

**HOUSING AUTHORITY OF THE
CITY OF GRAND JUNCTION
Grand Junction, Colorado**

**FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITORS'
REPORT**

DECEMBER 31, 2023

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado

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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Housing Authority of the City of Grand Junction
Grand Junction, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of Housing Authority of the City of Grand Junction (the "Housing Authority"), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise of the Housing Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the Housing Authority, as of December 31, 2023, and the respective changes in financial position, and, where applicable, 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. 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 Housing 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 Housing 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 auditor's report that includes our opinions. 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 GAAS and *Government 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 Housing 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 Housing 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, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, 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 opinions on the financial statements that collectively comprise the Housing Authority's basic financial statements. The combining financial statements, supplementary information required by HUD, computation of surplus cash, distributions, and residual receipts and the schedule of expenditures of federal awards are presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the Department of Housing and Urban Development, and is also not a required part of the basic financial statements. Such information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The 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 combining financial statements, supplementary information required by HUD, computation of surplus cash, distributions, and residual receipts and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 24, 2024, on our consideration of the Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority's internal control over financial reporting and compliance.

Hawkins Ash CPAs, LLP

La Crosse, Wisconsin
May 24, 2024

**HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado**

MANAGEMENT'S DISCUSSION AND ANALYSIS

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED DECEMBER 31, 2023

The management of the Grand Junction Housing Authority (GJHA) offers this narrative overview and analysis of its audited financial statements for fiscal year ended December 31, 2023. The goal is for the reader to better understand the Authority's financial activities and its overall financial position and to show whether current year revenue covered current year expenses and the extent to which GJHA has invested its capital assets. We encourage readers to consider the information presented here in conjunction with GJHA's financial statements, which begins on page 12.

FINANCIAL HIGHLIGHTS - PRIMARY GOVERNMENT

- GJHA's assets exceed its liabilities as of December 31, 2023 by \$31,546,431 compared to \$30,843,241 as of December 31, 2022. This was an increase of \$703,190 from 2022 to 2023, which included an asset increase of \$4,446,075 and a total liability increase of \$3,742,885.
- GJHA's net investment in capital assets as of December 31, 2023 was \$6,096,967, reflecting an increase of \$2,867,140 from December 31, 2022.
- GJHA's total operating revenue for the fiscal year ended December 31, 2023 was \$16,167,059.
- GJHA's total operating expenses for the fiscal year ended December 31, 2023 were \$16,168,437. Therefore, GJHA's total operating revenue was less than its operating expenses by \$1,378.
- GJHA's total non-operating revenue for the fiscal year ended December 31, 2023 was \$704,568, resulting in a net income of \$703,190.

OVERVIEW OF THE FINANCIAL STATEMENTS

The following financial statements are included in this report and provide comparisons between this year and last year:

- *Statement of Net Position* - reports GJHA's current financial resources: its cash and other current assets, its current and non-current liabilities and comparing those two elements, the resulting net position of GJHA.
- *Statement of Revenue and Expenses* - reports GJHA's various revenue and expenses.
- *Statement of Cash Flows* - reports GJHA's resulting cash flows from: operating activities, capital and related financing activities, and investing activities.

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
MANAGEMENT'S DISCUSSION AND ANALYSIS - Continued
FISCAL YEAR ENDED DECEMBER 31, 2023

STATEMENT OF NET POSITION
DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>	<u>Increase (Decrease)</u>
ASSETS			
Current assets	\$ 11,146,778	\$ 10,720,274	\$ 426,504
Capital assets	21,756,135	18,300,951	3,455,184
Other assets	14,813,554	14,266,628	546,926
Restricted assets	1,300,979	1,279,323	21,656
Total Assets	\$ 49,017,446	\$ 44,567,176	\$ 4,450,270
LIABILITIES AND NET POSITION			
Current liabilities	\$ 5,007,659	\$ 1,268,473	\$ 3,739,186
Non-current liabilities	12,463,356	12,455,462	7,894
Total Liabilities	17,471,015	13,723,935	3,747,080
Net investment in capital assets	6,096,967	3,229,827	2,867,140
Restricted	1,019,277	946,181	73,096
Unrestricted	24,430,187	26,667,233	(2,237,046)
Total Net Position	31,546,431	30,843,241	703,190
Total Liabilities and Net Position	\$ 49,017,446	\$ 44,567,176	\$ 4,450,270

STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>	<u>Increase (Decrease)</u>
OPERATING REVENUE			
Operating grants	\$ 11,822,974	\$ 11,177,535	\$ 645,439
Other operating revenue	1,677,352	1,682,260	(4,908)
Dwelling rentals income - tenants	2,666,733	2,702,786	(36,053)
Total Operating Revenue	16,167,059	15,562,581	604,478
OPERATING EXPENSES			
Housing assistance payments	8,545,395	7,954,416	590,979
Administration	3,671,891	3,669,298	2,593
Tenant services	392,351	457,978	(65,627)
Depreciation and amortization	1,004,581	1,047,254	(42,673)
Maintenance & operations	1,352,330	1,237,238	115,092
Utilities	525,168	532,347	(7,179)
General & insurance expenses	676,721	562,162	114,559
Total Operating Expenses	16,168,437	15,460,693	707,744
NONOPERATING REVENUE (EXPENSES)			
Interest income	869,693	651,185	218,508
Interest expense	(334,751)	(341,998)	7,247
Extraordinary items	169,626	83,707	85,919
Gain on sale of fixed assets	-	2,323,114	(2,323,114)
Total Nonoperating Revenue	704,568	2,716,008	(2,011,440)
Prior period adjustments	-	(95,820)	95,820
Change in Net Position	\$ 703,190	\$ 2,722,076	\$ (2,018,886)

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
MANAGEMENT'S DISCUSSION AND ANALYSIS - Continued
FISCAL YEAR ENDED DECEMBER 31, 2023

ANALYSIS OF FINANCIAL STATEMENTS

STATEMENT OF NET POSITION - see page 6

- **Current Assets** increased \$426,504 primarily due to increases in Cash and Investments. This increase was partially due to interest income from investment in short-term CDs and Money Market accounts.
- **Capital Assets** increased \$3,455,184 primarily due to an increase of \$3,906,146 in Construction in progress less reductions due to scheduled depreciation.
- **Other Assets** increased by \$546,926 due to an increase in interest receivable.
- **Current Liabilities** increased by \$3,739,186 primarily due to an increase in unearned revenue of \$2,996,851 and an increase in the current portion (the amount scheduled to be paid down within the next 12-month period) of notes payable of \$582,780.
- **Non-Current Liabilities** increased minimally by \$7,894.
- **Net Investment in Capital Assets** increased \$2,867,140 primarily due to construction in progress.
- **Restricted Net Position** increased by \$73,096 primarily due to an increase in replacement reserve amounts.
- **Unrestricted Net Position for all programs** decreased by \$2,237,046 primarily due to:
 - Net decrease in the Acquisitions and Development fund of \$3,478,615 due to pre-development expenses for future tax credit development.

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
MANAGEMENT'S DISCUSSION AND ANALYSIS - Continued
FISCAL YEAR ENDED DECEMBER 31, 2023

ANALYSIS OF FINANCIAL STATEMENTS - Continued

STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET ASSETS - see page 6

REVENUE - (Operating and Non-Operating)

- **Operating Grants** Increased by \$645,439, primarily due to:
 - Walnut Park Apartments received a non-cash grant from Energy Outreach Colorado in the form of fixed equipment purchased on the property's behalf in the amount of \$410,710
 - Voucher Administrative Fees increased as a result of increased utilization combined with the HUD Administrative Fee rate increase and the Administrative fee proration increase.
 - Voucher HAP payments were increased due to higher utilization combined with an increased payment standards.

Operating Grants Description	2023	2022	Difference
Nellie Bechtel- HUD Rent Assistance Grant	\$200,387	\$225,182	-\$24,795
Voucher Client Support- Next50, United Healthcare	212,695	304,540	-91,845
Ratekin Tower – HUD Rent Assistance Grant	604,866	603,381	1,485
Walnut Park – HUD Rent Assistance Grant	463,099	447,423	15,676
Walnut Park- Energy Outreach Colorado (non-cash)	410,710	0	410,710
Family Self Sufficiency – HUD Administrative Grant	33,342	56,171	-22,829
Family Self Sufficiency- Anschutz Grant for credit counseling	10,000	0	10,000
Vouchers – HUD Housing Assistance Payments	8,059,037	7,810,900	248,137
Vouchers – HUD Administrative Fee Grant	1,240,946	1,160,454	80,492
Tenant Based Rental Assistance – Mesa County DHS	529	52,207	-51,678
Tenant Based Rental Assistance – Colorado Division of Housing	227,978	148,192	79,786
Walnut Park Service Coordinator – HUD	54,958	49,458	5,500
General Fund CHFA Healthy Housing	4,756	61,365	-56,609
Emergency Housing Vouchers	218,693	145,580	73,113
Community Development Block Grant	0	69,666	-69,666
Doors 2 Success – United Way/Other Support	80,978	43,016	37,962
Total Operating Grants	\$11,822,974	\$11,177,535	\$645,439

- **Other Operating Revenue** - Decreased modestly by \$4,908.
- **Dwelling Rentals Income** - Decreased by \$36,053 primarily due to the decrease in number of rental units from the sale of the Lincoln and Courtyard properties in 2022.

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
MANAGEMENT'S DISCUSSION AND ANALYSIS - Continued
FISCAL YEAR ENDED DECEMBER 31, 2023

ANALYSIS OF FINANCIAL STATEMENTS - Continued

EXPENSES - (Operating and Non-Operating)

- **Housing Assistance Payments** increased by \$590,979 in comparison to 2022, primarily due to the increase in number of vouchers leased combined with an increase in the Housing Choice Voucher payment standards.
- **Tenant Services** decreased by \$64,161 due to the decrease in payments to tenants for emergency rent and other assistance due to a decrease in supportive services grant income available.
- **Maintenance & Operations** increased by \$115,092 due primarily to an increase in staffing levels on the maintenance team. The maintenance team had delayed low priority projects from 2022 to be completed in 2023 instead.
- **Utilities'** costs decreased slightly by \$7,179 primarily due to timing of invoice receipts and payments between 2022 and 2023.
- **Insurance Expense** increased by \$108,541 due to an overall increase in insurance policy costs both state-wide and nationally.
- The decrease in **Gain on sale of fixed assets** of \$2,323,114 is due to the sale of the Lincoln and Courtyard apartments in 2022.
- **Extraordinary items** are from hazard cleanup expenses in 2023.

STATEMENT OF CASH FLOWS - see page 15

Net Cash increased \$326,417.

➤ Net Cash Provided by Operating Activities was \$4,063,909 primarily from the following:

- Linden Pointe provided \$68,738
- Crystal Brook provided \$127,215
- Ratekin Tower provided \$224,578
- Walnut Park provided \$635,870
- Housing Choice Vouchers (including Emergency Housing and FSS) used \$377,951
- Monument Business Center provided \$128,897 (through commercial leasing)
- Acquisitions and Development provided \$2,761,588
- General Administration provided \$335,817
- Service coordinator used \$256,524
- Nellie Bechtel provided \$334,385
- TBRA used \$43,286

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
MANAGEMENT'S DISCUSSION AND ANALYSIS - Continued
FISCAL YEAR ENDED DECEMBER 31, 2023

ANALYSIS OF FINANCIAL STATEMENTS - Continued

- Net Cash Used in Capital and Related Financing activities is from the following:
 - Acquisition of capital assets of (\$4,459,765) from construction work in progress
 - Loan proceeds of \$1,202,129
 - Principal payments of (\$635,806)
 - Note receivable payments received of \$175,000
 - Interest paid (\$445,583)

- Net Cash Provided By Noncapital Financing Activities was \$169,626,

- Net Cash Provided by Investing Activities was \$256,907 from interest received.

SIGNIFICANT TRANSACTIONS

- In November 2023, the Authority (with Housing Authority funds as well as grant assistance from the City of Grand Junction and the Colorado Department of Local Affairs, through the City of Grand Junction) spent \$3.4M for the purchase of 15 acres of land (The Confluence) for future tax credit development.

- The Authority received an additional \$194,864 in deferred developer fees, interest, partnership administrative fees, and asset management fees from Arbor Vista, Highlands, Highlands 2, Village Park, and 2814 LLLP.

- In 2022, the Authority was awarded \$410,710 from Energy Outreach Colorado, and obtained a \$1,200,000 loan to fund a large Capital Improvement Project at Walnut Park. Work began in 2023 and will continue through 2024, possibly into early 2025.

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
MANAGEMENT'S DISCUSSION AND ANALYSIS - Continued
FISCAL YEAR ENDED DECEMBER 31, 2023

BUDGETARY HIGHLIGHTS

- The Authority continues to work on the self-sustainability of all programs/properties by seeking new sources of funding and reducing costs wherever possible.
- During 2023, GJHA utilized 97.5% of its awarded Housing Choice Voucher Program budget authority.

FUTURE EVENTS

- The Authority received \$167,595 in Deferred Developer Fee and Administrative Fee payments in 2024 based on surplus cash calculations from 2023.
- To capitalize on the current interest rate environment, GJHA obtained approval from the Board of Directors in 2023 to invest in short-term CDs earning 5%. The initial investment in CDs of \$3,000,000 has grown to \$3,634,955 as of March 2024. Cash needs will be discussed quarterly to determine the best use of these funds.
- Tax credit application for the first phase of the development on the recently purchased 15 acres of land (The Current) will take place in 2024.
- For calendar year 2024, the Authority anticipates it will receive adequate housing assistance payment operating grant funding to achieve nearly full lease up of its Section 8 Housing Choice Voucher Program.

