

Financial Statements

December 31, 2023

**Housing Authority of the City of
Lakewood**

dba

Metro West Housing Solutions

Housing Authority of the City of Lakewood
dba Metro West Housing Solutions

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Independent Auditor's Report

To the Board of Commissioners
Housing Authority of the City of Lakewood
dba Metro West Housing Solutions
Lakewood, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and the aggregate discretely presented component units of the Housing Authority of the City of Lakewood dba Metro West Housing Solutions (the Authority) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of the Authority as of December 31, 2023, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Adoption of New Accounting Standard

As discussed in Note 1 to the financial statements, the Authority has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 100, *Accounting Changes and Error Corrections*, for the year ended December 31, 2023. Accordingly, the presentation and disclosure of the change in reporting entity in the financial statements conform to the requirements of the new standard for the year ended December 31, 2023, to restate beginning net position. Our opinions are not modified with respect to this matter.

Change in Reporting Entity

As discussed in Note 15 to the financial statements, the Authority has reported a change in its reporting entity, which has resulted in a restatement of the net position as of January 1, 2023. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's 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 Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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 Authority's basic financial statements. The accompanying combining statements as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is 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 is also not a required part of the financial statements. The Financial Data Schedules (FDS) are presented for purposes of additional analysis as required by Housing and Urban Development Real Estate Assessment Center (REAC) and are also not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic 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 GAAS. In our opinion, the accompanying combining statements, Schedule of Expenditures of Federal Awards, and the FDS 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 August 23, 2024, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Eide Sully LLP". The signature is written in a cursive, flowing style.

Boise, Idaho
August 23, 2024

The following discussion and analysis of the financial statements of the Housing Authority of the City of Lakewood, dba Metro West Housing Solutions (MWHS), provides an overview of the financial activities for the fiscal year ended December 31, 2023. Please consider the following information in addition to your review of the information in the basic financial statements.

Financial Highlights

Metro West Housing Solutions continues to have a strong financial outlook.

- ✓ The end of the year net position for the Primary Government and the Discretely Presented Component Units is \$116,591,104 and \$91,518,718, respectively. This represents a total increase of \$16,673,013 from December 31, 2022, as restated, due to the change in reporting entity of LHA Pierce Street, LLLP as a blended component unit rather than a discretely presented component unit, and Everett Court Partners LLC as a new discretely presented component unit, both effective as of January 1, 2023. See Note 15 for more information.
- ✓ Housing Choice Voucher Housing Assistance Payments (HAP) were \$16,142,799 for the year. This is an increase of \$1,030,369 from fiscal year 2022. These additional funds were made available by HUD due to increased leasing in the Housing Choice Voucher program. All funds advanced by HUD during the year were expended.
- ✓ Housing Choice Voucher Annual Contributions from HUD for 2023 were \$17,427,174.
- ✓ Total Primary Government Unrestricted Cash and Cash Equivalents were \$15,176,327 and \$22,031,072 at December 31, 2023 and 2022, respectively. The 2022 column was restated to include cash totaling \$700,325 from the blending of LHA Pierce Street, LLLP on January 1, 2023. See Note 15 for more information.
- ✓ Primary Governmental Total Assets increased from \$134,711,088, as restated, to \$147,915,626 at December 31, 2023. The 2022 column was restated to include assets totaling \$13,453,275 from the blending of LHA Pierce Street, LLLP on January 1, 2023, less eliminations totaling \$4,395,693 for the related interfund notes payable and interest payable balances. See Note 15 for more information.
- ✓ The redevelopment of Belmar Groves is progressing and continues.
- ✓ Planning continues for the development of the Colfax and Youngfield property, William's Point.

Agency Overview

MWHS contracts with the United States Department of Housing and Urban Development (HUD) for the Housing Choice Voucher (HCV) Program. The HCV program is authorized by HUD to administer 1,419 units of affordable, safe, and sanitary housing. MWHS develops and manages a portfolio of Low-Income Housing Tax Credit properties as well as operating market rate properties. All business-type activities are consolidated into one agency-wide total. Separate accounts are maintained for each activity or grant to control and manage funds for particular purposes.

Overview of Financial Statements

This discussion and analysis is intended to serve as an introduction to the MWHS's basic financial statements. The basic financial statements are comprised of two components: 1) government-wide financial statements, and 2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. In accordance with requirements as described in the U.S. Office of Management and Budget Uniform Guidance, an Independent Auditor's Report on compliance and a report on Internal Control is included.

The basic financial statements consist of Primary Government activities and the Discretely Presented Component Units.

The Primary Government activities encompasses: Housing Choice Vouchers; Portable Vouchers; Resident Services; Lakewood Housing Corporation; Paloma I; Paloma II; the MWHS equity portion of Low-Income Housing Tax Credit properties; Development Department; Housing Corporation for the City of Lakewood; Marston Pointe Apartments; Property Management; Residences at Creekside; Retail Properties; Ridgemoor; Union; Van Gordon; Youngfield and Colfax Avenue; West Jewell, Willow Glen, Creekside, and Belmar Groves (portion of 2023).

The Discretely Presented Component Units activities encompasses: 5100 W Alameda Holdings, LLC; MWHS Lamar Station, LLLP; MWHS Cityscape, LLLP; MWHS Creekside West, LLLP; Paloma Villas III, LLLP; Wolff Street Development, LLLP; LHA Maplewood, LLLP; MWHS Fifty Eight Hundred, LLLP; MWHS Indy Street Flats LLLP, MWHS Sage Corner LLLP, MWHS Lamar II LLLP, Everett Court Partners LLC, and MWHS Belmar Groves LLLP.

Government-Wide Financial Statements

The Statement of Net Position presents information on all the assets and liabilities of MWHS. Under GASB 34, the difference between the assets and liabilities and deferred inflows is Net Position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of MWHS is improving or deteriorating.

The Statement of Revenues, Expenses and Change in Net Position shows the reader operating revenues and expenses for MWHS as a whole. This is reported on a full accrual basis where income is reported when earned and expenses are reported as incurred. This report shows the reader the net increase (decrease) in Net Position (profit/loss). Operating income is made up of tenant rents, management fees, HUD operating subsidies, and other income. Operating expenses are Section 8 landlord payments, salaries and benefits, office expenses, insurance, utilities, maintenance and depreciation. The difference between Operating Revenue and Operating Expenses is Net Operating Income (Loss) allowing us to see if the operations of MWHS are generating an increase or decrease.

The Statement of Cash Flows converts the accrual accounting to cash to let the reader know if MWHS, as a whole, increased or decreased cash position this year and what the sources or uses of the cash were.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Primary Government and Discretely Presented Component Unit financial statements. The notes to the financial statements can be found immediately after the basic financial statements.

Combining Financial Statements

A program is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. MWHS keeps track of these monies to ensure and demonstrate compliance with finance-related legal requirements.

In addition to the reporting of the financial statements, MWHS is also required to file these financial statements electronically to HUD through the Real Estate Assessment Center (REAC). Financial and other information must be submitted to REAC electronically by MWHS through FASS (REAC) using templates specifically designed by HUD. REAC utilizes the information filed electronically to conduct a multi-tiered assessment in order to foster transparency and enhance public trust by creating a comprehensive management tool that effectively and fairly measures performance based on standards that are objective, uniform, and verifiable. The electronic filing of these reports must be approved by HUD. These reports will not be approved until they are certified that they agree to the audited financial statements conducted by an accredited independent certified public accountant.

Primary Government Financial Analysis

Changes in net position may serve as a useful indicator of changes in the financial position of an organization. On December 31, 2023, the Primary Government assets exceeded liabilities by \$116,591,104. This amount is broken down to \$22,145,929 that is net investment in capital assets and \$94,445,175 available to fund the operations of MWHS. Capital assets represent 34% of total assets at \$50,074,466; unrestricted cash and cash equivalents represent 10% of assets at \$15,176,327; and notes and accrued interest receivable represent 40% of assets at \$59,554,877.

CONDENSED STATEMENTS OF NET POSITION

	2023	2022, as restated	Percent Change
Assets			
Current Assets	\$ 28,005,653	\$ 29,846,601	-6.2%
Noncurrent Assets	119,909,973	104,864,487	14.3%
Total Assets	<u>147,915,626</u>	<u>134,711,088</u>	<u>9.8%</u>
Liabilities			
Current Liabilities	1,922,853	2,170,499	-11.4%
Noncurrent Liabilities	27,348,820	33,043,322	-17.2%
Total Liabilities	<u>29,271,673</u>	<u>35,213,821</u>	<u>-16.9%</u>
Deferred Inflows - Leases	<u>2,052,849</u>	<u>2,344,647</u>	<u>-12.4%</u>
Net Position			
Net Investment in Capital Assets	22,145,929	17,125,259	29.3%
Restricted for Housing Assistance Payments	-	-	-
Unrestricted	94,445,175	80,027,361	18.0%
Total Net Position	<u>\$ 116,591,104</u>	<u>\$ 97,152,620</u>	<u>20.0%</u>

Primary Government Current Assets remained relatively constant at \$28,005,653.

Primary Government Revenues outpacing expenses and a change in reporting entity resulted in a considerable increase in the Net Position to \$116,591,104. Tenant rental payment increases resulted in additional revenue in 2023 from 2022. Developer fee income for the year was \$1,181,335. Additional Housing Choice Voucher (HCV) leasing resulted in additional revenue and expenses in the program allowing for the payment of higher rents as well as providing additional Housing Assistance Payments (HAP) for more families in 2023. HUD PHA Grants were \$17,427,174 for the year.

Housing Authority of the City of Lakewood
dba Metro West Housing Solutions
Management's Discussion and Analysis
December 31, 2023

	2023	2022**	Percent Change
Operating Revenue			
Grants	\$ 17,451,174	\$ 16,115,490	8.3%
Rental	8,837,303	7,406,827	19.3%
Developer Fees	1,181,335	-	-
Other	1,863,086	1,640,320	13.6%
Total Operating Revenue	<u>29,332,898</u>	<u>25,162,637</u>	<u>16.6%</u>
Operating Expenses	<u>28,531,043</u>	<u>25,109,800</u>	<u>13.6%</u>
Operating Income	<u>801,855</u>	<u>52,837</u>	<u>1417.6%</u>
Nonoperating Revenue	<u>18,636,629</u>	<u>168,947</u>	<u>10931.1%</u>
Change in Net Position	<u>19,438,484</u>	<u>221,784</u>	<u>8664.6%</u>
Net Position, Beginning of Year, as Originally Reported	92,563,153	92,341,369	0.2%
Change in Reporting Entity (Note 15)	<u>4,589,467</u>	<u>-</u>	<u>-</u>
Net Position, Beginning of Year, as Restated	<u>97,152,620</u>	<u>92,341,369</u>	<u>5.2%</u>
Net Position, End of Year	<u>\$ 116,591,104</u>	<u>\$ 92,563,153</u>	<u>26.0%</u>

** The 2022 column has not been restated to reflect the adjustment for change in reporting entity that occurred in 2023. See Note 15 for more information.

Capital Assets

During 2023, Primary Government Capital Assets decreased by a net amount of \$9,289,328. A portion of this change resulted from the change in reporting entity to blend LHA Pierce Street, LLLP with the Primary Government which added a net \$11,500,305 in capital assets to the beginning balance. Additional details of this change in reporting entity are disclosed in Note 15 in the financial statements. This increase was offset with a sale of the Belmar Groves property to Belmar Groves LLLP in July 2023. MWHS continued the 2022 adoption of GASB 87 for booking lease agreements of 12 months or longer. This rule changed how these must be presented on financial reports. This applies for agreements signed as the lessee or lessor. However, the Accounting Standards Board allowed an exemption for residential units leased as affordable housing. Further information on Capital Assets may be found in Note 7 in the financial statements.

Long-Term Debt

The long-term debt balance was \$27,879,281 on December 31, 2023. During 2023, there were zero debt issuances and \$5,707,077 in payments on long-term debt. The change in reporting entity to blend LHA Pierce Street, LLLP with the Primary Government added a mortgage payable of \$2,940,838 to the beginning balance. Further information on long-term debt may be found in Note 8 in the financial statements.

Future Plans for 2024

- ✓ In the year to come, Metro West Housing Solutions plans on continuing its mission of “providing an opportunity for a healthy, affordable, decent and safe living environment for the Lakewood community” through its programs, development activities, and partnerships.
- ✓ Housing Choice Vouchers – Continue to administer as many vouchers as are available with HUD funding. This is accomplished by continually monitoring HUD funding vs. leasing to determine available units. Leasing will continue to its maximum level allowing for additional funding as it becomes available from HUD.
- ✓ Development – Explore the development of projects through the use of various financing alternatives and partnerships. Pursue purchase opportunities of development sites to expand the real estate portfolio.
- ✓ Continue planning for the development of the Colfax and Youngfield property, William’s Point.
- ✓ Continue to explore partnerships for developments.
- ✓ Marston Pointe, Paloma I, Paloma II, Willow Glen, and Creekside – Continue to manage and operate the complexes so that they remain a popular and enjoyable family and senior residence by maintaining their community spirit and upkeep. Continue to schedule preventive and regular maintenance to maintain the properties and fund planned rehabilitation projects with budgeted reserve replacement funds.
- ✓ Continue the redevelopment of Belmar Groves.
- ✓ Complete and pursue options for limited partner exits for tax credit properties. Incorporate the operations of exited properties into the operations of MWHS.
- ✓ Previously obtained loan proceeds for capital improvements at Marston Pointe are nearly totally expended.
- ✓ The MWHS office building is going through a renovation with the third floor near completion. Renovation will continue in the common areas and begin on the first floor. MWHS is utilizing a hybrid of in office and remote staffing for some in a post COVID-19 pandemic world. Newer technologies in hardware and software were implemented and continue to be effective. Work schedules utilizing varied or hybrid schedules of flexible working have been adopted on a limited basis and is considered to be effective.
- ✓ The 2024 budget is projected to have a greater net income due to an increase from the previous year in developer fee income.

Requests for Information

The financial report is designed to provide a general overview of the Metro West Housing Solutions' finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

The Housing Authority of the City of Lakewood
DBA Metro West Housing Solutions
575 Union Blvd., Suite 100
Lakewood, Colorado 80228-1240

Housing Authority of the City of Lakewood
dba Metro West Housing Solutions
Statement of Net Position
December 31, 2023

	Primary Government	Discretely Presented Component Units
Assets		
Current Assets		
Cash and cash equivalents	\$ 15,176,327	\$ 3,112,847
Restricted cash and cash equivalents	6,882,548	6,531,358
Accounts receivable		
Tenants, net	54,403	239,190
Other	1,357,956	23,918
Developer fees	407,323	-
Due from discretely presented component units	2,289,281	-
Leases	453,183	-
Accrued interest receivable - short-term	385,001	-
Prepaid expenses	234,180	577,639
Notes receivable - current portion	765,451	-
Total Current Assets	28,005,653	10,484,952
Accrued Interest Receivable - Long-Term	5,995,374	-
Developer Fees Receivable - Long-Term	5,293,131	-
Equity Method Investments	4,538,285	-
Notes Receivable, Net of Current Portion	52,409,051	-
Lease Receivable - Long-Term	1,599,666	-
Other Assets, Net of Accumulated Amortization	-	731,169
Capital Assets		
Non-depreciable	12,137,160	35,432,182
Depreciable, net	37,888,050	178,241,737
Right-to-use leased assets, net	49,256	-
Total Capital Assets	50,074,466	213,673,919
Total Assets	\$ 147,915,626	\$ 224,890,040

Housing Authority of the City of Lakewood
dba Metro West Housing Solutions
Statement of Net Position
December 31, 2023

	Primary Government	Discretely Presented Component Units
Liabilities and Net Position		
Current Liabilities		
Accounts payable	\$ 217,106	\$ 134,388
Construction payable	-	1,123,827
Due to Metro West Housing Solutions	-	2,289,281
Developer fee payable - current portion	-	407,323
Accrued liabilities	128,821	90,714
Accrued compensated absences	554,099	67,388
Accrued interest payable - current portion	-	513,582
Advanced revenues	80,585	94,925
Tenant security deposits payable	298,953	703,946
Lease liability - current portion	26,237	-
Notes, mortgages and bonds payable - current portion	617,052	1,775,398
Total Current Liabilities	1,922,853	7,200,772
Long-Term Liabilities		
Accrued interest payable - long-term	63,572	6,027,450
Construction notes payable	-	6,435,862
Developer fee payable - long-term	-	5,293,131
Lease liability - net of current portion	23,019	-
Notes, mortgages and bonds payable - net of current portion and unamortized debt issuance costs	27,262,229	108,414,107
Total Long-Term Liabilities	27,348,820	126,170,550
Total Liabilities	29,271,673	133,371,322
Deferred Inflows - Leases	2,052,849	-
Net Position		
Net investment in capital assets	22,145,929	95,534,311
Restricted	-	-
Unrestricted	94,445,175	(4,015,593)
Total Net Position	116,591,104	91,518,718
Total Liabilities, Deferred Inflows and Net Position	\$ 147,915,626	\$ 224,890,040

Housing Authority of the City of Lakewood
dba Metro West Housing Solutions
Statement of Revenues, Expenses and Changes in Net Position
Year Ended December 31, 2023

	Primary Government	Discretely Presented Component Units
Operating Revenues		
HUD PHA grants	\$ 17,427,174	\$ -
Other grants	24,000	-
Rental income	8,837,303	16,048,136
Management fees	1,032,083	-
Developer fee income	1,181,335	-
Other	831,003	86,787
Total operating revenues	<u>29,332,898</u>	<u>16,134,923</u>
Operating Expenses		
Housing assistance payments	16,142,799	-
Administrative salaries and benefits	4,929,704	1,367,303
Maintenance salaries and benefits	807,697	1,510,585
Regular and extraordinary maintenance	1,986,078	2,217,858
Other administrative	1,133,300	2,213,289
Depreciation and amortization	1,938,716	7,799,784
Utilities	809,828	1,622,039
Insurance	498,047	908,977
Other expenses	284,874	415,039
Total operating expenses	<u>28,531,043</u>	<u>18,054,874</u>
Operating Income (Loss)	<u>801,855</u>	<u>(1,919,951)</u>
Non-Operating Revenues (Expenses)		
Gain on sale of capital assets	17,854,522	-
Loss on disposal of capital assets	(8,937)	(10,874)
Interest income	2,003,692	50,257
Interest expense	(1,212,648)	(4,275,233)
Total Non-Operating Revenues (Expenses)	<u>18,636,629</u>	<u>(4,235,850)</u>
Income (Loss) Before Contributions and Distributions	<u>19,438,484</u>	<u>(6,155,801)</u>
Contributions and Distributions		
Equity contributions (net of syndication costs)	-	3,419,796
Distributions	-	(29,466)
Total Contributions and Distributions	<u>-</u>	<u>3,390,330</u>
Change in Net Position	<u>19,438,484</u>	<u>(2,765,471)</u>
Net Position - Beginning of Year, as Originally Reported	92,563,153	96,168,312
Change in reporting entity	<u>4,589,467</u>	<u>(1,884,123)</u>
Net Position - Beginning of Year, as Restated	<u>97,152,620</u>	<u>94,284,189</u>
Net Position - End of Year	<u>\$ 116,591,104</u>	<u>\$ 91,518,718</u>

Housing Authority of the City of Lakewood
dba Metro West Housing Solutions
Statement of Cash Flows
Year Ended December 31, 2023

