net Position is as follows:	Primary Government	Discretely Presented Component Units	Total Reporting Entity (Memorandum Only)
Cash and cash equivalents	\$ 14,392,977	\$ 1,693,426	\$ 16,086,403
Tenant security deposits	245,746	103,695	349,441
Restricted cash	<u>7,166,827</u>	<u>6,962,492</u>	<u>14,129,319</u>
 Total cash, cash equivalents, and restricted cash	 <u>\$ 21,805,550</u>	 <u>\$ 8,759,613</u>	 <u>\$ 30,565,163</u>
 Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	\$ 3,614,826	\$ (2,257,617)	\$ 1,357,209
 Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	1,177,619	3,182,456	4,360,075
Bad debts	461,693	40,477	502,170
 Changes in assets and liabilities:			
Accounts receivable - HUD	315,905	(21,458)	294,447
Accounts receivable - tenants	(818,428)	(103,829)	(922,257)
Accounts receivable - other government	(25,235)	-	(25,235)
Accounts receivable - miscellaneous	583,194	(17,902)	565,292
Prepaid expenses	(71,320)	77,929	6,609
Developer fee receivable	401,131	-	401,131
Other assets	(4,158,764)	(305,158)	(4,463,922)
Accounts payable	(122,547)	(4,972,557)	(5,095,104)
Accounts payable - HUD	29,285	-	29,285
Accrued expenses	(3,235)	-	(3,235)
Accrued compensated absences	124,163	(2,353)	121,810
Tenant security deposits	5,584	18,672	24,256
Unearned revenue	5,153	44,662	49,815
Other current liabilities	1,185,807	1,583,188	2,768,995
Other non-current liabilities	<u>-</u>	<u>3,387,564</u>	<u>3,387,564</u>
 Net cash provided by operating activities	 <u>\$ 2,704,831</u>	 <u>\$ 654,074</u>	 <u>\$ 3,358,905</u>

See accompanying notes to financial statements.

**JEFFERSON COUNTY HOUSING AUTHORITY
DISCRETELY PRESENTED COMPONENT UNITS
COMBINING STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2022**

ASSETS

	Lewis Court Apartments LLLP	Hidden Lake Homes LLLP	El Rancho LLLP	Ford LIHTC LLLP	Caesar LIHTC LLLP	Allison Village LLLP	Total
Current assets:							
Cash and cash equivalents	\$ 171,302	\$ 54,838	\$ 210,635	\$ 798,454	\$ 126,232	\$ 331,965	\$ 1,693,426
Tenant security deposits	17,596	15,353	22,552	14,500	33,694	-	103,695
Accounts receivable, net	<u>7,452</u>	<u>42,117</u>	<u>19,072</u>	<u>16,231</u>	<u>60,127</u>	<u>50,000</u>	<u>194,999</u>
Total current assets	<u>196,350</u>	<u>112,308</u>	<u>252,259</u>	<u>829,185</u>	<u>220,053</u>	<u>381,965</u>	<u>1,992,120</u>
Non-current assets:							
Restricted cash	703,719	586,886	243,932	198,000	4,929,485	300,470	6,962,492
Capital assets, net	8,496,691	14,774,526	16,747,564	14,558,509	18,563,977	33,955,530	107,096,797
Other assets	<u>15,412</u>	<u>73,867</u>	<u>125,652</u>	<u>89,464</u>	<u>237,174</u>	<u>-</u>	<u>541,569</u>
Total non-current assets	<u>9,215,822</u>	<u>15,435,279</u>	<u>17,117,148</u>	<u>14,845,973</u>	<u>23,730,636</u>	<u>34,256,000</u>	<u>114,600,858</u>
Total assets	<u>\$ 9,412,172</u>	<u>\$ 15,547,587</u>	<u>\$ 17,369,407</u>	<u>\$ 15,675,158</u>	<u>\$ 23,950,689</u>	<u>\$ 34,637,965</u>	<u>\$ 116,592,978</u>

See accompanying notes to financial statements.

**JEFFERSON COUNTY HOUSING AUTHORITY
DISCRETELY PRESENTED COMPONENT UNITS
COMBINING STATEMENT OF NET POSITION (continued)
AS OF DECEMBER 31, 2022**

LIABILITIES

	Lewis Court Apartments LLLP	Hidden Lake Homes LLLP	El Rancho LLLP	Ford LIHTC LLLP	Caesar LIHTC LLLP	Allison Village LLLP	Total
Current liabilities:							
Accounts payable	\$ 14,133	\$ 15,558	\$ 52,132	\$ 27,030	\$ 53,397	\$ 817,397	\$ 979,647
Accrued compensated absences, current	393	407	286	323	6,051	1,392	8,852
Tenant security deposits	17,596	15,353	22,552	14,500	33,694	-	103,695
Unearned revenue	-	-	5,603	11,506	-	50,000	67,109
Current portion of loans payable	17,055	62,938	75,471	66,235	-	-	221,699
Other accrued liabilities	<u>124,118</u>	<u>250,929</u>	<u>382,653</u>	<u>318,208</u>	<u>226,852</u>	<u>625,577</u>	<u>1,928,337</u>
Total current liabilities	<u>173,295</u>	<u>345,185</u>	<u>538,697</u>	<u>437,802</u>	<u>319,994</u>	<u>1,494,366</u>	<u>3,309,339</u>
Non-current liabilities:							
Loans payable, net of current portion	2,403,601	4,679,794	8,278,797	6,739,265	34,890,211	26,551,992	83,543,660
Accrued interest	610,426	329,505	332,572	49,519	1,336,182	199,961	2,858,165
Other non-current liabilities	-	<u>225,289</u>	<u>402,313</u>	<u>616,629</u>	<u>2,400,000</u>	<u>3,150,000</u>	<u>6,794,231</u>
Total non-current liabilities	<u>3,014,027</u>	<u>5,234,588</u>	<u>9,013,682</u>	<u>7,405,413</u>	<u>38,626,393</u>	<u>29,901,953</u>	<u>93,196,056</u>
Total liabilities	<u>3,187,322</u>	<u>5,579,773</u>	<u>9,552,379</u>	<u>7,843,215</u>	<u>38,946,387</u>	<u>31,396,319</u>	<u>96,505,395</u>
NET POSITION							
Net position:							
Net investment in capital assets	6,076,035	10,031,794	8,393,296	7,753,009	(16,326,234)	7,403,538	23,331,438
Restricted	703,719	586,886	243,932	198,000	4,929,485	300,470	6,962,492
Unrestricted	<u>(554,904)</u>	<u>(650,866)</u>	<u>(820,200)</u>	<u>(119,066)</u>	<u>(3,598,949)</u>	<u>(4,462,362)</u>	<u>10,206,347</u>
Total net position	<u>\$ 6,224,850</u>	<u>\$ 9,967,814</u>	<u>\$ 7,817,028</u>	<u>\$ 7,831,943</u>	<u>\$ (14,995,698)</u>	<u>\$ 3,241,646</u>	<u>\$ 20,087,583</u>

See accompanying notes to financial statements.

**JEFFERSON COUNTY HOUSING AUTHORITY
DISCRETELY PRESENTED COMPONENT UNITS
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Lewis Court Apartments LLLL	Hidden Lake Homes LLLP	El Rancho LLLL	Ford LIHTC LLLL	Caesar LIHTC LLLL	Allison Village LLLL	Total
Operating revenues:							
Tenant revenue	\$ 731,648	\$ 944,713	\$ 886,097	\$ 641,400	\$ 1,146,775	\$ -	\$ 4,350,633
Other government grants	-	-	-	-	-	8,000	8,000
Other revenues	-	-	15,292	-	3,804	-	19,096
Total operating revenue	<u>731,648</u>	<u>944,713</u>	<u>901,389</u>	<u>641,400</u>	<u>1,150,579</u>	<u>8,000</u>	<u>4,377,729</u>
Operating expenses:							
Administrative	230,183	247,543	188,956	156,730	303,911	43,078	1,170,401
Utilities	64,672	105,487	101,044	58,327	121,806	798	452,134
Ordinary maintenance and operations	333,869	331,928	247,248	183,500	349,254	506	1,446,305
Protective services	4,914	19,558	11,083	5,437	19,558	-	60,550
Insurance	33,870	52,401	42,556	41,987	60,061	-	230,875
General	3,555	28,743	10,281	22,355	27,691	-	92,625
Depreciation	265,549	719,063	765,079	591,281	840,130	1,354	3,182,456
Total operating expenses	<u>936,612</u>	<u>1,504,723</u>	<u>1,366,247</u>	<u>1,059,617</u>	<u>1,722,411</u>	<u>45,736</u>	<u>6,635,346</u>
Operating loss	<u>(204,964)</u>	<u>(560,010)</u>	<u>(464,858)</u>	<u>(418,217)</u>	<u>(571,832)</u>	<u>(37,736)</u>	<u>(2,257,617)</u>
Non-operating revenues (expenses):							
Investment income	566	1,533	322	-	-	461	2,882
Interest expense	<u>(108,609)</u>	<u>(229,499)</u>	<u>(317,565)</u>	<u>(491,184)</u>	<u>(848,128)</u>	<u>(157,552)</u>	<u>(2,152,537)</u>
Net non-operating expenses	<u>(108,043)</u>	<u>(227,966)</u>	<u>(317,243)</u>	<u>(491,184)</u>	<u>(848,128)</u>	<u>(157,091)</u>	<u>(2,149,655)</u>
Special items - capital contributions	-	-	-	7,969,278	-	-	7,950,106
Change in net position	(313,007)	(787,976)	(782,101)	7,059,877	(1,439,132)	(194,827)	3,542,834
Net position, beginning of year	6,537,857	10,755,790	8,599,129	772,066	(13,556,566)	3,436,473	16,544,749
Net position, end of year	<u>\$ 6,224,850</u>	<u>\$ 9,967,814</u>	<u>\$ 7,817,028</u>	<u>\$ 7,831,943</u>	<u>\$ (14,995,698)</u>	<u>\$ 3,241,646</u>	<u>\$ 20,087,583</u>

See accompanying notes to financial statements.

JEFFERSON COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization

The Jefferson County Housing Authority (the "Authority") is a governmental entity created under State of Colorado statute for the purpose of engaging in the development, acquisition and administrative activities of the low-income housing program and other programs with similar objectives for low and moderate income families residing in Jefferson County, Colorado. The Authority is responsible for operating certain low-rent housing programs administered by the U.S. Department of Housing and Urban Development ("HUD"). These programs provide housing for eligible families under the United States Housing Act of 1937, as amended. The Authority owns and operates 714 units of affordable housing in Jefferson County and administers an average of 1,730 housing choice vouchers per month including 50 VASH vouchers, and 150 Mainstream Non-Elderly (NED).

The Authority is governed by a board of commissioners which is essentially autonomous but is responsible to HUD. A chief executive officer is appointed by the Authority's board of commissioners to manage the day-to-day operations of the Authority.

B. Basis of Accounting / Financial Statement Presentation

The Authority's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The Governmental Accounting Standards Board ("GASB") is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

The programs of the Authority are organized on a fund basis. Each program is accounted for by a separate set of self-balancing accounts that comprise its assets, liabilities, net position (program equity), revenues, and expenses. The individual programs account for the governmental resources allocated to them for the purpose of carrying on specific programs in accordance with laws, regulations, or other restrictions, including those imposed by HUD. The programs of the Authority are combined and considered an enterprise fund. An enterprise fund is used to account for activities that are operated in a manner similar to those found in the private sector.