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

The financial report is designed to provide a general overview of GJHA's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be directed to the Chief Executive Officer, Chief Operating Officer, or Controller at Grand Junction Housing Authority, 8 Foresight Circle, Grand Junction, CO 81505.

**HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado**

BASIC FINANCIAL STATEMENTS

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
STATEMENT OF NET POSITION
DECEMBER 31, 2023

<u>ASSETS</u>	<u>PRIMARY GOVERNMENT</u>	<u>DISCRETELY PRESENTED COMPONENT UNITS</u>	<u>TOTAL (MEMORANDUM ONLY)</u>
CURRENT ASSETS			
Cash and investments	\$ 10,234,929	\$ 1,228,188	\$ 11,463,117
Cash and investments - restricted	1,300,979	1,179,246	2,480,225
Receivables			
Tenants, net of allowance for doubtful accounts	86,119	81,978	168,097
Other, net of allowance for doubtful accounts	373,526	849	374,375
Due from other governments	244,609	-	244,609
Inventory	150,796	-	150,796
Prepaid expenses	56,799	786	57,585
TOTAL CURRENT ASSETS	12,447,757	2,491,047	14,938,804
NONCURRENT ASSETS			
Notes receivable	9,538,032	-	9,538,032
Interest receivable	4,983,529	-	4,983,529
Other assets, net of accumulated amortization	291,993	319,054	611,047
Land	2,431,651	3,325,912	5,757,563
Land improvements	3,801,820	6,827,255	10,629,075
Buildings and improvements	31,040,495	64,832,519	95,873,014
Equipment	2,779,791	2,033,608	4,813,399
Construction in progress	3,954,640	-	3,954,640
Less accumulated depreciation	(22,252,262)	(18,631,708)	(40,883,970)
TOTAL NONCURRENT ASSETS	36,569,689	58,706,640	95,276,329
TOTAL ASSETS	\$ 49,017,446	\$ 61,197,687	\$ 110,215,133

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

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
STATEMENT OF NET POSITION - Continued
DECEMBER 31, 2023

<u>LIABILITIES AND NET POSITION</u>	<u>PRIMARY GOVERNMENT</u>	<u>DISCRETELY PRESENTED COMPONENT UNITS</u>	<u>TOTAL (MEMORANDUM ONLY)</u>
CURRENT LIABILITIES			
Accounts payable	\$ 73,045	\$ 17,098	\$ 90,143
Accrued expenses	319,328	405,756	725,084
Compensated absences	225,359	-	225,359
Unearned revenue	3,100,035	-	3,100,035
Tenants' security deposits	224,846	271,549	496,395
Current portion of notes payable	<u>1,065,046</u>	<u>183,252</u>	<u>1,248,298</u>
TOTAL CURRENT LIABILITIES	<u>5,007,659</u>	<u>877,655</u>	<u>5,885,314</u>
NONCURRENT LIABILITIES			
Tenants' FSS escrow	56,856	-	56,856
Developer fee payable	-	434,527	434,527
Notes payable, net of discount	12,406,500	16,015,040	28,421,540
Accrued interest payable	-	4,906,566	4,906,566
TOTAL NONCURRENT LIABILITIES	<u>12,463,356</u>	<u>21,356,133</u>	<u>33,819,489</u>
TOTAL LIABILITIES	<u>17,471,015</u>	<u>22,233,788</u>	<u>39,704,803</u>
NET POSITION			
Net investment in capital assets	6,096,967	42,189,294	48,286,261
Restricted	1,019,277	907,697	1,926,974
Unrestricted	<u>24,430,187</u>	<u>(4,133,092)</u>	<u>20,297,095</u>
TOTAL NET POSITION	<u>31,546,431</u>	<u>38,963,899</u>	<u>70,510,330</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 49,017,446</u>	<u>\$ 61,197,687</u>	<u>\$ 110,215,133</u>

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

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2023

	<u>PRIMARY GOVERNMENT</u>	<u>DISCRETELY PRESENTED COMPONENT UNITS</u>	<u>TOTAL (MEMORANDUM ONLY)</u>
OPERATING REVENUE			
Dwelling rental	\$ 2,666,733	\$ 3,211,115	\$ 5,877,848
Operating grants	11,822,974	-	11,822,974
Other operating revenue	<u>1,677,352</u>	<u>212,505</u>	<u>1,889,857</u>
TOTAL OPERATING REVENUE	<u>16,167,059</u>	<u>3,423,620</u>	<u>19,590,679</u>
OPERATING EXPENSES			
Administration	3,671,891	1,151,373	4,823,264
Tenant services	392,351	2,487	394,838
Utilities	525,168	325,857	851,025
Maintenance and operations	1,352,330	498,594	1,850,924
General expenses	183,060	70,224	253,284
Insurance	493,661	297,713	791,374
Housing assistance payments	8,545,395	-	8,545,395
Depreciation and amortization	<u>1,004,581</u>	<u>2,322,762</u>	<u>3,327,343</u>
TOTAL OPERATING EXPENSES	<u>16,168,437</u>	<u>4,669,010</u>	<u>20,837,447</u>
OPERATING (LOSS)	<u>(1,378)</u>	<u>(1,245,390)</u>	<u>(1,246,768)</u>
NONOPERATING REVENUE (EXPENSE)			
Interest income	869,693	23,902	893,595
Extraordinary items	169,626	-	169,626
Interest expense	<u>(334,751)</u>	<u>(985,295)</u>	<u>(1,320,046)</u>
NET NONOPERATING REVENUE (EXPENSE)	<u>704,568</u>	<u>(961,393)</u>	<u>(256,825)</u>
CHANGE IN NET POSITION	703,190	(2,206,783)	(1,503,593)
NET POSITION AT BEGINNING OF YEAR	<u>30,843,241</u>	<u>41,170,682</u>	<u>72,013,923</u>
NET POSITION AT END OF YEAR	<u>\$ 31,546,431</u>	<u>\$ 38,963,899</u>	<u>\$ 70,510,330</u>

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

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2023

	<u>PRIMARY GOVERNMENT</u>	<u>DISCRETELY PRESENTED COMPONENT UNITS</u>	<u>TOTAL (MEMORANDUM ONLY)</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from tenants/participants	\$ 5,617,837	\$ 3,150,543	\$ 8,768,380
Cash received from operating grants	11,683,755	-	11,683,755
Other income received	1,757,914	210,602	1,968,516
Cash payments to vendors	(3,235,884)	(1,882,072)	(5,117,956)
Cash payments to employees	(3,214,318)	(545,817)	(3,760,135)
Cash payments for housing assistance	(8,545,395)	-	(8,545,395)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>4,063,909</u>	<u>933,256</u>	<u>4,997,165</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Notes receivable	175,000	-	175,000
Developer fee paid	-	(175,000)	(175,000)
Acquisition of capital assets	(4,459,765)	-	(4,459,765)
Loan proceeds	1,202,129	-	1,202,129
Principal payments	(635,806)	(175,254)	(811,060)
Interest paid	(445,583)	(382,694)	(828,277)
NET CASH (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(4,164,025)</u>	<u>(732,948)</u>	<u>(4,896,973)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Extraordinary items	<u>169,626</u>	<u>-</u>	<u>169,626</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	<u>256,907</u>	<u>23,902</u>	<u>280,809</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	326,417	224,210	550,627
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>11,209,491</u>	<u>2,183,224</u>	<u>13,392,715</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 11,535,908</u>	<u>\$ 2,407,434</u>	<u>\$ 13,943,342</u>

(Continued on page 16)

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

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION

Grand Junction, Colorado

STATEMENT OF CASH FLOWS - Continued

YEAR ENDED DECEMBER 31, 2023

	<u>PRIMARY GOVERNMENT</u>	<u>DISCRETELY PRESENTED COMPONENT UNITS</u>	<u>TOTAL (MEMORANDUM ONLY)</u>
<u>RECONCILIATION OF CASH AND CASH EQUIVALENTS</u>			
<u>PER STATEMENT OF CASH FLOWS TO THE STATEMENT</u>			
<u>OF NET POSITION</u>			
Cash and investments	\$ 10,234,929	\$ 1,228,188	\$ 11,463,117
Cash and investments - restricted	1,300,979	1,179,246	2,480,225
CASH AND CASH EQUIVALENTS PER			
STATEMENT OF NET POSITION	<u>\$ 11,535,908</u>	<u>\$ 2,407,434</u>	<u>\$ 13,943,342</u>
<u>RECONCILIATION OF (LOSS) FROM OPERATIONS TO NET CASH</u>			
<u>PROVIDED BY OPERATING ACTIVITIES</u>			
Operating (loss)	\$ (1,378)	\$ (1,245,390)	\$ (1,246,768)
Adjustments to reconcile operating (loss) to net cash provided by operating activities			
Depreciation and amortization	1,004,581	2,322,762	3,327,343
Changes in assets and liabilities			
Decrease (increase) in assets			
Accounts receivable	41,231	(67,572)	(26,341)
Due from other governments	(115,967)	-	(115,967)
Inventory	(39,748)	-	(39,748)
Prepaid expenses	(7,259)	-	(7,259)
(Decrease) increase in liabilities			
Accounts payable - operations	(20,494)	(42,405)	(62,899)
Accrued expenses	195,487	-	195,487
Unearned revenue	2,986,361	-	2,986,361
Due to other governments	10,490	(41,139)	(30,649)
Tenants' security deposits	6,601	7,000	13,601
Tenants' FSS escrow	4,004	-	4,004
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 4,063,909</u>	<u>\$ 933,256</u>	<u>\$ 4,997,165</u>

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

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1 - Summary of Significant Accounting Policies

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

In accordance with Statement No. 61, Government Accounting Standards Board (GASB), the basis criterion for including a legally separate organization as a component unit is the degree of financial accountability the Housing Authority has with the organization. A financial benefit or burden relationship needs to be present between the Housing Authority and that organization for it to be included in the reporting entity as a component unit. The following circumstances set forth the Housing Authority's financial accountability for a legally separate organization:

- a. The Housing Authority is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Housing Authority.
- b. The Housing Authority may be financially accountable if an organization is fiscally dependent on the Housing Authority regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government, or (3) a jointly appointed board.

Based upon the application of these criteria, this report includes the following component units.

Blended Component Units:

Doors 2 Success

Doors 2 Success is a local not-for-profit 509(a)(3) corporation established under the laws of the State of Colorado. Its purpose is to work with the Housing Authority through education, advocacy, and supportive services. Separate financial statements for the component unit are not available, and as a component of the Housing Authority's financial aspects, are reported as part of the Authority. The Board of Commissioners of the Housing Authority appoints the governing body of Doors 2 Success. Doors 2 Success provides support and guidance to the supportive service programs of the Housing Authority.

McMahon

McMahon Subdivision Owner's Association is an entity set up to shared costs at the tax credit properties the Highlands & the Highlands 2. Both tax credits pay fees to the entity in return for upkeep and maintenance at the properties. Separate financial statements for the component unit are not available, and as a component of the Housing Authority's financial aspects, are reported as part of the Housing Authority.

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2023

NOTE 1 - Summary of Significant Accounting Policies - Continued

Linden Pointe LLLP

Linden Pointe, LLLP ("Linden Pointe") was formed on February 18, 2004, as a limited liability limited partnership under the laws of the state of Colorado. It was formed for the purpose of owning and operating a 92-unit low-income housing project called Linden Pointe located in Grand Junction, Colorado.

Pursuant to the Assignment and Assumption of Limited Partner Interests and Amendment to the Amended and Restated Agreement of Limited Partnership dated December 31, 2020, the Housing Authority acquired an additional 99.89% interest and Affordable Homes, LLC, an affiliate of the Housing Authority, acquired a .1% limited partnership interest in Linden Pointe.

Discretely Presented Component Units (DPCU):

The DPCU's have qualified and been allocated low-income housing tax credit pursuant to the Internal Revenue Code Section 42 ("Section 42"), which regulates the use of the property as to occupant eligibility and unit gross rent, among other requirements. The DPCU's must meet the provisions of these regulations during each of fifteen (15) consecutive years in order to continue to qualify to receive the tax credits. Failure to comply with occupant eligibility and/or unit gross rent, or to correct noncompliance within a specified time period could result in recapture of the previously taken low-income housing tax credits plus interest. Such potential noncompliance may require an adjustment to the contributed capital by the limited partners. All units within these DPCU's are subject to the rent restrictions and qualified tenant restrictions as required by the Low Income Housing Tax Credit Program.

Arbor Vista, LLLP

Arbor Vista, LLLP ("Arbor Vista") was formed on June 29, 2007, as a limited liability limited partnership under the laws of the state of Colorado. It was formed for the purpose of owning and operating a 72-unit multifamily housing apartment complex called Arbor Vista located in Grand Junction, Colorado. Arbor Vista is owned 44.995% by Enterprise Housing Partners XVII, L.P. and 54.995% by Enterprise Housing Partners XVIII, L.P. (Limited Partners) and 0.01% by the Housing Authority (General Partner).

The Highlands LLLP

The Highlands LLLP ("The Highlands") is a Colorado limited liability partnership formed in February 2015, for the purpose of investment in real property and the provision of low-income housing through the construction, renovation, rehabilitation, operation and leasing of an apartment complex. The Highlands is a 64-unit, multifamily rental housing development in Grand Junction, Colorado, for low to moderate-income residents. The Highlands is owned 99.99% by Wells Fargo Affordable Housing Community Development Corporation (Limited Partner) and .01% by the Housing Authority (General Partner).