	Primary Government
Operating Activities	
HUD PHA grants	\$ 17,427,174
Other grants	24,000
Receipts from tenants	8,800,904
Management fee income	1,032,083
Developer fee income	551,023
Other income	(72,280)
Housing assistance payments	(16,142,799)
Payments to employees	(5,715,055)
Payments to suppliers	(4,818,043)
Net Cash from Operating Activities	<u>1,087,007</u>
Capital and Related Financing Activities	
Cash received on lease receivables	291,798
Principal payments on lease liabilities	(56,380)
Acquisition of capital assets	(2,371,017)
Proceeds from sale of capital assets	5,780,185
Principal payments on long-term debt	(5,707,077)
Interest paid on long-term debt	(1,161,611)
Net Cash used for Capital and Related Financing Activities	<u>(3,224,102)</u>
Investing Activities	
Purchase of notes receivable	(1,145,000)
Payments received on notes receivable	610,883
Interest income	656,281
Net Cash from Investing Activities	<u>122,164</u>
Net Change in Cash and Cash Equivalents	(2,014,931)
Cash and Cash Equivalents, Beginning of Year, as Restated	<u>24,073,806</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 22,058,875</u></u>

Housing Authority of the City of Lakewood
dba Metro West Housing Solutions
Statement of Cash Flows
Year Ended December 31, 2023

	Primary Government
Reconciliation of Cash and Cash Equivalents	
Cash	\$ 15,176,327
Restricted Cash	<u>6,882,548</u>
Total Cash and Cash Equivalents	<u><u>\$ 22,058,875</u></u>
Reconciliation of operating income to net cash from operating activities	
Operating income	\$ 801,855
Adjustments to reconcile operating income to net cash from operating activities	
Depreciation and amortization	1,938,716
Change in net deferred inflows from leases	(291,798)
Write off of unamortized debt issuance costs	22,399
Changes in assets and liabilities	
(Increase) decrease in receivables	(1,173,110)
(Increase) decrease in prepaid expenses	47,243
Increase (decrease) in accounts payable	(223,464)
Increase (decrease) in accrued expenses	22,346
Increase (decrease) in advanced revenues	(10,855)
Increase (decrease) in security deposits payable	<u>(46,325)</u>
Net Cash from Operating Activities	<u><u>\$ 1,087,007</u></u>
Supplemental Schedule of Noncash Capital and Related Financing Activities	
Noncash sale of property to related party through issuance of note receivable	<u><u>\$ 21,800,000</u></u>

	5100 W Alameda Holdings, LLC	MWHS Lamar Station, LLLP	MWHS CityScape, LLP	MWHS Creeside West, LLLP	Paloma Villas III, LLP
Assets					
Current Assets					
Cash and cash equivalents	\$ 24,495	\$ 777,853	\$ 244,105	\$ 431,499	\$ 78,276
Restricted cash and cash equivalents	306,365	884,169	827,698	533,625	292,067
Accounts receivable					
Tenants	8,215	18,559	28,835	2,281	24,171
Other	-	-	-	-	-
Prepaid expenses	25,067	48,381	72,969	48,681	24,758
Total Current Assets	364,142	1,728,962	1,173,607	1,016,086	419,272
Other Assets, Net of Accumulated Amortization	8,198	40,316	44,847	6,250	-
Capital Assets					
Non-depreciable	665,232	1,296,784	2,672,818	1,109,122	905,787
Depreciable, net	5,229,022	14,423,388	18,644,954	9,554,612	4,281,529
Total Capital Assets	5,894,254	15,720,172	21,317,772	10,663,734	5,187,316
Total Assets	\$ 6,266,594	\$ 17,489,450	\$ 22,536,226	\$ 11,686,070	\$ 5,606,588
Liabilities and Net Position					
Current Liabilities					
Accounts payable	\$ 1,934	\$ 15,759	\$ 17,494	\$ 3,765	\$ 7,533
Construction payable	-	-	-	-	-
Due to Metro West Housing Solutions	-	26,796	107,166	-	-
Developer fee payable - current portion	-	-	-	-	-
Accrued liabilities	1,599	14,525	6,350	3,857	1,755
Accrued compensated absences	2,509	9,612	8,987	4,932	2,666
Accrued interest payable - current portion	5,393	94,856	132,886	13,701	5,024
Advanced revenues	426	7,752	5,337	5,006	5,456
Tenant security deposits payable	33,700	79,713	56,410	28,240	33,640
Notes, mortgages and bonds payable - current portion	46,647	406,402	197,808	208,265	27,385
Total Current Liabilities	92,208	655,415	532,438	267,766	83,459
Long-Term Liabilities					
Accrued interest payable - long-term	-	-	1,441,638	1,448,056	-
Construction notes payable	-	-	-	-	-
Developer fee payable - long-term	-	-	-	-	-
Notes, mortgages and bonds payable - net of current portion and unamortized debt issuance costs	3,702,997	7,225,925	11,584,801	4,168,511	1,336,347
Total Long-Term Liabilities	3,702,997	7,225,925	13,026,439	5,616,567	1,336,347
Total Liabilities	3,795,205	7,881,340	13,558,877	5,884,333	1,419,806
Net Position					
Net investment in capital assets	2,144,610	8,087,845	9,535,163	6,286,958	3,823,584
Unrestricted	326,779	1,520,265	(557,814)	(485,221)	363,198
Total Net Position	2,471,389	9,608,110	8,977,349	5,801,737	4,186,782
Total Liabilities and Net Position	\$ 6,266,594	\$ 17,489,450	\$ 22,536,226	\$ 11,686,070	\$ 5,606,588

See Notes to Financial Statements

Housing Authority of the City of Lakewood
dba Metro West Housing Solutions
Combining Statement of Net Position – Component Units
December 31, 2023

Wolff Street Development, LLLP	LHA Maplewood, LLLP	MWHS Fifty Eight Hundred, LLLP	MWHS Indy Street Flats LLLP	MWHS Sage Corner LLLP	MWHS Lamar II LLLP	Everett Court Partners LLC	MWHS Belmar Groves LLLP	LHA Pierce Street, LLLP	Total
\$ 20,412 211,049	\$ 477,667 932,419	\$ 323,997 959,199	\$ 142,744 637,663	\$ 245,962 296,208	\$ 169,518 313,738	\$ 35,308 283,347	\$ 141,011 53,811	\$ - -	\$ 3,112,847 6,531,358
9,891	21,973	38,964	35,806	20,105	13,306	5,743	11,341	-	239,190
-	-	-	4,429	-	-	-	19,489	-	23,918
30,741	54,244	75,321	62,881	23,518	35,493	22,912	52,673	-	577,639
272,093	1,486,303	1,397,481	883,523	585,793	532,055	347,310	278,325	-	10,484,952
-	2,467	171,567	164,393	73,314	124,634	95,183	-	-	731,169
1,417,684	1,060,500	2,810,196	3,066,374	461,248	1,962,540	1,650,000	16,353,897	-	35,432,182
5,440,478	10,273,888	29,585,602	27,187,393	10,906,189	15,735,782	10,132,048	16,846,852	-	178,241,737
6,858,162	11,334,388	32,395,798	30,253,767	11,367,437	17,698,322	11,782,048	33,200,749	-	213,673,919
<u>\$ 7,130,255</u>	<u>\$ 12,823,158</u>	<u>\$ 33,964,846</u>	<u>\$ 31,301,683</u>	<u>\$ 12,026,544</u>	<u>\$ 18,355,011</u>	<u>\$ 12,224,541</u>	<u>\$ 33,479,074</u>	<u>\$ -</u>	<u>\$ 224,890,040</u>
\$ 18,655	\$ 8,533	\$ 15,617	\$ 13,086	\$ 766	\$ 9,209	\$ 7,852	\$ 14,185	\$ -	\$ 134,388
-	-	-	-	-	-	-	1,123,827	-	1,123,827
-	-	63,148	1,986,761	35,597	49,153	18,658	2,002	-	2,289,281
-	-	286,684	-	82,331	38,308	-	-	-	407,323
3,282	15,226	11,975	5,000	6,894	1,989	11,837	6,425	-	90,714
3,746	7,402	6,351	11,892	1,515	1,773	1,490	4,513	-	67,388
6,214	91,177	12,515	54,797	5,272	91,747	-	-	-	513,582
1,067	19,320	6,883	11,306	648	4,207	19,156	8,361	-	94,925
38,020	90,222	113,000	80,750	27,500	49,500	30,330	42,921	-	703,946
35,336	402,601	149,994	136,754	36,427	57,652	70,127	-	-	1,775,398
106,320	634,481	666,167	2,300,346	196,950	303,538	159,450	1,202,234	-	7,200,772
-	-	1,033,620	993,460	200,547	316,386	222,916	370,827	-	6,027,450
-	-	-	-	-	-	-	6,435,862	-	6,435,862
-	-	919,190	2,597,118	254,438	-	855,414	666,971	-	5,293,131
1,652,131	6,208,144	16,786,263	13,929,498	4,437,494	7,026,301	8,555,695	21,800,000	-	108,414,107
1,652,131	6,208,144	18,739,073	17,520,076	4,892,479	7,342,687	9,634,025	29,273,660	-	126,170,550
1,758,451	6,842,625	19,405,240	19,820,422	5,089,429	7,646,225	9,793,475	30,475,894	-	133,371,322
5,170,695	4,723,643	15,459,541	14,673,274	6,893,516	10,614,369	3,156,226	4,964,887	-	95,534,311
201,109	1,256,890	(899,935)	(3,192,013)	43,599	94,417	(725,160)	(1,961,707)	-	(4,015,593)
5,371,804	5,980,533	14,559,606	11,481,261	6,937,115	10,708,786	2,431,066	3,003,180	-	91,518,718
<u>\$ 7,130,255</u>	<u>\$ 12,823,158</u>	<u>\$ 33,964,846</u>	<u>\$ 31,301,683</u>	<u>\$ 12,026,544</u>	<u>\$ 18,355,011</u>	<u>\$ 12,224,541</u>	<u>\$ 33,479,074</u>	<u>\$ -</u>	<u>\$ 224,890,040</u>

	5100 W Alameda Holdings, LLC	MWHS Lamar Station, LLLP	MWHS CityScape, LLLP	MWHS Creekside West, LLLP	Paloma Villas III, LLLP
Operating Revenues					
Rental income	\$ 678,109	\$ 1,837,168	\$ 2,039,828	\$ 1,198,858	\$ 680,349
Other	24,224	694	10	-	45
Total operating revenues	702,333	1,837,862	2,039,838	1,198,858	680,394
Operating Expenses					
Administrative salaries and benefits	31,530	153,692	183,357	135,130	51,519
Maintenance salaries and benefits	69,911	145,136	152,512	90,424	62,676
Regular and extraordinary maintenance	138,427	219,165	309,913	162,818	150,330
Other administrative	226,220	204,204	205,540	128,419	181,170
Depreciation and amortization	255,025	628,061	861,869	385,647	232,059
Utilities	61,357	163,227	159,071	87,861	111,389
Insurance	41,453	81,823	102,393	83,021	41,872
Other expenses	32,161	37,656	21,943	14,321	13,058
Total operating expenses	856,084	1,632,964	1,996,598	1,087,641	844,073
Operating Income (Loss)	(153,751)	204,898	43,240	111,217	(163,679)
Non-Operating Revenues (Expenses)					
Loss on disposal of capital assets	-	-	-	-	-
Interest income	2,785	6,734	6,043	11,192	2,305
Interest expense	(69,522)	(268,346)	(649,854)	(306,549)	(61,196)
Total Non-Operating Revenues (Expenses)	(66,737)	(261,612)	(643,811)	(295,357)	(58,891)
Income (Loss) Before Contributions and Distributions	(220,488)	(56,714)	(600,571)	(184,140)	(222,570)
Contributions and Distributions					
Equity contributions (net of syndication costs)	-	-	-	-	-
Distributions	(29,466)	-	-	-	-
Total Contributions and Distributions	(29,466)	-	-	-	-
Change in Net Position	(249,954)	(56,714)	(600,571)	(184,140)	(222,570)
Net Position - Beginning of Year, as Originally Reported	2,721,343	9,664,824	9,577,920	5,985,877	4,409,352
Change in reporting entity	-	-	-	-	-
Net Position - Beginning of Year, as Restated	2,721,343	9,664,824	9,577,920	5,985,877	4,409,352
Net Position - End of Year	\$ 2,471,389	\$ 9,608,110	\$ 8,977,349	\$ 5,801,737	\$ 4,186,782

See Notes to Financial Statements

Housing Authority of the City of Lakewood
dba Metro West Housing Solutions

Combining Statement of Revenues, Expenses and Changes in Net Position – Component Units
Year Ended December 31, 2023

Wolff Street Development, LLLP	LHA Maplewood, LLLP	MWHS Fifty Eight Hundred, LLLP	MWHS Indy Street Flats LLLP	MWHS Sage Corner LLLP	MWHS Lamar II LLLP	Everett Court Partners LLC	MWHS Belmar Groves LLLP	LHA Pierce Street, LLLP	Total
\$ 829,638	\$ 1,890,554	\$ 2,388,443	\$ 1,726,041	\$ 621,128	\$ 923,691	\$ 649,662	\$ 584,667	\$ -	\$ 16,048,136
235	513	35,507	21,979	-	-	53	3,527	-	86,787
829,873	1,891,067	2,423,950	1,748,020	621,128	923,691	649,715	588,194	-	16,134,923
59,200	149,093	179,672	176,979	50,866	62,644	38,000	95,621	-	1,367,303
126,101	145,789	275,928	203,924	43,821	76,663	53,427	64,273	-	1,510,585
220,939	306,383	249,849	197,993	55,644	72,378	67,208	66,811	-	2,217,858
166,684	181,500	351,427	193,751	81,707	127,863	100,572	64,232	-	2,213,289
275,404	423,724	1,477,864	1,510,944	533,568	640,922	397,362	177,335	-	7,799,784
98,406	157,011	283,058	190,105	60,858	112,369	81,478	55,849	-	1,622,039
51,898	88,043	118,235	101,903	38,804	60,377	65,391	33,764	-	908,977
18,058	43,336	79,882	57,920	7,339	23,451	19,161	46,753	-	415,039
1,016,690	1,494,879	3,015,915	2,633,519	872,607	1,176,667	822,599	604,638	-	18,054,874
(186,817)	396,188	(591,965)	(885,499)	(251,479)	(252,976)	(172,884)	(16,444)	-	(1,919,951)
(10,874)	-	-	-	-	-	-	-	-	(10,874)
2,081	6,717	2,203	4,354	2,047	1,829	1,967	-	-	50,257
(75,497)	(337,570)	(765,466)	(652,201)	(209,772)	(331,326)	(249,762)	(298,172)	-	(4,275,233)
(84,290)	(330,853)	(763,263)	(647,847)	(207,725)	(329,497)	(247,795)	(298,172)	-	(4,235,850)
(271,107)	65,335	(1,355,228)	(1,533,346)	(459,204)	(582,473)	(420,679)	(314,616)	-	(6,155,801)
-	-	-	-	-	102,000	-	3,317,796	-	3,419,796
-	-	-	-	-	-	-	-	-	(29,466)
-	-	-	-	-	102,000	-	3,317,796	-	3,390,330
(271,107)	65,335	(1,355,228)	(1,533,346)	(459,204)	(480,473)	(420,679)	3,003,180	-	(2,765,471)
5,642,911	5,915,198	15,914,834	13,014,607	7,396,319	11,189,259	-	-	4,735,868	96,168,312
-	-	-	-	-	-	2,851,745	-	(4,735,868)	(1,884,123)
5,642,911	5,915,198	15,914,834	13,014,607	7,396,319	11,189,259	2,851,745	-	-	94,284,189
\$ 5,371,804	\$ 5,980,533	\$ 14,559,606	\$ 11,481,261	\$ 6,937,115	\$ 10,708,786	\$ 2,431,066	\$ 3,003,180	\$ -	\$ 91,518,718

Note 1 - Nature of Operations and Significant Accounting Policies

General

The Housing Authority of the City of Lakewood dba Metro West Housing Solutions (the Authority) is a corporate body politic created in 1974 and uses available federal, state and local resources to serve the residents of the City of Lakewood, Colorado, and surrounding areas, by upgrading and maintaining the existing housing stock, encouraging the construction of new housing affordable to low and moderate income households, and providing low and moderate income families and senior households with decent, safe, and affordable rental housing opportunities. The Authority owns and operates 1,658 units of affordable housing in Lakewood, Colorado and administers 1,419 housing choice vouchers.

The Authority is governed by a five-member Board of Commissioners.

Reporting Entity

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

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

Blended Component Units

Fifteen additional entities are included in the financial reporting of the Authority as blended component units:

Lakewood Housing Corporation is included in the financial reporting entity of the Authority as a blended component unit. Lakewood Housing Corporation was created in December 1978 for the purpose of owning and operating various housing projects in Lakewood, Colorado, and the surrounding area. The sole member of Lakewood Housing Corporation is Metro West Housing Solutions which is able to impose its will on the organization. Accordingly, the activities and ending balances of Lakewood Housing Corporation are reported within the proprietary funds of the Authority. Eiber Village MM, LLC, the managing member of Everett Court Partners LLC, is wholly-owned by Lakewood Housing Corporation. Eiber Village MM, LLC has little or no activity.

On February 9, 2023, Lakewood Housing Corporation was assigned 100% interest in Eiber Village MM, LLC, the managing member of Everett Court Partners LLC. In exchange for the assignment of this interest, Lakewood Housing Corporation purchased and assumed from the original members, the promissory note and related interest between Everett Court Partners, LLC and the original members. The promissory note and interest receivable were \$1,145,000 and \$148,659, respectively. As part of the agreement, Lakewood Housing Corporation also purchased and assumed from the original members, the developer fee receivable and related interest that is payable from Everett Court Partners, LLC. The developer fee and interest receivable were \$855,414 and \$13,194, respectively.

LHA Ridgemoor Holdings, LLC is included in the financial reporting entity of the Authority as a blended component unit. LHA Ridgemoor Holdings, LLC was created to be the special limited partner in various entities which develop and own affordable housing properties. The sole member of LHA Ridgemoor Holdings, LLC is Metro West Housing Solutions which is able to impose its will on the organization. Accordingly, the activities and ending balances of LHA Ridgemoor Holdings, LLC are reported within the proprietary funds of the Authority.

LHA Pierce Street, LLLP is included in the financial reporting entity of the Authority as a blended component unit. LHA Pierce Street, LLLP was formed for the purpose of owning and operating a 118-unit low-income housing project in Lakewood, Colorado. During 2023, the limited partner, which owned a 99.99% interest in LHA Pierce Street, LLLP exited and assigned this interest to the Authority and Lakewood Housing Corporation with 99.98% assigned to the Authority and .01% assigned to Lakewood Housing Corporation. LHA Pierce Street, LLC maintained its original .01% interest in LHA Pierce Street, LLLP. Due to this reassignment of interest to the Authority and Lakewood Housing Corporation, the Authority is able to impose its will on this entity. This resulted in a change in reporting entity, and the activities and ending balances of LHA Pierce Street, LLLP are reported within the Authority. See Note 15 for more information.

LHA Pierce Street, LLC is wholly owned by the Authority and is the managing general partner of LHA Pierce Street, LLLP.

MWHS Los Altos LLC is wholly owned by the Authority and is the managing member of 5100 W Alameda Holdings, LLC.

MWHS Lamar Station, LLC is wholly owned by the Authority and is the managing general partner of MWHS Lamar Station, LLLP.

MWHS CityScape, LLC is wholly owned by the Authority and is the managing general partner of MWHS CityScape, LLLP.

MWHS Creekside West, LLC is wholly owned by the Authority and is the managing general partner of MWHS Creekside West, LLLP.