The Authority's enterprise fund is accounted for using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, and losses from assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

The Authority's financial statements are prepared in accordance with GASB 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* ("GASB 34"), as amended. GASB 34 requires the financial statements to be prepared using the economic resources measurement focus and the accrual basis of accounting and requires the presentation of a Statement of Net Position, a Statement of Revenues, Expenses, and Changes in Net Position, and a Statement of Cash Flows. GASB 34 also requires the Authority to include Management's Discussion and Analysis as part of Required Supplementary Information.

The Authority has also adopted GASB 33, *Accounting and Financial Reporting for Nonexchange Transactions* ("GASB 33"). GASB 33 establishes accounting and financial reporting standards for non-exchange transactions including financial or capital resources. The Authority's primary source of non-exchange revenue relates to grants and subsidies. Grants and subsidies revenue are recognized at the time eligible program expenditures occur and/or the Authority has complied with the grant and subsidy requirements.

JEFFERSON COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Accounting / Financial Statement Presentation (continued)

On January 30, 2008, HUD issued *PIH Notice 2008-9* which requires that housing assistance payments ("HAP") under proprietary fund reporting should be reported as restricted net position, with the associated cash and investments also being reported on HUD's Financial Data Schedule ("FDS") as restricted. Any unused administrative fees should be reported as unrestricted net position, with the associated assets being reported on the FDS as unrestricted.

Both administrative fees and HAP revenue continue to be recognized under the guidelines set forth in GASB 33. Accordingly, both the time and purpose restrictions as defined by GASB 33 are met when these funds are available and measurable, not when these funds are expended. The Section 8 Housing Choice Vouchers program is no longer a cost reimbursement grant; therefore, the Authority recognizes unspent administrative fees and HAP revenue in the reporting period as revenue for financial statement reporting.

In accordance with 2 CFR 200.305(b)(9), any investment income earned up to \$500 on these funds may be retained by the Authority. Amounts in excess of \$500 must be remitted annually to the Department of Health and Human Services, Payment Management System.

On January 1, 2022, the Authority adopted GASB 87, *Leases* ("GASB 87"). GASB 87 increases the transparency and comparability among governmental organizations by requiring the recognition of lease assets and lease liabilities on the statement of net position by lessees and the disclosure of key information about leasing arrangements. For the year ended December 31, 2022, the adoption of GASB 87 did not have a material effect on the financial statements of the Authority

C. Reporting Entity

In accordance with GASB 61, *The Financial Reporting Entity Omnibus - An Amendment of GASB Statements No. 14 and No. 34*, the Authority's basic financial statements include those of the Jefferson County Housing Authority and any component units. Component units are legally separate organizations whose majority of officials are appointed by the primary government or the organization is fiscally dependent on the primary government and there is a potential for those organizations either to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

An organization has a financial benefit or burden relationship with the primary government if any one of the following conditions exist:

1. The primary government (Authority) is legally entitled to or can otherwise access the organization's resources.
2. The primary government is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization.
3. The primary government is obligated in some manner for the debt of the organization.

Based on the application of the above criteria, this report includes all programs and activities operated by the Authority, including the following component units:

**JEFFERSON COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Reporting Entity (continued)

Discretely Presented Component Units ("DPCU's"):

Lewis Court Apartments, LLLP

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

Hidden Lake Homes, LLLP

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

El Rancho, LLLP

El Rancho, LLLP ("El Rancho") was formed for the purpose of owning and operating a 55-unit affordable housing project in Evergreen, Colorado. El Rancho is a tax credit partnership which borrowed proceeds of the Authority's HOME and CDBG grants. The general partner of El Rancho, El Rancho GP LLC, is wholly owned by the Authority. El Rancho GP LLC has an ownership percentage of .01%.

Ford LIHTC, LLLP

Ford LIHTC, LLLP ("Ford") was formed for the purpose of owning and operating a 44-unit affordable housing project in Golden, Colorado know as Flats on Ford Street. Ford is a tax credit partnership which borrowed proceeds of the Authority's CDBG grant. The general partner of Ford, Ford LIHTC GP LLC, is wholly owned by the Authority. Ford LIHTC GP LLC has an ownership percentage of .01%.

Caesar LIHTC, LLLP

Caesar LIHTC, LLC ("Caesar") was formed for the purpose of owning and operating a 108-unit affordable housing project in Wheat Ridge, Colorado know as Caesar Square Apartments. Caesar is a tax credit company. The Managing Member of Caesar, Caesar LLC, has an ownership percentage of .09%.

Allison Village, LLLP

Allison Village, LLLP ("Allison Village") was formed for the purpose of owning and operating a 100-unit affordable housing project in Arvada, Colorado. Allison Village is a tax credit partnership. The general partner of Allison Village, Allison Village GP LLC, is wholly owned by the Authority. Allison Village GP LLC has an ownership percentage of .009%.

**JEFFERSON COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Reporting Entity (continued)

Discretely Presented Component Units ("DPCU's"): (continued)

The Authority's DPCU's are presented for financial reporting purposes as of and for the year ended December 31, 2022 and reported under the "Discretely Presented Component Units" column on the Statement of Net Position and Statement of Revenues, Expenses and Changes in Net Position. Separately issued financial statements for the DPCU's can be obtained by writing to the Director of Finance, Jefferson County Housing Authority, 1941 West 48th Avenue, Wheat Ridge, Colorado, 80033.

Blended Component Units:

The Authority's blended component units are included in the Primary Government column of the Authority's financial statements to emphasize that they are in substance, the same as the primary government.

Jeffco Housing Corporation ("Jeffco")

Jeffco is a non-profit corporation formed in 1988 to obtain certain federal funds set aside for community housing development organizations. The proceeds were used to provide safe, decent, and sanitary affordable housing for low-income families and individuals in Jefferson County. Jeffco owns various housing projects which are managed by the Authority.

Single Member LLC's

Lewis Court LLC ("LCLLC"), Hidden Lake Homes GP LLC ("HLLLC"), El Rancho GP LLC ("ERLLC") and Allison Village GP LLC ("AVLLC") are entities created by the Authority to facilitate the financing of construction for Lewis Court, Hidden Lake, and El Rancho. The sole member of LCLLC, HLLLC, ERLLC and AVLLC is the Authority. LCLLC, HLLLC, ERLLC and AVLLC have no employees and all functions are provided by employees of the Authority. These entities have no material assets, liabilities, revenues or expenses as of and for the year then ended December 31, 2022.

D. Description of Programs

The Authority maintains its accounting records by program. A summary of the significant programs operated by the Authority is as follows:

Section 8 Housing Choice Vouchers

The Authority administers a program of rental assistance payments to private owners on behalf of eligible low-income families under Section 8 of the Housing and Urban Development Act of 1974. The program provides payments covering the difference between the contract rent on a dwelling unit, subject to HUD limitations, and the amount of rent contribution by a participating family.

Mainstream Vouchers

The objective of the Mainstream Vouchers Program is to aid non-elderly persons with disabilities in obtaining decent, safe, and sanitary rental housing.

HOME Investment Partnerships Program ("HOME")

HOME provides formula grants to states and localities that communities use, often in partnership with local nonprofit groups, to fund a wide range of activities that build, buy, and/or rehabilitate affordable housing for rent or homeownership or provide direct rental assistance to people.

JEFFERSON COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Description of Programs (continued)

Section 8 New Construction Substantial Rehabilitation Program

The Section 8 New Construction and Substantial Rehabilitation program allows for the construction, purchase and rehabilitation of low-income housing units to be subsidized for a contracted period of time. Both for profit and not-for-profit developers may provide low-income housing under this program. Developers must obtain their own financing and HUD subsidizes rents once the units are occupied.

Family Unification Vouchers Program ("FUP")

FUP is a program under which housing assistance is provided under the HCV program in partnership with Public Child Welfare Agencies ("PCWAs") to two groups:

1. Families for whom the lack of adequate housing is a primary factor in the imminent placement of the family's child, or children, in out-of-home care; or the delay in the discharge of the child, or children, to the family from out-of-home care.

2. Youth at least 18 years and not more than 24 years of age (have not reached their 25th birthday) who left foster care, or will leave foster care within 90 days, in accordance with a transition plan described in Section 475(5)(H) of the Social Security Act, and are homeless or are at risk of becoming homeless at age 16 or older. As required by statute, 2 of 45 a FUP voucher issued to such a youth may only be used to provide housing assistance for the youth for a maximum of 36 months.

Community Development Block Grants - Entitlements Grants ("CDBG")

The CDBG program is a flexible program that provides communities with resources to address a wide range of unique community development needs. Beginning in 1974, the CDBG program is one of the longest continuously run programs at HUD. The CDBG program provides annual grants on a formula basis to 1,180 general units of local government and states.

The CDBG entitlement program allocates annual grants to larger cities and urban counties to develop viable communities by providing decent housing, a suitable living environment, and opportunities to expand economic opportunities, principally for low and moderate-income persons. Grantees may pass-through funds to sub-grantees, such as the Authority.

Emergency Housing Vouchers

The purpose of Emergency Housing Vouchers is to assist individuals and families who are experiencing homelessness; at risk of experiencing homelessness; fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking; or were recently homeless and for whom providing rental assistance will prevent the family's homelessness or having high risk of housing instability

Emergency Rental Assistance Program

The Emergency Rental Assistance program was established to assist households that are unable to pay rent or utilities. Funding is provided by the U.S. Department of the Treasury to the County of Jefferson (the "County"), which is then passed-through to the Authority as the sub-grantee. The Authority is responsible for determining eligibility of the applicants on behalf of the County.

JEFFERSON COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Cash and Cash Equivalents

HUD requires housing authorities to invest excess funds in obligations of the United States, Certificates of Deposit or any other federally insured investment.

HUD also requires that deposits be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the market value of securities purchased and pledged to the political subdivision. Pursuant to HUD restrictions, obligations of the United States are allowed as security for deposits. Obligations furnished as security must be held by the Authority or with an unaffiliated bank or trust company for the account of the Authority.

It is the Authority's policy to maintain collateralization in accordance with HUD requirements. For the statement of cash flows, cash and cash equivalents include all cash balances and highly liquid investments with a maturity of three months or less at time of purchase.

F. Accounts Receivable, Net

Rents are due from tenants on the first day of each month. As a result, tenants receivable balances primarily consist of rents past due and vacated tenants. An allowance for doubtful accounts is established to provide for accounts, which may not be collected in the future for any reason. Collection losses on accounts receivable are charged against the allowance for doubtful accounts. Also included in accounts receivable are those amounts that tenants owe the Authority as payment for committing fraud or misrepresentation.

The Authority recognizes a receivable from HUD and other governmental agencies for amounts billed but not received and for amounts unbilled, but earned as of year-end.

G. Allowance for Doubtful Accounts

The Authority periodically reviews all accounts receivable to determine the amount, if any, that may be uncollectable. If it is determined that an account or accounts may be uncollectable, the Authority prepares an analysis of such accounts and records an appropriate allowance against such amounts.

H. Prepaid Expenses

Prepaid expenses represent amounts paid as of year-end that will benefit future operations.