Village Park LLLP

Village Park LLLP ("Village Park") was formed on February 20, 2012, as a limited liability limited partnership under the laws of the state of Colorado. It was formed for the purpose of owning and operating a 72-unit apartment complex in Grand Junction, Colorado. Village Park is owned 99.99% by Wincopin Circle LLLP (Limited Partner) and .01% by the Housing Authority (General Partner).

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2023

NOTE 1 - Summary of Significant Accounting Policies - Continued

The Highlands 2 LLLP

The Highlands 2 LLLP ("The Highlands 2") was formed on February 27, 2018, as a limited liability limited partnership under the laws of the state of Colorado. It was formed for the purpose of owning and operating a 72-unit apartment complex for seniors in Grand Junction, Colorado. The Highlands 2 is owned 99.99% by Wells Fargo Affordable Housing Community Development Corporation (Limited Partner) and .01% by the Housing Authority (General Partner).

2814 LLLP

2814 LLLP ("2814") was formed on March 13, 2020, as a limited liability limited partnership under the laws of the state of Colorado. It was formed for the purpose of owning and operating a 60-unit apartment complex in Grand Junction, Colorado. 2814 is owned 99.99% by Wells Fargo Affordable Housing Community Development Corporation (Limited Partner) and .01% by the Housing Authority (General Partner).

The Authority's DPCU's are presented for financial reporting purposes as of and for the year ended December 31, 2023 and reported under the "Discretely Presented Component Units" column on the Statement of Net Position and Statement of Revenue, Expenses and Changes in Net Position. Separately issued financial statements for the DPCU's can be obtained by writing the Director of Finance, Housing Authority of the City of Grand Junction, 8 Foresight Circle, Grand Junction, Colorado, 81505.

Programs Administered by the Housing Authority - The programs of the Housing Authority are recorded in one enterprise fund. Each program is maintained using a separate set of self-balancing accounts. A major fund is defined as a program that total assets, liabilities, revenues, or expenses per program are at least 10 percent of the total category of the Housing Authority. The programs include Local/State, Section 8 New Construction, Section 8 Housing Assistance Program, Multifamily Housing Service Coordinators, Mortgage Insurance for the purchase or Refinancing of Existing Multifamily Housing Projects, Family Self-Sufficiency (FSS), Housing Choice Vouchers, Mainstream Vouchers Program, Emergency Housing Vouchers, Home Investment Partnership Program, Community Development Block Grant/Entitlement Program and Tenant Based Rental Assistance (TBRA).

Basis of Accounting and Measurement Focus - The Housing Authority's basic financial statements are presented on the full accrual basis in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The discretely presented component units are presented on the accrual basis of accounting in accordance with U.S. GAAP, as codified by the Financial Accounting Standards Board.

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

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2023

NOTE 1 - Summary of Significant Accounting Policies - Continued

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

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

Cash and Cash Equivalents - For purposes of the statement of cash flows, the Housing Authority considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

Restricted Cash - Restricted cash is segregated resources for tenants' security deposits and for tenants' family self-sufficiency (FSS) deposits, replacement reserve account, residual receipts account, rehab escrow account, and a laundry account.

Accounts Receivable - Accounts receivable are recorded at gross amount, less an allowance for doubtful accounts. The allowance for doubtful accounts for fraud recovery was \$25,551 for housing choice vouchers at December 31, 2023.

Accounts Receivable - Component Units - Accounts receivable are recorded at gross amount, less an allowance for doubtful accounts. The allowance for doubtful accounts for tenant accounts receivable was \$-0- for the component units at December 31, 2023.

Insurance - The premiums on all major insurance policies are charged to prepaid insurance and amortized over the life of the policy.

Other Assets - Component Units - Other assets consist of tax credit fees. Tax credit fees have been capitalized and will be amortized over the 15-year compliance period for Village Park, the Highlands, Highlands 2, and 2814 LLLP, and over 30 years for Arbor Vista. Accumulated amortization was \$198,006 as of December 31, 2023.

Debt Issuance Costs - Component Units - Debt issuance costs will be amortized over the life of the related debt. Accumulated amortization was \$365,123 as of December 31, 2023. Unamortized debt issuance cost was \$142,062.

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2023

NOTE 1 - Summary of Significant Accounting Policies - Continued

Capital Assets - Purchased capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets, works of art and similar items, and capital assets received in a service concession arrangement are valued at their acquisition value at the date of donation. Buildings and equipment are carried at cost or estimated fair value and depreciated using a straight-line method of depreciation over their estimated useful lives as follows:

Land improvements	5-30 years
Buildings and improvements	5-40 years
Equipment	3-15 years

Capital expenses of \$3,000 or more, with a useful life greater than one year, are capitalized.

Impairment of Long-Lived Assets - The Housing Authority reviews its capital assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recovered. If the fair value is less than the carrying amount of the asset, an impairment loss is recognized for the difference. No impairment loss has been recognized for the year ended December 31, 2023.

Compensated Absences - The Housing Authority allows regular employees to accumulate the following compensated absences:

- Vacation time is earned at a rate of 8-14 hours per month. The maximum accrual an employee can carryover is 24 hours times their current monthly accrual rate. Unused vacation time is paid out at termination.

Sick pay is earned at a rate of 8 hours per month and can accumulate to a maximum of 240 hours. Sick leave earned beyond this limit shall be converted to annual leave automatically at a rate of one annual leave hour for every three sick leave hours until the maximum annual leave benefit has been accumulated. Unused sick pay is lost at time of voluntary or involuntary termination.

Net Position - Net position is displayed in three components:

- a. 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.
- b. Restricted net position - Consists of resources with constraints placed on the use either by (1) external group such as creditors, grantors, contributors, or laws or regulations of other governments or, (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other resources that do not meet the definition of "restricted" or "investment in capital assets."

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

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
 NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
 DECEMBER 31, 2023

NOTE 1 - Summary of Significant Accounting Policies - Continued

Employee Retirement Plan - The Housing Authority has a retirement plan covering all of its eligible employees which is funded through contributions to ICMA-RC.

Due To/From Other Programs - During the course of operations, numerous transactions occur between individual programs for goods provided or services rendered. These receivables and payables are classified as "due from other programs" or "due to other programs" on the combining statement of Net Position and have been eliminated in the basic financial statements.

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

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

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

Subsequent Events - The Housing Authority has evaluated subsequent events through May 24, 2024, the date which the financial statements were available to be issued.

NOTE 2 - Cash and Investments

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

At December 31, 2023, the Housing Authority reported cash and cash equivalents as follows:

Cash and investments	\$10,234,929
Cash and investments - restricted	<u>1,300,979</u>
	<u>\$11,535,908</u>

At December 31, 2023, the Component Units reported cash and cash equivalents as follows:

Cash and investments	\$ 1,228,188
Cash and investments - restricted	<u>1,179,246</u>
	<u>\$ 2,407,434</u>

Fair Value of Deposits and Investments - Deposits and investments are reported at fair value. At December 31, 2023, the fair value of the Housing Authority's deposits approximated original cost; therefore, no fair value adjustments were necessary.

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

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2023

NOTE 2 - Cash and Investments - Continued

Income Allocation - Interest income is generally allocated to the program that owns the operating account, savings account, certificate of deposit, repurchase agreement, and money market account.

Custodial Credit Risk - Deposits - Custodial credit is the risk that, in the event of a bank failure, the Housing Authority's deposits may not be returned to it. The Housing Authority does not have a deposit policy for custodial credit risk. As of December 31, 2023, \$10,753,700 of the Housing Authority's bank balance of \$11,604,081 was exposed to custodial credit risk as follows:

Uninsured, collateralized by bank **\$10,753,700**

Deposits - The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by State statutes and regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured deposits as a group. The market value of the collateral must be at least equal to 102 percent of the uninsured deposits. At December 31, 2023, the Housing Authority had bank deposits of \$9,878,386 collateralized with securities held by the financial institutions' agents but not in the Housing Authority's name.

Discretely Presented Component Units - The Partnerships maintain operating cash and cash equivalents in various deposit accounts. The operating cash and cash equivalents are insured by the Federal Deposit Insurance Corporation up to \$250,000. Management believes that no significant concentration of credit risk exists with respect to operating cash during the year ended December 31, 2023.

NOTE 3 - Capital Assets

A summary of changes in capital assets is as follows:

	BALANCE 01/01/23	ADDITIONS	RETIREMENTS	ADJUSTMENTS & TRANSFERS	BALANCE 12/31/23
<i>Capital assets not being depreciated:</i>					
Land	\$ 2,431,651	\$ -	\$ -	-	\$ 2,431,651
Construction in progress	48,494	3,918,396	-	(12,250)	3,954,640
TOTAL CAPITAL ASSETS NOT BEING DEPRECIATED	2,480,145	3,918,396	-	(12,250)	6,386,291
<i>Capital assets being depreciated:</i>					
Land improvements	3,789,570	-	-	12,250	3,801,820
Buildings and improvements	30,640,875	399,620	-	-	31,040,495
Equipment	2,638,042	141,749	-	-	2,779,791
TOTAL CAPITAL ASSETS BEING DEPRECIATED	37,068,487	541,369	-	12,250	37,622,106
Less accumulated depreciation	(21,247,681)	(1,004,581)	-	-	(22,252,262)
TOTAL CAPITAL ASSETS BEING DEPRECIATED, NET OF ACCUMULATED DEPRECIATION	15,820,806	(463,212)	-	12,250	15,369,844
TOTAL CAPITAL ASSETS, NET OF ACCUMULATED DEPRECIATION	\$ 18,300,951	\$ 3,455,184	\$ -	\$ -	\$ 21,756,135

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2023

NOTE 3 - Capital Assets - Continued

A summary of changes in capital assets for the component units as of December 31, 2023, is as follows:

	BALANCE 01/01/23	ADDITIONS	RETIREMENTS	BALANCE 12/31/23
<i>Capital assets not being depreciated:</i>				
Land	\$ 3,325,912	\$ -	\$ -	\$ 3,325,912
Construction in progress	-	-	-	-
TOTAL CAPITAL ASSETS NOT BEING DEPRECIATED	3,325,912	-	-	3,325,912
<i>Capital assets being depreciated:</i>				
Land improvements	6,827,255	-	-	6,827,255
Buildings	64,832,519	-	-	64,832,519
Furniture, equipment, and machinery	2,033,608	-	-	2,033,608
TOTAL CAPITAL ASSETS BEING DEPRECIATED	73,693,382	-	-	73,693,382
Less accumulated depreciation	(16,344,129)	(2,287,579)	-	(18,631,708)
TOTAL CAPITAL ASSETS BEING DEPRECIATED, NET OF ACCUMULATED DEPRECIATION	57,349,253	(2,287,579)	-	55,061,674
TOTAL CAPITAL ASSETS, NET OF ACCUMULATED DEPRECIATION	\$ 60,675,165	\$ (2,287,579)	\$ -	\$58,387,586

NOTE 4 - Notes Receivable

At December 31, 2023, notes receivable consists of:

Four notes receivable from Arbor Vista, accruing interest at 5.10 percent with payments due from available cash. Principal and accrued interest are due December 31, 2038. The notes are secured by the underlying property.	\$ 2,471,806
Developer fee receivable from Arbor Vista, accruing interest at 5.10 percent with payments due from available cash. The developer fee and accrued interest are due as cash flow becomes available.	70,026
Two notes receivable from Village Park, accruing interest at 5.10 percent with payments due from available cash. Principal and accrued interest are due December 31, 2042. The notes are secured by the underlying property.	1,040,000
Three notes receivable from The Highlands, accruing interest at 5.00 percent with payments due from available cash. Principal and accrued interest are due December 31, 2046. The notes are secured by the underlying property.	1,267,721
Four notes receivable from The Highlands 2, accruing interest at 5.00 percent with payments due from available cash. Principal and accrued interest are due February 27, 2058. The notes are secured by the underlying property.	2,260,868
Developer fee receivable from The Highlands 2, accruing interest at 2.74 percent with payments due from available cash. The developer fee and accrued interest are due as cash flow becomes available.	139,589
Six notes receivable from 2814 LLLP, accruing interest at 1.93 percent with payments due from available cash. Principal and accrued interest are due March 13, 2050. The notes are secured by the underlying property.	2,063,110
Developer fee receivable from 2814 LLLP, accruing interest at 1.93 percent with payments due from available cash. The developer fee and accrued interest are due April 1, 2036.	224,912
TOTAL NOTES RECEIVABLE	\$ 9,538,032

Accrued interest on the aforementioned notes receivable totaled \$4,983,529 of December 31, 2023.