MWHS Morrison/Colfax II, LLC is wholly owned by the Authority and is the managing general partner of Paloma Villas III, LLLP and Wolff Street Development, LLLP.

LHA Maplewood, LLC is wholly owned by the Authority and is the managing general partner of LHA Maplewood, LLLP.

MWHS Fifty Eight Hundred LLC is wholly owned by the Authority and is the managing general partner of MWHS Fifty Eight Hundred, LLLP.

MWHS Indy Street Flats LLC is wholly owned by the Authority and is the managing general partner of MWHS Indy Street Flats LLLP.

MWHS Sage Corner LLC is wholly owned by the Authority and is the managing general partner of MWHS Sage Corner LLLP.

MWHS Lamar II LLC is wholly owned by the Authority and is the managing general partner of MWHS Lamar II LLLP.

MWHS Belmar Groves LLC is wholly owned by the Authority and is the managing general partner of MWHS Lamar II LLLP.

Metro West Housing Solutions is able to impose its will on these organizations through full ownership of the controlling entities. LHA Pierce Street, LLC; MWHS Los Altos LLC; MWHS Lamar Station, LLC; MWHS CityScape, LLC; MWHS Creekside West, LLC; MWHS Morrison/Colfax II, LLC; LHA Maplewood, LLC; MWHS Fifty Eight Hundred LLC; MWHS Indy Street Flats LLC; MWHS Sage Corner LLC; MWHS Lamar II LLC; and MWHS Belmar Groves LLC have little or no activity.

Separate financial statements are not issued for the blended component units. Condensed component unit information for Lakewood Housing Corporation, LHA Ridgemoor Holdings, LLC, and LHA Pierce Street, LLLP are disclosed in Note 14.

Discretely Presented Component Units

The component unit column of the combined financial statements includes the financial data of the Authority's discretely presented component units as of December 31, 2023. These units are reported in a separate column to emphasize that they are legally separate from the Authority.

Discretely presented component units consist of the following:

5100 W Alameda Holdings, LLC (Los Altos de Alameda) was formed for the purpose of owning and operating Los Altos de Alameda, a 50-unit multifamily housing project in Denver, Colorado. MWHS Los Altos LLC has an ownership percentage of .009%.

MWHS Lamar Station, LLLP (Lamar Station Crossing) was formed for the purpose of owning and operating Lamar Station Crossing, a 110-unit multifamily housing project in Lakewood, Colorado. MWHS Lamar Station, LLC has an ownership percentage of .01%.

MWHS CityScape, LLLP (CityScape at Belmar) was formed for the purpose of owning and operating CityScape at Belmar, a 130-unit multifamily housing project in Lakewood, Colorado. The managing general partner (MWHS CityScape, LLC) and the administrative general partner (Lakewood Housing Corporation) each have an ownership percentage of .005%.

MWHS Creekside West, LLLP (Creekside West) was formed for the purpose of owning and operating Creekside West, an 82-unit multifamily housing project in Lakewood, Colorado. MWHS Creekside West, LLC has an ownership percentage of .01%.

Paloma Villas III, LLLP (Paloma Villas III) was formed for the purpose of owning and operating Paloma Villas III, a 50-unit multifamily housing project in Denver, Colorado. MWHS Morrison/Colfax II, LLC has an ownership percentage of .005%.

Wolff Street Development, LLLP (Villas at Sloan's Lake) was formed for the purpose of owning and operating Villas at Sloan's Lake, a 63-unit multifamily housing project in Denver, Colorado. MWHS Morrison/Colfax II, LLC has an ownership percentage of .005%.

LHA Maplewood, LLLP (Maplewood Apartments) was formed for the purpose of owning and operating Maplewood Apartments, a 132-unit multifamily housing project in Lakewood, Colorado. LHA Maplewood, LLC has an ownership percentage of .01%.

MWHS Fifty Eight Hundred, LLLP (Fifty Eight Hundred Apartments) was formed for the purpose of owning and operating Fifty Eight Hundred Apartments, a 152-unit multifamily housing project in Lakewood, Colorado. MWHS Fifty Eight Hundred LLC has an ownership percentage of .01%.

MWHS Indy Street Flats LLLP (Indy Street Flats) was formed for the purpose of owning and operating Indy Street Flats, a 115-unit multifamily housing project in Lakewood, Colorado. MWHS Indy Street Flats LLC has an ownership percentage of .01%.

MWHS Sage Corner LLLP (Sage Corner) was formed for the purpose of owning and operating Sage Corner, a 43-unit multifamily housing project in Lakewood, Colorado. MWHS Sage Corner LLC has an ownership percentage of .01%.

MWHS Lamar II LLLP (Lamar II) was formed for the purpose of owning and operating Lamar Station Crossing Phase II, a 65-unit multifamily housing project in Lakewood, Colorado. MWHS Lamar II LLC has an ownership percentage of .01%.

Everett Court Partners LLC (Everett Court) was formed for the purpose of owning and operating a 50-unit multifamily housing project in Lakewood, Colorado. The Authority is the special member of Everett Court Partners, LLC and has an ownership percentage of .01%. During 2023, the Lakewood Housing Corporation was assigned the sole interest of the managing member of .01% and assumed all management responsibilities of Everett Court.

MWHS Belmar Groves LLLP (Belmar Groves) was formed for the purpose of owning and operating a 118-unit multifamily housing project in Lakewood, Colorado. MWHS Belmar Groves LLC has an ownership percentage of .005%.

LHA Pierce Street, LLLP (Residences at Creekside) was formed for the purpose of owning and operating Residences at Creekside, a 118-unit multifamily housing project in Lakewood, Colorado. During 2023, the Authority was assigned a 99.98% interest, and Lakewood Housing Corporation was assigned a .01% interest in LHA Pierce Street, LLLP by the investor limited partner, who then exited the partnership. The Authority gained full control of the partnership through this transaction. LHA Pierce Street, LLLP is presented as a blended component unit as of January 1, 2023. See Note 15 for more information.

Basis of Accounting and Measurement Focus

The Department of Housing and Urban Development Real Estate Assessment Center (REAC) assesses the financial condition of Public Housing Authorities (PHA's). To uniformly and consistently assess the PHAs, REAC requires that PHA's financial statements conform to Generally Accepted Accounting Principles (GAAP).

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All proprietary funds are accounted for using the economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the Statement of Net Position. Net position is segregated into net investment in capital assets, restricted and unrestricted components. The statement of revenues, expenses and changes in net position presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position. The statement of cash flows presents the cash flows for operating activities, investing activities, capital and related financing activities and non-capital financing activities.

Cash and Cash Equivalents

For the purposes of the statement of cash flows, the Authority considers cash deposits and highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Accounts Receivable

Revenues are recorded when earned and are reported as accounts receivable until collected. Accounts receivable are expensed as bad debts at the time they are determined to be uncollectible. Management has established an allowance for doubtful accounts for amounts that may not be collectible in the future. Tenant receivables are reported net of the related allowance.

Notes and Interest Receivable

Notes and interest receivable are carried at amounts advanced, net of reserve for uncollectable accounts, if any. As of December 31, 2023, the Authority considered all notes and interest receivable to be fully collectable.

Developer Fees Receivable

Developer fees receivable and related interest receivable are carried at the amounts earned but unpaid in accordance with the development agreements with the various entities. As of December 31, 2023, the Authority considered all developer fees and interest receivable to be fully collectable.

Lease Receivables

Lease receivables are recorded by the Authority as the present value of future lease payments expected to be received from the lessee during the lease term, reduced by any provision for estimated uncollectible amounts. Lease receivables are subsequently reduced over the life of the lease as cash is received in the applicable reporting period. The present value of future lease payments to be received are discounted based on the interest rate the Authority charges the lessee.

Equity Method Investments

Investments in partnerships and limited liability companies are accounted for under the equity method. Investments are stated as cost less any distributions received.

Capital and Leased Assets

Land, buildings and improvements, and equipment are recorded at cost, including indirect development costs. The Authority uses a capitalization threshold of \$5,000. Donated capital assets are valued at their estimated acquisition value on the date donated. Costs incurred for construction of capital assets are included in construction in progress until the capital assets are placed in service. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend lives are not capitalized.

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

Land improvements	5-25 years
Buildings and improvements	5-30 years
Equipment	3-10 years

Long-lived assets held and used by an entity are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. No impairment loss has been recognized for the year ended December 31, 2023.

Right-to-use leased assets are recognized at the lease commencement date and represent the Authority's right to use an underlying asset for the lease term. Right-to-use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to please the lease asset into service. Right-to-use leased assets are amortized over the shorter of the lease term or useful life of the underlying asset using the same method amortizing the debt. The amortization period varies from 2 to 4 years.

Lease Liabilities

Lease liabilities represent the Authority's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments expected to be made during the lease term. The present value of lease payments are discounted based on a borrowing rate determined by the Authority.

Deferred Inflows of Resources

In addition to liabilities, the Statement of Net Position includes a separate section for deferred inflows of resources. This separate element represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until then. Deferred inflows related to leases where the Authority is the lessor are reported in the statement of net position. The deferred inflows of resources related to leases are recognized as an inflow of resources (revenue) using the same method amortizing the lease receivable.

Accrued Compensated Absences

The Authority provides paid leave for its regular full-time employees for vacations, holidays, illness and certain other qualifying absences. Employees are limited to a maximum number of hours based upon years of service. These compensated absences are recognized as salary costs in the financial statements when earned. Compensated absences which have been earned but not paid as of year-end have been accrued in the accompanying financial statements. Any accrued vacation amounts are paid out to employees upon termination of employment. Exempt employees hired prior to 1992 will be paid for 50% of accrued sick time upon termination of employment.

The amount of accumulated unpaid leave at December 31, 2023, was \$554,099 for the Authority.

Advanced Revenues

As of December 31, 2023, the Authority's advanced revenues consisted of prepaid rents of \$45,667 and an advance payment of a grant of \$34,918 before all eligibility requirements have been met.

Components of Net Position

Components of net position include the following:

- Net Investment in Capital Assets – Consists of capital and leased assets, net of accumulated depreciation and amortization and reduced by outstanding balances of debt issued to finance the acquisition, improvement, or construction of those assets.
- Restricted Net Position – Consists of assets and deferred outflows less related liabilities and deferred inflows reported in the Statement of Net Position that are subject to restraints on their use by HUD or other outside third party or enabling legislation. There was no restricted net position at December 31, 2023.
- Unrestricted Net Position – Consists of assets and deferred outflows less related liabilities and deferred inflows reported in the Statement of Net Position that are not subject to restraints on their use.

Fraud Recovery

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

Operating Revenues and Expenses

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

Restricted and Unrestricted Resources

The Authority applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Business and Credit Risk

The Authority provides housing on account to clients which are located in Lakewood and Denver, Colorado.

Budgetary

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

Accounting Estimates

The preparation of financial statement 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 at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Implementation of GASB Statement No. 96

As of January 1, 2023, the Authority adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*. The implementation of this standard establishes that a SBITA results in a right-to-use asset – an intangible asset – and a corresponding liability. The standard provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA. There were no SBITAs in 2023 and no effect on beginning net position.

Implementation of GASB Statement No. 100

As of January 1, 2023, the Authority adopted GASB Statement No. 100, *Accounting Changes and Error Corrections*. This standard provides guidance for the presentation of accounting changes and error corrections in governmental financial statements and establishes disclosure requirements for the notes to the financial statements. In addition, the standard establishes guidance for the treatment of accounting changes and error corrections within the supplementary information (both required and discretionary), which is an integral part of government annual reports. Details of the Authority's change in reporting entity recognized as of January 1, 2023, are disclosed in Note 15 to the financial statements.

Note 2 - Deposits and Investments

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 regulators. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The PDPA allows the 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 uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. The general depository agreement required by the annual contract with HUD has additional requirements, which the Authority met in 2023.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Authority's deposits may not be returned to it. As of December 31, 2023, the Authority's deposits were not exposed to custodial credit risk, as all deposits were insured by the Federal Deposit Insurance Corporation (FDIC) and collateralized in accordance with PDPA.

At December 31, 2023, the Authority's carrying amount of deposits was \$20,310,772, and the bank balance was \$21,511,045. Of the bank balances, \$796,614 was covered by Federal Depository Insurance. Of the remaining balances for 2023, \$20,714,431 was collateralized with securities held by a pledging financial institution's agent in the Authority's name.

Investments

The Authority's investment policy follows the general provisions of the Colorado Revised Statutes (C.R.S. 24-75-601) and HUD regulations, whichever is more restrictive.

The Colorado Revised Statutes limit investment maturities to three years or five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

Fair Value

Investments are measured at fair value on a recurring basis. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Money Market Mutual fund is categorized as Level 1 and is valued based on prices quoted in active markets for those securities. The intent of this investment is to hold these funds in a secure account that aligns with the Authority's investment policy. The money market mutual fund has a weighted average maturity of 10 days and a fair value of \$1 per share, and the Authority considers this investment a cash equivalent.

The weighted average maturity of the CSAFE investment is less than 90 days and is reported at cost plus interest as allowed by GASB. It is not subject to the fair value measurement categories noted above. The Authority considers this investment a cash equivalent.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- Obligations of the United States and certain U.S. government agency securities and the World Bank
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Certain corporate bonds
- Written repurchase agreements collateralized by certain authorized securities
- Certain reverse repurchase agreements
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As of December 31, 2023, investments held by the Authority are held in a money market fund totaling \$1,748,103 and a local government investment pool totaling \$597,596. These funds are classified as cash and cash equivalents on the Statement of Net Position.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The local government investment pool investment owned by the Authority is rated AAmmf by Fitch Ratings.

At December 31, 2023, the Authority had \$597,596 invested in Colorado Surplus Asset Fund Trust (CSAFE), which is an investment vehicle established by State statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust is similar to a money market fund, with each share valued at \$1.00. The Trust has a weighted average maturity to reset (WAM(R)) that is managed at under 60 days.

At December 31, 2023, the Authority had \$1,748,103 invested in a money market mutual fund. The fund invests in high-quality, short-term, U.S. dollar-denominated money market instruments of domestic and foreign issuers. The fund is valued at cost plus interest which approximates fair value. The fund is rated AAAM by Standard and Poor's and Aaa-mf by Moodys.

Note 3 - Restricted Cash and Cash Equivalents

Restricted cash consists of cash and cash equivalents balances held in escrow to comply with the requirements of HUD programs; held to comply with bond requirements; and held for tenant security deposits.

Note 4 - Notes Receivable

	Principal	Accrued Interest	Total
<u>Notes Receivable from Discretely Presented Component Units:</u>			
2.00% note receivable from MWHS Lamar Station, LLLP, payments due to the extent the Partnership generates cash flow, remaining principal and interest due December 2042, secured by a deed of trust, security agreement and financing statement on the Lamar Station Crossing property	\$ 2,818,796	\$ 58,305	\$ 2,877,101
2.00% note receivable from MWHS Lamar Station, LLLP, (CDOH), payments due to the extent the Partnership generates cash flow, remaining principal and interest due December 2042, secured by a deed of trust, security agreement and financing statement on the Lamar Station Crossing property	500,000	10,087	510,087
2.00% note receivable from MWHS Lamar Station, LLLP, (HOME), payments due to the extent the Partnership generates cash flow, remaining principal and interest due December 2042, secured by a deed of trust, security agreement and financing statement on the Lamar Station Crossing property	567,979	11,458	579,437
4.00% note receivable from MWHS CityScape, LLLP, (County HOME), payments due to the extent the Partnership generates cash flow, remaining principal and interest due December 2044, secured by a deed of trust on the CityScape at Belmar property	900,000	345,169	1,245,169
4.00% note receivable from MWHS CityScape, LLLP, (CDOH), payments due to the extent the Partnership generates cash flow, remaining principal and interest due December 2044, secured by a deed of trust on the CityScape at Belmar property	500,000	203,903	703,903
4.00% note receivable from MWHS CityScape, LLLP, payments due to the extent the Partnership generates cash flow, remaining principal and interest due December, 2044, secured by a deed of trust on the CityScape at Belmar property	2,262,836	989,251	3,252,087

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	Principal	Accrued Interest	Total
0.00% note receivable from MWHS Creekside West, LLLP (Land Loan) payments due to the extent the Partnership generates cash flow, remaining principal balance due December 2040, secured by a deed of trust and security agreement on the Creekside West property	335,858	-	335,858
4.25% note receivable from MWHS Creekside West, LLLP (Development), payments due to the extent the Partnership generates cash flow, remaining principal and accrued interest balance due December 2040, secured by a deed of trust and security agreement on the Creekside West property	608,765	469,214	1,077,979
4.25% note receivable from MWHS Creekside West, LLLP (AHP), payments due to the extent the Partnership generates cash flow, remaining principal and accrued interest balance due December 2029, secured by a deed of trust and security agreement on the Creekside West property	300,000	229,274	529,274
4.25% note receivable from MWHS Creekside West, LLLP (CDOH HOME), payments due to the extent the Partnership generates cash flow, remaining principal and accrued interest balance due December 2040, secured by a deed of trust and security agreement on the Creekside West property	500,000	358,932	858,932
4.25% note receivable from MWHS Creekside West, LLLP (City HOME), payments due to the extent the Partnership generates cash flow, remaining principal and accrued interest balance due December 2040, secured by a deed of trust and security agreement on the Creekside West property	500,000	390,636	890,636
4.60% note receivable from LHA Maplewood, LLLP, interest compounded annually, payments due to the extent the Partnership generates cash flow, remaining principal and accrued interest balance due December 2058, secured by a deed, security agreement and financing statement on the Maplewood Apartments property	127,825	9,121	136,946
4.60% note receivable from LHA Maplewood, LLLP, interest compounded annually, payments due to the extent the Partnership generates cash flow, remaining principal and accrued interest balance due December 2058, secured by a deed, security agreement and financing statement on the Maplewood Apartments property	105,000	4,928	109,928

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	Principal	Accrued Interest	Total
4.60% note receivable from LHA Maplewood, LLLP, interest compounded annually, payments due to the extent the Partnership generates cash flow, remaining principal and accrued interest balance due December 2058, secured by a deed, security agreement and financing statement on the Maplewood Apartments property	843,254	39,579	882,833
4.60% note receivable from LHA Maplewood, LLLP, interest compounded annually, payments due to the extent the Partnership generates cash flow, remaining principal and accrued interest balance due December 2058, secured by a deed, security agreement and financing statement on the Maplewood Apartments property	300,000	14,081	314,081
4.60% note receivable from LHA Maplewood, LLLP, interest compounded annually, payments due to the extent the Partnership generates cash flow, remaining principal and accrued interest balance due December 2058, secured by a deed, security agreement and financing statement on the Maplewood Apartments property	500,000	23,468	523,468
1.00% note receivable from MWHS Fifty Eight Hundred, LLLP, payments due to the extent the Partnership generates cash flow, remaining principal and accrued interest balance due March 2057, secured by a deed of trust and security agreement on the Fifty Eight Hundred Apartments property	800,000	50,204	850,204
1.00% note receivable from MWHS Fifty Eight Hundred, LLLP, payments due to the extent the Partnership generates cash flow, remaining principal and accrued interest balance due March 2057, secured by a deed of trust and security agreement on the Fifty Eight Hundred Apartments property	840,000	55,727	895,727
2.82% note receivable from MWHS Fifty Eight Hundred, LLLP, payments due to the extent the Partnership generates cash flow, remaining principal and accrued interest balance due March 2057, secured by a deed of trust and security agreement on the Fifty Eight Hundred Apartments property	4,370,000	890,874	5,260,874
1.00% note receivable from MWHS Fifty Eight Hundred, LLLP, payments due to the extent the Partnership generates cash flow, remaining principal and accrued interest balance due March 2057, secured by a deed of trust and security agreement on the Fifty Eight Hundred Apartments property	600,000	36,815	636,815