I. Capital Assets, Net

Capital assets are stated at cost. Expenditures for repairs and maintenance are charged directly to expense as they are incurred. Expenditures determined to represent additions or betterments are capitalized. Upon the sale or retirement of capital assets, the cost and related accumulated depreciation are eliminated from the accounts and any related gain or loss is reflected in the Statement of Revenues, Expenses and Changes in Net Position. Depreciation is calculated using the straight-line method based on the estimated useful lives of the following asset groups:

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

JEFFERSON COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. Capital Assets, Net (continued)

The Authority has established a capitalization threshold of \$5,000.

J. Impairment of Long Lived Assets

The Authority evaluates events or changes in circumstances affecting long-lived assets to determine whether an impairment of its assets has occurred. If the Authority determines that a capital asset is impaired, and that impairment is significant and other-than-temporary, then an impairment loss will be recorded in the Authority's financial statements. For the year then ended December 31, 2022, there were no assets considered to be impaired.

K. Notes Receivable

The Authority has utilized funds in accordance with HUD guidelines to assist in the construction and redevelopment of numerous public housing developments through the issuance of mortgage notes. When preparing financial statements in accordance with GAAP, management is required to make estimates as to the collectability of such mortgage notes. When estimating collectability, management analyzes the value of the underlying mortgaged property, the property's ability to generate positive cash flow, and current economic trends and conditions. Management utilizes these estimates and judgments in connection with establishing an allowance for uncollectable amounts during an accounting period.

L. Investment in Limited Partnerships

Investment in Limited Partnerships is reported using the equity method of accounting. Under the equity method, the Authority's investment consists of equity contributions and an accumulated share of income or loss from the Limited Partnership based on the percentage of the partner's ownership interest.

The Authority regularly assesses its investment in limited partnerships for the existence of impairment. Impairment typically occurs when the carrying value of the Authority's investment in a limited partnership exceeds the estimated value of the investment as determined by management. The estimated value generally consists of remaining future housing tax credits and other tax benefits allocable to, and the estimated residual value if any, of the investment available to the Authority. The residual value is estimated by management based on current economic and capital market conditions, operational results and the terms of the limited partnership's agreements which provide for distributions to the Authority upon the liquidation of the limited partnership or sale or disposition of its assets.

JEFFERSON COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

M. Accrued Compensated Absences

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

N. Unearned Revenue

The Authority's unearned revenue consists of the payment of rent by residents that is applicable to future periods.

O. Inter-Program Receivables and Payables

Inter-program receivables and payables are all classified as either current assets or current liabilities, and are the result of the use of a concentrated account depository as the common paymaster for most of the programs of the Authority. Cash settlements are made monthly. All inter-program balances are reconciled, and inter-program receivables and payables balances net to zero. In accordance with GASB 34, inter-program receivables and payables are eliminated for financial statement purposes. Detail balances by program are found in the Financial Data Schedule of this report.

P. Taxes

The Authority is a unit of local government and is exempt from real estate, sales and income taxes.

Q. Operating Revenues and Expenses

The Authority defines its operating revenues as income derived from charges to residents and others for services provided as well as government subsidies and grants used for operating purposes. The Authority receives annual operating subsidies from HUD, subject to limitations prescribed by HUD. Operating subsidies from HUD are recorded when received and are accounted for as revenue. Operating expenses are costs incurred in the operation of the program. The Authority classifies all other revenues and expenses as non-operating.

R. Regulated Leases

The Authority is a lessor of residential dwelling units under regulated leases as defined by GASB 87 and as such recognizes rental revenue in accordance with the terms of the lease contract. The leases which are twelve months in length are regulated by HUD as to rent, unit size, household composition and tenant income. For the year ended December 31, 2022, rental revenue earned by the Authority under the aforementioned leases totaled \$8,530,150 for the primary government and \$3,918,727 for the discretely presented component unit.

JEFFERSON COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

S. Use of Management Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect certain 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 revenues and expenses during the reporting period. Significant estimates include the allowance for doubtful accounts, accrued expenses and other liabilities, depreciable lives of properties and equipment, and contingencies. Actual results could differ significantly from these estimates.

T. Net Position Classifications

Net Position is classified as net position and displayed in three components:

Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and 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 - Consists of resources with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted net position - All other resources that do not meet the definition of "restricted" or "net investment in capital assets."

U. Use of Restricted Assets

When both restricted and unrestricted resources are available for a particular restricted use, it is the Authority's policy to use restricted resources first, and then unrestricted resources as needed.

V. Economic Dependency

The Section 8 Housing Choice Vouchers program of the Authority is economically dependent on operating grants and subsidies from HUD. The programs operate at a loss prior to receiving the grants.

W. Budgets and Budgetary Accounting

The Authority is required by contractual agreements to adopt annual, appropriated operating budgets for all its programs receiving federal expenditure awards. All budgets are prepared on a HUD basis, which is materially consistent with accounting principles generally accepted in the United States of America. All appropriations lapse at HUD's program year end or at the end of grant periods.

JEFFERSON COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022

NOTE 2. CASH ON DEPOSIT

As of December 31, 2022, the Authority had funds on deposit in checking and money market accounts.

As of December 31, 2022, the carrying amount of the Primary Government's cash and cash equivalents (including restricted cash) was \$21,805,550 and the bank balances approximated \$22,391,688. Cash and cash equivalents consists of the following:

<u>Cash Category</u>	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>	<u>Total Reporting Entity (Memorandum Only)</u>
Unrestricted	\$ 14,392,977	\$ 1,693,426	\$ 16,086,403
Tenant security deposits	245,746	103,695	349,441
Restricted	<u>7,166,827</u>	<u>6,962,492</u>	<u>14,129,319</u>
Total cash and cash equivalents	<u>\$ 21,805,550</u>	<u>\$ 8,759,613</u>	<u>\$ 30,565,163</u>

Of the Primary Government's bank balances, \$827,834 was covered by federal depository insurance and the remaining \$21,563,854 was collateralized with the pledging financial institution as of December 31, 2022.

Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. As of December 31, 2022, the Authority's bank balances were not exposed to custodial credit risk.

NOTE 3. ACCOUNTS RECEIVABLE, NET

Accounts receivable, net consists of the following at December 31, 2022:

<u>Description</u>	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>	<u>Total Reporting Entity (Memorandum Only)</u>
Accounts receivable - tenants, net	\$ 375,890	\$ 67,555	\$ 443,445
Accounts receivable - HUD	47,867	21,458	69,325
Accounts receivable - other government	25,235	-	25,235
Accounts receivable - miscellaneous	<u>2,685,315</u>	<u>105,986</u>	<u>2,791,301</u>
Total accounts receivable, net	<u>\$ 3,134,307</u>	<u>\$ 194,999</u>	<u>\$ 3,329,306</u>

Accounts Receivable - Tenants, Net

Tenant accounts receivable represents amounts owed to the Authority by tenants for outstanding rent. The balance is shown net of an allowance for doubtful accounts of \$547,349 as of December 31, 2022.

Accounts Receivable - HUD

Accounts receivable - HUD represents amounts due to the Authority for amounts expended under grant agreements that have not been reimbursed as of December 31, 2022. Management estimates the amount to be fully collectible and as such has made no allowance for doubtful accounts.

JEFFERSON COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022

NOTE 3. ACCOUNTS RECEIVABLE, NET (continued)

Accounts Receivable - Other Government

Accounts receivable - other government represents amounts owed to the Authority by other federal agencies and state and local governments. Management estimates the amounts to be fully collectible and therefore no allowance for doubtful accounts has been established.

Accounts receivable - Miscellaneous

Accounts receivable - miscellaneous consists of amounts due to the Authority from its discretely presented component unit entities related to administrative and operating costs for services provided, and certain development costs. Management estimates these amounts to be fully collectible and as such has made no allowance for doubtful accounts.

NOTE 4. DEVELOPER FEE RECEIVABLE

The Authority entered into developer fee agreements with multiple limited partnerships, in which they will earn fees for services rendered in connection with the development of the entities. Any unpaid portion of the developer fee is non-interest bearing and is payable from available cash flow in accordance with the partnership agreements. As of December 31, 2022, the Authority had a developer fee receivable of \$6,794,231, of which \$3,188,198 is considered current.

NOTE 5. RESTRICTED DEPOSITS

Restricted deposits consist of the following as of December 31, 2022:

<u>Cash Category</u>	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>	<u>Total Reporting Entity (Memorandum Only)</u>
Housing assistance payment reserves	\$ 372,900	\$ -	\$ 372,900
Family self sufficiency escrows	19,133	-	19,133
Emergency housing vouchers reserves	39,061	-	39,061
Tenant security deposits	245,746	103,695	349,441
Replacement reserves	1,849,340	291,285	2,140,625
Other reserves	<u>4,886,393</u>	<u>6,671,207</u>	<u>11,557,600</u>
Total restricted deposits	<u>\$ 7,412,573</u>	<u>\$ 7,066,187</u>	<u>\$ 14,478,760</u>

Housing assistance payment reserves are restricted for use only in the Section 8 Housing Choice Vouchers and Mainstream Vouchers programs for future housing assistance payments.

Family Self Sufficiency ("FSS") program escrows are restricted for use in the Section 8 Housing Choice Vouchers and Public and Indian Housing programs by FSS program participants.

Emergency housing vouchers reserves are restricted for use only in the Emergency Housing Vouchers program for future program expenditures. Of the total restricted funds, \$6,791 of the funds are restricted for future housing assistance payments and \$32,270 of the funds are restricted for future tenant services expenses.

Tenant security deposits are held in trust and restricted for refund at the time the tenant vacates the apartment, provided the apartment's physical condition is satisfactory.

**JEFFERSON COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022**

NOTE 5. RESTRICTED DEPOSITS (continued)

Replacement and other reserves represent amounts held under the terms of various agreements by which the Authority is required to set aside specified amounts for future expenditures. These restricted deposits are held in separate accounts and generally are not available for operating purposes.

NOTE 6. INVESTMENT IN LIMITED PARTNERSHIPS

Investment in limited partnerships represents ownership interests in numerous limited partnerships that are considered discretely presented component units for financial reporting purposes. The limited partnerships operate apartment complexes which provide low income housing eligible for tax credits in accordance with Section 42 of the Internal Revenue Code. The investment in the limited partnerships is accounted for under the equity method, because the Authority exercises significant influence over its operating and financial activities. Accordingly, the investment is carried at cost and adjusted for the proportionate share of earnings or losses. As of December 31, 2022, the Authority's investments in limited partnerships totaled \$700,000.