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2023

NOTE 5 - Long-Term Obligations

Details of the Housing Authority's long-term obligations are set forth below:

Summary of Long-Term Obligations

	BALANCE <u>01/01/23</u>	ADDITIONS	REDUCTIONS	BALANCE <u>12/31/23</u>	AMOUNT DUE WITHIN <u>ONE YEAR</u>
Compensated absences	\$ 193,593	\$ 31,766	\$ -	\$ 225,359	\$ 225,359
Tenants' FSS escrow	52,852	4,004	-	56,856	-
Notes payable	12,908,950	1,202,129	(635,806)	13,475,273	1,065,046
Discount on note payable	(25,448)	-	21,721	(3,727)	-
	<u>\$ 13,129,947</u>	<u>\$ 1,237,899</u>	<u>\$ (614,085)</u>	<u>\$13,753,761</u>	<u>\$ 1,290,405</u>

At December 31, 2023, long-term debt consists of:

Note payable to Colorado Housing Finance Authority for Ratekin property, interest at 1.75%, monthly payments of \$8,001, including interest; matures July 1, 2034. Collateralized by deed of trust on Ratekin.	\$ 929,860
Note payable to HUD for Ratekin property, interest at 1.00%, annual payments, including interest equal to 75.00% of surplus cash as defined; matures August 1, 2033. Collateralized by deed of trust on Ratekin.	2,119,622
Note payable to HUD for Ratekin property, interest at 1.00%, principal and interest due in full August 1, 2033. Collateralized by deed of trust on Ratekin.	216,474
Loan payable to the Bank of Colorado. Monthly payments include interest at 3% until November 8, 2018, at which time monthly payments will be \$7,189 including interest at 4.17% until November 8, 2023. The loan then changes to a variable interest rate calculated at the Federal Home Loan Bank of Topeka 5-Year Advance Rate plus a margin of 2%. The loan matures October 8, 2035 and is collateralized by a deed of trust on the Monument Business Center property.	802,585
Note payable to bank, interest at 0.00%, discount is based on imputed interest rate of 5.00%, principal due in full February 12, 2024. Collateralized by property owned by Arbor Vista, LLLP.	450,000
Loan payable to the Bank of Colorado which was converted to permanent loan on November 1, 2016. Monthly payments of \$12,372 include interest at 2.75% through December 1, 2020, at which time the rate will become the Federal Home Loan Bank of Topeka 5-Year Advance Rate plus a margin of 2%. The loan matures November 1, 2041 and is collateralized by real property at 8 Foresight Circle.	2,055,797
Note payable to bank for Nellie Bechtel Property, interest at 3.75%, monthly payments of \$18,670, including interest; principal and remaining interest due January 1, 2036, collateralized by deed of trust on property.	3,324,658
Note payable to the State of Colorado - Department of Local Affairs in the original amount of \$1,274,655. Interest accrues at 1% per annum until January 1, 2020 at which time monthly payments including interest at 1% are due. The loan matures on February 1, 2035 and is collateralized by a deed of trust on the Nellie Bechtel property.	355,076

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2023

NOTE 5 - Long-Term Obligations - Continued

Note payable to the Bank of Colorado in the original amount of \$319,425. Interest accrues at 2.95% with monthly payments of \$1,771 beginning on December 1, 2019. The loan matures on November 1, 2029 and is collateralized by real property at 2517 Foresight Circle.	\$ 269,466
Note payable to the Bank of San Juan with monthly payments of \$13,122.75 including interest at 2.25% beginning on March 10, 2022. Borrower's final payment will be due on February 10, 2037 and is collateralized by the Linden Pointe deed of trust.	1,781,879
Note payable to the Bank of Colorado with monthly payments of \$7,189 including interest at 4.17% until September 24, 2023, then the note changes to a variable interest rate. The note matures on October 25, 2025 and is collateralized by the Crystal Brook deed of trust.	46,837
Note payable to the Bank of San Juan with monthly payments of \$12,369.42 including interest at 2.77% beginning on June 3, 2022. Borrower's final payment will be due on June 3, 2032, and is collateralized by the Walnut Park deed of trust.	<u>1,123,019</u>
TOTAL NOTES PAYABLE	<u>13,475,273</u>
Less discount on note payable	<u>(3,727)</u>
TOTAL DISCOUNTED NOTES PAYABLE	<u>13,471,546</u>
Less current portion	<u>(1,065,046)</u>
LONG-TERM PORTION	<u>\$12,406,500</u>

Maturities of Long-Term Debt

The aggregate maturities of long-term debt following December 31, 2023, are as follows:

<u>YEARS</u>	<u>PRINCIPAL</u>	<u>DISCOUNT</u>	<u>INTEREST</u>
2024	\$ 1,065,046	\$ (3,727)	\$ 319,241
2025	618,926	-	293,160
2026	617,334	-	276,782
2027	633,954	-	260,164
2028	651,066	-	243,050
2029-2033	5,759,054	-	925,985
2034-2038	3,756,427	-	241,626
2039-2041	373,466	-	9,326
TOTAL	<u>\$ 13,475,273</u>	<u>\$ (3,727)</u>	<u>\$ 2,569,334</u>

Details of the Component Unit's long-term obligations as of December 31, 2023, are set forth below:

Summary of Long-Term Obligations

	<u>BALANCE</u> <u>01/01/2023</u>	<u>ADDITIONS</u>	<u>REDUCTIONS</u>	<u>BALANCE</u> <u>12/31/2023</u>	<u>AMOUNT</u> <u>DUE WITHIN</u> <u>ONE YEAR</u>
Notes payable	<u>\$16,515,608</u>	<u>\$ -</u>	<u>\$ (175,254)</u>	<u>\$16,340,354</u>	<u>\$ 183,252</u>

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2023

NOTE 5 - Long-Term Obligations - Continued

At December 31, 2023, the Components Units' long-term debt consists of:

Loan payable to the Colorado Housing and Finance Authority with monthly payments of \$9,490 including interest at 6.08%. The loan matures September 1, 2029 and secured by a deed of trust on the Arbor property.	\$ 1,318,532
Loan payable to the Colorado Housing and Finance Authority with monthly payments of \$1,686 including interest at 3%. The loan matures on September 1, 2029 and is secured by a deed of trust on the Arbor property.	253,765
Four (4) loans payable to the Colorado Housing and Finance Authority with interest accruing at 5.10%. Payments are due to the extent of excess cash flow. The loans mature on December 31, 2038 and are secured by a deed of trust on the Arbor property.	2,471,806
Three (3) loans payable to the Colorado Housing and Finance Authority accruing interest at 5% with payments due from available cash. The loans mature on December 31, 2046 and are secured by a deed of trust on the Highlands property.	1,267,721
Loan payable to the Bank of Colorado with interest only payments due monthly. The loan accrues interest at 5.19%, matures October 21, 2034 and is secured by a deed of trust on the Village Park property.	2,096,671
Loan payable to the Colorado Housing and Finance Authority in the original amount of \$500,000. Monthly payments of \$2,108 include interest at 3.00%. The loan matures April 1, 2035 and is secured by a deed of trust on the Highlands property.	436,488
Loan payable to the Bank of Colorado in the original amount of \$690,000. Monthly payments of \$3,953 include interest at 5.50%. The loan matures March 28, 2038 and is secured by a deed of trust on The Highlands property.	630,369
Two (2) loans payable to the Colorado Housing and Finance Authority accruing interest at 5.10% with payments due from available cash flow. The loans mature on December 31, 2042 and are secured by deed of trust on the Village Park property.	1,040,000
Four (4) loans payable to the Colorado Housing and Finance Authority accruing interest at 5.00% with payments due from available cash flow. The loans mature on February 27, 2058 and are secured by a deed of trust on The Highlands 2 property.	2,260,868
On February 27, 2018, a construction loan was entered into with the Bank of Colorado in the maximum amount of \$10,500,000 with an interest rate of 4.00%. Interest was payable monthly with all outstanding principal due on December 1, 2019. On February 26, 2020, the construction loan was converted to the permanent phase in the principal amount of \$700,000 with an interest rate of 5.75%, The loan matures on February 26, 2050 and is secured by real property.	674,955
On February 26, 2020, Highlands 2 entered into a promissory note with CHFA in the principal amount of \$500,000. The loan bears interest at a rate of 3%, matures on March 1, 2037, and is secured by real property.	459,187
Six (5) loans payable between 2814 LLLP and the Colorado Housing and Finance Authority in the amounts of \$12,184, \$423,163, \$900,000, \$105,000, \$20,000, and \$580,000. The loans accrue interest at 1.93%, with payments due from available cash flow. The loans mature on March 13, 2050 and are secured by a deed of trust on the 2814 LLLP property.	2,063,110

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2023

NOTE 5 - Long-Term Obligations - Continued

On March 13, 2020, 2814 LLLP entered into a construction loan with the Bank of Colorado in the maximum amount of \$11,145,000, with an interest rate of 3.250%. The remaining unpaid \$675,000 principal balance was converted to a permanent loan and the maturity date was extended to January 19, 2052	\$ 663,967
On January 19, 2022, 2814 LLLP entered into a loan agreement with Colorado Housing and Finance Authority in the principal amount of \$725,000. The loan is secured by a deed of trust on the property. The loan bears interest at 3.0% and matures on February 1, 2039.	<u>702,915</u>
TOTAL DISCOUNTED NOTES PAYABLE	16,340,354
Less unamortized debt issuance costs	<u>(142,062)</u>
TOTAL NOTES PAYABLE	16,198,292
Less current portion	<u>(183,252)</u>
LONG-TERM PORTION	<u>\$16,015,040</u>

Maturities of Component Unit Long-Term Debt

Maturities of the long-term debt at December 31, 2023, are:

<u>YEARS</u>	<u>PRINCIPAL</u>
2024	\$ 183,252
2025	192,756
2026	202,135
2027	211,690
2028	221,792
Thereafter	<u>15,328,729</u>
	<u>\$ 16,340,354</u>

NOTE 6 - Pension Plan

The Housing Authority has an employee defined contribution pension plan with ICMA-RC.

A defined contribution pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual accounts are to be determined instead of specifying the amount of benefits the individual is to receive.

Substantially all employees must participate in the retirement plan. Employees are required to contribute 7.65 percent of their salary. The Housing Authority is required to contribute 9.65 percent of an employee's salary. The Housing Authority's actual contribution was \$337,471 for the year ended December 31, 2023. Total employee contributions for the year ended December 31, 2023 were \$267,403. Total eligible wages for the year ended December 31, 2023 were \$3,466,411.

NOTE 7 - Component Unit Developer Fee Payable

Pursuant to the Development Services Agreement for the Arbor Vista Project, the Housing Authority of the City of Grand Junction, as General Partner, is entitled to receive a developer fee equal to \$844,250 for services rendered in connection with the development of the Arbor Vista Project. The General Partner is also entitled to an additional incentive developer fee equal to the excess of projected development costs eligible for low-income housing tax credits over the Partnership's aggregate expenditures for such items. Any unpaid portion of the fee shall accrue interest at a rate of 5.10 percent per annum. The fee shall be paid subject to the terms of the Partnership Agreement. The Partnership is obligated to repay any unpaid developer fee and unpaid interest on or before December 31, 2024. As of December 31, 2023, the Developer had earned \$844,250 and was owed \$70,026.

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2023

NOTE 7 - Component Unit Developer Fee Payable - Continued

Pursuant to the Amended and Restated Agreement of Limited Partnership of The Highlands 2 Project, the Housing Authority of the City of Grand Junction, as General Partner, is entitled to receive a developer fee equal to \$1,699,103 for services rendered in connection with the development of The Highlands 2 Project. The General Partner is also entitled to an additional incentive developer fee equal to the excess of projected development costs eligible for low-income housing tax credits over the Partnership's aggregate expenditures for such items. Any unpaid portion of the fee shall accrue. The fee shall be paid subject to the terms of the Partnership Agreement. The Partnership is obligated to repay any unpaid developer fee and unpaid interest on or before December 31, 2032. As of December 31, 2023, the Developer had earned \$1,699,103 and was owed \$139,589.

Pursuant to the Amended and Restated Agreement of Limited Partnership of The 2814 Project, the Housing Authority of the City of Grand Junction, as General Partner, is entitled to receive a developer fee equal to \$1,400,000 for services rendered in connection with the development of The 2814 Project. The payable shall bear interest at the long-term Applicable Federal Rate compounded annually. The fee shall be paid subject to the terms of the Partnership Agreement. The Partnership is obligated to repay any unpaid developer fee and unpaid interest on or before April 1, 2026. As of December 31, 2023, the Developer had earned \$1,400,000 and was owed \$224,912.

NOTE 8 - Risk Management

Insured Risk - The Housing Authority purchases commercial insurance with various deductibles and coverages to cover liability, property, workers' 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.

NOTE 9 - Net Position

The following is a summary of individual net position restrictions at December 31, 2023 for the Component Units:

<u>Program</u>	<u>Purpose</u>	<u>Amount</u>
<u>Restricted</u>		
Arbor Vista, LLLP	Replacement and operating reserves	\$ 474,645
Village Park LLLP	Replacement and operating reserves	165,808
The Highlands LLLP	Replacement and operating reserves	125,070
The Highlands 2 LLLP	Replacement and operating reserves	98,925
2814 LLLP	Replacement and operating reserves	43,249
		<u>\$ 907,697</u>

NOTE 10 - Economic Dependency

The Housing Authority received approximately 60 percent of its total revenue from the United States Department of Housing and Urban Development. This funding is subject to federal government budget appropriations and potential funding reductions.