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	Principal	Accrued Interest	Total
3.00% note receivable from MWHS Sage Corner LLLP, payments due to the extent the Partnership generates cash flow, remaining principal and accrued interest balance due December 2057, secured by a deed of trust and security agreement on the Sage Corner property	384,000	49,474	433,474
3.00% note receivable from MWHS Sage Corner LLLP, payments due to the extent the Partnership generates cash flow, remaining principal and accrued interest balance due December 2057, secured by a deed of trust and security agreement on the Sage Corner property	396,000	53,292	449,292
3.00% note receivable from MWHS Sage Corner LLLP, payments due to the extent the Partnership generates cash flow, remaining principal and accrued interest balance due December 2057, secured by a deed of trust and security agreement on the Sage Corner property	430,000	46,705	476,705
3.00% note receivable from MWHS Sage Corner LLLP, payments due to the extent the Partnership generates cash flow, remaining principal and accrued interest balance due December 2057, secured by a deed of trust and security agreement on the Sage Corner property	450,000	51,076	501,076
3.00% note receivable from MWHS Indy Street Flats LLLP, payments due to the extent the Partnership generates cash flow, remaining principal and accrued interest balance due August 2058, secured by a deed of trust and security agreement on the Indy Street Flats property	3,445,315	602,915	4,048,230
3.00% note receivable from MWHS Indy Street Flats LLLP, payments due to the extent the Partnership generates cash flow, remaining principal and accrued interest balance due August 2058, secured by a deed of trust and security agreement on the Indy Street Flats property	300,000	47,821	347,821
3.00% note receivable from MWHS Indy Street Flats LLLP, payments due to the extent the Partnership generates cash flow, remaining principal and accrued interest balance due August 2058, secured by a deed of trust and security agreement on the Indy Street Flats property	600,000	88,254	688,254
3.00% note receivable from MWHS Indy Street Flats LLLP, payments due to the extent the Partnership generates cash flow, remaining principal and accrued interest balance due August 2058, secured by a deed of trust and security agreement on the Indy Street Flats property	935,746	164,207	1,099,953

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	Principal	Accrued Interest	Total
3.00% note receivable from MWHS Lamar II LLLP, payments due to the extent the Partnership generates cash flow, remaining principal and accrued interest due July 2060, secured by a deed of trust and security agreement on the Lamar II property	1,880,000	199,148	2,079,148
6.00% note receivable from MWHS Lamar II LLLP, payments due to the extent the Partnership generates cash flow, remaining principal and accrued interest due July 2060, secured by a deed of trust and security agreement on the Lamar II property	500,000	78,557	578,557
6.00% note receivable from MWHS Lamar II LLLP, payments due to the extent the Partnership generates cash flow, remaining principal and accrued interest due July 2060, secured by a deed of trust and security agreement on the Lamar II property	795,000	114,810	909,810
0.1% note receivable from Everett Court, remaining principal and interest due July 2060, secured by a deed of trust and security agreement on the Everett Court property	910,000	3,313	913,313
0.1% note receivable from Everett Court, remaining principal and interest due July 2060, secured by a deed of trust and security agreement on the Everett Court property	910,000	3,313	913,313
3.80% Seller Carryback note receivable from Everett Court, payments due from available cash flow, unpaid principal and compounding interest due December 2060, secured by a deed of trust and security agreement on the Everett Court property	1,145,000	184,214	1,329,214
3.98% note receivable from Belmar Groves, payments due to the extent the Partnership generates cash flow, remaining principal and accrued interest due December 2065, secured by a deed of trust, security agreement, financing statement and fixture filing on the Belmar Groves property	21,800,000	370,827	22,170,827
Total Notes Receivable from Discretely Presented Component Units	53,161,374	6,248,952	59,410,326

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	Principal	Accrued Interest	Total
<u>Notes Receivable - Other:</u>			
Non-interest-bearing Rental Rehabilitation Program notes receivable, issued for the purpose of rehabilitation of affordable housing, no monthly payments required, loan balance is due when property is sold, secured by a lien on the property	13,128	-	13,128
Total Notes Receivable - Other	13,128	-	13,128
 Total Notes Receivable	53,174,502	6,248,952	59,423,454
Less current portion	(765,451)	-	(765,451)
Total Notes Receivable, Net of Current Portion	<u>\$ 52,409,051</u>	<u>\$ 6,248,952</u>	<u>\$ 58,658,003</u>

In addition to interest on notes receivable, the Authority charges interest on developer fees receivable from MWHS Lamar II LLLP, MWHS Fifty Eight Hundred, LLLP, MWHS Indy Street Flats LLLP, and MWHS Sage Corner LLLP. At December 31, 2023, the balance of accrued interest receivable consisted of the following:

Accrued interest receivable on notes receivable	\$ 6,248,952
Accrued interest receivable on developer fees - Notes 12 and 16:	
MWHS Lamar II LLLP	1,228
MWHS Fifty Eight Hundred, LLLP	12,515
MWHS Indy Street Flats LLLP	112,408
MWHS Sage Corner LLLP	5,272
Total interest receivable	<u>\$ 6,380,375</u>

Note 5 - Equity Method Investments

At December 31, 2023, the Authority's equity method investments consisted of the following:

<u>Discretely Presented Component Units:</u>	
5100 W Alameda Holdings, LLC	\$ 773,269
MWHS Lamar Station, LLLP	1,452,512
MWHS CityScape, LLLP	1,200,000
Paloma Villas III, LLLP	421,289
Wolff Street Development, LLLP	684,139
LHA Maplewood, LLLP	876
MWHS Fifty Eight Hundred, LLLP	2,500
MWHS Indy Street Flats LLLP	3,600
	<u>4,538,185</u>
<u>Other:</u>	
Foothills Green, LP - see (A) below	<u>100</u>
	<u><u>\$ 4,538,285</u></u>

- (A) The Authority is a special limited partner in Foothills Green, LP, a limited partnership formed to construct an affordable housing project in the City of Lakewood. According to the Partnership agreement, the Authority is not financially obligated to the Partnership except to \$100 as a capital contribution. The Authority may receive cash payments from the Partnership in future years, subject to the availability of net cash flow of the project.

Note 6 - Leases

Lessor Activities

The Authority regularly provides commercial space to multiple unrelated entities at three buildings owned by the Authority. As of December 31, 2023, the Authority has accrued a receivable of \$934,339 related to the fifteen commercial leases existing at year-end. Deferred inflows related to these leases were \$934,339 as of December 31, 2023. Interest revenue recognized on these leases was \$4,779 for the year ended December 31, 2023. Principal receipts of \$448,294 were recognized during 2023. The interest rate on these leases ranges from .08% to 5.37%. Terms of the leases range from two to nine years with final receipt of lease payments expected in 2031.

The Authority, through its ownership of LHA Pierce Street, LLLP, has entered into antenna lease agreements with three unrelated entities at the Residences at Creekside property. As of December 31, 2023, the Authority has accrued a receivable of \$1,118,510 related to the three antenna leases existing at year-end. Deferred inflows related to these leases were \$1,118,510 as of December 31, 2023. Interest revenue recognized on these leases was \$41,092 for the year ended December 31, 2023. Principal receipts of \$16,457 were recognized during 2023. The interest rate on these leases is 3.64%. Initial terms of the leases range from twenty-three to thirty years with final receipt of lease payments expected in 2047.

Lessee Activities

During the year ended December 31, 2023, the following changes occurred in lease liabilities:

	Balance January 1,	Increases	Decreases	Balance December 31	Due Within One Year
Lease Liability	\$ 92,665	\$ 12,971	\$ (56,380)	\$ 49,256	\$ 26,237

Office Equipment Leases

The Authority has entered into multiple lease agreements as lessee for the use of routers and copiers. The Authority is required to make monthly principal and interest payments throughout the term of the leases. Monthly lease payments of principal and interest range from \$2,287 at December 31, 2023 to \$329 in 2026, the final year of the existing leases. As of December 31, 2023, the value of the lease liability on these routers and copiers was \$49,526. The lease liability was valued using discount rates ranging from 0.22% to 5.36%.

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Note 7 - Capital and Leased Assets

The following is a summary of property, structures and equipment for the year ended December 31, 2023:

	Balance January 1	Restatement of Beginning Balance From Change in Reporting Entity (Note 15)	Additions	Disposals	Transfers	Balance December 31
Nondepreciable assets						
Land	\$ 10,832,957	\$ 750,000	\$ 1,100,000	\$ (1,050,000)	\$ -	\$ 11,632,957
Construction in progress	812,955	180,607	904,880	(531,235)	(863,004)	504,203
Total capital assets not being depreciated	11,645,912	930,607	2,004,880	(1,581,235)	(863,004)	12,137,160
Depreciable assets						
Buildings and improvements	58,524,786	16,579,612	121,614	(13,471,067)	584,008	62,338,953
Equipment and furniture	645,286	351,818	244,523	(265,010)	278,996	1,255,613
Total buildings and improvements	59,170,072	16,931,430	366,137	(13,736,077)	863,004	63,594,566
Accumulated depreciation	(23,045,205)	(6,361,687)	(1,913,930)	5,614,306	-	(25,706,516)
Total capital assets being depreciated	36,124,867	10,569,743	(1,547,793)	(8,121,771)	863,004	37,888,050
Right-to-use leased assets						
Right-to-use leased vehicle	33,582	-	-	(33,582)	-	-
Right-to-use leased equipment	89,999	-	12,971	(5,128)	-	97,842
Total right-to-use leased assets being amortized	123,581	-	12,971	(38,710)	-	97,842
Accumulated amortization	(30,916)	-	(24,786)	7,116	-	(48,586)
Net right-to-use leased assets	92,665	-	(11,815)	(31,594)	-	49,256
Total capital and leased assets, net	\$ 47,863,444	\$ 11,500,350	\$ 445,272	\$ (9,734,600)	\$ -	\$ 50,074,466

Note 8 - Long-Term Debt

During the year ended December 31, 2023, the following changes occurred in long-term debt:

	Balance January 1,	Restatement of Beginning Balance From Change in Reporting Entity (Note 15)	Decreases	Balance December 31	Due Within One Year
Notes and Mortgages Payable	<u>\$ 30,645,520</u>	<u>\$ 2,940,838</u>	<u>\$ (5,707,077)</u>	<u>\$ 27,879,281</u>	<u>\$ 617,052</u>

Long-term debt as of December 31, 2023, consists of the following:

Notes and Mortgages Payable

3.75% note payable, proceeds used to refinance three notes previously secured by Marston Pointe property, due in monthly installments of \$73,025, including interest, with a maturity date of February 2030, secured by a deed of trust and assignment of rents on the Marston Pointe property	\$ 15,982,203
3.50% note payable, due in monthly installments of \$13,854, including interest, with a maturity date of December 2029, secured by a deed of trust and assignment of rents on the Paloma I and Paloma II properties	2,866,810
3.40% note payable, due in monthly installments of \$17,212, including interest, with a maturity date of December 2029, secured by a deed of trust and assignment of rents on the Cedar property	3,929,167
3.50% note payable, due in monthly installments of \$6,856, including interest, with a maturity date of December 2029, secured by a deed of trust and assignment of rents on the Willow Glen property	1,416,774
4.50% note payable, due in monthly installments of \$6,211, including interest, with a maturity date of November 2040, secured by a deed of trust on the Van Gordon property	877,624
4.95% note payable, due in monthly installments of \$23,224, including interest, with a maturity date of January 2026, secured by a deed of trust on the Residences at Creekside property	<u>2,806,703</u>
	<u>\$ 27,879,281</u>

The Marston Pointe, Paloma I and Paloma II, Cedar, Willow Glen, Van Gordon, and Residences at Creekside notes payable carry various financial covenants as defined by their respective loan agreements. At December 31, 2023, the Authority was in compliance with these covenants on the Marston Pointe, Paloma I and Paloma II, Cedar, Willow Glen, Van Gordon and Residences at Creekside loans.

The estimated debt requirements to maturity for the years ending December 31 are as follows:

	Principal	Interest	Total
2024	\$ 617,052	\$ 1,067,584	\$ 1,684,636
2025	3,150,531	1,039,148	4,189,679
2026	515,366	890,412	1,405,778
2027	535,051	870,729	1,405,780
2028	553,083	852,695	1,405,778
2029-2033	22,071,630	1,054,554	23,126,184
2034-2038	304,817	67,843	372,660
2039-2043	131,751	6,319	138,070
Total	<u>\$ 27,879,281</u>	<u>\$ 5,849,284</u>	<u>\$ 33,728,565</u>

Note 9 - Annual Contributions Contract

The Authority has an annual contributions contract for housing choice vouchers and adjustments vary based on requirements. The maximum contract was \$18,067,980 for the year ended December 31, 2023.

Note 10 - Conduit Debt

The Authority is allowed by State statutes to provide private activity bonding authority to private sector entities for projects that serve the public interest. The bonds are secured by the properties being financed and are payable solely from revenues of the properties. Upon repayment of the bonds, ownership of the properties transfers to the respective private sector entities. The Authority is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

The Authority has issued tax-exempt private activity bonds to finance a portion of the cost of the development of the Fifty Eight Hundred Apartments housing project. At December 31, 2023, the outstanding principal balance of the bonds was \$10,787,516.

The Authority has issued tax-exempt private activity bonds to finance a portion of the cost of the development of the Indy Streets Flats housing project. At December 31, 2023, the outstanding principal balance of the bonds was \$9,138,895.

The Authority has issued Multifamily Housing Revenue Bonds to finance a portion of the cost of the construction and rehabilitation of a 108-unit multifamily housing project known as Caesar Square Apartments. At December 31, 2023, the outstanding principal balance of the bonds was \$6,962,580.

Note 11 - Employee Pension Plans

Defined Contribution Plan

The Authority has established a 401(a) defined contribution plan for employees. The Authority contributes 10% of each eligible employee's base salary, and each eligible employee contributes 8% of base salary. The plan is administered by the Teacher's Insurance and Annuity Association (TIAA). All full and part-time staff are eligible to participate upon employment. The Authority's contributions for each employee (and earnings allocated to the employee's account) begin to vest with the employee after three years of service and are fully vested after five years of service. Non-vested Authority contributions and earnings thereon for employees who leave employment before five years of service are used to reduce the Authority's contribution requirement.

During 2023, employer contributions to the plan totaled \$650,993.

Deferred Compensation Plan

The Authority has a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is administered by the International City Managers Association Retirement Corporation (ICMA-RC). Participation in the plan is optional for all employees. The plan allows employees to defer a portion of their salary until future years.

Note 12 - Related Party Transactions

Management Fees and Reimbursed Expenses

The Authority has entered into management agreements with the various related entities to provide management services for their respective projects. Under the agreements, the Authority is to be paid management fees totaling 5% of gross monthly collections. In addition, the Authority receives a monthly bookkeeping fee equal to \$4 per unit per month from 5100 W Alameda Holdings, LLC and MWHS Creekside West, LLLP, and a monthly accounting fee of \$250 from Everett Court.

The Authority is periodically reimbursed for various office expenses, property manager payroll and benefits, and other maintenance costs incidental to the operations of the project.

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During 2023, the Authority received the following management fees, accounting fees and reimbursed expenses from the various related entities:

	Bookkeeping/ Accounting Fees	Management Fees	Reimbursed Expenses
5100 W Alameda Holdings, LLC	\$ 2,400	\$ 33,672	\$ 107,700
MWHS Lamar Station, LLLP	-	87,544	523,500
MWHS CityScape, LLLP	-	98,838	360,000
MWHS Creekside West, LLLP	3,992	59,619	229,500
Paloma Villas III, LLLP	-	32,780	119,600
Wolff Street Development, LLLP	-	41,268	186,000
LHA Maplewood, LLLP	-	92,665	310,600
MWHS Fifty Eight Hundred, LLLP	-	115,259	453,600
MWHS Indy Street Flats LLLP	-	79,992	320,200
MWHS Sage Corner LLLP	-	29,274	100,400
MWHS Lamar II LLLP	-	42,567	151,900
Everett Court Partners, LLC	3,025	32,354	97,800
MWHS Belmar Groves LLLP	-	29,158	144,400
	<u>\$ 9,417</u>	<u>\$ 774,990</u>	<u>\$ 3,105,200</u>

Developer Fees

MWHS Fifty Eight Hundred, LLLP – A developer fee of \$3,858,544 was capitalized as part of the building costs. The developer fee was to be paid out of capital contributions, per the development agreement, and any remaining developer fee payable is to be paid from available cash flows. Unpaid developer fee amounts will incur interest at a rate of 1% annually after the final capital contribution is received. During 2023, the Partnership incurred interest of \$12,515 on unpaid developer fees. During 2023, the Partnership paid \$176,697 for developer fees and related interest. At December 31, 2023, the Partnership owed \$1,205,874 to the Authority for developer fees and owed \$12,515 to the Authority for accrued interest on developer fees.

MWHS Indy Street Flats LLLP – A developer fee of \$3,616,957 was capitalized as part of building costs. The developer fee was to be paid out of capital contributions, per the development agreement, and any remaining developer fee payable is to be paid from available cash flows. All unpaid developer fees shall be paid in full on or before the 13th anniversary of the completion date. Interest is to accrue on deferred developer fees at the long-term Applicable Federal Rate. During 2023, the Partnership incurred interest of \$56,197 and paid interest of \$102,159 on unpaid developer fees. At December 31, 2023, the Partnership owed \$2,597,118 to the Authority for developer fees and owed \$112,408 to the Authority for accrued interest on developer fees.

MWHS Sage Corner LLLP – A developer fee of \$1,350,000 was capitalized as part of building costs. The developer fee is to be paid out of capital contributions, per the development agreement, and any remaining developer fee payable is to be paid from available cash flows. All unpaid developer fees shall constitute a loan bearing an interest rate equal to the long-term applicable federal rate for the month in which the project achieves construction completion (January 28, 2021). The long-term applicable federal rate was 1.35% as of January 28, 2021. During 2023, the Partnership paid \$324,875 for developer fees and the related accrued interest. At December 31, 2023, the Partnership owed \$336,769 to the Authority for developer fees. During 2023, the Partnership incurred interest of \$5,272 to the Authority for developer fees. At December 31, 2023, the Partnership owed \$5,272 to the Authority for accrued interest on developer fees.

MWHS Lamar II LLLP – A developer fee of \$1,650,000 to the Authority has been capitalized as part of the building costs. The developer fee was to be paid out of capital contributions, per the development agreement, and any remaining developer fee payable is to be paid from available cash flows. Unpaid developer fee amounts will incur interest at a rate of 5% annually. All unpaid developer fees shall be paid in full as of the end of the compliance period, or December 2036. During 2023, the Partnership incurred interest of \$1,228 on unpaid developer fees. During 2023, the Partnership paid \$244,984 for developer fees. As of December 31, 2023, the Partnership owed \$38,308 to the Authority for developer fees and owed \$1,228 to the Authority for accrued interest on developer fees.

Everett Court Partners, LLC – A developer fee of \$1,501,256 to Hartman Ely Investments, LLC, the developer, was previously capitalized as part of the building costs. Effective February 9, 2023, the developer fee payable in the amount of \$855,414 was purchased and assumed by Lakewood Housing Corporation, a blended component unit of the Authority. In exchange for this purchase and assumption, Lakewood Housing Authority was assigned the sole interest of the managing member of Everett Court Partners, LLC. No developer fees were paid in 2023. As of December 31, 2023, the Partnership owed \$855,414 to the Authority for developer fees. Unpaid developer fees are to be paid from available cash flow.