NOTE 7. NOTES RECEIVABLE

Notes receivable of the primary government consists of the following at December 31, 2022:

<u>Description</u>	<u>Amount</u>
Two (2) notes receivable with Lewis Court Apartments, LLLP in the amounts of \$1,240,000 and \$1,100,000, respectively, accruing interest at 4.19%, with payments due from available cash. Principal and accrued interest are due December 2042. The notes are secured by the underlying property.	\$ 2,295,955
Note receivable with Lewis Court Apartments, LLLP accruing interest at 8%, with payments due in monthly installments of \$2,201. The note matures in August 2043, and is secured by the underlying property.	124,701
Note receivable with Hidden Lake Homes, LLLP. The note is non-interest bearing and payments due from available cash. The note matures in December 2048, and is secured by the underlying property.	216,821
Two (2) notes receivable with Hidden Lake Homes, LLLP in the amounts of \$600,000 and \$900,000, respectively, accruing interest at 3%, with payments due from available cash. Principal and accrued interest are due December 2046. The notes are secured by the underlying property.	1,500,000
Note receivable with El Rancho, LLLP. The note bears interest at 2.00% and payments due from available cash. The note matures in December 2048, and is secured by the underlying property.	800,000

**JEFFERSON COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022**

NOTE 7. NOTES RECEIVABLE (continued)

<u>Description</u>	<u>Amount</u>
<p>Note receivable with El Rancho, LLLP. The note bears interest at 2.95% and payments due from available cash. The note matures in December 2048, and is secured by the underlying property.</p>	2,036,770
<p>The Authority has made loans with CDBG and HOME funds to homeowners through its Rehab Program. Interest accrues at rates between 0% to 5%. Due to the nature of the loans, and because the Authority's security interest is considered low priority, management has established an allowance for doubtful accounts of \$14,100 at December 31, 2022. This allowance is re-evaluated and adjusted on an annual basis.</p>	1,449,434
<p>The Authority is required to return funds previously advanced by Jefferson County for use in the Rehab Program, therefore, a related payable in the amount of \$47,731 is included as a current liability at December 31, 2022. This balance will be repaid as the underlying notes receivable are paid in full either through pay down of the notes by the note holders or sale of the underlying properties.</p>	13,995
<p>Three (3) notes receivable with Caesar LIHTC, LLC in the amounts of \$1,000,000, \$9,653,000, and \$4,745,000, respectively, accruing interest at 5%, 4.50%, and 5%, respectively, with payments due from available cash. Principal and accrued interest are due April 1, 2052. The notes are secured by the underlying property.</p>	14,426,093
<p>Notes receivable with Ford LIHTC, LLLP, in the amount of \$1,230,000, accruing interest at 1.12%, with payments due from available cash. Principal and accrued interest are due October 28, 2050. The note is secured by the underlying property.</p>	1,230,000
<p>The Authority has made loans with HOME funds to assist with the construction of 44 units of affordable housing at The Flats at Ford Street in Golden, Colorado. The loan bears interest at 1% per month and matures on October 28, 2050. The loan is secured by the underlying property.</p>	440,000
<p>The Authority has made loans with CDBG funds to assist with the construction of 44 units of affordable housing at The Flats at Ford Street in Golden, Colorado. The loan bears interest at 1% per month and matures on October 28, 2050. The loan is secured by the underlying property.</p>	440,000
<p>Two (2) notes receivable with Allison Village, LLLP in the amounts of \$2,430,000 and \$300,000, respectively, accruing interest at 3.00% annually. No payments are required until the maturity date of June 1, 2051, at which then all unpaid principal and accrued interest shall be due. The notes are secured by the underlying property.</p>	<u>2,730,000</u>
<p>Total notes receivable</p>	\$ <u><u>27,703,769</u></u>

Accrued interest on the aforementioned notes receivable totaled \$2,657,072 at December 31, 2022.

JEFFERSON COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022

NOTE 8. CAPITAL ASSETS, NET

The following is a summary of the primary government's changes in capital assets for the year ended December 31, 2022:

Description	December 31, 2021	Additions	Disposals	Transfers	December 31, 2022
<u>Non-depreciable capital assets:</u>					
Land	\$ 8,959,216	\$ 3,804,754	\$ (249,784)	\$ -	\$ 12,514,186
Construction in progress	<u>91,806</u>	<u>2,049,058</u>	<u>(51,965)</u>	<u>(21,070)</u>	<u>2,067,829</u>
Total	<u>9,051,022</u>	<u>5,853,812</u>	<u>(301,749)</u>	<u>(21,070)</u>	<u>14,582,015</u>
<u>Depreciable capital assets:</u>					
Buildings	37,708,316	5,946,960	(1,915,092)	55,691	41,795,875
Furniture and equipment	<u>3,083,692</u>	<u>8,025</u>	<u>(1,442,350)</u>	<u>(34,621)</u>	<u>1,614,746</u>
Total	<u>40,792,008</u>	<u>5,954,985</u>	<u>(3,357,442)</u>	<u>21,070</u>	<u>43,410,621</u>
Less: accumulated depreciation	<u>20,118,957</u>	<u>1,177,619</u>	<u>(2,329,947)</u>	<u>-</u>	<u>18,966,629</u>
Net capital assets	<u>\$ 29,724,073</u>	<u>\$ 10,631,178</u>	<u>\$ (1,329,244)</u>	<u>\$ -</u>	<u>\$ 39,026,007</u>

Depreciation expense for the fiscal year ended December 31, 2022 amounted to \$1,177,619.

The Authority's discretely presented component unit's capital assets activity for the year ended December 31, 2022 was as follows:

Description	December 31, 2021	Additions	Disposals	Transfers	December 31, 2022
<u>Non-depreciable capital assets:</u>					
Land	\$ 9,929,089	\$ 464,622	\$ -	\$ -	\$ 10,393,711
Construction in progress	<u>26,948,517</u>	<u>4,570,162</u>	<u>-</u>	<u>(12,663)</u>	<u>31,506,016</u>
Total	<u>36,877,606</u>	<u>5,034,784</u>	<u>-</u>	<u>(12,663)</u>	<u>41,899,727</u>
<u>Depreciable capital assets:</u>					
Buildings	\$ 53,765,637	\$ 19,476,876	\$ -	\$ 12,663	\$ 73,255,176
Furniture and equipment	<u>1,926,671</u>	<u>1,057,769</u>	<u>-</u>	<u>-</u>	<u>2,984,440</u>
Total	<u>55,692,308</u>	<u>20,534,645</u>	<u>-</u>	<u>12,663</u>	<u>76,239,616</u>
Less: accumulated depreciation	<u>7,871,195</u>	<u>3,182,456</u>	<u>(11,105)</u>	<u>-</u>	<u>11,042,546</u>
Net capital assets	<u>\$ 84,698,719</u>	<u>\$ 22,386,973</u>	<u>\$ 11,105</u>	<u>\$ -</u>	<u>\$ 107,096,797</u>

Depreciation expense for the fiscal year ended December 31, 2022 amounted to \$3,182,456.

JEFFERSON COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022

NOTE 9. ACCRUED COMPENSATED ABSENCES

The Authority uses the vesting method for the recording of compensated absences whereas benefits are accrued for which payment is probable.

As of December 31, 2022, accrued compensated absences amounted to \$484,653 and consisted of the following activity:

<u>Description</u>	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>	<u>Total Reporting Entity (Memorandum Only)</u>
Beginning compensated absences	\$ 351,638	\$ 11,205	\$ 362,843
Compensated absences expense	124,163	(2,353)	121,810
Compensated absences redeemed	<u>-</u>	<u>-</u>	<u>-</u>
Ending compensated absences	475,801	8,852	484,653
Less: current portion	<u>475,801</u>	<u>8,852</u>	<u>484,653</u>
Compensated absences, net of current portion	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE 10. LOANS PAYABLE

The Primary Government has loans payable consisting of the following as of December 31, 2022:

<u>Description</u>	<u>Amount</u>
4.75% note payable, due in monthly installments of \$20,117, including interest, with a maturity date of October 2027, secured by a deed of trust on the Aspen Ridge property.	\$ 2,553,689
4.75% note payable, due in monthly installments of \$7,373, including interest, with a maturity date of October 2027, secured by a deed of trust on the Redwood Village property.	936,208
3.65% note payable, due in monthly interest-only installments of \$8,517, with a maturity date of November 2021, secured by a deed of trust on the Viking Square property. The Authority paid off the balance and refinanced the loan with ANB Bank in the amount of \$4,800,000. The terms are 3.44% note payable, due in monthly installments of \$19,810, with a maturity date of October 2036, secured by a deed of trust on the Viking Square property.	4,719,485
4.50% mortgage note payable, due in monthly installments of \$20,518, including interest, with a maturity date of February 2032, secured by a deed of trust on the Glendale property and a security interest in all deposit accounts at the financing bank and its subsidiaries.	1,841,122

**JEFFERSON COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022**

NOTE 10. LOANS PAYABLE (continued)

<u>Description</u>	<u>Amount</u>
5.25% note payable, due in monthly installments of \$20,346, including interest, with a maturity date of October 2029, secured by a deed of trust on the Parkview Village property. The Authority paid off the balance and refinanced the loan with ANB Bank in the amount of \$5,000,000. The terms are 3.43% note payable, due in monthly installments of \$20,606, with a maturity date of December 2036, secured by a deed of trust on the Parkview Village property.	4,919,555
4.89% note payable, due in monthly installments of \$14,149, including interest, that matured in August 2022 and was paid in full. The note is secured by a deed of trust on the Canyon Gate property.	860
3.1% mortgage note payable, due in monthly installments of \$7,673, including interest, with a maturity date of January 1, 2046, secured by real property.	1,510,201
3.75% note payable with First Bank, due in monthly installments of \$12,933, including interest, with a maturity date of December 15, 2022, secured by a deed of trust and security agreement on 33300 Ames St, LLC.	2,756,940
The Authority entered into a \$600,000 loan with the Colorado Housing and Finance Agency on November 18, 2022. The loan bears interest at 2% per annum and mature on December 1, 2032. Commencing on January 1, 2023 and continuing on the first day of each month thereafter until and including December 1, 2024, the Authority shall make consecutive monthly payments of interest, in arrears, in the amount of \$1,000. Commencing on January 1, 2025 and continuing on the first day of each month thereafter, the Authority shall make monthly payments of principal and interest in the amount of \$2,218. The loan is secured by a deed of trust.	600,000
The Authority entered into a loan with the bank of Colorado in the amount of 1,500,000. The loan bears interest at a rate of 4.25% and matures on June 2022, 2032. The loan is secured by a deed of trust.	1,487,702
The Authority entered into a \$800,000 loan with the Colorado Housing and Finance Agency on November 18, 2022. The loan bear interest at 2% per annum and mature on December 1, 2032. Commencing on January 1, 2023 and continuing on the first day of each month thereafter until and including December 1, 2024, the Authority shall make consecutive monthly payments of interest, in arrears, in the amount of \$1,333. Commencing on January 1, 2025 and continuing on the first day of each month thereafter, the Authority shall make monthly payments of principal and interest in the amount of \$2,957. The loan is secured by a deed of trust.	<u>800,000</u>
Total loans payable	22,125,762
Less: current portion	<u>605,719</u>
Total loans payable, excluding current portion	\$ <u><u>21,520,043</u></u>

JEFFERSON COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022

NOTE 10. LOANS PAYABLE (continued)

Annual debt service for principal and interest over the next five years and in five-year increments thereafter is as follows:

Year	Principal	Interest	Total
2023	\$ 605,719	\$ 814,833	\$ 1,420,552
2024	628,710	797,616	1,426,326
2025	691,242	768,409	1,459,651
2026	720,003	731,523	1,451,526
2027	3,326,192	659,621	3,985,813
2028-2032	7,306,745	2,561,510	9,868,255
2033-2037	8,190,180	1,146,099	9,336,279
2038-2042	386,209	74,146	460,355
2043-2046	<u>270,762</u>	<u>13,669</u>	<u>284,431</u>
	<u>\$ 22,125,762</u>	<u>\$ 7,567,426</u>	<u>\$ 29,693,188</u>

Debt activity for the primary government for year ended December 31, 2022 consisted of the following:

Description	December 31, 2021	Advances	Principal Reductions	December 31, 2022
Loan payable	\$ <u>17,929,362</u>	\$ <u>9,066,029</u>	\$ <u>(4,869,629)</u>	\$ <u>22,125,762</u>