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado

SUPPLEMENTARY INFORMATION

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2023

ASSETS	GENERAL ADMINISTRATION	ACQUISITIONS AND DEVELOPMENT	MONUMENT BUSINESS CENTER	CRYSTAL BROOK	EMERGENCY HOUSING VOUCHERS	HOUSING PLUS HEALTH	HOUSING SERVICE COORDINATOR	RATEKIN TOWER	WALNUT PARK	SERVICE COORDINATOR
CURRENT ASSETS										
Cash and investments	\$ 6,683,387	\$ (945,149)	\$ 110,456	\$ 485,377	\$ 88,373	\$ -	\$ -	\$ 16,965	\$ 2,119,893	\$ (13,012)
Cash and investments - restricted	45,665	-	30,820	185,380	-	-	-	388,900	140,940	-
Receivables	-	-	-	-	-	-	-	-	-	-
Tenants, net of allowance for doubtful accounts	-	-	-	11,361	-	-	-	12,761	21,076	-
Other, net of allowance for doubtful accounts	353,889	-	-	-	-	-	-	4,195	-	-
Due from other governments	142,265	-	-	-	-	-	-	-	-	5,171
Due from other programs	150,796	81,416	-	1,581	-	-	-	-	3,381	-
Inventory	55,892	-	-	-	-	-	-	-	-	-
Prepaid expenses	7,431,894	(863,733)	141,276	683,699	88,373	-	-	422,821	2,285,290	(7,841)
TOTAL CURRENT ASSETS										
	<u>7,431,894</u>	<u>(863,733)</u>	<u>141,276</u>	<u>683,699</u>	<u>88,373</u>	<u>-</u>	<u>-</u>	<u>422,821</u>	<u>2,285,290</u>	<u>(7,841)</u>
NONCURRENT ASSETS										
Notes receivable	789,357	11,291,127	-	-	-	-	-	-	-	-
Interest receivable	27,078	6,363,396	-	-	-	-	-	-	-	-
Other assets, net of accumulated amortization	291,993	-	-	-	-	-	-	-	-	-
Land	453,785	430,128	290,008	80,077	-	-	-	485,530	77,974	-
Land improvements	843,207	-	2,581	128,180	-	-	-	13,300	416,402	-
Buildings and improvements	2,947,618	-	1,030,122	2,962,147	-	-	-	6,352,636	4,130,640	-
Equipment	964,726	-	65,835	100,041	-	-	-	474,993	204,801	3,532
Construction in progress	-	3,913,012	-	-	-	-	-	-	41,628	-
Less accumulated depreciation	(1,762,467)	-	(564,731)	(3,044,959)	-	-	-	(6,169,554)	(3,148,776)	(3,532)
TOTAL NONCURRENT ASSETS										
	<u>4,555,297</u>	<u>21,997,663</u>	<u>823,815</u>	<u>225,486</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,156,905</u>	<u>1,722,669</u>	<u>-</u>
TOTAL ASSETS	\$ 11,987,191	\$ 21,133,930	\$ 965,091	\$ 909,185	\$ 88,373	\$ -	\$ -	\$ 1,579,726	\$ 4,007,959	\$ (7,841)

(Continued on page 31)

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
COMBINING STATEMENT OF NET POSITION - Continued
DECEMBER 31, 2023

ASSETS	NELLIE BECHTEL	FSS	HOUSING CHOICE VOUCHERS	HOUSING ADVOCATE	TBRA	DOORS 2 SUCCESS	MCMAHON	LINDEN POINTE LLLP	ELIMINATING ENTRY	TOTAL
CURRENT ASSETS										
Cash and investments	\$ 303,881	\$ (8,014)	\$ 291,126	\$ -	\$ (40,156)	\$ 32,306	\$ 155,749	\$ 953,747	\$ -	\$ 10,234,929
Cash and investments - restricted	120,732	28,029	57,897	-	-	83,439	-	219,177	-	1,300,979
Receivables										
Tenants, net of allowance for doubtful accounts	3,766	-	-	-	-	-	-	37,155	-	86,119
Other, net of allowance for doubtful accounts	-	105	10,426	-	4,911	-	-	-	-	373,526
Due from other governments	-	7,264	181,284	-	50,890	-	-	-	-	244,609
Due from other programs	-	-	-	-	-	-	-	11,595	(240,238)	-
Inventory	-	-	-	-	-	-	-	-	-	150,796
Prepaid expenses	-	-	-	-	-	-	907	-	-	56,799
TOTAL CURRENT ASSETS	428,379	27,384	540,733	-	15,645	115,745	156,656	1,221,674	(240,238)	12,447,757
NONCURRENT ASSETS										
Notes receivable	-	-	-	-	-	-	-	-	(2,542,452)	9,538,032
Interest receivable	-	-	-	-	-	-	-	-	(1,406,945)	4,983,529
Other assets, net of accumulated amortization	-	-	-	-	-	-	-	-	-	291,993
Land	290,337	-	-	-	-	-	-	323,812	-	2,431,651
Land improvements	423,075	-	-	-	-	-	-	1,975,075	-	3,801,820
Buildings and improvements	5,546,339	-	-	-	-	-	-	8,070,993	-	31,040,495
Equipment	155,392	1,278	314,814	-	-	-	-	494,379	-	2,779,791
Construction in progress	-	-	-	-	-	-	-	-	-	3,954,640
Less accumulated depreciation	(1,203,904)	(1,278)	(173,625)	-	-	-	-	(6,179,436)	-	(22,252,262)
TOTAL NONCURRENT ASSETS	5,211,239	-	141,189	-	-	-	-	4,684,823	(3,949,397)	36,569,689
TOTAL ASSETS	\$ 5,639,618	\$ 27,384	\$ 681,922	\$ -	\$ 15,645	\$ 115,745	\$ 156,656	\$ 5,906,497	\$ (4,189,635)	\$ 49,017,446

(Continued on page 32)

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
COMBINING STATEMENT OF NET POSITION - Continued
DECEMBER 31, 2023

LIABILITIES AND NET POSITION	GENERAL ADMINISTRATION	ACQUISITIONS AND DEVELOPMENT	MONUMENT BUSINESS CENTER	CRYSTAL BROOK	EMERGENCY HOUSING VOUCHERS	HOUSING PLUS HEALTH	HOUSING SERVICE COORDINATOR	RATEKIN TOWER	WALNUT PARK	SERVICE COORDINATOR
CURRENT LIABILITIES										
Accounts payable	\$ 5,403	\$ 41,311	\$ -	\$ 3,047	\$ -	\$ -	\$ -	\$ 4,651	\$ 2,041	\$ -
Accrued expenses	55,400	10,797	5,783	479,237	-	-	529	73,751	2,289	1,429
Compensated absences	114,209	24,387	-	1,077	-	233	2,164	3,148	2,691	2,123
Unearned revenue	-	3,000,000	-	-	42,535	-	-	-	-	-
Other accounts payable	350,669	-	-	-	-	596	-	29,198	-	-
Tenants' security deposits	-	-	5,000	31,143	-	-	-	38,519	27,930	-
Current portion of notes payable	99,458	463,469	53,867	29,107	-	-	-	80,681	118,826	-
TOTAL CURRENT LIABILITIES	<u>625,139</u>	<u>3,539,964</u>	<u>64,650</u>	<u>543,611</u>	<u>42,535</u>	<u>829</u>	<u>2,693</u>	<u>229,948</u>	<u>153,777</u>	<u>3,552</u>
NONCURRENT LIABILITIES										
Tenants' FSS escrow	-	-	748,718	964,938	-	-	253,514	3,286,591	1,004,193	-
Notes payable, net of discount	1,956,339	252,270	-	-	-	-	-	-	-	-
TOTAL NONCURRENT LIABILITIES	<u>1,956,339</u>	<u>252,270</u>	<u>748,718</u>	<u>964,938</u>	<u>-</u>	<u>-</u>	<u>253,514</u>	<u>3,286,591</u>	<u>1,004,193</u>	<u>-</u>
TOTAL LIABILITIES	<u>2,581,478</u>	<u>3,792,234</u>	<u>813,368</u>	<u>1,508,549</u>	<u>42,535</u>	<u>829</u>	<u>256,207</u>	<u>3,516,539</u>	<u>1,157,970</u>	<u>3,552</u>
NET POSITION										
Net investment in capital assets	1,391,072	3,627,401	21,230	(768,559)	-	-	-	(2,109,051)	599,650	-
Restricted	45,665	-	25,820	154,237	-	-	-	350,381	113,010	-
Unrestricted	7,968,976	13,714,295	104,673	14,958	45,838	(829)	(256,207)	(178,143)	2,137,329	(11,393)
TOTAL NET POSITION	<u>9,405,713</u>	<u>17,341,696</u>	<u>151,723</u>	<u>(599,364)</u>	<u>45,838</u>	<u>(829)</u>	<u>(256,207)</u>	<u>(1,936,813)</u>	<u>2,849,989</u>	<u>(11,393)</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 11,987,191</u>	<u>\$ 21,133,930</u>	<u>\$ 965,091</u>	<u>\$ 909,185</u>	<u>\$ 88,373</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,579,726</u>	<u>\$ 4,007,959</u>	<u>\$ (7,841)</u>

(Continued on page 33)

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
COMBINING STATEMENT OF NET POSITION - Continued
DECEMBER 31, 2023

LIABILITIES AND NET POSITION	NELLIE BECHTEL	FSS	HOUSING CHOICE VOUCHERS	HOUSING ADVOCATE	TBRA	DOORS 2 SUCCESS	MCMAHON	LINDEN POINTE LLLP	ELIMINATING ENTRY	TOTAL
CURRENT LIABILITIES										
Accounts payable	\$ 1,570	\$ 45	\$ 4,822	\$ 12	\$ 1	-	\$ 5,430	\$ 4,712	-	\$ 73,045
Accrued expenses	14,676	1,503	24,779	10,083	81	-	-	1,045,936	(1,406,945)	319,328
Compensated absences	5,016	(1,442)	50,807	18,560	-	-	-	2,386	-	225,359
Unearned revenue	-	-	-	-	-	57,500	-	-	-	3,100,035
Due to other programs	1,296	-	1,050	300	85,475	1,697	11,126	(241,169)	(240,238)	-
Tenants' security deposits	47,038	-	-	-	-	-	-	75,216	-	224,846
Current portion of notes payable	101,156	-	-	-	-	-	-	118,482	-	1,065,046
TOTAL CURRENT LIABILITIES	<u>170,752</u>	<u>106</u>	<u>81,458</u>	<u>28,955</u>	<u>85,557</u>	<u>59,197</u>	<u>16,556</u>	<u>1,005,563</u>	<u>(1,647,183)</u>	<u>5,007,659</u>
NONCURRENT LIABILITIES										
Tenants' FSS escrow	-	-	56,856	-	-	-	-	-	-	56,856
Notes payable, net of discount	3,578,578	-	-	-	-	-	-	2,903,811	(2,542,452)	12,406,500
TOTAL NONCURRENT LIABILITIES	<u>3,578,578</u>	<u>-</u>	<u>56,856</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,903,811</u>	<u>(2,542,452)</u>	<u>12,463,356</u>
TOTAL LIABILITIES	<u>3,749,330</u>	<u>106</u>	<u>138,314</u>	<u>28,955</u>	<u>85,557</u>	<u>59,197</u>	<u>16,556</u>	<u>3,909,374</u>	<u>(4,189,635)</u>	<u>17,471,015</u>
NET POSITION										
Net investment in capital assets	1,531,505	-	141,189	-	-	-	-	1,662,530	-	6,096,967
Restricted	73,694	28,029	1,041	-	-	83,439	-	143,961	-	1,019,277
Unrestricted	285,089	(751)	401,378	(28,955)	(69,912)	(26,891)	140,100	190,632	-	24,430,187
TOTAL NET POSITION	<u>1,890,288</u>	<u>27,278</u>	<u>543,608</u>	<u>(28,955)</u>	<u>(69,912)</u>	<u>56,548</u>	<u>140,100</u>	<u>1,997,123</u>	<u>-</u>	<u>31,546,431</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 5,639,618</u>	<u>\$ 27,384</u>	<u>\$ 681,922</u>	<u>\$ -</u>	<u>\$ 15,645</u>	<u>\$ 115,745</u>	<u>\$ 156,656</u>	<u>\$ 5,906,497</u>	<u>\$ (4,189,635)</u>	<u>\$ 49,017,446</u>

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
COMBINING STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2023

	GENERAL ADMINISTRATION	ACQUISITIONS AND DEVELOPMENT	MONUMENT BUSINESS CENTER	CRYSTAL BROOK	EMERGENCY HOUSING VOUCHERS	HOUSING PLUS HEALTH	HOUSING SERVICE COORDINATOR	RATEKIN TOWER	WALNUT PARK	SERVICE COORDINATOR
OPERATING REVENUE										
Dwelling rental	\$ -	\$ -	\$ -	\$ 368,483	\$ -	\$ -	\$ -	\$ 401,769	\$ 362,809	\$ -
Operating grants	-	-	-	-	218,693	4,756	-	604,866	873,809	54,958
Other operating revenue	2,380,529	-	132,819	28,029	-	-	-	41,789	17,981	-
TOTAL OPERATING REVENUE	2,380,529	-	132,819	396,512	218,693	4,756	-	1,048,424	1,254,599	54,958
OPERATING EXPENSES										
Administration	1,408,251	279,961	2,811	112,093	8,000	38	94	291,141	210,915	73,262
Tenant services	2,035	-	-	7,362	1,635	84	24,760	536	757	-
Utilities	13,494	940	-	23,544	-	-	-	129,186	121,341	117
Maintenance and operations	914,494	2,154	2,276	102,128	-	-	-	206,307	217,121	141
General expenses	-	-	-	21,494	-	-	-	84,846	25,492	-
Insurance	129,326	3,159	-	28,149	-	-	-	88,406	44,892	1,008
Housing assistance payments	-	-	-	-	157,173	-	-	-	-	-
Depreciation	210,989	-	37,730	106,366	-	-	-	107,530	113,742	-
TOTAL OPERATING EXPENSES	2,678,589	286,214	42,817	401,136	166,808	122	24,854	907,952	734,260	74,528
OPERATING (LOSS) INCOME	(298,060)	(286,214)	90,002	(4,624)	51,885	4,634	(24,854)	140,472	520,339	(19,570)
NONOPERATING REVENUE (EXPENSE)										
Interest income	165,959	740,090	2,871	13,119	1,081	-	-	3,465	47,337	-
Extraordinary items	-	-	-	-	-	-	-	-	-	-
Transfers (out) in	(18,431)	-	-	-	(16,149)	-	41,777	(41,777)	(10,358)	10,358
Interest expense	(36,124)	(30,026)	(37,702)	(11,677)	-	-	-	(41,601)	(21,974)	-
NET NONOPERATING REVENUE (EXPENSE)	111,404	710,064	(34,831)	1,442	(15,068)	-	41,777	(79,913)	15,005	10,358
CHANGE IN NET POSITION	(186,656)	423,850	55,171	(3,182)	36,817	4,634	16,923	60,559	535,344	(9,212)
NET POSITION AT BEGINNING OF YEAR	9,592,369	16,917,846	96,552	(596,182)	9,021	(5,463)	(273,130)	(1,997,372)	2,314,645	(2,181)
NET POSITION AT END OF YEAR	\$ 9,405,713	\$ 17,341,696	\$ 151,723	\$ (599,364)	\$ 45,838	\$ (829)	\$ (256,207)	\$ (1,936,813)	\$ 2,849,989	\$ (11,393)