MWHS Belmar Groves, LLLP – The Authority is to receive a developer fee of \$5,014,026 for services performed to develop the Belmar Groves project. As of December 31, 2023, the Authority had earned \$1,181,335 of these fees which were capitalized to construction in progress. During the period from July 28, 2023 to December 31, 2023, the Partnership paid \$514,364 to the Authority for developer fees from capital contributions. As of December 31, 2023, the Partnership owed developer fees in the amount of \$666,971 to the Authority. The developer fee payable is to be paid from capital contributions and net cash flow in accordance with the partnership agreement. Any amount of developer fee including the deferred developer fee that has not been paid in full on or before the end of the compliance period on the first building to start the credit period, shall be paid no later than such date.

Notes Payable

The Authority has entered into multiple loan agreements with the related entities. Provisions of the notes and balances of interest receivable/payable are detailed in Notes 4 and 16. During 2023, the related entities incurred the following interest amounts on the related party notes:

MWHS Lamar Station, LLLP	\$ 79,850
MWHS CityScape, LLLP	200,045
MWHS Creekside West, LLLP	136,849
LHA Maplewood, LLLP	91,177
Everett Court Partners, LLC	50,556
MWHS Fifty Eight Hundred, LLLP	167,879
MWHS Indy Street Flats LLLP	180,124
MWHS Sage Corner LLLP	54,191
MWHS Lamar II LLLP	144,805
MWHS Belmar Groves LLLP	<u>370,827</u>
	<u><u>\$ 1,476,303</u></u>

In order to finance future construction of the Belmar Groves project, Belmar Groves has also entered into two additional loan agreements with the Authority. These loans consist of a 3.98% mortgage note payable in an amount up to \$500,000, with unpaid principal and compounding interest due December 2065 (HOME Loan) and a 3.98% mortgage note payable in an amount up to \$5,310,000, with unpaid principal and compounding interest due December 2065 (Sponsor Gap Loan). Both loans have annual payments due from available cash flow, secured by a deed of trust, security agreement, financing statement and fixture filing. No advances have been made on these loans as of December 31, 2023.

Partnership Management Fees

MWHS Creekside West, LLLP - Pursuant to the partnership agreement, the Partnership is to pay the Authority an annual, cumulative fee equal to \$5,000, increasing 3% each year. During 2023, the Partnership incurred and paid \$6,921 in partnership management fees.

MWHS Fifty Eight Hundred, LLLP – Pursuant to the partnership agreement, the Partnership is to pay the Authority a cumulative partnership management fee equal to \$10,000 annually, until the end of the compliance period for managing the Partnership’s operations and assets and other related services. During 2023, the Partnership incurred partnership administration fees of \$10,000 to the Authority. As of December 31, 2023, the Partnership owed \$52,500 to the Authority for these fees.

MWHS Indy Street Flats LLLP – Pursuant to the partnership agreement, the Partnership is to pay the Authority a cumulative partnership management fee equal to \$15,000, increasing annually by 3%. During 2023, the Partnership incurred partnership management fees of \$16,391. As of December 31, 2023, the Partnership owed \$62,754 to the Authority for these fees.

Partnership Administration Fee

MWHS Lamar Station, LLLP – Pursuant to the partnership agreement, the Partnership is to pay the Authority a cumulative partnership administration fee equal to \$20,537, increasing annually by 3%. During 2023, the Partnership incurred partnership administration fees of \$26,796. As of December 31, 2023, the Partnership owed \$26,796 to the Authority for this fee.

MWHS CityScape, LLLP – Pursuant to the partnership agreement, the Partnership is to pay the Authority a cumulative partnership administration fee equal to \$25,000, increasing annually by 3%. During 2023, the Partnership incurred partnership administration fees of \$31,669. As of December 31, 2023, the Partnership owed \$107,166 to the Authority for this fee.

Paloma Villas III, LLLP – Pursuant to the partnership agreement, the Partnership is to pay the Authority an annual, cumulative fee equal to \$25,000, increasing 3% each year. Amounts are paid out of available cash flow; however, if cash flow is not available, the fee will accumulate but will only be expensed in the year it was paid. During 2023, the Partnership incurred and paid partnership administration fees of \$98,090.

Wolff Street Development, LLLP – Pursuant to the partnership agreement, the Partnership is to pay the Authority an annual, cumulative fee, equal to \$40,000, increasing 3% each year. Amounts are paid out of available cash flow. The fee will not be accrued but will be expensed in the year paid. During 2023, the Partnership incurred and paid partnership administration fees of \$58,139 to the Authority.

MWHS Lamar II LLLP – Pursuant to the partnership agreement, the Partnership is to pay the Authority a cumulative partnership administration fee equal to \$20,946, increasing annually by 3%, to the extent of available cash flow. During 2023, the Partnership incurred partnership administration fees of \$22,222. As of December 31, 2023, the Partnership owed \$45,541 to the Authority for this fee.

MWHS Belmar Groves LLLP – Pursuant to the partnership agreement, the Partnership is to pay the Authority a cumulative partnership administration fee equal to \$4,804, increasing annually by 3%, to the extent of available cash flow. The fee for the period July 28, 2023 through December 31, 2023, was prorated for the portion of the year in operations. During the period from July 28, 2023 through December 31, 2023, the Partnership incurred partnership administration fees of \$2,002. As of December 31, 2023, the Partnership owed \$2,002 to the Authority for this fee.

General Partner Asset Management Fee

MWHS Sage Corner LLLP – Pursuant to the partnership agreement, the Partnership is to pay the Authority a cumulative asset management fee equal to \$10,750, increasing 3% annually, to the extent of available cash flow. The combination of the management fees and general partner asset management fees cannot exceed 12% of the year's effective gross income. During 2023, the Partnership incurred asset management fees of \$11,405 to the Authority. As of December 31, 2023, the Partnership owed \$33,227 to the Authority for these fees.

Loan Shortfall Guaranty

MWHS Indy Street Flats LLLP – Pursuant to the partnership agreement, the Authority is obligated to provide funds to the Partnership in the event that the proceeds of the construction loan and secondary loans are less than the costs of construction. As of December 31, 2023, the Partnership owed \$1,514,241 to the Authority for loan shortfall guaranty loans. The amount will be repaid from available cash flows of the project.

Operating Deficit Guaranty

MWHS Indy Street Flats LLLP – Pursuant to the partnership agreement, if at any time after the stabilization period, an operating deficit exists, the Authority is to advance funds to the Partnership as a loan in an amount equal to the amount of the operating deficit. The Authority's obligation is limited to a maximum amount of \$591,583. The loan shall not bear interest and will be repaid from available cash flows of the project. As of December 31, 2023, the Partnership owed \$409,766 to the Authority for an operating deficit loan.

Guaranties

The partnership agreements with several of the Authority's discretely presented component units require the Authority to advance certain amounts to these partnerships for excess construction costs and operating deficits. The Authority may be required to advance additional amounts to these partnerships in the future; however, these amounts are not currently predictable.

Incentive Management Fee

5100 W Alameda Holdings, LLC – Pursuant to the operating agreement, the Company is to pay the Authority a non-cumulative fee equal to 80% of net cash flow available, as defined in the operating agreement, for services provided in managing the business of the Company. During 2023, the Company incurred and paid incentive management fees of \$117,863 to the Authority.

Company Management Fee

Everett Court Partners, LLC – Pursuant to the operating agreement, the Company is to pay the managing member a cumulative company management fee equal to \$5,000, increasing annually by 3% for services provided. Effective February 9, 2023, the accrued management fees in the amount of \$13,194 were assumed by the Authority, who was assigned the sole interest of the managing member. During 2023, the Company incurred company management fees of \$5,464 to the managing member. As of December 31, 2023, the Company owed the managing member \$18,658 for accrued management fees.

Distributions

Paloma Villas III, LLLP – Pursuant to the partnership agreement, the Partnership is to pay the partners annual distributions to the extent of available cash flow. The Partnership paid no distributions to the Authority in 2023.

5100 W Alameda Holdings, LLC – Pursuant to the company agreement, the Company is to pay the members annual distributions to the extent of available cash flow. The Company paid no distributions to the Authority in 2023.

Construction Advances

MWHS Lamar II LLLP – as of December 31, 2023, the Partnership owed \$3,612 to the Authority for costs paid by the Authority during construction.

Acquisition of Property

On July 28, 2023, the Belmar Groves purchased a 118-unit apartment project from the Authority. The Partnership paid \$27,000,000 for all property and equipment of the Authority.

Note 13 - Commitments and Contingencies

During 2015, the Authority received funding in the amount of \$500,000 from Jefferson County, Colorado (the County), the proceeds of which were loaned to CityScape at Belmar. If the Authority or CityScape at Belmar should fail to meet certain requirements of providing affordable housing below market rates to low-income persons as provided in the funding agreement through November 30, 2035, it is possible that the Authority would have to return the funds to the County.

During 2017, the Authority received funding in the amount of \$600,000 from the County, the proceeds of which were loaned to Fifty Eight Hundred Apartments. If the Authority or Fifty Eight Hundred Apartments should fail to meet certain requirements of providing affordable housing below market rates to low-income persons as provided in the funding agreement through March 31, 2039, it is possible that the Authority would have to return the funds to the County.

During 2018, the Authority received funding in the amount of \$299,000 from the County, the proceeds of which were loaned to Indy Street Flats. If the Authority or Indy Street Flats should fail to meet certain requirements of providing affordable housing below market rates to low-income persons as provided in the funding agreement through August 23, 2038, it is possible that the Authority would have to return the funds to the County.

During 2019, the Authority received funding in the amount of \$543,415 from the State of Colorado (the State), the proceeds of which were loaned to Indy Street Flats. If the Authority or Indy Street Flats should fail to meet certain requirements of providing affordable housing below market rates to low-income persons as provided in the funding agreement through October 25, 2048, it is possible that the Authority would have to return the funds to the State.

During 2020, the Authority received funding in the amount of \$408,500 from the State, the proceeds of which were loaned to Sage Corner. If the Authority or Sage Corner should fail to meet certain requirements of providing affordable housing below market rates to low-income persons as provided in the funding agreement through 2061, it is possible that the Authority would have to return the funds to the State.

During 2020, the Authority received funding in the amount of \$449,000 from the County, the proceeds of which were loaned to Sage Corner. If the Authority or Sage Corner should fail to meet certain requirements of providing affordable housing below market rates to low-income persons as provided in the funding agreement through February 28, 2041, it is possible that the Authority would have to return the funds to the County.

During 2021, the Authority received funding in the amount of \$499,000 from the County, the proceeds of which were loaned to Lamar II. If the Authority or Lamar II should fail to meet certain requirements of providing affordable housing below market rates to low-income persons as provided in the funding agreement through December 31, 2042, it is possible that the Authority would have to return the funds to the County.

During 2021, the Authority received funding in the amount of \$636,000 from the State, the proceeds of which were loaned to Lamar II. If the Authority or Lamar II should fail to meet certain requirements of providing affordable housing below market rates to low-income persons as provided in the funding agreement through December 31, 2062, it is possible that the Authority would have to return the funds to the State.

During 2022, the Authority received funding in the amount of \$1,000 from the County, the proceeds of which were loaned to Lamar II. If the Authority or Lamar II should fail to meet certain requirements of providing affordable housing below market rates to low-income persons as provided in the funding agreement through December 31, 2042, it is possible that the Authority would have to return the funds to the County.

During 2022, the Authority received funding in the amount of \$159,000 from the State, the proceeds of which were loaned to Lamar II. If the Authority or Lamar II should fail to meet certain requirements of providing affordable housing below market rates to low-income persons as provided in the funding agreement through December 31, 2062, it is possible that the Authority would have to return the funds to the State.

Since the possibility that the Authority would fail to meet these requirements is remote, these contingencies are not reported as liabilities in the financial statements.

In addition to the contingencies disclosed above, the Authority regularly enters into contracts for design and development of both current and new projects. The Authority also periodically provides guarantees related to construction completion, operating deficits, and delivery of Low Income Housing Tax Credits for the related entities.

Note 14 - Condensed Component Unit Information

Condensed component unit information for Lakewood Housing Corporation, LHA Ridgemoor Holdings, LLC, and LHA Pierce Street, LLLP, the Authority's blended component units, for the year ended December 31, 2023, is as follows:

Condensed Statement of Net Position

	Lakewood Housing Corporation	LHA Ridgemoor Holdings, LLC	LHA Pierce Street, LLLP	Total
Assets				
Current Assets	\$ 2,358,146	\$ 8,332,349	\$ 803,588	\$ 11,494,083
Noncurrent Assets	2,184,628	-	1,100,274	3,284,902
Equity in Partnerships	1,105,428	-	-	1,105,428
Capital Assets	-	-	11,293,618	11,293,618
Right-to-Use Leased Assets	459	-	5,110	5,569
	<u>5,648,661</u>	<u>8,332,349</u>	<u>13,202,590</u>	<u>27,183,600</u>
Liabilities				
Current Liabilities	\$ 23,542	\$ -	\$ 242,514	\$ 266,056
Noncurrent Liabilities	219	-	7,074,088	7,074,307
Deferred Inflows - Leases	-	-	1,118,510	1,118,510
	<u>23,761</u>	<u>-</u>	<u>8,435,112</u>	<u>8,458,873</u>
Net Position	<u>5,624,900</u>	<u>8,332,349</u>	<u>4,767,478</u>	<u>18,724,727</u>
Total Liabilities and Net Position	<u>\$ 5,648,661</u>	<u>\$ 8,332,349</u>	<u>\$ 13,202,590</u>	<u>\$ 27,183,600</u>

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Condensed Statement of Revenues, Expenses, and Changes in Net Position

	Lakewood Housing Corporation	LHA Ridgemoor Holdings, LLC	LHA Pierce Street, LLLP	Total
Operating Revenues				
Rental income	\$ -	\$ -	\$ 1,640,449	\$ 1,640,449
Other	131,494	122,913	172,507	426,914
Total operating revenues	131,494	122,913	1,812,956	2,067,363
Operating Expenses				
Administrative	187,326	-	272,385	459,711
Maintenance	56	-	375,365	375,421
Depreciation	-	-	515,146	515,146
Utilities	77	-	150,567	150,644
Insurance	4,481	-	95,327	99,808
Other	3,844	-	57,902	61,746
Total operating expenses	195,784	-	1,466,692	1,662,476
Operating Income (Loss)	(64,290)	122,913	346,264	404,887
Non-Operating Revenues (Expenses)				
Loss on disposal of capital assets	-	-	(8,937)	(8,937)
Interest income	67,778	106,720	45,734	220,232
Interest expense	(8)	-	(351,451)	(351,459)
Total non-operating revenues (expenses)	67,770	106,720	(314,654)	(140,164)
Change in Net Position	3,480	229,633	31,610	264,723
Net Position, Beginning of Year, as Originally Reported	5,621,420	8,102,716	-	13,724,136
Change in Reporting Entity	-	-	4,735,868	4,735,868
Net Position, Beginning of Year, as Restated	5,621,420	8,102,716	4,735,868	18,460,004
Net Position, End of Year	\$ 5,624,900	\$ 8,332,349	\$ 4,767,478	\$ 18,724,727

Condensed Statement of Cash Flows

	Lakewood Housing Corporation	LHA Ridgemoor Holdings, LLC	LHA Pierce Street, LLLP	Total
Net Cash From (Used For):				
Operating activities	\$ (926,884)	\$ (5,399,854)	\$ 749,669	\$ (5,577,069)
Capital and related financing activities	(8)	-	(788,737)	(788,745)
Investing activities	(1,261,436)	106,720	45,734	(1,108,982)
Net change in cash and cash equivalents	(2,188,328)	(5,293,134)	6,666	(7,474,796)
Cash and Cash Equivalents, Beginning of Year, as Restated	3,721,636	8,102,716	700,325	12,524,677
Cash and Cash Equivalents, End of Year	<u>\$ 1,533,308</u>	<u>\$ 2,809,582</u>	<u>\$ 706,991</u>	<u>\$ 5,049,881</u>

Note 15 - Change in Reporting Entity

Primary Government

At December 31, 2022, the Authority's equity method investment in LHA Pierce Street, LLLP (Residences at Creekside) totaled \$146,401. During 2023, the Authority was assigned 99.98% of the partnership interest of the investor limited partner and 50% partnership interest of the special limited partner. Lakewood Housing Corporation, the Authority's blended component unit, was assigned the remaining .01% partnership interest of the investor limited partner and 50% partnership interest of the special limited partner, thereby acquiring full control of the partnership by the Authority. As of January 1, 2023, this entity which was previously reported as a discretely presented component unit is now presented as a blended component unit.

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The initial balances from Residences at Creekside that were transferred in 2023, net of the Authority's existing equity method investment balance, are as follows:

Cash	\$ 700,325
Other Current Assets	280,490
Other Noncurrent Assets	1,118,511
Capital Assets	<u>11,500,350</u>
Total Assets	<u><u>\$ 13,599,676</u></u>
Current Liabilities	\$ 414,709
Noncurrent Liabilities	<u>7,314,132</u>
Total Liabilities	7,728,841
Deferred Inflows - Leases	1,134,967
Net Position	<u>4,735,868</u>
Total Liabilities, Deferred Inflows and Net Position	<u><u>\$ 13,599,676</u></u>
Transfer of Net Position	\$ 4,735,868
Less Prior Equity Method Investment Balance	<u>(146,401)</u>
Change in Net Position	<u><u>\$ 4,589,467</u></u>

The initial balance of noncurrent liabilities includes notes payable and interest payable to the Authority totaling \$2,123,699 and \$2,271,994, respectively. The balances of these notes payable and interest payable have been eliminated in the consolidation of the financial statements.

Cash and Cash Equivalents, Beginning of Year were restated on the Statement of Cash Flows to reflect the addition of \$700,325 cash from this transaction. The beginning balances of capital assets and long-term debt were restated as shown in Note 7 – Capital and Leased Assets and Note 8 – Long-Term Debt.

Residences at Creekside has three agreements to allow space on the roof of the building to be used by various vendors for their antennas. These agreements meet the definition of a lease as defined by GASB 87. Therefore, the change in reporting entity includes recording the balances of the Lease Receivable and Deferred Inflow of Resources related to these leases totaling \$1,134,967 as of January 1, 2023.

Discretely Presented Component Unit

During 2023, Lakewood Housing Corporation acquired ownership of Eiber Village MM LLC, the managing member of Everett Court Partners LLC, with an ownership percentage of .01%. The Authority is the special member of Everett Court Partners LLC with an ownership percentage of .01%. As of January 1, 2023, Everett Court Partners LLC is presented as a discretely presented component unit of the Authority.

The initial balances from Everett Court Partners LLC that were transferred in 2023 are as follows:

Cash	\$ 300,521
Other Current Assets	54,902
Other Assets	103,752
Capital Assets	<u>12,170,841</u>
Total Assets	<u>\$ 12,630,016</u>
Current Liabilities	\$ 145,338
Noncurrent Liabilities	<u>9,632,933</u>
Total Liabilities	9,778,271
Net Position	<u>2,851,745</u>
Total Liabilities and Net Position	<u>\$ 12,630,016</u>

Note 16 - Discretely Presented Component Units

Capital Assets

The following is a summary of property, structures and equipment for the year ended December 31, 2023:

Land	\$ 22,463,051
Construction in progress	12,969,131
Land improvements	8,781,488
Building and improvements	213,460,348
Solar equipment	495,610
Furniture and equipment	<u>7,493,163</u>
	265,662,791
Accumulated depreciation	<u>(51,988,872)</u>
	<u><u>\$ 213,673,919</u></u>

Accrued Compensated Absences

The amount of accumulated unpaid leave at December 31, 2023, was \$67,388 for the discretely presented component units.