The DPCU's have loans payable consisting of the following as of December 31, 2022:

Description	Amount
El Rancho - El Rancho is financing the construction of the project in part with a 4.14% construction note payable and a 5.50% construction note payable with ANB Bank. Interest-only payments are due monthly through the construction period. The notes may be drawn to a maximum of \$12,880,135 and are secured by a deed of trust on the El Rancho property. The notes are expected to be converted to permanent financing at the end of the construction period with a maturity date of August 2036.	\$ 4,989,498
Lewis Court - 8.00% note payable to the Authority, due in monthly installments of \$2,201, including interest, matures August 2043, secured by a deed of trust on the Lewis Court property.	124,701
Lewis Court - Two (2) notes payable to the Authority in the amounts of \$1,240,000 and \$1,100,000, respectively, accruing interest at 4.19%, with payments due from available cash. Principal and accrued interest are due December 2042. The notes are secured by the underlying Lewis Court property.	2,295,955
Hidden Lake - Two (2) notes payable to the Authority in the amounts of \$600,000 and \$900,000, respectively, accruing interest at 3%, with payments due from available cash. Principal and accrued interest are due December 2046. The notes are secured by the underlying Hidden Lake property.	1,500,000

**JEFFERSON COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022**

NOTE 10. LOANS PAYABLE (continued)

<u>Description</u>	<u>Amount</u>
Hidden Lake - 0.00% note payable to the Authority, due in annual installments to the extent of available cash flow, matures December 2048, secured by a deed of trust on the Hidden Lake property.	216,821
El Rancho - 2.95% note payable to the Authority, due in annual installments to the extent of available cash flow, matures December 2048, secured by a deed of trust on the El Rancho property.	2,036,770
El Rancho - 2.00% note payable to the Authority, due in annual installments to the extent of available cash flow, matures December 2048, secured by a deed of trust on the El Rancho property.	800,000
Hidden Lake - 4.90% note payable to FirstBank, due in monthly installments of principal and interest of \$18,207, until July 2034, secured by a deed of trust on the Hidden Lake property, net of unamortized debt issuance costs of \$156,504, based on an effective interest rate of 5.5%.	3,025,911
El Rancho - 0.00% note payable to the State of Colorado, due in annual installments to the extent of available cash flow, matures April 2059, secured by a deed of trust on the El Rancho property.	528,000
Ford LIHTC - Three (3) notes payable to the Authority in the amounts of \$1,230,000, \$440,000, and \$440,000, respectively, accruing interest at 1.12%, 1%, and 1%, respectively, with payments due from available cash. Principal and accrued interest are due October 28, 2050. The notes are secured by the underlying Ford property.	2,110,000
Caesar LIHTC - 4.50%, \$9,653,000 note payable to the Authority, due in annual installments to the extent of available cash flow, matures April 1, 2052, secured by a deed of trust on the Caesar property.	8,681,093
Caesar LIHTC - 5.00%, \$4,745,000 note payable to the Authority, due in annual installments to the extent of available cash flow, matures April 1, 2052, secured by a deed of trust on the Caesar property.	4,745,000
Caesar LIHTC - 5.00%, \$1,000,000 note payable to the Authority, an affiliate of the Managing Member, due in annual installments to the extent of available cash flow, matures April 1, 2052, secured by a deed of trust on the Caesar property.	1,000,000
Caesar LIHTC - 3.75%, \$17,300,000 bonds payable to FirstBank. During the construction phase, interest only payments are due. The loan will convert to the permanent phase no later than two years from July 10, 2020. The loan will mature sixteen years after the conversion date or August 1, 2038, secured by a deed of trust on the Caesar property.	16,876,974
Caesar LIHTC - 1.00%, \$707,144 note payable to Impact Development Fund. Interest accrues through the initial ten years. The loan will convert to permanent on its 11th anniversary. The loan will mature 216 months from July 10, 2020, secured by a deed of trust on the Caesar property.	707,144

**JEFFERSON COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022**

NOTE 10. LOANS PAYABLE (continued)

<u>Description</u>	<u>Amount</u>
Ford LIHTC - 3.75%, \$11,060,000 note payable to Bank of Colorado. During the construction phase, interest only payments are due. The loan will convert to the permanent phase no later than two years from October 28, 2020. The loan will mature sixteen years after the conversion date or October 28, 2038, secured by a deed of trust on the Ford property.	4,695,500
Allison Village - Two (2) notes payable to the Authority in the amounts of \$2,430,000 and \$300,000, respectively, accruing interest at 3.00% annually. No payments are required until the maturity date of June 1, 2051, at which then all unpaid principal and accrued interest shall be due. The notes are secured by the underlying Allison Village property.	2,730,000
Allison Village - 3.45%, \$19,000,000 construction loan with FirstBank. During the construction phase, interest only payments are due. The loan will convert to the permanent phase no later than two years from June 25, 2021. The loan will mature sixteen years after the conversion date or July 1, 2039, secured by a deed of trust on the Allison Village property.	19,000,300
Allison Village - 3.45%, \$6,500,000 taxable loan with FirstBank. This was an extension to the construction loan. Total principal and interest amounts are due in full on January 1, 2024, and the loan secured by a deed of trust on the Allison Village property.	3,710,192
Allison Village -1.00%, \$1,700,000 loan with the State of Colorado. The first annual payment shall be due July 1, 2024, and subsequent payments shall be due on the first day of July in each year thereafter. Each annual payment shall be equal to 50% of net cash flow for the preceding year. The loan is secured by a deed of trust on the Allison Village property, and matures July 1, 2051, at which time all outstanding principal and accrued interest shall be due and payable.	1,111,500
Caesar LIHTC - 3.75%, \$1,930,000 bonds payable to FirstBank. The loan is secured by a deed of trust and matures March 1, 2023, at which time all outstanding principal and accrued interest shall be due and payable. On May 1, 2023, the loan was paid off.	1,930,000
Caesar LIHTC - 2.00%, \$1,000,000 note payable to the State of Colorado, due in annual installments to the extent of available cash flow, matures April 1, 2052, secured by a deed of trust.	<u>950,000</u>
Total loans payable	83,765,359
Less: current portion	<u>221,699</u>
Total loans payable, excluding current portion	\$ <u><u>83,543,660</u></u>

**JEFFERSON COUNTY HOUSING AUTHORITY
 NOTES TO FINANCIAL STATEMENTS (continued)
 DECEMBER 31, 2022**

NOTE 11. PENSION PLAN

The Authority provides eligible employees with a defined contribution employee retirement plan (401(k)). The plan and the contributions to it are authorized by the Authority's Board of Commissioners. This is a mandatory plan under which the employee is required to contribute 3%. The Authority will match up to 10% of the employees' contribution. Contributions are maintained by the plan administrator, Colorado County Officials and Employees Retirement Association. In 2022, the Authority paid \$261,891 as a matching contribution.

<u>Years of Participation</u>	<u>Vested Percentage</u>
1 year	0%
2 years	20%
3 years	40%
4 years	60%
5 years	80%
6 years	100%

NOTE 12. DEFERRED COMPENSATION PLAN

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

NOTE 13. GAIN ON SALE OF ASSETS

On January 1, 2022, the Authority sold property in the amount of \$15,000. This resulted in a net gain on sale of property in the amount of \$6,540.

During the year ended December 31, 2022, the Authority's blended component unit, Jeffco Housing Corporation, sold multiple properties totaling \$6,850,000. This resulted in a net gain on sale of assets in the amount of \$5,273,208.

JEFFERSON COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022

NOTE 14. RESTRICTED NET POSITION

At December 31, 2022, restricted net position of the primary government consisted of the following:

<u>Description</u>	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>	<u>Total Reporting Entity (Memorandum Only)</u>
Housing assistance payment reserves	\$ 372,900	\$ -	\$ 372,900
Emergency housing voucher reserves	6,791	-	6,791
Replacement reserves	-	291,285	291,285
Other reserves	<u>-</u>	<u>6,671,207</u>	<u>6,671,207</u>
 Total restricted net position	 <u>\$ 379,691</u>	 <u>\$ 6,962,492</u>	 <u>\$ 7,342,183</u>

Housing assistance payment reserves are restricted for use only in the Section 8 Housing Choice Vouchers program for future housing assistance payments.

Emergency housing vouchers reserves are restricted for use only in the Emergency Housing Vouchers program for future housing assistance payments.

Replacement and other reserves represent amounts held under the terms of various agreements by which the Authority is required to set aside specified amounts for future expenditures. These restricted deposits are held in separate accounts and generally are not available for operating purposes.

NOTE 15. CONDENSED INFORMATION FOR THE BLENDED COMPONENT UNITS

	<u>Jeffco Housing Corporation</u>
Assets:	
Current assets	\$ 3,634,473
Capital assets, net	2,631,034
Non-current assets	<u>2,257,583</u>
 Total assets	 <u>8,523,090</u>
Liabilities:	
Current liabilities	681,954
Non-current	<u>67,331</u>
 Total liabilities	 <u>749,285</u>
Net Position:	
Net investment in capital assets	2,563,703
Unrestricted	<u>5,210,102</u>
 Net position	 <u>\$ 7,773,805</u>

JEFFERSON COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022

NOTE 15. CONDENSED INFORMATION FOR THE BLENDED COMPONENT UNITS (continued)

Operating revenues:	
Tenant revenue	\$ 1,927,386
Other revenues	<u>5,440,801</u>
Total operating revenues	<u>7,368,187</u>
Operating expenses:	
Administrative	316,952
Utilities	200,905
Repairs and maintenance	763,885
Protective services	25,773
General	145,816
Depreciation	<u>174,653</u>
Total operating expenses	<u>1,627,984</u>
Other revenue (expense):	
Investment Income	52,830
Interest expense	<u>(23,440)</u>
Net other revenue	<u>29,390</u>
Equity transfer out	<u>(4,991,029)</u>
Net income	<u>\$ 778,564</u>

NOTE 16. CONTINGENCIES

The Authority receives financial assistance from HUD in the form of grants and subsidies. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by HUD. As a result of these audits, costs previously reimbursed could be disallowed and require payments to HUD. As of December 31, 2022, the Authority estimates that no material liabilities will result from such audits.