(Continued on page 35)

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
COMBINING STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION - Continued
YEAR ENDED DECEMBER 31, 2023

	NELLIE BECHTEL	FSS	HOUSING CHOICE VOUCHERS	HOUSING ADVOCATE	TBRA	DOORS 2 SUCCESS	MCMAHON	LINDEN POINTE LLLP	ELIMINATING ENTRY	TOTAL
OPERATING REVENUE										
Dwelling rental	\$ 699,590	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 834,082	\$ -	\$ 2,666,733
Operating grants	200,387	10,000	9,333,325	212,695	228,507	80,978	-	-	-	11,822,974
Other operating revenue	20,178	20,268	20,535	-	-	57,630	195,436	46,970	(1,284,812)	1,677,352
TOTAL OPERATING REVENUE	<u>920,155</u>	<u>30,268</u>	<u>9,353,860</u>	<u>212,695</u>	<u>228,507</u>	<u>138,608</u>	<u>195,436</u>	<u>881,052</u>	<u>(1,284,812)</u>	<u>16,167,059</u>
OPERATING EXPENSES										
Administration	244,802	12,482	1,310,772	184,847	4,027	28,348	11,910	194,846	(706,709)	3,671,891
Tenant services	1,235	55,827	7,265	217,586	15,209	58,060	-	-	-	392,351
Utilities	108,439	209	11,218	298	12	-	40,129	76,241	-	525,168
Maintenance and operations	148,550	492	27,940	987	80	-	106,087	201,696	(578,103)	1,352,330
General expenses	5,318	-	10,388	-	-	-	-	35,522	-	183,060
Insurance	51,666	1,490	77,277	2,066	151	-	-	66,071	-	493,661
Housing assistance payments	-	-	8,190,349	-	197,873	-	-	-	-	8,545,395
Depreciation	174,454	-	39,784	-	-	-	-	213,986	-	1,004,581
TOTAL OPERATING EXPENSES	<u>734,444</u>	<u>70,500</u>	<u>9,674,993</u>	<u>405,784</u>	<u>217,352</u>	<u>86,408</u>	<u>158,126</u>	<u>788,362</u>	<u>(1,284,812)</u>	<u>16,168,437</u>
OPERATING INCOME (LOSS)	<u>185,711</u>	<u>(40,232)</u>	<u>(321,133)</u>	<u>(193,089)</u>	<u>11,155</u>	<u>52,200</u>	<u>37,310</u>	<u>92,690</u>	<u>-</u>	<u>(1,378)</u>
NONOPERATING REVENUE (EXPENSE)										
Interest income	9,231	372	12,595	-	-	543	1,260	10,545	(138,775)	869,693
Extraordinary items	(39,321)	-	-	-	-	-	-	208,947	-	169,626
Transfers (out) in	(15,000)	58,795	(133,699)	177,862	3,130	(56,508)	-	-	-	-
Interest expense	(142,180)	-	-	-	-	-	-	(152,242)	138,775	(334,751)
NET NONOPERATING (EXPENSE) REVENUE	<u>(187,270)</u>	<u>59,167</u>	<u>(121,104)</u>	<u>177,862</u>	<u>3,130</u>	<u>(55,965)</u>	<u>1,260</u>	<u>67,250</u>	<u>-</u>	<u>704,568</u>
CHANGE IN NET POSITION	<u>(1,559)</u>	<u>18,935</u>	<u>(442,237)</u>	<u>(15,227)</u>	<u>14,285</u>	<u>(3,765)</u>	<u>38,570</u>	<u>159,940</u>	<u>-</u>	<u>703,190</u>
NET POSITION AT BEGINNING OF YEAR	<u>1,891,847</u>	<u>8,343</u>	<u>985,845</u>	<u>(13,728)</u>	<u>(84,197)</u>	<u>60,313</u>	<u>101,530</u>	<u>1,837,183</u>	<u>-</u>	<u>30,843,241</u>
NET POSITION AT END OF YEAR	<u>\$ 1,890,288</u>	<u>\$ 27,278</u>	<u>\$ 543,608</u>	<u>\$ (28,955)</u>	<u>\$ (69,912)</u>	<u>\$ 56,548</u>	<u>\$ 140,100</u>	<u>\$ 1,997,123</u>	<u>\$ -</u>	<u>\$ 31,546,431</u>

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2023

	GENERAL ADMINISTRATION	ACQUISITIONS AND DEVELOPMENT	MONUMENT BUSINESS CENTER	CRYSTAL BROOK	EMERGENCY HOUSING VOUCHERS	HOUSING PLUS HEALTH	HOUSING SERVICE COORDINATOR	RATEKIN TOWER	WALNUT PARK	SERVICE COORDINATOR
CASH FLOWS FROM OPERATING ACTIVITIES										
Cash received from tenants/participants	\$ -	\$ 3,000,000	\$ -	\$ 358,957	\$ -	\$ -	\$ -	\$ 388,961	\$ 369,340	\$ -
Cash received from operating grants	-	-	-	-	233,243	4,756	-	604,866	873,809	55,117
Other income received	2,471,091	-	132,819	28,029	-	-	-	41,789	17,981	-
Cash received from (payments for) interprogram services	386,097	-	-	179	-	-	-	(622)	2,669	(5,330)
Cash payments to vendors	(958,731)	(86,788)	(3,922)	(231,696)	(11,811)	(4,756)	(7,776)	(601,263)	(453,912)	(26,933)
Cash payments to employees	(1,562,640)	(151,624)	-	(28,254)	-	-	(17,516)	(209,153)	(174,017)	(46,224)
Cash payments for housing assistance	-	-	-	-	(157,173)	-	-	-	-	-
NET CASH PROVIDED BY (USED IN)	335,817	2,761,588	128,897	127,215	64,259	-	(25,292)	224,578	635,870	(23,370)
OPERATING ACTIVITIES										
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES										
Notes receivable	227,754	-	-	-	-	-	-	-	-	-
Acquisition of capital assets	(65,645)	(3,913,012)	-	-	-	-	-	(70,565)	(377,848)	-
Loan proceeds	-	-	-	-	-	-	-	-	1,200,000	-
Principal payments	(97,305)	(11,174)	(50,622)	(27,449)	-	-	-	(213,451)	(76,981)	-
Interest paid	(36,124)	(8,305)	(37,702)	(11,677)	-	-	-	(35,379)	(21,974)	-
NET CASH PROVIDED BY (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES	28,680	(3,932,491)	(88,324)	(39,126)	-	-	-	(319,395)	723,197	-
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES										
Extraordinary items	-	-	-	-	-	-	-	-	-	-
Transfers (out) in	(18,431)	-	-	-	(16,149)	-	41,777	(41,777)	(10,358)	10,358
NET CASH (USED IN) PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	(18,431)	-	-	-	(16,149)	-	41,777	(41,777)	(10,358)	10,358
CASH FLOWS FROM INVESTING ACTIVITIES										
Interest received	165,581	(11,093)	2,871	13,119	1,081	-	-	3,465	47,337	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	511,647	(1,181,996)	43,444	101,208	49,191	-	16,485	(133,129)	1,396,046	(13,012)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	6,217,405	236,847	97,832	569,549	39,182	-	(16,485)	538,994	864,787	-
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 6,729,052	\$ (945,149)	\$ 141,276	\$ 670,757	\$ 88,373	\$ -	\$ -	\$ 405,865	\$ 2,260,833	\$ (13,012)

(Continued on page 37)

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
COMBINING STATEMENT OF CASH FLOWS - Continued
YEAR ENDED DECEMBER 31, 2023

	NELLIE BECHTEL	FSS	HOUSING CHOICE VOUCHERS	HOUSING ADVOCATE	TBRA	DOORS 2 SUCCESS	MCMAHON	LINDEN POINTE LLLP	ELIMINATING ENTRY	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES										
Cash received from tenants/participants	\$ 686,329	-	\$ -	-	-	\$ -	\$ -	\$ 814,250	\$ -	\$ 5,617,837
Cash received from operating grants	200,387	10,000	9,198,947	192,552	229,100	80,978	-	-	-	11,683,755
Other income (loss) received	20,178	10,268	20,535	-	-	57,630	195,436	46,970	(1,284,812)	1,757,914
Cash (payments for) interprogram services	(907)	-	-	-	(51,436)	(2,282)	(504)	(327,864)	-	-
Cash payments to vendors	(394,241)	(30,959)	(718,654)	(296,943)	(20,005)	(47,349)	(159,327)	(465,630)	1,284,812	(3,235,884)
Cash payments to employees	(177,361)	(36,804)	(705,194)	(103,471)	(3,072)	-	-	1,012	-	(3,214,318)
Cash payments for housing assistance	-	-	(8,190,349)	-	(197,873)	-	-	-	-	(8,545,395)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	334,385	(47,495)	(394,715)	(207,862)	(43,286)	88,977	35,605	68,738	-	4,063,909
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES										
Notes receivable	-	-	-	-	-	-	-	-	(52,754)	175,000
Acquisition of capital assets	-	-	(30,450)	-	-	-	-	(2,245)	-	(4,459,765)
Loan proceeds	2,129	-	-	-	-	-	-	-	-	1,202,129
Principal payments	(95,641)	-	-	-	-	-	-	(115,937)	52,754	(635,806)
Interest paid	(142,180)	-	-	-	-	-	-	(152,242)	-	(445,583)
NET CASH (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES	(235,692)	-	(30,450)	-	-	-	-	(270,424)	-	(4,164,025)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES										
Extraordinary items	(99,321)	-	-	-	-	-	-	208,947	-	169,626
Transfers (out) in	(15,000)	58,795	(133,699)	177,862	3,130	(56,508)	-	-	-	-
NET CASH (USED IN) PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	(54,321)	58,795	(133,699)	177,862	3,130	(56,508)	-	208,947	-	169,626
CASH FLOWS FROM INVESTING ACTIVITIES										
Interest received	9,231	372	12,595	-	-	543	1,260	10,545	-	256,907
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	53,603	11,672	(546,269)	(30,000)	(40,156)	33,012	36,865	17,806	-	326,417
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	371,010	8,343	895,292	30,000	-	82,733	118,884	1,155,118	-	11,209,491
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 424,613	\$ 20,015	\$ 349,023	\$ -	\$ (40,156)	\$ 115,745	\$ 155,749	\$ 1,172,924	\$ -	\$ 11,535,908

(Continued on page 39)

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
COMBINING STATEMENT OF CASH FLOWS - Continued
YEAR ENDED DECEMBER 31, 2023

	GENERAL ADMINISTRATION	ACQUISITIONS AND DEVELOPMENT	MONUMENT BUSINESS CENTER	CRYSTAL BROOK	EMERGENCY HOUSING VOUCHERS	HOUSING PLUS HEALTH	HOUSING SERVICE COORDINATOR	RATEKIN TOWER	WALNUT PARK	SERVICE COORDINATOR
Cash and investments	\$ 6,683,387	\$ (945,149)	\$ 110,456	\$ 485,377	\$ 88,373	\$ -	\$ -	\$ 16,965	\$ 2,119,893	\$ (13,012)
Cash and investments - restricted	45,665	-	30,820	185,380	-	-	-	388,900	140,940	-
CASH AND CASH EQUIVALENTS PER STATEMENT OF NET POSITION	\$ 6,729,052	\$ (945,149)	\$ 141,276	\$ 670,757	\$ 88,373	\$ -	\$ -	\$ 405,865	\$ 2,260,833	\$ (13,012)
Operating (loss) income	\$ (298,060)	\$ (286,214)	\$ 90,002	\$ (4,624)	\$ 51,885	\$ 4,634	\$ (24,854)	\$ 140,472	\$ 520,339	\$ (19,570)
Adjustments to reconcile operating (loss) income to net cash provided by (used in) operating activities	210,989	-	37,730	106,366	-	-	-	107,530	113,742	-
Depreciation										
Changes in assets and liabilities										
Decrease (increase) in assets										
Accounts receivable	90,562	-	-	(11,171)	-	-	-	(16,956)	6,086	-
Due from other governments	-	-	-	-	4,060	-	-	-	-	159
Due from other programs	55,335	-	-	179	-	-	-	-	2,669	-
Inventory	(39,748)	-	-	-	-	-	-	-	-	-
Prepaid expenses	(6,352)	-	-	-	-	-	-	-	-	-
(Decrease) increase in liabilities										
Accounts payable - operations	(22,631)	41,121	-	453	-	(4,634)	(233)	(8,045)	(9,658)	-
Accrued expenses	14,960	6,681	1,165	34,367	(2,176)	-	(205)	2,246	2,247	1,371
Unearned revenue	-	3,000,000	-	-	-	-	-	-	-	-
Due to other governments	-	-	-	-	10,490	-	-	-	-	-
Due to other programs	330,762	-	-	-	-	-	-	(622)	-	(5,330)
Tenants' security deposits	-	-	-	1,645	-	-	-	(47)	445	-
Tenants' FSS escrow	-	-	-	-	-	-	-	-	-	-
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	\$ 335,817	\$ 2,761,588	\$ 128,897	\$ 127,215	\$ 64,259	\$ -	\$ (25,292)	\$ 224,578	\$ 635,870	\$ (23,370)