Advanced Revenues

At December 31, 2023, the discretely presented component units' advanced revenues consisted of prepaid rents of \$94,925.

Construction Note Payable

MWHS Belmar Groves LLLP is financing the construction of the housing project in part with a 5.29% construction note payable to FirstBank in an amount up to \$32,000,000. Monthly payments of interest only are to be made through the conversion date, to be no later than March 1, 2026. During the period from July 28, 2023 to December 31, 2023, Belmar Groves incurred and paid interest of \$110,594 on the construction note payable, of which \$81,725 was capitalized to construction in progress and \$28,869 was expensed. The construction note payable is secured by a deed of trust, security agreement, and fixture filing and is guaranteed by the Authority. As of December 31, 2023, the balance of the construction note payable was \$6,435,862. The construction note payable is expected to be paid down from capital contributions and converted to a permanent loan in the amount of \$11,200,000.

Long-Term Debt

Long-term debt as of December 31, 2023, consists of the following:

Notes and Mortgages Payable

	Principal	Accrued Interest	Total
<u>Notes and Mortgages Payable to Primary Government:</u>			
2.00% note payable to the Authority, payments due to the extent the Partnership generates cash flow, remaining principal and interest due December 2042, secured by a deed of trust, security agreement and financing statement on the Lamar Station Crossing property	\$ 2,818,796	\$ 58,305	\$ 2,877,101
2.00% note payable to the Authority, (CDOH), payments due to the extent the Partnership generates cash flow, remaining principal and interest due December 2042, secured by a deed of trust, security agreement and financing statement on the Lamar Station Crossing property	500,000	10,087	510,087
2.00% note payable to the Authority, (HOME), payments due to the extent the Partnership generates cash flow, remaining principal and interest due December 2042, secured by a deed of trust, security agreement and financing statement on the Lamar Station Crossing property	567,979	11,458	579,437
4.00% note payable to the Authority (County HOME), payments due to the extent the Partnership generates cash flow, remaining principal and interest due December 2044, secured by a deed of trust on the CityScape at Belmar property	900,000	345,169	1,245,169
4.00% note payable to the Authority (CDOH), payments due to the extent the Partnership generates cash flow, remaining principal and interest due December 2044, secured by a deed of trust on the CityScape at Belmar property	500,000	203,903	703,903
4.00% note payable to the Authority, payments due to the extent the Partnership generates cash flow, remaining principal and interest due December, 2044, secured by a deed of trust on the CityScape at Belmar property	2,262,836	989,251	3,252,087
0.00% note payable to the Authority (Land Loan), payments due from cash flow, remaining principal due December 2040, secured by a deed of trust and security agreement on the Creekside West property	335,858	-	335,858

Housing Authority of the City of Lakewood
dba Metro West Housing Solutions
Notes to Financial Statements
December 31, 2023

	Principal	Accrued Interest	Total
4.25% note payable to the Authority (Development), payments due from cash flow, unpaid principal and interest due December 2040, secured by a deed of trust and security agreement on the Creekside West property	608,765	469,214	1,077,979
4.25% note payable to the Authority (AHP), payments due from cash flow, unpaid principal and interest due December 2029, secured by a deed of trust and security agreement on the Creekside West property	300,000	229,274	529,274
4.25% note payable to the Authority (CDOH HOME), payments due from cash flow, unpaid principal and interest due December 2040, secured by a deed of trust and security agreement on the Creekside West property	500,000	358,932	858,932
4.25% note payable to the Authority (City HOME), payments due from cash flow, unpaid principal and interest due December 2040, secured by a deed of trust and security agreement on the Creekside West property	500,000	390,636	890,636
4.60% note payable to the Authority, payments due from available cash flow, unpaid principal and interest (compounded annually) due December 2058, secured by a deed of trust, security agreement and financing statement on the Maplewood Apartments property	127,825	9,121	136,946
4.60% note payable to the Authority, payments due from available cash flow, unpaid principal and interest (compounded annually) due December 2058, secured by a deed of trust, security agreement and financing statement on the Maplewood Apartments property	105,000	4,928	109,928
4.60% note payable to the Authority, payments due from available cash flow, unpaid principal and interest (compounded annually) due December 2058, secured by a deed of trust, security agreement and financing statement on the Maplewood Apartments property	843,254	39,579	882,833
4.60% note payable to the Authority, payments due from available cash flow, unpaid principal and interest (compounded annually) due December 2058, secured by a deed of trust, security agreement and financing statement on the Maplewood Apartments property	300,000	14,081	314,081

Housing Authority of the City of Lakewood
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Notes to Financial Statements
December 31, 2023

	<u>Principal</u>	<u>Accrued Interest</u>	<u>Total</u>
4.60% note payable to the Authority, payments due from available cash flow, unpaid principal and interest (compounded annually) due December 2058, secured by a deed of trust, security agreement and financing statement on the Maplewood Apartments property	500,000	23,468	523,468
1.00% note payable to the Authority, payments due from available cash flow, remaining principal and interest due March 2057, secured by a deed of trust and security agreement on the Fifty Eight Hundred Apartments property	800,000	50,204	850,204
1.00% note payable to the Authority, payments due from available cash flow, remaining principal and interest due March 2057, secured by a deed of trust and security agreement on the Fifty Eight Hundred Apartments property	840,000	55,727	895,727
2.82% note payable to the Authority, payments due from available cash flow, remaining principal and interest due March 2057, secured by a deed of trust and security agreement on the Fifty Eight Hundred Apartments property	4,370,000	890,874	5,260,874
1.00% note payable to the Authority, payments due from available cash flow, remaining principal and interest due March 2057, secured by a deed of trust and security agreement on the Fifty Eight Hundred Apartments property	600,000	36,815	636,815
3.00% note payable to the Authority, payments due from available cash flow, remaining principal and interest due December 2057, secured by a deed of trust and security agreement on the Sage Corner property	384,000	49,474	433,474
3.00% note payable to the Authority, payments due from available cash flow, remaining principal and interest due December 2057, secured by a deed of trust and security agreement on the Sage Corner property	396,000	53,292	449,292
3.00% note payable to the Authority, payments due from available cash flow, remaining principal and interest due December 2057, secured by a deed of trust and security agreement on the Sage Corner property	430,000	46,705	476,705
3.00% note payable to the Authority, payments due from available cash flow, remaining principal and interest due December 2057, secured by a deed of trust and security agreement on the Sage Corner property	450,000	51,076	501,076

Housing Authority of the City of Lakewood
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Notes to Financial Statements
December 31, 2023

	Principal	Accrued Interest	Total
3.00% note payable to the Authority, payments due from available cash flow, remaining principal and interest due August 2058, secured by a deed of trust and security agreement on the Indy Street Flats property	3,445,315	602,915	4,048,230
3.00% note payable to the Authority, payments due from available cash flow, remaining principal and interest due August 2058, secured by a deed of trust and security agreement on the Indy Street Flats property	300,000	47,821	347,821
3.00% note payable to the Authority, payments due from available cash flow, remaining principal and interest due August 2058, secured by a deed of trust and security agreement on the Indy Street Flats property	600,000	88,254	688,254
3.00% note payable to the Authority, payments due from available cash flow, remaining principal and interest due August 2058, secured by a deed of trust and security agreement on the Indy Street Flats property	935,746	164,207	1,099,953
3.00% note payable to the Authority, payments due from available cash flow, remaining principal and interest due July 2060, secured by a deed of trust and security agreement on the Lamar II property	1,880,000	199,148	2,079,148
6.00% note payable to the Authority, payments due from available cash flow, remaining principal and interest due July 2060, secured by a deed of trust and security agreement on the Lamar II property	500,000	78,557	578,557
6.00% note payable to the Authority, payments due from available cash flow, remaining principal and interest due July 2060, secured by a deed of trust and security agreement on the Lamar II property	795,000	114,810	909,810
0.1% note payable to the Authority, unpaid principal and interest due July 2060, secured by a deed of trust and security agreement on the Everett Court property	910,000	3,313	913,313
0.1% note payable to the Authority, unpaid principal and interest due August 2060, secured by a deed of trust and security agreement on the Everett Court property	910,000	3,313	913,313

Housing Authority of the City of Lakewood
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Notes to Financial Statements
December 31, 2023

	Principal	Accrued Interest	Total
3.80% Seller Carryback note payable to the Authority, payments due from available cash flow, unpaid principal and compounding interest due December 2060, secured by a deed of trust and security agreement on the Everett Court property	1,145,000	184,214	1,329,214
3.98% note payable to the Authority, payments due from available cash flow, remaining principal and interest due December 2065, secured by a deed of trust, security agreement, financing statement, and fixture filing on the Belmar Groves property	21,800,000	370,827	22,170,827
Total Notes Payable to Primary Government	53,161,374	6,248,952	59,410,326

Notes and Mortgages Payable - Other:

7.35% note payable to FirstBank of Colorado, due in monthly installments of \$19,196, including interest, through the maturity date of March 2030, secured by a deed of trust and security agreement on the Creekside West property, net of unamortized debt issuance costs of \$33,192, based upon effective interest rate of 8.01%	2,132,153	13,701	2,145,854
5.05% note payable to First Bank, due in monthly installments of \$51,716, including interest, through the maturity date of September 2034, secured by a deed of trust on the CityScape at Belmar property, net of unamortized debt issuance costs of \$205,063, based upon effective interest rate of 5.43%	8,119,773	36,201	8,155,974
0.00% TCAP note payable to Colorado Housing and Finance Authority, unpaid principal due January 2041, secured by a deed of trust on the Los Altos de Alameda property, net of unamortized debt issuance costs of \$19,704 based upon effective interest rate of 0.06%	2,198,613	-	2,198,613
4.00% note payable to First Bank, due in monthly installments of \$9,043, including interest, through the maturity date of September 2027, secured by a deed of trust on the Los Altos de Alameda property, net of unamortized debt issuance costs of \$14,558 based upon effective interest rate of 4.39%	1,551,031	5,393	1,556,424
4.55% mortgage note payable to FirstBank of Colorado, due in monthly installments of \$24,141, including interest, with a maturity date of June 2032, secured by a deed of trust, security agreement and assignment of rents on the Lamar Station Crossing property, net of unamortized debt issuance costs of \$84,353 based upon effective interest rate of 5.01%	3,745,552	15,006	3,760,558

Housing Authority of the City of Lakewood
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Notes to Financial Statements
December 31, 2023

	Principal	Accrued Interest	Total
4.25% note payable to ANB Bank, due in monthly installments of \$7,181, including interest, through the maturity date of January 2030, secured by a deed of trust and an assignment of rents on the Paloma Villas III property, net of unamortized debt issuance costs of \$9,133 based upon effective interest rate of 4.52%	1,363,732	5,024	1,368,756
4.250% note payable to ANB Bank, due in monthly installments of \$8,880, including interest, through the maturity date of January 2030, secured by a deed of trust on the Villas at Sloan's Lake property, net of unamortized debt issuance costs of \$10,353, based upon effective interest rate of 4.50%	1,687,467	6,214	1,693,681
6.70% note payable to Colorado Housing and Finance Authority (Mortgage 1), due in monthly installments of \$25,027, including interest, through the maturity date of June 2027, secured by a deed of trust, security agreement, financing statement, and an assignment of rents and leases on the Maplewood Apartments property, net of unamortized debt issuance costs of \$5,983, based upon effective interest rate of 6.80%	3,404,762	-	3,404,762
3.00% note payable to Colorado Housing and Finance Authority (Mortgage 2), due in monthly installments of \$2,117, including interest, through the maturity date of June 2027, secured by a deed of trust, security agreement, financing statement, and an assignment of rents and leases on the Maplewood Apartments property, net of unamortized debt issuance costs of \$813, based upon effective interest rate of 3.09%	400,171	-	400,171
0.00% TCAP note payable to Colorado Housing and Finance Authority, principal due September 2028, secured by a deed of trust, security agreement and financing statement on the Maplewood Apartments property, net of unamortized debt issuance costs of \$1,376, based upon effective interest rate of .06%	929,733	-	929,733
4.05% mortgage note payable to FirstBank, due in monthly installments of \$18,873, including interest, with a maturity date of August 2038, secured by a deed of trust, security agreement and fixture filing on the Lamar II property, and guaranteed by the Authority, net of unamortized debt issuance costs of \$216,342 based upon effective interest rate of 4.40%	3,908,953	14,390	3,923,343

Housing Authority of the City of Lakewood
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Notes to Financial Statements
December 31, 2023

	Principal	Accrued Interest	Total
5.01% note payable to Key Bank for the construction of Fifty Eight Hundred Apartments, due in monthly installments of \$57,304, including interest, with a maturity date of May 2035, secured by a deed of trust and security agreement on the Fifty Eight Hundred Apartments property, net of unamortized debt issuance costs of \$461,259, based upon an effective interest rate of 5.70%	10,326,257	-	10,326,257
4.15% note payable to FirstBank for the construction of Indy Street Flats, due in monthly installments of \$43,304, including interest, with a maturity date of July 2036, secured by a deed of trust, security agreement, fixture filing, and assignment of rents on the Indy Street Flats property, net of unamortized debt issuance costs of \$353,704, based upon an effective interest rate of 4.65%	8,785,191	32,652	8,817,843
5.00% note payable to Colorado Housing and Finance Authority, due in monthly installments of \$15,141, including interest, through the maturity date of September 2056, secured by a deed of trust, security agreement, financing statement, fixture filing and assignment of rents on the Sage Corner property, net of unamortized debt issuance costs of \$107,828, based upon an effective interest rate of 5.11%	2,813,921	-	2,813,921
3.77% mortgage note payable to Colorado Housing and Finance Authority, due in monthly installments of \$16,725, including interest, through the maturity date of August 2038, secured by a deed of trust, security agreement, financing statement and assignment of rents and leases on the Everett Court Partners property, net of unamortized debt issuance costs of \$242,969, based upon an effective interest rate of 4.48%	3,690,121	-	3,690,121
3.00% mortgage note payable to Colorado Housing and Finance Authority Housing Opportunity Fund, due in monthly installments of \$3,162, including interest, through the maturity date of September 2038, secured by a deed of trust on all property and equipment, a security agreement and assignment of rents and leases on the Everett Court Partners property, net of unamortized debt issuance costs of \$32,119, based upon an effective interest rate of 3.46%	681,701	-	681,701

Housing Authority of the City of Lakewood
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Notes to Financial Statements
December 31, 2023

	<u>Principal</u>	<u>Accrued Interest</u>	<u>Total</u>
1.00% mortgage note payable to the State of Colorado, payments due from available cash flow, unpaid principal and compounding interest due August 2037, secured by a deed of trust, security agreement and financing statement on the Everett Court Partners property	539,000	20,770	559,770
0.50% mortgage note payable to Jefferson County, unpaid principal and compounding interest due December 2060, secured by a deed of trust, security agreement and financing statement on the Everett Court Partners property	750,000	11,306	761,306
Total Notes Payable - Other	<u>57,028,131</u>	<u>160,657</u>	<u>57,188,788</u>
Total Notes and Mortgages Payable	110,189,505	6,409,609	116,599,114
Less current portion	<u>(1,775,398)</u>	<u>-</u>	<u>(1,775,398)</u>
Total Notes Payable, Net of Current Portion and Unamortized Debt Issuance Costs	<u>\$ 108,414,107</u>	<u>\$ 6,409,609</u>	<u>\$ 114,823,716</u>

At December 31, 2023, the balance of accrued interest payable for the discretely presented component units consisted of the following:

Accrued interest on notes payable	\$ 6,409,609
Accrued interest on developer fees - Notes 4 and 12:	
MWHS Lamar II LLLP	1,228
MWHS Fifty Eight Hundred, LLLP	12,515
MWHS Indy Street Flats LLLP	112,408
MWHS Sage Corner LLLP	<u>5,272</u>
Total accrued interest payable	<u>\$ 6,541,032</u>

The estimated debt requirements to maturity for the years ending December 31 are as follows:

2024	\$ 1,775,398
2025	1,379,421
2026	1,434,148
2027	6,292,283
2028	1,382,733
Thereafter	99,724,271
Unamortized debt issuance costs	<u>(1,798,749)</u>
Total	<u><u>\$ 110,189,505</u></u>

Antenna Leases

5100 W Alameda Holdings, LLC

5100 W Alameda Holdings, LLC has entered into an antenna lease agreement in July 2017 with an unrelated entity to lease space on the roof of the building to be used for cell towers. The original term of the first lease is for 5 years and is to automatically renew for 5 additional terms of 60 months each, unless an election to terminate the agreement is made at least 30 days prior to the expiration of the initial term or the renewal term by the tenant. The initial lease agreement calls for monthly rent of \$2,000, increasing 2% annually. Effective April 1, 2023, the lease agreement was amended for monthly rent of \$1,900 increasing 1.5% annually. During 2023, 5100 W Alameda Holdings, LLC earned lease income of \$23,724.

MWHS Fifty Eight Hundred, LLLP

MWHS Fifty Eight Hundred, LLLP has entered into two agreements with unrelated entities to lease space on the roof of the building to be used for cell towers.

The original term of the first lease is for 5 years and is to automatically renew for 5 additional terms of 60 months each, unless an election to terminate the agreement is made at least 30 days prior to the expiration of the initial term or the renewal term by the tenant. The lease agreement calls for monthly rent of \$3,450, increasing 15% at each renewal period. The lease terminated effective April 30, 2023. A loss on lease cancellation in the amount of \$75,418 was recorded during 2023 to write off previously recorded accounts receivable.

The original term of the second lease is for 3 years beginning upon the installation of the equipment and is to automatically renew under the same terms and conditions for 4 additional terms of 60 months each, unless an election to terminate the agreement is made at least 180 days prior to the expiration of the initial term or the renewal term by the tenant. The agreement calls for a monthly license fee of \$800 and a monthly electricity fee of \$100. The monthly license fee and the monthly electricity fee are to increase 2% annually.

During 2023, the Partnership earned lease income of \$34,686.