NOTE 17. RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority purchased commercial insurance with various deductibles and coverage to cover liability, property, worker's compensation, errors, omissions, and employee defalcation risk. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

JEFFERSON COUNTY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022

NOTE 18. SUBSEQUENT EVENTS

Events that occur after the financial statement date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the financial statement date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the financial statement date require disclosure in the accompanying notes to the financial statements. Management evaluated the activity of the Authority through March 20, 2024 (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

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

To the Board of Commissioners
Jefferson County Housing Authority:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business type activities (primary government) and the discretely presented component units of the Jefferson County Housing Authority (the "Authority") as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated March 20, 2024. The financial statements of the discretely presented component units were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of noncompliance associated with the discretely presented component units.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Novogrudac & Company LLP

March 20, 2024
Toms River, New Jersey

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

To the Board of Commissioners
Jefferson County Housing Authority:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Jefferson County Housing Authority (the "Authority") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended December 31, 2022. The Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Authority's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Report on Internal Control over Compliance (continued)

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Novogradac & Company LLP

March 20, 2024
Toms River, New Jersey

**JEFFERSON COUNTY HOUSING AUTHORITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	AL Number	Pass-Through Entity Identifying Number	Total Federal Expenditures
United States Department of Housing and Urban Development - Direct Programs:			
Housing Voucher Cluster			
Mainstream Vouchers	14.879	N/A	\$ 1,976,535
Section 8 Housing Choice Vouchers	14.871	N/A	21,497,197
Family Unification Vouchers	14.880	N/A	4,119
Emergency Housing Vouchers	14.EHV	N/A	<u>686,796</u>
Total Housing Voucher Cluster			24,164,647
Section 8 Project-Based Cluster			
Section 8 New Construction and Substantial Rehabilitation	14.182	N/A	<u>1,344,640</u>
Total Section 8 Project-Based Cluster			1,344,640
Subtotal United States Department of Housing and Urban Development - Direct Programs			<u>25,509,287</u>
United States Department of Housing and Urban Development Pass Through Programs From:			
City of Lakewood, Colorado			
Community Development Block Grants/Entitlement Grants	14.218	N/A	127,475
Jefferson County, Colorado			
Community Development Block Grants/Entitlement Grants	14.218	N/A	440,000
City of Westminster, Colorado			
Community Development Block Grants/Entitlement Grants	14.218	N/A	<u>60,493</u>
Subtotal United States Department of Housing and Urban Development Pass Through Programs			<u>627,968</u>
United States Department of Treasury Pass Through Programs:			
Jefferson County, Colorado			
Emergency Rental Assistance Program	21.023	N/A	<u>580,763</u>
Subtotal United States Department of Treasury Pass Through Programs:			<u>580,763</u>
Total Expenditures of Federal Awards			<u>\$ 26,718,018</u>

JEFFERSON COUNTY HOUSING AUTHORITY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant activity of the Jefferson County Housing Authority (the "Authority") under programs of the federal government for year ended December 31, 2022. The information in the Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of operations of the Authority, it is not intended to and does not present the financial position, changes in net position or cash flows of the Authority. Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in the preparation of the financial statements.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

NOTE 3. INDIRECT COST RATE

The Authority does not use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**JEFFERSON COUNTY HOUSING AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
DECEMBER 31, 2022**

I. Summary of Auditors' Results

Financial Statements

- | | | |
|----|-----------------------------------------------------|---------------|
| 1. | Type of auditors' report issued: | Unmodified |
| 2. | Internal control over financial reporting | |
| | a. Material weakness(es) identified? | No |
| | b. Significant deficiency(ies) identified? | None reported |
| 3. | Noncompliance material to the financial statements? | No |

Federal Awards

- | | | |
|----|----------------------------------------------------------------------------------------------------|---------------|
| 1. | Internal control over compliance: | |
| | a. Material weakness(es) identified? | No |
| | b. Significant deficiency(ies) identified? | None Reported |
| 2. | Type of auditors' report on compliance for major programs: | Unmodified |
| 3. | Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | No |

4. Identification of major programs:

<u>AL Number</u>	<u>Name of Federal Program</u>
	Housing Voucher Cluster :
14.871	Section 8 Housing Choice Vouchers
14.879	Mainstream Vouchers
14.EHV	Emergency Housing Vouchers
14.880	Family Unification Program
	Section 8 Project-Based Cluster:
14.182	Section 8 New Construction and Substantial Rehabilitation

- | | | |
|----|--------------------------------------------------------------------------|-----------|
| 5. | Dollar threshold used to distinguish between Type A and Type B Programs: | \$801,541 |
| 6. | Auditee qualified as low-risk Auditee? | No |

JEFFERSON COUNTY HOUSING AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)
DECEMBER 31, 2022

II. Financial Statement Findings

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

III. Federal Award Findings and Questioned Costs

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

IV. Summary of Prior Audit Findings

There were no findings or questioned costs in the prior year.

Jefferson County Housing Authority (CO072)

WHEAT RIDGE, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	14.182 N/C S/R Section 8 Programs	1 Business Activities
111 Cash - Unrestricted		\$1,693,426	\$2,788,246	\$1,666,510	\$8,849,474
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted		\$6,962,492	\$428,461	\$208,670	\$6,098,602
114 Cash - Tenant Security Deposits		\$103,695	\$36,011	\$43,889	\$165,846
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$0	\$8,759,613	\$3,252,718	\$1,919,069	\$15,113,922
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects		\$21,458		\$5,509	
124 Accounts Receivable - Other Government					
125 Accounts Receivable - Miscellaneous		\$105,986	\$11,387	\$0	\$5,858,126
126 Accounts Receivable - Tenants		\$110,817	\$146,599	\$32,421	\$650,151
126.1 Allowance for Doubtful Accounts - Tenants		-\$43,262	-\$69,677	-\$14,864	-\$368,740
126.2 Allowance for Doubtful Accounts - Other		\$0	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud					
129 Accrued Interest Receivable			\$0		\$197,206
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$194,999	\$88,309	\$23,066	\$6,336,743
131 Investments - Unrestricted					\$0
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets					\$133,905
143 Inventories					
143.1 Allowance for Obsolete Inventories					
144 Inter Program Due From	\$451,015	\$0	\$721,907	\$2,789	\$6,818,373
145 Assets Held for Sale					
150 Total Current Assets	\$451,015	\$8,954,612	\$4,062,934	\$1,944,924	\$28,402,943
161 Land		\$10,393,711	\$724,537	\$334,134	\$11,455,515
162 Buildings		\$73,255,176	\$5,288,412	\$4,823,912	\$30,497,207
163 Furniture, Equipment & Machinery - Dwellings		\$846,148	\$47,005	\$60,745	\$721,469
164 Furniture, Equipment & Machinery - Administration		\$2,138,292	\$233,119	\$234,789	\$230,813
165 Leasehold Improvements		\$0	\$74,031	\$169,272	\$943,041
166 Accumulated Depreciation		-\$11,042,546	-\$3,736,070	-\$4,696,797	-\$10,471,464
167 Construction in Progress		\$31,506,016			\$2,067,829
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$107,096,797	\$2,631,034	\$926,055	\$35,444,410
171 Notes, Loans and Mortgages Receivable - Non-Current			\$1,240,000		\$29,896,100
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due					
173 Grants Receivable - Non Current					
174 Other Assets		\$541,569	\$589,122		\$5,823,841
176 Investments in Joint Ventures					\$700,000
180 Total Non-Current Assets	\$0	\$107,638,366	\$4,460,156	\$926,055	\$71,864,351
200 Deferred Outflow of Resources					
290 Total Assets and Deferred Outflow of Resources	\$451,015	\$116,592,978	\$8,523,090	\$2,870,979	\$100,267,294

Jefferson County Housing Authority (CO072)

WHEAT RIDGE, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	14.182 N/C S/R Section 8 Programs	1 Business Activities
311 Bank Overdraft					
312 Accounts Payable <= 90 Days		\$979,647	\$33,049	\$29,343	\$288,851
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable					\$135,066
322 Accrued Compensated Absences - Current Portion		\$8,852	\$1,051	\$3,382	\$382,064
324 Accrued Contingency Liability					
325 Accrued Interest Payable		\$2,858,165			\$1,032
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government					
341 Tenant Security Deposits		\$103,695	\$36,011	\$43,889	\$165,846
342 Unearned Revenue		\$67,109	\$6,905	\$1,114	\$38,364
344 Current Portion of Long-term Debt - Operating Borrowings		\$221,699			\$605,719
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities		\$1,646,441	\$25,564	\$8,026	\$823,891
346 Accrued Liabilities - Other		\$281,896	\$37,114	\$33,136	\$369,312
347 Inter Program - Due To			\$542,260	\$54,938	\$7,021,380
348 Loan Liability - Current					
310 Total Current Liabilities	\$0	\$6,167,504	\$681,954	\$173,828	\$9,831,525
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue		\$83,543,660	\$67,331	\$860	\$24,884,183
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other		\$6,794,231			
354 Accrued Compensated Absences - Non Current					
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities					
350 Total Non-Current Liabilities	\$0	\$90,337,891	\$67,331	\$860	\$24,884,183
300 Total Liabilities	\$0	\$96,505,395	\$749,285	\$174,688	\$34,715,708
400 Deferred Inflow of Resources					
508.4 Net Investment in Capital Assets	\$0	\$23,331,438	\$2,563,703	\$925,195	\$9,954,508
511.4 Restricted Net Position		\$6,962,492			
512.4 Unrestricted Net Position	\$451,015	-\$10,206,347	\$5,210,102	\$1,771,096	\$55,597,078
513 Total Equity - Net Assets / Position	\$451,015	\$20,087,583	\$7,773,805	\$2,696,291	\$65,551,586
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$451,015	\$116,592,978	\$8,523,090	\$2,870,979	\$100,267,294

Jefferson County Housing Authority (CO072)

WHEAT RIDGE, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	14.879 Mainstream Vouchers	21.023 Emergency Rental Assistance Program	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	14.880 Family Unification Program (FUP)
111 Cash - Unrestricted			\$1,088,747		
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted	\$237,645		\$154,388	\$39,061	
114 Cash - Tenant Security Deposits					
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$237,645	\$0	\$1,243,135	\$39,061	\$0
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects			\$42,358		
124 Accounts Receivable - Other Government			\$25,235		
125 Accounts Receivable - Miscellaneous	\$0		\$0		
126 Accounts Receivable - Tenants			\$94,068		
126.1 Allowance for Doubtful Accounts - Tenants			-\$94,068		
126.2 Allowance for Doubtful Accounts - Other			\$0		
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud					
129 Accrued Interest Receivable					
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$0	\$67,593	\$0	\$0
131 Investments - Unrestricted					
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets					
143 Inventories					
143.1 Allowance for Obsolete Inventories					
144 Inter Program Due From	\$628,010		\$677,671	\$0	
145 Assets Held for Sale					
150 Total Current Assets	\$865,655	\$0	\$1,988,399	\$39,061	\$0
161 Land					
162 Buildings					
163 Furniture, Equipment & Machinery - Dwellings			\$86,806		
164 Furniture, Equipment & Machinery - Administration			\$0		
165 Leasehold Improvements					
166 Accumulated Depreciation			-\$62,298		
167 Construction in Progress					
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$24,508	\$0	\$0
171 Notes, Loans and Mortgages Receivable - Non-Current					
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due					
173 Grants Receivable - Non Current					
174 Other Assets					
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$0	\$0	\$24,508	\$0	\$0
200 Deferred Outflow of Resources					
290 Total Assets and Deferred Outflow of Resources	\$865,655	\$0	\$2,012,907	\$39,061	\$0

Jefferson County Housing Authority (CO072)