(Continued on page 39)

RECONCILIATION OF CASH AND CASH EQUIVALENTS PER STATEMENT OF CASH FLOWS TO THE STATEMENT OF NET POSITION

Cash and investments
Cash and investments - restricted
CASH AND CASH EQUIVALENTS PER STATEMENT OF NET POSITION

RECONCILIATION OF (LOSS) INCOME FROM OPERATIONS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES

Operating (loss) income
Adjustments to reconcile operating (loss) income to net cash provided by (used in) operating activities
Depreciation
Changes in assets and liabilities
Decrease (increase) in assets
Accounts receivable
Due from other governments
Due from other programs
Inventory
Prepaid expenses
(Decrease) increase in liabilities
Accounts payable - operations
Accrued expenses
Unearned revenue
Due to other governments
Due to other programs
Tenants' security deposits
Tenants' FSS escrow
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
COMBINING STATEMENT OF CASH FLOWS - Continued
YEAR ENDED DECEMBER 31, 2023

	NELLIE BECHTEL	FSS	HOUSING CHOICE VOUCHERS	HOUSING ADVOCATE	TBRA	DOORS 2 SUCCESS	MCMAHON	LINDEN POINTE LLLP	ELIMINATING ENTRY	TOTAL
Cash and investments	\$ 303,881	\$ (8,014)	\$ 291,126	\$ -	\$ (40,156)	\$ 32,306	\$ 155,749	\$ 953,747	\$ -	\$ 10,234,929
Cash and investments - restricted	120,732	28,029	57,897	-	-	83,439	-	219,177	-	1,300,979
CASH AND CASH EQUIVALENTS PER STATEMENT OF NET POSITION	\$ 424,613	\$ 20,015	\$ 349,023	\$ -	\$ (40,156)	\$ 115,745	\$ 155,749	\$ 1,172,924	\$ -	\$ 11,535,908
Operating income (loss)	\$ 185,711	\$ (40,232)	\$ (321,133)	\$ (193,089)	\$ 11,155	\$ 52,200	\$ 37,310	\$ 92,690	\$ -	\$ (1,378)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities	174,454	-	39,784	-	-	-	-	213,986	-	1,004,581
Changes in assets and liabilities (increase) decrease in assets	(3,766)	-	(3,080)	-	1	-	-	(20,445)	-	41,231
Accounts receivable	-	3,742	(134,378)	9,857	593	-	-	-	-	(115,967)
Due from other governments	-	-	-	-	-	-	-	(10,134)	(48,049)	-
Due from other programs	-	-	-	-	-	-	-	-	-	(39,748)
Inventory	-	-	-	-	-	-	(907)	-	-	(7,259)
Prepaid expenses	-	-	-	-	-	-	-	-	-	-
(Decrease) increase in liabilities	(14,195)	45	1,307	(68)	(11)	(742)	(294)	(2,909)	-	(20,494)
Accounts payable - operations	2,583	(1,050)	18,781	5,438	(3,588)	-	-	112,667	-	195,487
Accrued expenses	(13,440)	(10,000)	-	(30,000)	-	39,801	-	-	-	2,986,361
Unearned revenue	-	-	-	-	-	-	-	-	-	10,490
Due to other governments	-	-	-	-	(51,436)	(2,282)	(504)	(317,730)	48,049	-
Due to other programs	(907)	-	-	-	-	-	-	-	-	-
Tenants' security deposits	3,945	-	-	-	-	-	-	613	-	6,601
Tenants' FSS escrow	-	-	4,004	-	-	-	-	-	-	4,004
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	\$ 334,385	\$ (47,495)	\$ (394,715)	\$ (207,862)	\$ (43,286)	\$ 88,977	\$ 35,605	\$ 68,738	\$ -	\$ 4,063,909

RECONCILIATION OF CASH AND CASH EQUIVALENTS PER STATEMENT OF CASH FLOWS TO THE STATEMENT OF NET POSITION

Cash and investments
Cash and investments - restricted
CASH AND CASH EQUIVALENTS PER STATEMENT OF NET POSITION

RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES

Operating income (loss)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities
Depreciation
Changes in assets and liabilities (increase) decrease in assets
Accounts receivable
Due from other governments
Due from other programs
Inventory
Prepaid expenses
(Decrease) increase in liabilities
Accounts payable - operations
Accrued expenses
Unearned revenue
Due to other governments
Due to other programs
Tenants' security deposits
Tenants' FSS escrow
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
COMBINING STATEMENT OF NET POSITION - COMPONENT UNITS
DECEMBER 31, 2023

ASSETS	ARBOR VISTA LLLP	VILLAGE PARK LLLP	THE HIGHLANDS LLLP	THE HIGHLANDS II LLLP	2814 LLLP	TOTAL
CURRENT ASSETS						
Cash and cash equivalents	\$ 126,487	\$ 352,266	\$ 258,625	\$ 248,676	\$ 242,134	\$ 1,228,188
Cash and cash equivalents - restricted	534,876	231,692	170,072	150,637	91,969	1,179,246
Receivables						
Tenants	31,788	29,551	7,985	7,796	4,858	81,978
Other	-	-	849	-	-	849
Prepaid expenses	-	-	-	-	786	786
TOTAL CURRENT ASSETS	693,151	613,509	437,531	407,109	339,747	2,491,047
NONCURRENT ASSETS						
Other assets, net of accumulated amortization	27,150	21,195	62,572	89,333	118,804	319,054
Land	1,062,457	720,000	390,335	573,120	580,000	3,325,912
Land improvements	1,834,146	1,267,446	1,425,099	762,147	1,538,417	6,827,255
Buildings and improvements	10,771,424	12,013,357	14,551,290	13,699,803	13,796,645	64,832,519
Equipment	160,557	339,988	284,626	735,463	512,974	2,033,608
Less accumulated depreciation	(7,867,359)	(4,301,002)	(3,088,740)	(2,034,060)	(1,340,547)	(18,631,708)
TOTAL NONCURRENT ASSETS	5,988,375	10,060,984	13,625,182	13,825,806	15,206,293	58,706,640
TOTAL ASSETS	6,681,526	10,674,493	14,062,713	14,232,915	15,546,040	61,197,687
LIABILITIES AND NET POSITION						
LIABILITIES						
CURRENT LIABILITIES						
Accounts payable	2,901	3,506	75	4,799	5,817	17,098
Accrued expenses	27,647	142,488	55,294	52,424	127,903	405,756
Tenants' security deposits	60,231	65,884	45,002	51,712	48,720	271,549
Current portion of notes payable	61,409	56,673	24,915	19,430	20,825	183,252
TOTAL CURRENT LIABILITIES	152,188	268,551	125,286	128,365	203,265	877,655
NONCURRENT LIABILITIES						
Developer fee payable	70,026	-	-	139,589	224,912	434,527
Notes payable	3,975,044	3,079,998	2,256,042	3,333,195	3,370,761	16,015,040
Accrued interest payable	2,788,755	687,510	477,926	754,759	197,616	4,906,566
TOTAL NONCURRENT LIABILITIES	6,833,825	3,767,508	2,733,968	4,227,543	3,793,289	21,356,133
TOTAL LIABILITIES	6,986,013	4,036,059	2,859,254	4,355,908	3,996,554	22,233,788
NET POSITION						
Net investment in capital assets	1,924,772	6,903,118	11,281,653	10,383,848	11,695,903	42,189,294
Restricted	474,645	165,808	125,070	98,925	43,249	907,697
Unrestricted	(2,703,904)	(430,492)	(203,264)	(605,766)	(189,666)	(4,133,092)
TOTAL NET POSITION	(304,487)	6,638,434	11,203,459	9,877,007	11,549,486	38,963,899
TOTAL LIABILITIES AND NET POSITION	6,681,526	10,674,493	14,062,713	14,232,915	15,546,040	61,197,687

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado

**COMBINING STATEMENT OF REVENUE, EXPENSES, AND
CHANGES IN NET POSITION - COMPONENT UNITS
YEAR ENDED DECEMBER 31, 2023**

	ARBOR VISTA LLLP	VILLAGE PARK LLLP	THE HIGHLANDS LLLP	THE HIGHLANDS II LLLP	2814 LLLP	TOTAL
OPERATING REVENUE						
Dwelling rental	\$ 711,972	\$ 751,293	\$ 603,796	\$ 589,248	\$ 554,806	\$ 3,211,115
Other operating revenue	39,525	23,098	56,796	60,010	33,076	212,505
TOTAL OPERATING REVENUE	<u>751,497</u>	<u>774,391</u>	<u>660,592</u>	<u>649,258</u>	<u>587,882</u>	<u>3,423,620</u>
OPERATING EXPENSES						
Administration	212,850	192,013	290,866	301,398	154,246	1,151,373
Tenant services	73	-	836	881	697	2,487
Utilities	52,938	56,072	52,408	73,296	91,143	325,857
Maintenance and operations	158,477	146,710	52,551	43,628	97,228	498,594
General expenses	7,561	(2,620)	11,748	21,255	32,280	70,224
Insurance	60,062	57,057	64,742	63,879	51,973	297,713
Depreciation and amortization	513,848	390,129	473,601	463,084	482,100	2,322,762
TOTAL OPERATING EXPENSES	<u>1,005,809</u>	<u>839,361</u>	<u>946,752</u>	<u>967,421</u>	<u>909,667</u>	<u>4,669,010</u>
OPERATING (LOSS)	<u>(254,312)</u>	<u>(64,970)</u>	<u>(286,160)</u>	<u>(318,163)</u>	<u>(321,785)</u>	<u>(1,245,390)</u>
NONOPERATING REVENUE (EXPENSE)						
Interest income	5,663	6,350	5,467	3,027	3,395	23,902
Interest expense	(342,259)	(200,980)	(131,874)	(205,110)	(105,072)	(985,295)
NET NONOPERATING (EXPENSE)	<u>(336,596)</u>	<u>(194,630)</u>	<u>(126,407)</u>	<u>(202,083)</u>	<u>(101,677)</u>	<u>(961,393)</u>
CHANGE IN NET POSITION	(590,908)	(259,600)	(412,567)	(520,246)	(423,462)	(2,206,783)
NET POSITION AT BEGINNING OF YEAR	286,421	6,898,034	11,616,026	10,397,253	11,972,948	41,170,682
NET POSITION AT END OF YEAR	<u>\$ (304,487)</u>	<u>\$ 6,638,434</u>	<u>\$ 11,203,459</u>	<u>\$ 9,877,007</u>	<u>\$ 11,549,486</u>	<u>\$ 38,963,899</u>

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado

COMBINING STATEMENT OF CASH FLOWS - COMPONENT UNITS
YEAR ENDED DECEMBER 31, 2023

	ARBOR VISTA LLLP	VILLAGE PARK LLLP	THE HIGHLANDS LLLP	THE HIGHLANDS II LLLP	2814 LLLP	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from tenants/participants	\$ 691,927	\$ 728,495	\$ 596,113	\$ 582,241	\$ 551,767	\$ 3,150,543
Other income received	39,525	10,535	67,456	60,010	33,076	210,602
Cash payments to vendors	(344,589)	(327,845)	(404,576)	(423,425)	(381,637)	(1,882,072)
Cash payments to employees	(142,627)	(151,650)	(79,459)	(79,329)	(92,752)	(545,817)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>244,236</u>	<u>259,535</u>	<u>179,534</u>	<u>139,497</u>	<u>110,454</u>	<u>933,256</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Payment of developer fee	(70,000)	-	-	(105,000)	-	(175,000)
Principal payments	(58,436)	(54,209)	(23,961)	(18,651)	(19,997)	(175,254)
Interest paid	(90,062)	(111,869)	(48,749)	(58,700)	(73,314)	(382,694)
NET CASH (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(218,498)</u>	<u>(166,078)</u>	<u>(72,710)</u>	<u>(182,351)</u>	<u>(93,311)</u>	<u>(732,948)</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest received	5,663	6,350	5,467	3,027	3,395	23,902
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	31,401	99,807	112,291	(39,827)	20,538	224,210
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>629,962</u>	<u>484,151</u>	<u>316,406</u>	<u>439,140</u>	<u>313,565</u>	<u>2,183,224</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 661,363</u>	<u>\$ 583,958</u>	<u>\$ 428,697</u>	<u>\$ 399,313</u>	<u>\$ 334,103</u>	<u>\$ 2,407,434</u>

(Continued on page 43)

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
COMBINING STATEMENT OF CASH FLOWS - COMPONENT UNITS - Continued
YEAR ENDED DECEMBER 31, 2023

	ARBOR VISTA LLLP	VILLAGE PARK LLLP	THE HIGHLANDS LLLP	THE HIGHLANDS II LLLP	2814 LLLP	TOTAL
<u>RECONCILIATION OF CASH AND CASH EQUIVALENTS PER STATEMENT OF CASH FLOWS TO THE STATEMENT OF THE STATEMENT OF NET POSITION</u>						
Cash and cash equivalents	\$ 126,487	\$ 352,266	\$ 258,625	\$ 248,676	\$ 242,134	\$ 1,228,188
Cash and cash equivalents - restricted	534,876	231,692	170,072	150,637	91,969	1,179,246
CASH AND CASH EQUIVALENTS PER STATEMENT OF NET POSITION	\$ 661,363	\$ 583,958	\$ 428,697	\$ 399,313	\$ 334,103	\$ 2,407,434
<u>RECONCILIATION OF (LOSS) FROM OPERATIONS TO NET CASH PROVIDED BY OPERATING ACTIVITIES</u>						
Operating (loss)	\$ (254,312)	\$ (64,970)	\$ (286,160)	\$ (318,163)	\$ (321,785)	\$ (1,245,390)
Adjustments to reconcile operating (loss) to net cash provided by operating activities						
Depreciation and amortization	513,848	390,129	473,601	463,084	482,100	2,322,762
Changes in assets and liabilities						
(Increase) in assets						
Accounts receivable	(20,370)	(26,563)	(7,985)	(7,796)	(4,858)	(67,572)
(Decrease) increase in liabilities						
Accounts payable - operations	1,536	(30,263)	(10,884)	(1,224)	(1,570)	(42,405)
Accrued expenses	-	-	-	-	-	-
Due to other programs	3,209	(12,563)	10,660	2,807	(45,252)	(41,139)
Tenants' security deposits	325	3,765	302	789	1,819	7,000
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 244,236	\$ 259,535	\$ 179,534	\$ 139,497	\$ 110,454	\$ 933,256

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
 SUPPLEMENTARY INFORMATION REQUIRED BY HUD
 DECEMBER 31, 2023

Reserve for Replacements

In accordance with the provisions of the regulatory agreement, restricted cash is held in trust with CHFA, to be used for replacement of property with the approval of HUD. Under the agreement, the Housing Authority must deposit \$6,480 (\$6,291 prior to August 2022) monthly.