Minimum future lease payments to be received are as follows:

	5100 W Alameda Holdings, LLC	MWHS Fifty Eight Hundred, LLLP
2024	\$ 25,457	\$ 11,279
2025	25,803	11,279
2026	26,153	11,279
2027	26,509	11,279
2028	26,872	11,279
Thereafter	586,995	230,688
Total	<u>\$ 717,789</u>	<u>\$ 287,083</u>

Supplementary Information

December 31, 2023

**Housing Authority of the City of
Lakewood**

dba

Metro West Housing Solutions

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	Community Development Block Grants 14.218	Housing Choice Vouchers 14.871	HOME Investment Partnership Program 14.239	Blended Component Units
Assets				
Cash and cash equivalents	\$ -	\$ 1,052,881	\$ 44,026	\$ 4,646,707
Restricted cash and cash equivalents	-	-	-	403,174
Accounts receivable				
Tenants, net	-	1,750	-	3,675
Other	-	156,661	-	550,227
Developer fees	-	-	-	-
Due from discretely presented component units	-	-	-	18,657
Leases	-	-	-	18,236
Interprogram receivable	-	-	-	5,791,323
Accrued interest receivable - short-term	-	-	-	-
Prepaid expenses	-	7,115	-	62,084
Notes receivable - current portion	-	-	-	-
Total current assets	-	1,218,407	44,026	11,494,083
Accrued interest receivable - long-term	-	-	-	184,214
Developer fees receivable - long-term	-	-	-	855,414
Equity method investments	-	-	-	1,105,428
Notes receivable, net of current portion	-	-	-	1,145,000
Lease receivable - long-term	-	-	-	1,100,274
Non-depreciable capital assets	-	-	-	750,000
Depreciable capital assets, net	-	11,070	-	10,543,618
Right-to-use leased assets, net	-	18,146	-	5,569
	-	29,216	-	15,689,517
Total assets	\$ -	\$ 1,247,623	\$ 44,026	\$ 27,183,600
Liabilities and Net Position				
Liabilities				
Accounts payable	\$ 594	\$ 9,408	\$ -	\$ 5,668
Interprogram payable	391,323	-	-	-
Accrued liabilities	538	22,279	-	8,930
Accrued compensated absences	1,263	60,451	-	28,994
Advanced revenues	-	13	-	37,730
Tenant security deposits payable	-	-	-	41,630
Lease liability - current	-	9,481	-	2,452
Notes, mortgages and bonds payable - current portion	-	-	-	140,652
Total current liabilities	393,718	101,632	-	266,056
Noncurrent Liabilities				
Accrued interest payable - net of current portion	-	-	-	2,281,440
Lease liability - net of current portion	-	8,665	-	3,117
Notes, mortgages and bonds payable - net of current portion	-	-	-	4,789,750
Total noncurrent liabilities	-	8,665	-	7,074,307
Total liabilities	393,718	110,297	-	7,340,363
Deferred Inflows - Leases	-	-	-	1,118,510
Net Position				
Net investment in capital assets	-	11,070	-	6,363,216
Restricted	-	-	-	-
Unrestricted	(393,718)	1,126,256	44,026	12,361,511
Total net position	(393,718)	1,137,326	44,026	18,724,727
Total liabilities, deferred inflows and net position	\$ -	\$ 1,247,623	\$ 44,026	\$ 27,183,600

Housing Authority of the City of Lakewood
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Combining Statement of Net Position
December 31, 2023

Business Activities	Total	Elimination of Intercompany Activity	Total
\$ 9,432,713	\$ 15,176,327	\$ -	\$ 15,176,327
6,479,374	6,882,548	-	6,882,548
48,978	54,403	-	54,403
651,068	1,357,956	-	1,357,956
407,323	407,323	-	407,323
2,270,624	2,289,281	-	2,289,281
434,947	453,183	-	453,183
-	5,791,323	(5,791,323)	-
385,001	385,001	-	385,001
164,981	234,180	-	234,180
765,451	765,451	-	765,451
21,040,460	33,796,976	(5,791,323)	28,005,653
8,080,636	8,264,850	(2,269,476)	5,995,374
4,437,717	5,293,131	-	5,293,131
3,432,857	4,538,285	-	4,538,285
53,387,750	54,532,750	(2,123,699)	52,409,051
499,392	1,599,666	-	1,599,666
11,387,160	12,137,160	-	12,137,160
27,333,362	37,888,050	-	37,888,050
25,541	49,256	-	49,256
108,584,415	124,303,148	(4,393,175)	119,909,973
\$ 129,624,875	\$ 158,100,124	\$ (10,184,498)	\$ 147,915,626
\$ 201,436	\$ 217,106	\$ -	\$ 217,106
5,400,000	5,791,323	(5,791,323)	-
97,074	128,821	-	128,821
463,391	554,099	-	554,099
42,842	80,585	-	80,585
257,323	298,953	-	298,953
14,304	26,237	-	26,237
476,400	617,052	-	617,052
6,952,770	7,714,176	(5,791,323)	1,922,853
51,608	2,333,048	(2,269,476)	63,572
11,237	23,019	-	23,019
24,596,178	29,385,928	(2,123,699)	27,262,229
24,659,023	31,741,995	(4,393,175)	27,348,820
31,611,793	39,456,171	(10,184,498)	29,271,673
934,339	2,052,849	-	2,052,849
13,647,944	20,022,230	2,123,699	22,145,929
-	-	-	-
83,430,799	96,568,874	(2,123,699)	94,445,175
97,078,743	116,591,104	-	116,591,104
\$ 129,624,875	\$ 158,100,124	\$ (10,184,498)	\$ 147,915,626

	Community Development Block Grants 14.218	Housing Choice Vouchers 14.871	HOME Investment Partnership Program 14.239	Blended Component Units
Operating Revenues				
HUD PHA grants	\$ -	\$ 17,427,174	\$ -	\$ -
Other grants	24,000	-	-	-
Rental income	-	-	-	1,640,449
Management fees	-	-	-	122,767
Developer fee income	-	-	-	-
Other	1,500	11,055	-	304,147
Total Operating Revenues	25,500	17,438,229	-	2,067,363
Operating Expenses				
Housing assistance payments	-	16,142,799	-	-
Administrative salaries and benefits	31,050	666,881	-	351,651
Maintenance salaries and benefits	-	-	-	151,462
Regular and extraordinary maintenance	-	30,598	-	223,959
Other administrative	29,022	279,472	-	108,060
Depreciation	-	1,703	-	515,146
Utilities	-	3,064	-	150,644
Insurance	399	16,471	-	99,808
Other	1,908	20,374	-	61,746
Total Operating Expenses	62,379	17,161,362	-	1,662,476
Operating Income (Loss)	(36,879)	276,867	-	404,887
Non-Operating Revenues (Expenses)				
Gain on sale of capital assets	-	-	-	-
Loss on disposal of capital assets	-	-	-	(8,937)
Interest income	-	14,956	262	220,232
Interest expense	-	(276)	-	(351,459)
Total Non-Operating Revenues (Expenses)	-	14,680	262	(140,164)
Change in Net Position	(36,879)	291,547	262	264,723
Net Position - Beginning of Year, as Originally Reported	(356,839)	845,779	43,764	13,724,136
Change in reporting entity	-	-	-	4,735,868
Net Position - Beginning of Year, as Restated	(356,839)	845,779	43,764	18,460,004
Net Position - End of Year	\$ (393,718)	\$ 1,137,326	\$ 44,026	\$ 18,724,727

Housing Authority of the City of Lakewood
dba Metro West Housing Solutions
Combining Statement of Revenues, Expenses and Changes in Net Position
Year Ended December 31, 2023

Business Activities	Total	Elimination of Intercompany Activity	Total
\$ -	\$ 17,427,174	\$ -	\$ 17,427,174
-	24,000	-	24,000
7,196,854	8,837,303	-	8,837,303
951,460	1,074,227	(42,144)	1,032,083
1,181,335	1,181,335	-	1,181,335
514,301	831,003	-	831,003
9,843,950	29,375,042	(42,144)	29,332,898
-	16,142,799	-	16,142,799
3,880,122	4,929,704	-	4,929,704
656,235	807,697	-	807,697
1,731,521	1,986,078	-	1,986,078
758,890	1,175,444	(42,144)	1,133,300
1,421,867	1,938,716	-	1,938,716
656,120	809,828	-	809,828
381,369	498,047	-	498,047
200,846	284,874	-	284,874
9,686,970	28,573,187	(42,144)	28,531,043
156,980	801,855	-	801,855
17,854,522	17,854,522	-	17,854,522
-	(8,937)	-	(8,937)
1,975,617	2,211,067	(207,375)	2,003,692
(1,068,288)	(1,420,023)	207,375	(1,212,648)
18,761,851	18,636,629	-	18,636,629
18,918,831	19,438,484	-	19,438,484
78,306,313	92,563,153	-	92,563,153
(146,401)	4,589,467	-	4,589,467
78,159,912	97,152,620	-	97,152,620
\$ 97,078,743	\$ 116,591,104	\$ -	\$ 116,591,104

Single Audit

December 31, 2023

Housing Authority of the City of
Lakewood

dba

Metro West Housing Solutions

Housing Authority of the City of Lakewood
dba Metro West Housing Solutions
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2023

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Federal Financial Assistance Listing</u>	<u>Pass-through Entity Identifying Number</u>	<u>Expenditures</u>
U.S. Department of Housing and Urban Development			
<i>Direct Program</i>			
Housing Voucher Cluster			
Housing Choice Vouchers Program	14.871		\$ 17,159,935
<i>Passed Through City of Lakewood</i>			
CDBG Entitlement Grants Cluster			
Community Development Block Grant (CDBG)	14.218	15-09011	<u>24,000</u>
Total U.S. Department of Housing and Urban Development			<u><u>\$ 17,183,935</u></u>

Note A – Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of the Housing Authority of the City of Lakewood dba Metro West Housing Solutions (the Authority) under programs of the federal government for the year ended December 31, 2023. The information is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations (CFR)* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

Note B – Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the accrual basis of accounting. When applicable, 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. No federal financial assistance has been provided to a subrecipient.

Note C – Indirect Cost Rate

The Authority has not elected to use the 10% de minimis cost rate.



Independent Auditor's 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 Lakewood
dba Metro West Housing Solutions
Lakewood, Colorado

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the business-type activities, and the discretely presented component units of the Housing Authority of the City of Lakewood, dba Metro West Housing Solutions (the Authority), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated August 23, 2024. The financial statements of the discretely presented component units were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the discretely presented component units.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Boise, Idaho
August 23, 2024



Independent Auditor's Report on Compliance for the Major Federal Program; Report on Internal Control Over Compliance Required by the Uniform Guidance

To the Board of Commissioners
Housing Authority of the City of Lakewood
dba Metro West Housing Solutions
Lakewood, Colorado

Report on Compliance for the Major Federal Program

Qualified Opinion

We have audited the Housing Authority of the City of Lakewood dba Metro West Housing Solutions' (the 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 the Authority's major federal program for the year ended December 31, 2023. The Authority's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Qualified Opinion on the Section 8 Housing Choice Voucher Program

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion section of our report, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major Federal program identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended December 31, 2023.

Basis for Qualified Opinion

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 Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Matter Giving Rise to Qualified Opinion on the Section 8 Housing Choice Voucher Program

As described in the accompanying schedule of findings and questioned costs, the Authority did not comply with requirements regarding Section 8 Housing Choice Vouchers Program, Assistance Listing Number 14.871, as described in finding number 2023-001 for Special Tests and Provisions – HQS Enforcement.

Compliance with such requirements is necessary, in our opinion, for the Authority to comply with the requirements applicable to that program.

Responsibilities of Management for Compliance

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

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 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 Authority's compliance with the requirements of the 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 Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

Government Auditing Standards requires the auditor to perform limited procedures on the Authority's response to the noncompliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Authority's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be a material weakness.

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-001 to be a material weakness.

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.

Government Auditing Standards requires the auditor to perform limited procedures on the Authority's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Authority's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Boise, Idaho
August 23, 2024

Housing Authority of the City of Lakewood
dba Metro West Housing Solutions
Schedule of Findings and Questioned Costs
Year Ended December 31, 2023

Section I – Summary of Auditor’s Results

FINANCIAL STATEMENTS

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None reported
Noncompliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major program:	
Material weaknesses identified	Yes
Significant deficiencies identified not considered to be material weaknesses	None reported
Type of auditor's report issued on compliance for major programs:	Qualified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516(a).	Yes

Identification of major programs:

<u>Name of Federal Program</u>	<u>Federal Financial Assistance Listing</u>
Section 8 Housing Choice Vouchers Program	14.871
Dollar threshold used to distinguish between type A and type B programs:	\$ 750,000
Auditee qualified as low-risk auditee?	No

Housing Authority of the City of Lakewood
dba Metro West Housing Solutions
Schedule of Findings and Questioned Costs
Year Ended December 31, 2023

Section II – Financial Statement Findings

None reported

Section III – Federal Award Findings and Questioned Costs

2023-001 Direct Program
Department of Housing and Urban Development
FFAL #14.871
Section 8 Housing Choice Vouchers

Special Tests and Provisions: HQS Enforcement
Material Noncompliance and Material Weakness in Internal Control over Compliance

Criteria: As a condition of receiving Federal awards, non-Federal entities agree to comply with laws, regulations, and the provisions of grant agreements and contracts, and to maintain internal controls to provide reasonable assurance of compliance with these requirements.

The Housing Choice Voucher program requires that recipients perform inspections of properties where tenants receiving Housing Assistance Payments reside and when inspections fail, re-inspections must be performed within 30 days for non-life-threatening issues.

Condition: Metro West Housing Solutions did not perform re-inspections of 16 failed inspections within the prescribed 30-day HAP requirement during 2023. In addition, HAP was not properly reviewed for possible abatement for these tenants.

Cause: Controls over inspections that are a part of special tests and provisions were not properly designed to ensure that re-inspections of properties occurred within 30 days of a failed inspection, thus resulting in a deficiency of internal control.

Effect: Metro West Housing Solutions could be issuing HAP for properties that are not up to code or potentially dangerous for their recipients if inspections fail and re-inspections are not occurring timely. In addition, an abatement of HAP might be missed if the re-inspections are not occurring timely.

Questioned Costs: None reported

Context/Sampling: We tested 33 out of 161 of the failed inspections during 2023 (20% of the population) based on maximum risk of material noncompliance.

Repeat Finding from Prior Year(s): Yes

Recommendation: We recommend management revisit controls over follow-up on failed inspections to correct this matter and ensure no further findings occur.

Views of Responsible Officials: There is no disagreement with the audit finding.

Lakewood Housing Authority (CO049)
LAKEWOOD, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	1 Business Activities	14.871 Housing Choice Vouchers
111 Cash - Unrestricted		\$3,112,847	\$4,646,707	\$9,432,713	\$1,052,881
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted		\$5,827,412	\$361,544	\$6,222,051	\$0
114 Cash - Tenant Security Deposits		\$703,946	\$41,630	\$257,323	
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$0	\$9,644,205	\$5,049,881	\$15,912,087	\$1,052,881
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects					\$87,799
124 Accounts Receivable - Other Government					
125 Accounts Receivable - Miscellaneous		\$23,918	\$1,424,298	\$7,766,732	\$68,862
126 Accounts Receivable - Tenants		\$239,190	\$3,675	\$49,407	\$1,750
126.1 Allowance for Doubtful Accounts - Tenants		\$0	\$0	-\$429	\$0
126.2 Allowance for Doubtful Accounts - Other		\$0	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current			\$18,236	\$1,200,398	
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud					
129 Accrued Interest Receivable			\$184,214	\$8,465,637	
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$263,108	\$1,630,423	\$17,481,745	\$158,411
131 Investments - Unrestricted			\$1,105,428	\$3,432,857	
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets		\$577,639	\$62,084	\$164,981	\$7,115
143 Inventories					

Lakewood Housing Authority (CO049)
LAKEWOOD, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	1 Business Activities	14.871 Housing Choice Vouchers
143.1 Allowance for Obsolete Inventories					
144 Inter Program Due From			\$5,791,323		
145 Assets Held for Sale					
150 Total Current Assets	\$0	\$10,484,952	\$13,639,139	\$36,991,670	\$1,218,407
161 Land		\$22,463,051	\$750,000	\$10,882,957	
162 Buildings		\$222,737,446	\$16,575,696	\$40,763,443	
163 Furniture, Equipment & Machinery - Dwellings		\$7,068,048	\$726,370	\$460,158	
164 Furniture, Equipment & Machinery - Administration		\$425,115		\$118,351	\$48,575
165 Leasehold Improvements			\$67,562	\$4,932,252	
166 Accumulated Depreciation		-\$51,988,873	-\$6,820,441	-\$18,915,301	-\$19,359
167 Construction in Progress		\$12,969,132		\$504,203	
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$213,673,919	\$11,299,187	\$38,746,063	\$29,216
171 Notes, Loans and Mortgages Receivable - Non-Current					
172 Notes, Loans, & Mortgages Receivable - Non Current - Past			\$2,245,274	\$53,887,142	
173 Grants Receivable - Non Current					
174 Other Assets		\$731,169			
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$0	\$214,405,088	\$13,544,461	\$92,633,205	\$29,216
200 Deferred Outflow of Resources					
290 Total Assets and Deferred Outflow of Resources	\$0	\$224,890,040	\$27,183,600	\$129,624,875	\$1,247,623

Lakewood Housing Authority (CO049)
LAKEWOOD, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	1 Business Activities	14.871 Housing Choice Vouchers
311 Bank Overdraft					
312 Accounts Payable <= 90 Days	\$594	\$1,258,215	\$5,668	\$201,436	\$9,408
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable					
322 Accrued Compensated Absences - Current Portion	\$1,263	\$67,388	\$28,994	\$463,391	\$60,451
324 Accrued Contingency Liability					
325 Accrued Interest Payable		\$6,541,032	\$2,281,440	\$51,608	
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government					
341 Tenant Security Deposits		\$703,946	\$41,630	\$257,323	
342 Unearned Revenue		\$94,925	\$37,730	\$42,842	\$13
343 Current Portion of Long-term Debt - Capital		\$1,775,398	\$143,104	\$490,704	\$9,481
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities		\$2,696,604			
346 Accrued Liabilities - Other	\$538	\$90,714	\$8,930	\$97,074	\$22,279
347 Inter Program - Due To	\$391,323			\$5,400,000	
348 Loan Liability - Current					
310 Total Current Liabilities	\$393,718	\$13,228,222	\$2,547,496	\$7,004,378	\$101,632
351 Long-term Debt, Net of Current - Capital Projects/Mortgage		\$114,849,969	\$4,792,867	\$24,607,415	\$8,665
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other		\$5,293,131			
354 Accrued Compensated Absences - Non Current					
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					

Lakewood Housing Authority (CO049)
LAKEWOOD, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	1 Business Activities	14.871 Housing Choice Vouchers
357 Accrued Pension and OPEB Liabilities					
350 Total Non-Current Liabilities	\$0	\$120,143,100	\$4,792,867	\$24,607,415	\$8,665
300 Total Liabilities	\$393,718	\$133,371,322	\$7,340,363	\$31,611,793	\$110,297
400 Deferred Inflow of Resources					
			\$1,118,510	\$934,339	
508.4 Net Investment in Capital Assets		\$95,534,311	\$6,363,216	\$13,647,944	\$11,070
511.4 Restricted Net Position					\$0
512.4 Unrestricted Net Position	-\$393,718	-\$4,015,593	\$12,361,511	\$83,430,799	\$1,126,256
513 Total Equity - Net Assets / Position	-\$393,718	\$91,518,718	\$18,724,727	\$97,078,743	\$1,137,326
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$0	\$224,890,040	\$27,183,600	\$129,624,875	\$1,247,623

Lakewood Housing Authority (CO049)
LAKEWOOD, CO
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	14,239 HOME Investment Partnerships Program	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$44,026	\$18,289,174		\$18,289,174
112 Cash - Restricted - Modernization and Development				
113 Cash - Other Restricted		\$12,411,007		\$12,411,007
114 Cash - Tenant Security Deposits		\$1,002,899		\$1,002,899
115 Cash - Restricted for Payment of Current Liabilities				
100 Total Cash	\$44,026	\$31,703,080	\$0	\$31,703,080
121 Accounts Receivable - PHA Projects				
122 Accounts Receivable - HUD Other Projects		\$87,799		\$87,799
124 Accounts Receivable - Other Government				
125 Accounts Receivable - Miscellaneous		\$9,283,810		\$9,283,810
126 Accounts Receivable - Tenants		\$294,022		\$294,022
126.1 Allowance for Doubtful Accounts - Tenants		-\$429		-\$429
126.2 Allowance for Doubtful Accounts - Other		\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current		\$1,218,634		\$1,218,634
128 Fraud Recovery				
128.1 Allowance for Doubtful Accounts - Fraud				
129 Accrued Interest Receivable		\$8,649,851	-\$2,269,476	\$6,380,375
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$19,533,687	-\$2,269,476	\$17,264,211
131 Investments - Unrestricted		\$4,538,285		\$4,538,285
132 Investments - Restricted				
135 Investments - Restricted for Payment of Current Liability				
142 Prepaid Expenses and Other Assets		\$811,819		\$811,819
143 Inventories				
143.1 Allowance for Obsolete Inventories				