WHEAT RIDGE, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	14.879 Mainstream Vouchers	21.023 Emergency Rental Assistance Program	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	14.880 Family Unification Program (FUP)
311 Bank Overdraft					
312 Accounts Payable <= 90 Days					
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable					
322 Accrued Compensated Absences - Current Portion			\$89,304		
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs	\$21,924		\$7,361		
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government					
341 Tenant Security Deposits					
342 Unearned Revenue			\$0	\$32,270	
344 Current Portion of Long-term Debt - Operating Borrowings					
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities			\$1,400		
346 Accrued Liabilities - Other			\$3,172		
347 Inter Program - Due To	\$550,390		\$1,000,997	\$11,843	\$117,957
348 Loan Liability - Current					
310 Total Current Liabilities	\$572,314	\$0	\$1,102,234	\$44,113	\$117,957
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue					
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other					
354 Accrued Compensated Absences - Non Current					
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities					
350 Total Non-Current Liabilities	\$0	\$0	\$0	\$0	\$0
300 Total Liabilities	\$572,314	\$0	\$1,102,234	\$44,113	\$117,957
400 Deferred Inflow of Resources					
508.4 Net Investment in Capital Assets			\$24,508	\$0	
511.4 Restricted Net Position	\$237,645		\$135,255	\$6,791	
512.4 Unrestricted Net Position	\$55,696	\$0	\$750,910	-\$11,843	-\$117,957
513 Total Equity - Net Assets / Position	\$293,341	\$0	\$910,673	-\$5,052	-\$117,957
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$865,655	\$0	\$2,012,907	\$39,061	\$0

Jefferson County Housing Authority (CO072)

WHEAT RIDGE, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	14.239 HOME Investment Partnerships Program	8 Other Federal Program 1	ELIM	Total
111 Cash - Unrestricted				\$16,086,403
112 Cash - Restricted - Modernization and Development				
113 Cash - Other Restricted				\$14,129,319
114 Cash - Tenant Security Deposits				\$349,441
115 Cash - Restricted for Payment of Current Liabilities				
100 Total Cash	\$0	\$0	\$0	\$30,565,163
121 Accounts Receivable - PHA Projects				
122 Accounts Receivable - HUD Other Projects				\$69,325
124 Accounts Receivable - Other Government				\$25,235
125 Accounts Receivable - Miscellaneous				\$5,975,499
126 Accounts Receivable - Tenants				\$1,034,056
126.1 Allowance for Doubtful Accounts - Tenants				-\$590,611
126.2 Allowance for Doubtful Accounts - Other				\$0
127 Notes, Loans, & Mortgages Receivable - Current				
128 Fraud Recovery				
128.1 Allowance for Doubtful Accounts - Fraud				
129 Accrued Interest Receivable			-\$1,032	\$196,174
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$0	-\$1,032	\$6,709,678
131 Investments - Unrestricted				\$0
132 Investments - Restricted				
135 Investments - Restricted for Payment of Current Liability				
142 Prepaid Expenses and Other Assets				\$133,905
143 Inventories				
143.1 Allowance for Obsolete Inventories				
144 Inter Program Due From			-\$9,299,765	\$0
145 Assets Held for Sale				
150 Total Current Assets	\$0	\$0	-\$9,300,797	\$37,408,746
161 Land				\$22,907,897
162 Buildings				\$113,864,707
163 Furniture, Equipment & Machinery - Dwellings				\$1,762,173
164 Furniture, Equipment & Machinery - Administration				\$2,837,013
165 Leasehold Improvements				\$1,186,344
166 Accumulated Depreciation				-\$30,009,175
167 Construction in Progress				\$33,573,845
168 Infrastructure				
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$0	\$146,122,804
171 Notes, Loans and Mortgages Receivable - Non-Current			-\$3,432,331	\$27,703,769
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due				
173 Grants Receivable - Non Current				
174 Other Assets				\$6,954,532
176 Investments in Joint Ventures				\$700,000
180 Total Non-Current Assets	\$0	\$0	-\$3,432,331	\$181,481,105
200 Deferred Outflow of Resources				
290 Total Assets and Deferred Outflow of Resources	\$0	\$0	-\$12,733,128	\$218,889,851

Jefferson County Housing Authority (CO072)

WHEAT RIDGE, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	14.239 HOME Investment Partnerships Program	8 Other Federal Program 1	ELIM	Total
311 Bank Overdraft				
312 Accounts Payable <= 90 Days				\$1,330,890
313 Accounts Payable >90 Days Past Due				
321 Accrued Wage/Payroll Taxes Payable				\$135,066
322 Accrued Compensated Absences - Current Portion				\$484,653
324 Accrued Contingency Liability				
325 Accrued Interest Payable			-\$1,032	\$2,858,165
331 Accounts Payable - HUD PHA Programs				\$29,285
332 Account Payable - PHA Projects				
333 Accounts Payable - Other Government				
341 Tenant Security Deposits				\$349,441
342 Unearned Revenue				\$145,762
344 Current Portion of Long-term Debt - Operating Borrowings				\$827,418
344 Current Portion of Long-term Debt - Operating Borrowings				
345 Other Current Liabilities				\$2,505,322
346 Accrued Liabilities - Other				\$724,630
347 Inter Program - Due To			-\$9,299,765	\$0
348 Loan Liability - Current				
310 Total Current Liabilities	\$0	\$0	-\$9,300,797	\$9,390,632
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue			-\$3,432,331	\$105,063,703
352 Long-term Debt, Net of Current - Operating Borrowings				
353 Non-current Liabilities - Other				\$6,794,231
354 Accrued Compensated Absences - Non Current				
355 Loan Liability - Non Current				
356 FASB 5 Liabilities				
357 Accrued Pension and OPEB Liabilities				
350 Total Non-Current Liabilities	\$0	\$0	-\$3,432,331	\$111,857,934
300 Total Liabilities	\$0	\$0	-\$12,733,128	\$121,248,566
400 Deferred Inflow of Resources				
508.4 Net Investment in Capital Assets			\$3,432,331	\$40,231,683
511.4 Restricted Net Position				\$7,342,183
512.4 Unrestricted Net Position	\$0	\$0	-\$3,432,331	\$50,067,419
513 Total Equity - Net Assets / Position	\$0	\$0	\$0	\$97,641,285
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$0	\$0	-\$12,733,128	\$218,889,851

Jefferson County Housing Authority (CO072)

WHEAT RIDGE, CO

Submission Type: Audited/Single Audit

Entity Wide Revenue and Expense Summary

Fiscal Year End: 12/31/2022

	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	14.182 N/C S/R Section 8 Programs	1 Business Activities
70300 Net Tenant Rental Revenue		\$3,918,727	\$1,764,379	\$559,994	\$6,205,777
70400 Tenant Revenue - Other		\$431,906	\$163,007	\$143	\$132,950
70500 Total Tenant Revenue	\$0	\$4,350,633	\$1,927,386	\$560,137	\$6,338,727
70600 HUD PHA Operating Grants				\$1,344,640	
70610 Capital Grants					
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					
70800 Other Government Grants	\$627,968	\$8,000	\$0		\$226,682
71100 Investment Income - Unrestricted		\$2,882	\$52,830	\$472	\$956,144
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery					
71500 Other Revenue		\$19,096	\$167,593	\$3,062	\$6,929,694
71600 Gain or Loss on Sale of Capital Assets		\$0	\$5,273,208		\$6,540
72000 Investment Income - Restricted					
70000 Total Revenue	\$627,968	\$4,380,611	\$7,421,017	\$1,908,311	\$14,457,787
91100 Administrative Salaries		\$227,845	\$14,685	\$99,959	\$2,568,847
91200 Auditing Fees		\$48,036	\$2,000		\$53,243
91300 Management Fee		\$219,471	\$93,568	\$79,200	\$299,884
91310 Book-keeping Fee					
91400 Advertising and Marketing		\$5,791		\$280	\$23,634
91500 Employee Benefit contributions - Administrative		\$76,210	\$10,369	\$39,455	\$869,452
91600 Office Expenses		\$150,916	\$33,688	\$56,942	\$668,812
91700 Legal Expense		\$21,586	\$96,525	\$926	\$232,123
91800 Travel		\$177	\$1,053	\$230	\$70,194
91810 Allocated Overhead					
91900 Other		\$384,447	\$65,064	\$110,897	\$1,026,697
91000 Total Operating - Administrative	\$0	\$1,134,479	\$316,952	\$387,889	\$5,812,886
92000 Asset Management Fee		\$35,922			
92100 Tenant Services - Salaries					
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services					
92400 Tenant Services - Other					
92500 Total Tenant Services	\$0	\$0	\$0	\$0	\$0

Jefferson County Housing Authority (CO072)

WHEAT RIDGE, CO

Submission Type: Audited/Single Audit

Entity Wide Revenue and Expense Summary

Fiscal Year End: 12/31/2022

	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	14.182 N/C S/R Section 8 Programs	1 Business Activities
93100 Water		\$96,161	\$82,289	\$25,938	\$229,326
93200 Electricity		\$175,854	\$39,085	\$20,936	\$195,466
93300 Gas		\$125,761	\$54,410	\$28,338	\$180,764
93400 Fuel					
93500 Labor					
93600 Sewer		\$54,358	\$25,121	\$17,463	\$177,842
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense					
93000 Total Utilities	\$0	\$452,134	\$200,905	\$92,675	\$783,398
94100 Ordinary Maintenance and Operations - Labor					\$655,815
94200 Ordinary Maintenance and Operations - Materials and Other		\$572,945	\$263,167	\$236,529	\$905,738
94300 Ordinary Maintenance and Operations Contracts		\$873,360	\$500,718	\$456,309	\$1,781,470
94500 Employee Benefit Contributions - Ordinary Maintenance					\$4,865
94000 Total Maintenance	\$0	\$1,446,305	\$763,885	\$692,838	\$3,347,888
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs		\$60,550	\$25,773	\$9,828	\$140,048
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$60,550	\$25,773	\$9,828	\$140,048
96110 Property Insurance		\$227,612	\$77,577	\$64,476	\$292,502
96120 Liability Insurance					
96130 Workmen's Compensation		\$3,263	\$1,636	\$2,399	\$34,606
96140 All Other Insurance					
96100 Total insurance Premiums	\$0	\$230,875	\$79,213	\$66,875	\$327,108
96200 Other General Expenses	\$174,645	\$51,971	\$25	\$65	\$197,002
96210 Compensated Absences					
96300 Payments in Lieu of Taxes					
96400 Bad debt - Tenant Rents		\$40,477	\$63,310	\$16,380	\$344,428
96500 Bad debt - Mortgages			\$3,268	\$68	-\$4,884
96600 Bad debt - Other		\$177			
96800 Severance Expense					
96000 Total Other General Expenses	\$174,645	\$92,625	\$66,603	\$16,513	\$536,546
96710 Interest of Mortgage (or Bonds) Payable		\$2,152,537	\$23,440	\$1,093	\$689,685
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$0	\$2,152,537	\$23,440	\$1,093	\$689,685
96900 Total Operating Expenses	\$174,645	\$5,605,427	\$1,476,771	\$1,267,711	\$11,637,559

Jefferson County Housing Authority (CO072)

WHEAT RIDGE, CO

Submission Type: Audited/Single Audit

Entity Wide Revenue and Expense Summary

Fiscal Year End: 12/31/2022

	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	14.182 N/C S/R Section 8 Programs	1 Business Activities
97000 Excess of Operating Revenue over Operating Expenses	\$453,323	-\$1,224,816	\$5,944,246	\$640,600	\$2,820,228
97100 Extraordinary Maintenance					
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments					-\$6,287
97350 HAP Portability-In					
97400 Depreciation Expense		\$3,182,456	\$174,653	\$54,579	\$932,699
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$174,645	\$8,787,883	\$1,651,424	\$1,322,290	\$12,563,971
10010 Operating Transfer In					\$1,005,000
10020 Operating transfer Out	-\$440,000				
10030 Operating Transfers from/to Primary Government					
10040 Operating Transfers from/to Component Unit			-\$4,991,029		\$4,991,029
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)		\$7,950,106			
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)	-\$440,000	\$7,950,106	-\$4,991,029	\$0	\$5,996,029
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$13,323	\$3,542,834	\$778,564	\$586,021	\$7,889,845
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$95,650	\$0
11030 Beginning Equity	\$437,692	\$16,544,749	\$6,995,241	\$2,110,270	\$57,661,741
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors					
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					
11180 Housing Assistance Payments Equity					
11190 Unit Months Available				1584	
11210 Number of Unit Months Leased				1435	