	RATEKIN TOWER APARTMENTS
Balance - December 31, 2022	\$ 209,711
Deposits	76,437
Transfer	-
Interest earned	2,479
Approved withdrawals	<u>(20,716)</u>
Balance - December 31, 2023	<u>\$ 267,911</u>

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
RATEKIN TOWER APARTMENTS
HUD PROJECT NO. EH101-35341/35571
SUPPLEMENTARY INFORMATION REQUIRED BY HUD - Continued
DECEMBER 31, 2023

SURPLUS CASH NOTE

In July 2003, the Housing Authority refinanced the Ratekin debt. Subsequent to the refinance, Ratekin's regulatory agreement does not require a residual receipts reserve. The agreement requires a surplus cash calculation that allows for an Incentive Performance Fee to the Housing Authority's general operating fund with the remaining surplus cash deposited into a restricted surplus cash account. These surplus funds are to be used as follows: 75 percent to make principal and interest payments on the Ratekin 2nd mortgage and 25 percent to the Housing Authority's general operating fund.

SCHEDULE OF CHANGES IN FIXED ASSETS

	BALANCE AT DECEMBER 31, <u>2022</u>	ADDITIONS	DEDUCTIONS	BALANCE AT DECEMBER 31, <u>2023</u>
<u>Fixed Assets:</u>				
Land	\$ 485,530	\$ -	\$ -	\$ 485,530
Building	6,327,725	24,911	-	6,352,636
Land Improvements	13,300	-	-	13,300
Equipment	<u>429,339</u>	<u>45,654</u>	-	<u>474,993</u>
Total	7,255,894	70,565	-	7,326,459
<u>Less Accumulated Depreciation:</u>				
Accumulated Depreciation	<u>(6,062,024)</u>	<u>(107,530)</u>	-	<u>(6,169,554)</u>
<u>Net Book Value:</u>				
TOTAL	<u>\$1,193,870</u>	<u>\$ (36,965)</u>	<u>\$ -</u>	<u>\$1,156,905</u>

Detail of Asset Additions:

Door Access upgrade	<u>\$ 20,716</u>
Door Access upgrade	<u>\$ 4,195</u>
Camera System	<u>\$ 45,654</u>

Detail of Asset Deductions: NONE

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
Nellie Betchel Apartments
FHA Contract NO. CO990069004
SUPPLEMENTARY INFORMATION REQUIRED BY HUD - Continued
DECEMBER 31, 2023

SCHEDULE OF CHANGES IN FIXED ASSETS

	BALANCE AT DECEMBER 31, <u>2022</u>	<u>ADDITIONS</u>	<u>TRANSFERS</u>	BALANCE AT DECEMBER 31, <u>2023</u>
<u>Fixed Assets:</u>				
Land	\$ 290,337	\$ -	\$ -	\$ 290,337
Building	5,546,339	-	-	5,546,339
Land Improvements	423,075	-	-	423,075
Equipment	<u>155,392</u>	-	-	<u>155,392</u>
Total	6,415,143	-	-	6,415,143
<u>Less Accumulated Depreciation:</u>				
Accumulated Depreciation	<u>(1,029,450)</u>	<u>(174,454)</u>	-	<u>(1,203,904)</u>
<u>Net Book Value:</u>				
TOTAL	<u>\$5,385,693</u>	<u>\$ (174,454)</u>	<u>\$ -</u>	<u>\$5,211,239</u>

Detail of Asset Additions: NONE

Detail of Asset Deductions: NONE

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

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

PROJECT NAME Ratekin Tower Apartments	FISCAL PERIOD ENDED: 12/31/23	PROJECT NUMBER EH101-35341/35571
PART A-COMPUTE SURPLUS CASH		
1	Cash (Accounts 1120,1191)	\$ 40,668
2	Tenant subsidy vouchers due for period covered by financial statement	
3	Other - Amount due for online rent collections	1,309
(a) Total Cash (Add Lines 1,2, and 3)		\$ 41,977
4	Accrued mortgage interest payable	\$ 2,499
5	Delinquent mortgage principal payments	
6	Delinquent deposits to reserve for replacements	
7	Accounts payable (due within 30 days)	4,651
8	Loans and notes payable (Due within 30 days)	6,670
9	Deficient Tax Insurance or MIP Escrow deposits	
10	Accrued expenses (not escrowed)	8,654
11	Prepaid rents (Account 2210)	-
12	Tenant security deposits liability (Accounts 2191 and 2192)	38,519
13	Other (Describe)	-
(b) Less Total Current Obligations (Add Lines 4 through 13)		\$ 60,993
(c) Surplus Cash (Deficiency)(Line (a) minus Line (b))		\$ (19,016)
PART B - COMPUTE DISTRIBUTIONS TO OWNERS AND REQUIRED DEPOSIT TO RESIDUAL RECEIPTS		
1 Surplus Cash		\$ 0
Ltd Div	2a Annual Distribution Earned During Fiscal Period Covered by the Statement	\$ 0
	2b Distribution Accrued and Unpaid as of the End of the Prior Fiscal Period	
Proj	2c Distributions Paid During Fiscal Period Covered by Statement	
	3 Amount to be Carried on Balance Sheet as Distribution Earned but Unpaid (Line 2a plus 2b minus 2c)	0
4 Amount Available for distribution during next Fiscal Period		\$ -
5 Deposit Due restricted surplus cash account		\$ -
75% to make principal and interest payments on Ratekin 2nd mortgage		\$ -
25% to the Housing Authority's general operating fund		\$ -
PREPARED BY		REVIEWED BY
LOAN TECHNICIAN		LOAN SERVICER
DATE		DATE

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

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

PROJECT NAME Nellie Bechtel Apartments		FISCAL PERIOD ENDED: 12/31/2023	PROJECT NUMBER CO990069004
PART A-COMPUTE SURPLUS CASH			
1 Cash (Accounts 1120,1191)		\$	351,029
2 Tenant subsidy vouchers due for period covered by financial statement			
3 Other - Amount due from replacement reserves			4,195
(a) Total Cash (Add Lines 1,2, and 3)			\$ 355,224
4 Accrued mortgage interest payable		\$	11,605
5 Delinquent mortgage principal payments			
6 Delinquent deposits to reserve for replacements			
7 Accounts payable (due within 30 days)			1,570
8 Loans and notes payable (Due within 30 days)			8,286
9 Deficient Tax Insurance or MIP Escrow deposits			
10 Accrued expenses (not escrowed)			9,383
11 Prepaid rents (Account 2210)			-
12 Tenant security deposits liability (Accounts 2191 and 2192)			47,038
13 Other (Describe)			
(b) Less Total Current Obligations (Add Lines 4 through 13)			\$ 77,882
(c) Surplus Cash (Deficiency)(Line (a) minus Line (b))			\$ 277,342
PART B - COMPUTE DISTRIBUTIONS TO OWNERS AND REQUIRED DEPOSIT TO RESIDUAL RECEIPTS			
1 Surplus Cash		\$	277,342
Ltd Div	2a Annual Distribution Earned During Fiscal Period Covered by the Statement	\$	-
	2b Distribution Accrued and Unpaid as of the End of the Prior Fiscal Period		
Proj	2c Distributions Paid During Fiscal Period Covered by Statement		
	3 Amount to be Carried on Balance Sheet as Distribution Earned but Unpaid (Line 2a plus 2b minus 2c)		-
4 Amount Available for distribution during next Fiscal Period		\$	-
5 Deposit Due restricted surplus cash account		\$	277,342
75% to make principal and interest payments		\$	208,007
25% to the Housing Authority's general operating fund		\$	69,336
PREPARED BY		REVIEWED BY	
LOAN TECHNICIAN		LOAN SERVICER	
DATE		DATE	

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2023

<u>GRANTOR/PASS THROUGH AGENCY/ PROGRAM TITLE AND GRANT NUMBER</u>	<u>ASSISTANCE LISTING NUMBER</u>	<u>PASS-THRU GRANT IDENTIFICATION NUMBER</u>	<u>SUBRECIPIENT PASS-THROUGH EXPENDITURES</u>	<u>FEDERAL EXPENDITURES</u>
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
Housing Voucher Cluster				
Section 8 Housing Choice Vouchers	14.871	N/A	-	\$ 8,819,205
Emergency Housing Vouchers	14.871	N/A	-	218,693
Mainstream	14.879	N/A	-	<u>480,778</u>
TOTAL Housing Voucher Cluster				<u>9,518,676</u>
Section 8 Project-Based Cluster				
Section 8 Housing Assistance Payments Program	14.195	N/A	-	200,387
Section 8 New Construction	14.182	N/A	-	<u>1,067,965</u>
TOTAL Section 8 Project Based Cluster				<u>1,268,352</u>
Service Coordinator for Multifamily Housing	14.191	N/A	-	<u>54,958</u>
Family Self-Sufficiency Program Coordinator	14.896	N/A	-	<u>33,342</u>
Colorado Housing and Finance Authority				
Housing Counseling Assistance Program	14.239	CMS-46791	-	<u>227,978</u>
Mortgage Insurance for the Purchase or Refinancing of Existing Multifamily Housing Projects	14.155	N/A	-	<u>2,417,586</u>
Housing Finance Agency Risk Sharing Loan	14.188	N/A	-	<u>1,009,067</u>
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				<u>14,529,959</u>
<u>U.S. DEPARTMENT OF ENERGY</u>				
Weatherization Assistance for Low-Income People	81.042	CTGG1 20-2004 A5	-	<u>410,710</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
477 Cluster				
Mesa County Department of Human Services				
Temporary Assistance for Needy Families	93.558	C177A	-	<u>103,224</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS				<u>\$ 15,043,893</u>

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - Continued
YEAR ENDED DECEMBER 31, 2023

Notes to the Schedule of Expenditures of Federal Awards

Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Housing Authority of the City of Grand Junction and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the presentation of, the financial statements.

Summary of Significant Accounting Policies

Expenditures reported on this schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Housing Authority of the City of Grand Junction has elected not to use the 10 percent minimum indirect cost rate allowed under the Uniform Guidance.

Disclosure of Other Forms of Assistance

The loan listed subsequently is administered by HUD, and the balance of the transactions relating to the program are included in the Authority's basic financial statements. Loans outstanding at the beginning of the period and loans made during the period are included in the federal expenditures presented in the Schedule. The balance of the loan outstanding at December 31, 2023 consisted of:

<u>Assistance Listing Number</u>	<u>Program Name</u>	<u>Outstanding Balance at December 31, 2023</u>
14.155	Mortgage Insurance for the Purchase or Refinancing of Existing Multifamily Projects	\$ 2,336,096
14.188	Housing Finance Agencies Risk Sharing	\$ 929,860

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado

OTHER REPORTS



**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
Housing Authority of the City of Grand Junction
Grand Junction, Colorado

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 basic financial statements of the Housing Authority of the City of Grand Junction ("Housing Authority"), as of and for the year ended December 31, 2023, and the related notes to financial statements, which collectively comprise the Housing Authority's basic financial statements, and have issued our report hereon dated May 24, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Housing 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 basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing 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 Housing Authority's financial statements will not be prevented or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit the attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Housing Authority's financial statements are free of 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 intended 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 Housing Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hawkins Ash CPAs, LLP

La Crosse, Wisconsin
May 24, 2024



**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
Housing Authority of the City of Grand Junction
Grand Junction, Colorado

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Housing Authority of the City of Grand Junction's (the "Housing Authority") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Housing Authority's major federal programs for the year ended December 31, 2023. The Housing Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Housing Authority complied, in all material respects, with the 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, 2023.

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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Housing 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 Housing 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 Housing Authority's federal programs.

Auditor's 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 Housing 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 GAAS, *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 Housing Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *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 Housing 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 Housing 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 Housing 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 Auditors' 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 were not identified.

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.

Hawkins Ash CPAs, LLP

La Crosse, Wisconsin
May 24, 2024

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2023

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? Yes None reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? Yes None reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No

Identification of major federal programs:

<u>Assistance Listing Numbers</u>	<u>Name of Federal Cluster/Program</u>
14,871 & 14.879	Housing Voucher Cluster

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? Yes No

Section II - Financial Statement Findings - NONE

Section III - Federal Award Findings and Questioned Costs - NONE

Section IV - Prior Year Findings - NONE