Lakewood Housing Authority (CO049)
LAKEWOOD, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	14,239 HOME Investment Partnerships Program	Subtotal	ELIM	Total
144 Inter Program Due From		\$5,791,323	-\$5,791,323	\$0
145 Assets Held for Sale				
150 Total Current Assets	\$44,026	\$62,378,194	-\$8,060,799	\$54,317,395
161 Land				
162 Buildings		\$34,096,008		\$34,096,008
163 Furniture, Equipment & Machinery - Dwellings		\$280,076,585		\$280,076,585
164 Furniture, Equipment & Machinery - Administration		\$8,254,576		\$8,254,576
165 Leasehold Improvements		\$592,041		\$592,041
166 Accumulated Depreciation		\$4,999,814		\$4,999,814
167 Construction in Progress		-\$77,743,974		-\$77,743,974
168 Infrastructure		\$13,473,335		\$13,473,335
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$263,748,385	\$0	\$263,748,385
171 Notes, Loans and Mortgages Receivable - Non-Current				
172 Notes, Loans, & Mortgages Receivable - Non Current - Past		\$56,132,416	-\$2,123,699	\$54,008,717
173 Grants Receivable - Non Current				
174 Other Assets		\$731,169		\$731,169
176 Investments in Joint Ventures				
180 Total Non-Current Assets	\$0	\$320,611,970	-\$2,123,699	\$318,488,271
200 Deferred Outflow of Resources				
290 Total Assets and Deferred Outflow of Resources	\$44,026	\$382,990,164	-\$10,184,498	\$372,805,666
311 Bank Overdraft				

Lakewood Housing Authority (CO049)
LAKEWOOD, CO
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	14.239 HOME Investment Partnerships Program	Subtotal	ELIM	Total
312 Accounts Payable <= 90 Days		\$1,475,321		\$1,475,321
313 Accounts Payable >90 Days Past Due				
321 Accrued Wage/Payroll Taxes Payable				
322 Accrued Compensated Absences - Current Portion		\$621,487		\$621,487
324 Accrued Contingency Liability				
325 Accrued Interest Payable		\$8,874,080	-\$2,269,476	\$6,604,604
331 Accounts Payable - HUD PHA Programs				
332 Account Payable - PHA Projects				
333 Accounts Payable - Other Government				
341 Tenant Security Deposits		\$1,002,899		\$1,002,899
342 Unearned Revenue		\$175,510		\$175,510
343 Current Portion of Long-term Debt - Capital		\$2,418,687		\$2,418,687
344 Current Portion of Long-term Debt - Operating Borrowings				
345 Other Current Liabilities		\$2,696,604		\$2,696,604
346 Accrued Liabilities - Other		\$219,535		\$219,535
347 Inter Program - Due To		\$5,791,323	-\$5,791,323	\$0
348 Loan Liability - Current				
310 Total Current Liabilities	\$0	\$23,275,446	-\$8,060,799	\$15,214,647
351 Long-term Debt, Net of Current - Capital Projects/Mortgage		\$144,258,916	-\$2,123,699	\$142,135,217
352 Long-term Debt, Net of Current - Operating Borrowings				
353 Non-current Liabilities - Other		\$5,293,131		\$5,293,131
354 Accrued Compensated Absences - Non Current				
355 Loan Liability - Non Current				
356 FASB 5 Liabilities				
357 Accrued Pension and OPEB Liabilities				

Lakewood Housing Authority (CO049)
LAKEWOOD, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	14.239 HOME Investment Partnerships Program	Subtotal	ELIM	Total
350 Total Non-Current Liabilities	\$0	\$149,552,047	-\$2,123,699	\$147,428,348
300 Total Liabilities	\$0	\$172,827,493	-\$10,184,498	\$162,642,995
400 Deferred Inflow of Resources		\$2,052,849		\$2,052,849
508.4 Net Investment in Capital Assets		\$115,556,541	\$2,123,699	\$117,680,240
511.4 Restricted Net Position		\$0		\$0
512.4 Unrestricted Net Position	\$44,026	\$92,553,281	-\$2,123,699	\$90,429,582
513 Total Equity - Net Assets / Position	\$44,026	\$208,109,822	\$0	\$208,109,822
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$44,026	\$382,990,164	-\$10,184,498	\$372,805,666

Lakewood Housing Authority (CO049)
LAKEWOOD, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	1 Business Activities	14.871 Housing Choice Vouchers
70300 Net Tenant Rental Revenue		\$15,766,293	\$1,640,449	\$7,196,854	
70400 Tenant Revenue - Other		\$281,843	\$22,449	\$210,791	
70500 Total Tenant Revenue	\$0	\$16,048,136	\$1,662,898	\$7,407,645	\$0
70600 HUD PHA Operating Grants					
70610 Capital Grants					\$17,056,167
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					
70800 Other Government Grants	\$24,000				
71100 Investment Income - Unrestricted		\$50,257	\$220,232	\$1,975,617	\$14,956
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery					\$11,056
71500 Other Revenue	\$1,500	\$3,506,583	\$404,464	\$2,436,305	\$371,007
71600 Gain or Loss on Sale of Capital Assets		-\$10,874	-\$8,937	\$17,854,522	
72000 Investment Income - Restricted					\$0
70000 Total Revenue	\$25,500	\$19,594,102	\$2,278,657	\$29,674,089	\$17,453,186
91100 Administrative Salaries	\$23,565	\$1,082,453	\$288,808	\$3,271,715	\$542,886

Lakewood Housing Authority (CO049)
LAKEWOOD, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	1 Business Activities	14.871 Housing Choice Vouchers
91200 Auditing Fees		\$100,905	\$6,831	\$18,460	\$38,167
91300 Management Fee			\$0		
91310 Book-keeping Fee					
91400 Advertising and Marketing		\$37,978	\$230	\$12,652	\$5,031
91500 Employee Benefit contributions - Administrative	\$7,485	\$284,850	\$62,842	\$608,407	\$123,996
91600 Office Expenses	\$13,491	\$329,122	\$40,797	\$227,008	\$95,457
91700 Legal Expense	\$17	\$98,677	\$7,398	\$41,274	\$2,736
91800 Travel	\$11,019	\$12,042	\$2,412	\$58,510	\$21,354
91810 Allocated Overhead					
91900 Other	\$4,495	\$1,614,012	\$50,392	\$400,986	\$116,727
91000 Total Operating - Administrative	\$60,072	\$3,560,039	\$459,710	\$4,639,012	\$946,354
92000 Asset Management Fee					
92100 Tenant Services - Salaries					
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services					
92400 Tenant Services - Other	\$1,908	\$20,553	\$9,714	\$13,736	\$1,190
92500 Total Tenant Services	\$1,908	\$20,553	\$9,714	\$13,736	\$1,190
93100 Water		\$250,378	\$19,674	\$180,097	
93200 Electricity		\$667,394	\$83,724	\$104,602	
93300 Gas		\$177,451	\$5,921	\$92,737	
93400 Fuel					
93500 Labor					
93600 Sewer		\$227,690	\$21,572	\$126,738	
93700 Employee Benefit Contributions - Utilities					

Lakewood Housing Authority (CO049)
LAKEWOOD, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	1 Business Activities	14.871 Housing Choice Vouchers
93800 Other Utilities Expense		\$299,126	\$19,753	\$151,946	\$3,064
93000 Total Utilities	\$0	\$1,622,039	\$150,644	\$656,120	\$3,064
94100 Ordinary Maintenance and Operations - Labor		\$1,161,265	\$114,994	\$523,957	
94200 Ordinary Maintenance and Operations - Materials and		\$522,917	\$52,194	\$259,109	\$1,513
94300 Ordinary Maintenance and Operations Contracts		\$1,616,715	\$167,987	\$1,294,997	\$29,085
94500 Employee Benefit Contributions - Ordinary Maintenance		\$349,320	\$36,468	\$132,278	
94000 Total Maintenance	\$0	\$3,650,217	\$371,643	\$2,210,341	\$30,598
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs		\$187,401			
95300 Protective Services - Other			\$20,061	\$106,262	
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$187,401	\$20,061	\$106,262	\$0
96110 Property Insurance		\$871,389	\$90,931	\$313,579	\$8,943
96120 Liability Insurance					
96130 Workmen's Compensation	\$399	\$37,588	\$6,773	\$61,884	\$7,528
96140 All Other Insurance			\$2,104	\$5,906	
96100 Total Insurance Premiums	\$399	\$908,977	\$99,808	\$381,369	\$16,471
96200 Other General Expenses		\$66,779	\$21,852	\$3,580	\$19,184
96210 Compensated Absences					
96300 Payments in Lieu of Taxes					
96400 Bad debt - Tenant Rents		\$112,929	\$2,337	\$35,509	
96500 Bad debt - Mortgages					

Lakewood Housing Authority (CO049)
LAKEWOOD, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	1 Business Activities	14.871 Housing Choice Vouchers
96600 Bad debt - Other		\$77,396	\$7,782	\$41,759	
96800 Severance Expense					
96000 Total Other General Expenses	\$0	\$257,104	\$31,971	\$80,848	\$19,184
96710 Interest of Mortgage (or Bonds) Payable					
96720 Interest on Notes Payable (Short and Long Term)		\$4,275,233	\$351,352	\$1,068,288	
96730 Amortization of Bond Issue Costs			\$107		\$276
96700 Total Interest Expense and Amortization Cost	\$0	\$4,275,233	\$351,459	\$1,068,288	\$276
96900 Total Operating Expenses	\$62,379	\$14,481,563	\$1,495,010	\$9,155,976	\$1,017,137
97000 Excess of Operating Revenue over Operating Expenses	-\$36,879	\$5,112,539	\$783,647	\$20,518,113	\$16,436,049
97100 Extraordinary Maintenance		\$78,226	\$3,778	\$177,415	
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments					\$15,781,399
97350 HAP Portability-In					\$361,400
97400 Depreciation Expense		\$7,799,784	\$515,146	\$1,421,867	\$1,703
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$62,379	\$22,359,573	\$2,013,934	\$10,755,258	\$17,161,639
10010 Operating Transfer In					
10020 Operating transfer Out					

Lakewood Housing Authority (CO049)
LAKEWOOD, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	1 Business Activities	14.871 Housing Choice Vouchers
10030 Operating Transfers from/to Primary Government					
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$36,879	-\$2,765,471	\$264,723	\$18,918,831	\$291,547
11020 Required Annual Debt Principal Payments	\$0	\$1,531,995	\$215	\$738,745	\$8,501
11030 Beginning Equity	-\$356,839	\$96,168,312	\$13,724,136	\$78,306,313	\$845,779
11040 Prior Period Adjustments, Equity Transfers and		-\$1,884,123	\$4,735,868	-\$146,401	
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					\$1,137,326
11180 Housing Assistance Payments Equity					\$0

Lakewood Housing Authority (CO049)
LAKEWOOD, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	1 Business Activities	14.871 Housing Choice Vouchers
11190 Unit Months Available		12362	1416	4572	17028
11210 Number of Unit Months Leased		11876	1349	4440	13088
11270 Excess Cash					
11610 Land Purchases					
11620 Building Purchases					
11630 Furniture & Equipment - Dwelling Purchases					
11640 Furniture & Equipment - Administrative Purchases					
11650 Leasehold Improvements Purchases					
11660 Infrastructure Purchases					
13510 CFFP Debt Service Payments					
13901 Replacement Housing Factor Funds					

Lakewood Housing Authority (CO049)
LAKEWOOD, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	14.239 HOME Investment Partnerships Program	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue		\$24,603,596		\$24,603,596
70400 Tenant Revenue - Other		\$515,083		\$515,083
70500 Total Tenant Revenue	\$0	\$25,118,679	\$0	\$25,118,679
70600 HUD PHA Operating Grants		\$17,056,167		\$17,056,167
70610 Capital Grants				
70710 Management Fee				
70720 Asset Management Fee				
70730 Book Keeping Fee				
70740 Front Line Service Fee				
70750 Other Fees				
70700 Total Fee Revenue		\$0	\$0	\$0
70800 Other Government Grants		\$24,000		\$24,000
71100 Investment Income - Unrestricted	\$262	\$2,261,324	-\$207,375	\$2,053,949
71200 Mortgage Interest Income				
71300 Proceeds from Disposition of Assets Held for Sale				
71310 Cost of Sale of Assets				
71400 Fraud Recovery		\$11,056		\$11,056
71500 Other Revenue		\$6,719,859	-\$42,144	\$6,677,715
71600 Gain or Loss on Sale of Capital Assets		\$17,834,711		\$17,834,711
72000 Investment Income - Restricted		\$0		\$0
70000 Total Revenue	\$262	\$69,025,796	-\$249,519	\$68,776,277
91100 Administrative Salaries		\$5,209,427		\$5,209,427
91200 Auditing Fees		\$164,363		\$164,363

Lakewood Housing Authority (CO049)
LAKEWOOD, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	14.239 HOME Investment Partnerships Program	Subtotal	ELIM	Total
91300 Management Fee		\$0		\$0
91310 Book-keeping Fee				
91400 Advertising and Marketing		\$55,891		\$55,891
91500 Employee Benefit contributions - Administrative		\$1,087,580		\$1,087,580
91600 Office Expenses		\$705,875		\$705,875
91700 Legal Expense		\$150,102		\$150,102
91800 Travel		\$105,337		\$105,337
91810 Allocated Overhead				
91900 Other		\$2,186,612	-\$42,144	\$2,144,468
91000 Total Operating - Administrative	\$0	\$9,665,187	-\$42,144	\$9,623,043
92000 Asset Management Fee				
92100 Tenant Services - Salaries				
92200 Relocation Costs				
92300 Employee Benefit Contributions - Tenant Services				
92400 Tenant Services - Other		\$47,101		\$47,101
92500 Total Tenant Services	\$0	\$47,101	\$0	\$47,101
93100 Water				
93200 Electricity		\$450,149		\$450,149
93300 Gas		\$855,720		\$855,720
93400 Fuel		\$276,109		\$276,109
93500 Labor				
93600 Sewer				
93700 Employee Benefit Contributions - Utilities		\$376,000		\$376,000
93800 Other Utilities Expense		\$473,889		\$473,889

Lakewood Housing Authority (CO049)
LAKEWOOD, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	14.239 HOME Investment Partnerships Program	Subtotal	ELIM	Total
93000 Total Utilities	\$0	\$2,431,867	\$0	\$2,431,867
94100 Ordinary Maintenance and Operations - Labor		\$1,800,216		\$1,800,216
94200 Ordinary Maintenance and Operations - Materials and		\$835,733		\$835,733
94300 Ordinary Maintenance and Operations Contracts		\$3,108,784		\$3,108,784
94500 Employee Benefit Contributions - Ordinary Maintenance		\$518,066		\$518,066
94000 Total Maintenance	\$0	\$6,262,799	\$0	\$6,262,799
95100 Protective Services - Labor				
95200 Protective Services - Other Contract Costs		\$187,401		\$187,401
95300 Protective Services - Other		\$126,323		\$126,323
95500 Employee Benefit Contributions - Protective Services				
95000 Total Protective Services	\$0	\$313,724	\$0	\$313,724
96110 Property Insurance		\$1,284,842		\$1,284,842
96120 Liability Insurance				
96130 Workmen's Compensation		\$114,172		\$114,172
96140 All Other Insurance		\$8,010		\$8,010
96100 Total insurance Premiums	\$0	\$1,407,024	\$0	\$1,407,024
96200 Other General Expenses		\$111,395		\$111,395
96210 Compensated Absences				
96300 Payments in Lieu of Taxes				
96400 Bad debt - Tenant Rents		\$150,775		\$150,775
96500 Bad debt - Mortgages				
96600 Bad debt - Other		\$126,937		\$126,937

Lakewood Housing Authority (CO049)
LAKEWOOD, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	14,239 HOME Investment Partnerships Program	Subtotal	ELIM	Total
96800 Severance Expense				
96000 Total Other General Expenses	\$0	\$389,107	\$0	\$389,107
96710 Interest of Mortgage (or Bonds) Payable				
96720 Interest on Notes Payable (Short and Long Term)		\$5,694,873	-\$207,375	\$5,487,498
96730 Amortization of Bond Issue Costs		\$383		\$383
96700 Total Interest Expense and Amortization Cost	\$0	\$5,695,256	-\$207,375	\$5,487,881
96900 Total Operating Expenses	\$0	\$26,212,065	-\$249,519	\$25,962,546
97000 Excess of Operating Revenue over Operating Expenses	\$262	\$42,813,731	\$0	\$42,813,731
97100 Extraordinary Maintenance		\$259,419		\$259,419
97200 Casualty Losses - Non-capitalized				
97300 Housing Assistance Payments		\$15,781,399		\$15,781,399
97350 HAP Portability-In		\$361,400		\$361,400
97400 Depreciation Expense		\$9,738,500		\$9,738,500
97500 Fraud Losses				
97600 Capital Outlays - Governmental Funds				
97700 Debt Principal Payment - Governmental Funds				
97800 Dwelling Units Rent Expense				
90000 Total Expenses	\$0	\$52,352,783	-\$249,519	\$52,103,264
10010 Operating Transfer In				
10020 Operating transfer Out				
10030 Operating Transfers from/to Primary Government				

Lakewood Housing Authority (CO049)
LAKEWOOD, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2023

	14.239 HOME Investment Partnerships Program	Subtotal	ELIM	Total
10040 Operating Transfers from/to Component Unit				
10050 Proceeds from Notes, Loans and Bonds				
10060 Proceeds from Property Sales				
10070 Extraordinary Items, Net Gain/Loss				
10080 Special Items (Net Gain/Loss)				
10091 Inter Project Excess Cash Transfer In				
10092 Inter Project Excess Cash Transfer Out				
10093 Transfers between Program and Project - In				
10094 Transfers between Project and Program - Out				
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$262	\$16,673,013	\$0	\$16,673,013
11020 Required Annual Debt Principal Payments	\$0	\$2,279,456		\$2,279,456
11030 Beginning Equity	\$43,764	\$188,731,465		\$188,731,465
11040 Prior Period Adjustments, Equity Transfers and		\$2,705,344		\$2,705,344
11050 Changes in Compensated Absence Balance				
11060 Changes in Contingent Liability Balance				
11070 Changes in Unrecognized Pension Transition Liability				
11080 Changes in Special Term/Severance Benefits Liability				
11090 Changes in Allowance for Doubtful Accounts - Dwelling				
11100 Changes in Allowance for Doubtful Accounts - Other				
11170 Administrative Fee Equity		\$1,137,326		\$1,137,326
11180 Housing Assistance Payments Equity		\$0		\$0
11190 Unit Months Available		35378		35378

Lakewood Housing Authority (CO049)
LAKEWOOD, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit Fiscal Year End: 12/31/2023

	14.239 HOME Investment Partnerships Program	Subtotal	ELIM	Total
11210 Number of Unit Months Leased		30753		30753
11270 Excess Cash				
11610 Land Purchases				
11620 Building Purchases				
11630 Furniture & Equipment - Dwelling Purchases				
11640 Furniture & Equipment - Administrative Purchases				
11650 Leasehold Improvements Purchases				
11660 Infrastructure Purchases				
13510 CFFP Debt Service Payments				
13901 Replacement Housing Factor Funds				