Jefferson County Housing Authority (CO072)

WHEAT RIDGE, CO

Submission Type: Audited/Single Audit

Entity Wide Revenue and Expense Summary

Fiscal Year End: 12/31/2022

	14.879 Mainstream Vouchers	21.023 Emergency Rental Assistance Program	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	14.880 Family Unification Program (FUP)
70300 Net Tenant Rental Revenue					
70400 Tenant Revenue - Other					
70500 Total Tenant Revenue	\$0	\$0	\$0	\$0	\$0
70600 HUD PHA Operating Grants	\$2,198,396		\$21,255,899	\$590,365	\$6,652
70610 Capital Grants					
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					
70800 Other Government Grants		\$580,763			
71100 Investment Income - Unrestricted			\$8,004		
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery			\$6,993		
71500 Other Revenue			\$44,079		
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted			\$18		
70000 Total Revenue	\$2,198,396	\$580,763	\$21,314,993	\$590,365	\$6,652
91100 Administrative Salaries	\$160,102		\$669,008	\$71,688	
91200 Auditing Fees			\$9,750		
91300 Management Fee					
91310 Book-keeping Fee					
91400 Advertising and Marketing					
91500 Employee Benefit contributions - Administrative			\$238,740		
91600 Office Expenses			\$172,260		
91700 Legal Expense			\$9,843		
91800 Travel			\$6,724		
91810 Allocated Overhead					
91900 Other		\$580,763	\$127,077	\$5,363	
91000 Total Operating - Administrative	\$160,102	\$580,763	\$1,233,402	\$77,051	\$0
92000 Asset Management Fee					
92100 Tenant Services - Salaries					
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services					
92400 Tenant Services - Other					
92500 Total Tenant Services	\$0	\$0	\$0	\$0	\$0

Jefferson County Housing Authority (CO072)

WHEAT RIDGE, CO

Submission Type: Audited/Single Audit

Entity Wide Revenue and Expense Summary

Fiscal Year End: 12/31/2022

	14.879 Mainstream Vouchers	21.023 Emergency Rental Assistance Program	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	14.880 Family Unification Program (FUP)
93100 Water			\$243		
93200 Electricity			\$1,979		
93300 Gas			\$1,158		
93400 Fuel					
93500 Labor					
93600 Sewer			\$154		
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense					
93000 Total Utilities	\$0	\$0	\$3,534	\$0	\$0
94100 Ordinary Maintenance and Operations - Labor					
94200 Ordinary Maintenance and Operations - Materials and Other			\$2,198		
94300 Ordinary Maintenance and Operations Contracts			\$71,991		
94500 Employee Benefit Contributions - Ordinary Maintenance					
94000 Total Maintenance	\$0	\$0	\$74,189	\$0	\$0
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs			\$37,770		
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$0	\$37,770	\$0	\$0
96110 Property Insurance					
96120 Liability Insurance					
96130 Workmen's Compensation			\$11,611		
96140 All Other Insurance					
96100 Total insurance Premiums	\$0	\$0	\$11,611	\$0	\$0
96200 Other General Expenses			\$1,515		
96210 Compensated Absences					
96300 Payments in Lieu of Taxes					
96400 Bad debt - Tenant Rents			-\$2,902		
96500 Bad debt - Mortgages					
96600 Bad debt - Other					
96800 Severance Expense					
96000 Total Other General Expenses	\$0	\$0	-\$1,387	\$0	\$0
96710 Interest of Mortgage (or Bonds) Payable					
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$160,102	\$580,763	\$1,359,119	\$77,051	\$0

Jefferson County Housing Authority (CO072)

WHEAT RIDGE, CO

Submission Type: Audited/Single Audit

Entity Wide Revenue and Expense Summary

Fiscal Year End: 12/31/2022

	14.879 Mainstream Vouchers	21.023 Emergency Rental Assistance Program	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	14.880 Family Unification Program (FUP)
97000 Excess of Operating Revenue over Operating Expenses	\$2,038,294	\$0	\$19,955,874	\$513,314	\$6,652
97100 Extraordinary Maintenance					
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments	\$1,816,433		\$20,138,078	\$609,745	\$4,119
97350 HAP Portability-In					
97400 Depreciation Expense			\$15,688		
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$1,976,535	\$580,763	\$21,512,885	\$686,796	\$4,119
10010 Operating Transfer In					
10020 Operating transfer Out					
10030 Operating Transfers from/to Primary Government					
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$221,861	\$0	-\$197,892	-\$96,431	\$2,533
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$71,480	\$0	\$1,108,565	\$91,379	-\$120,490
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors					
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			\$775,418		
11180 Housing Assistance Payments Equity			\$135,255		
11190 Unit Months Available	1920		20418	504	72
11210 Number of Unit Months Leased	1712		18067	472	72

Jefferson County Housing Authority (CO072)

WHEAT RIDGE, CO

Submission Type: Audited/Single Audit

Entity Wide Revenue and Expense Summary

Fiscal Year End: 12/31/2022

	14.239 HOME Investment Partnerships Program	8 Other Federal Program 1	ELIM	Total
70300 Net Tenant Rental Revenue				\$12,448,877
70400 Tenant Revenue - Other				\$728,006
70500 Total Tenant Revenue	\$0	\$0	\$0	\$13,176,883
70600 HUD PHA Operating Grants				\$25,395,952
70610 Capital Grants				
70710 Management Fee				
70720 Asset Management Fee				
70730 Book Keeping Fee				
70740 Front Line Service Fee				
70750 Other Fees				
70700 Total Fee Revenue			\$0	\$0
70800 Other Government Grants	\$415,000	\$150,000		\$2,008,413
71100 Investment Income - Unrestricted				\$1,020,332
71200 Mortgage Interest Income				
71300 Proceeds from Disposition of Assets Held for Sale				
71310 Cost of Sale of Assets				
71400 Fraud Recovery				\$6,993
71500 Other Revenue			-\$1,257,617	\$5,905,907
71600 Gain or Loss on Sale of Capital Assets				\$5,279,748
72000 Investment Income - Restricted				\$18
70000 Total Revenue	\$415,000	\$150,000	-\$1,257,617	\$52,794,246
91100 Administrative Salaries				\$3,812,134
91200 Auditing Fees				\$113,029
91300 Management Fee			-\$472,652	\$219,471
91310 Book-keeping Fee				
91400 Advertising and Marketing				\$29,705
91500 Employee Benefit contributions - Administrative				\$1,234,226
91600 Office Expenses				\$1,082,618
91700 Legal Expense				\$361,003
91800 Travel				\$78,378
91810 Allocated Overhead				
91900 Other				\$2,300,308
91000 Total Operating - Administrative	\$0	\$0	-\$472,652	\$9,230,872
92000 Asset Management Fee				\$35,922
92100 Tenant Services - Salaries				
92200 Relocation Costs				
92300 Employee Benefit Contributions - Tenant Services				
92400 Tenant Services - Other				
92500 Total Tenant Services	\$0	\$0	\$0	\$0

Jefferson County Housing Authority (CO072)

WHEAT RIDGE, CO

Submission Type: Audited/Single Audit

Entity Wide Revenue and Expense Summary

Fiscal Year End: 12/31/2022

	14.239 HOME Investment Partnerships Program	8 Other Federal Program 1	ELIM	Total
93100 Water				\$433,957
93200 Electricity				\$433,320
93300 Gas				\$390,431
93400 Fuel				
93500 Labor				
93600 Sewer				\$274,938
93700 Employee Benefit Contributions - Utilities				
93800 Other Utilities Expense				
93000 Total Utilities	\$0	\$0	\$0	\$1,532,646
94100 Ordinary Maintenance and Operations - Labor				\$655,815
94200 Ordinary Maintenance and Operations - Materials and Other			-\$784,965	\$1,195,612
94300 Ordinary Maintenance and Operations Contracts				\$3,683,848
94500 Employee Benefit Contributions - Ordinary Maintenance				\$4,865
94000 Total Maintenance	\$0	\$0	-\$784,965	\$5,540,140
95100 Protective Services - Labor				
95200 Protective Services - Other Contract Costs				\$273,969
95300 Protective Services - Other				
95500 Employee Benefit Contributions - Protective Services				
95000 Total Protective Services	\$0	\$0	\$0	\$273,969
96110 Property Insurance				\$662,167
96120 Liability Insurance				
96130 Workmen's Compensation				\$53,515
96140 All Other Insurance				
96100 Total insurance Premiums	\$0	\$0	\$0	\$715,682
96200 Other General Expenses				\$425,223
96210 Compensated Absences				
96300 Payments in Lieu of Taxes				
96400 Bad debt - Tenant Rents				\$461,693
96500 Bad debt - Mortgages				-\$1,548
96600 Bad debt - Other				\$177
96800 Severance Expense				
96000 Total Other General Expenses	\$0	\$0	\$0	\$885,545
96710 Interest of Mortgage (or Bonds) Payable				\$2,866,755
96720 Interest on Notes Payable (Short and Long Term)				
96730 Amortization of Bond Issue Costs				
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$2,866,755
96900 Total Operating Expenses	\$0	\$0	-\$1,257,617	\$21,081,531

Jefferson County Housing Authority (CO072)

WHEAT RIDGE, CO

Submission Type: Audited/Single Audit

Entity Wide Revenue and Expense Summary

Fiscal Year End: 12/31/2022

	14.239 HOME Investment Partnerships Program	8 Other Federal Program 1	ELIM	Total
97000 Excess of Operating Revenue over Operating Expenses	\$415,000	\$150,000	\$0	\$31,712,715
97100 Extraordinary Maintenance				
97200 Casualty Losses - Non-capitalized				
97300 Housing Assistance Payments				\$22,562,088
97350 HAP Portability-In				
97400 Depreciation Expense				\$4,360,075
97500 Fraud Losses				
97600 Capital Outlays - Governmental Funds				
97700 Debt Principal Payment - Governmental Funds				
97800 Dwelling Units Rent Expense				
90000 Total Expenses	\$0	\$0	-\$1,257,617	\$48,003,694
10010 Operating Transfer In			-\$1,005,000	\$0
10020 Operating transfer Out	-\$415,000	-\$150,000	\$1,005,000	\$0
10030 Operating Transfers from/to Primary Government				
10040 Operating Transfers from/to Component Unit				\$0
10050 Proceeds from Notes, Loans and Bonds				
10060 Proceeds from Property Sales				
10070 Extraordinary Items, Net Gain/Loss				
10080 Special Items (Net Gain/Loss)				\$7,950,106
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)	-\$415,000	-\$150,000	\$0	\$7,950,106
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$0	\$0	\$0	\$12,740,658
11020 Required Annual Debt Principal Payments	\$0	\$0		\$95,650
11030 Beginning Equity	\$0	\$0		\$84,900,627
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors				
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				\$775,418
11180 Housing Assistance Payments Equity				
				\$135,255
11190 Unit Months Available				24498
11210 Number of Unit Months Leased				21758