



Yampa Valley Housing Authority
Steamboat Springs, Colorado

Financial Statements

For the Year Ended December 31, 2023

**Yampa Valley Housing Authority
Financial Statements
December 31, 2023**

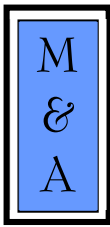
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INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors
Yampa Valley Housing Authority
Steamboat Springs, Colorado**

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Yampa Valley Housing Authority (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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Authority as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("U.S. GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. GAAP; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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 one year after the date that the financial statements are issued.

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INDEPENDENT AUDITOR'S REPORT
To the Board of Directors
Yampa Valley Housing Authority
Steamboat Springs, Colorado

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 U.S. GAAS 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 U.S. GAAS, 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

U.S. GAAP require that Management's Discussion and Analysis in Section B and budgetary comparison information in Section E 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 U.S. 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.

INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors
Yampa Valley Housing Authority
Steamboat Springs, Colorado**

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's financial statements taken as a whole. The individual fund budgetary information on pages F1 – F3, the supplemental schedules on pages F4 – F10 (required by the *United States Department of Agriculture RD Handbook HB-2-3560*), and the Schedule of Expenditures of Federal Awards (required by *Title 2, U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*) on page G8 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The information in section F and the Schedule of Expenditures of Federal Awards, as listed in the Table of Contents, 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. Such information has been subjected to the auditing procedures applied in the audit of the 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 U.S. GAAS. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2024 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 on compliance.



**McMahan and Associates, L.L.C.
Avon, Colorado
March 29, 2024**



**YAMPA VALLEY
HOUSING AUTHORITY**

MANAGEMENT'S DISCUSSION AND ANALYSIS

Yampa Valley Housing Authority Management's Discussion and Analysis December 31, 2023

As management of the Yampa Valley Housing Authority, (the "Authority"), we offer readers of the Authority's financial statements this narrative summary of the financial activities of the Authority for the fiscal year ended December 31, 2023. We encourage readers to consider the information presented here in conjunction with the Authority's 2023 financial statements.

FINANCIAL HIGHLIGHTS

- The Authority's assets exceeded its liabilities and deferred inflows of resources at December 31, 2023 by \$44,309,547.
- The Authority's net position increased by \$2,906,943 in 2023.
- As a result of a voter-approved ballot measure in November 2017, the Authority collected property taxes in 2023 totaling \$1,076,345 for the year.
- The Authority's aggregate governmental fund balances increased by \$1,924,806 in 2023, as the General Administrative Fund balance increased by \$32,697, the Development Fund balance grew by \$1,307,352, the Down Payment Loan Fund balance decreased by \$10,999, and the Brown Ranch Fund increased by \$595,756.
- The Authority's total business-type activities net position increased by \$11,947 for 2023.

OVERVIEW of the FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. These components are discussed below.

Government-wide Financial Statements: The government-wide financial statements are designed to provide readers with a broad overview of the Authority's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the Authority's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The Statement of Activities presents information showing how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods, such as uncollected taxes and earned but unused vacation leave.

Both of the government-wide financial statements distinguish functions of the Authority that are principally supported by taxes and other general revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

The governmental activities of the Authority include administrative services related to housing in Routt County, Colorado (the "County"), as well as development and down payment assistance. The Authority's business-type activities comprise the operation of Fish Creek Mobile Home Park (a 68-lot mobile home park in Steamboat Springs, Colorado which provides rental housing for low-income residents), Hillside Village Apartments (a 55-unit apartment project in Steamboat Springs, Colorado which provides rental housing for low-income residents), and Whitehaven Mobile Home Park (a 28-lot mobile home park in Steamboat Springs, Colorado which provides rental housing for low-income residents).

The Authority's government-wide financial statements can be found on pages C1 and C2 of this report.

OVERVIEW of the FINANCIAL STATEMENTS (continued)

Fund Financial Statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Authority can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Reconciliations for both the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances facilitate this comparison between governmental funds and governmental activities.

As required by Colorado statutes, the Authority is required to adopt an annual appropriated budget for all of its funds. Budgetary comparison schedules have been provided for all funds to demonstrate compliance.

The basic governmental fund financial statements can be found on pages C3 through C6.

Proprietary Funds: The Authority maintains proprietary funds; commonly known as enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Authority uses enterprise funds to account the operations of its housing projects.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for each of the business-type services provided by the Authority, each of which is considered to be a major fund of the Authority.

The basic proprietary fund financial statements can be found on pages C7 through C9 of this report.

Notes to the Financial Statements: The notes provide additional information (e.g., background of the entity, accounting policies used by the Authority, etc.) that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The Notes to the Financial Statements can be found in Section D of this report.

Other Information: As previously discussed, the Authority adopts annual appropriated budgets for all its funds in accordance with Colorado statutes. The budgetary comparison schedules have been provided for all its funds to demonstrate compliance with the state budget law and are found on pages E1 through E4 for the Authority's governmental funds and on pages F1 through F3 for the Authority's proprietary funds.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following table summarizes the Authority's net position for 2023 and 2022:

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Assets:						
Current assets	\$ 6,432,056	5,819,590	883,747	952,659	7,315,803	6,772,249
Other assets	6,011,960	5,930,055	-	-	6,011,960	5,930,055
Capital assets, net	30,896,189	30,000,000	9,190,477	9,292,032	40,086,666	39,292,032
Total Assets	43,340,205	41,749,645	10,074,224	10,244,691	53,414,429	51,994,336
Liabilities & Deferred Inflows:						
Current liabilities	1,053,767	2,960,361	126,052	112,185	1,179,819	3,072,546
Long-term liabilities	97,355	97,355	6,205,143	6,401,424	6,302,498	6,498,779
Deferred inflows	1,622,565	1,020,407	-	-	1,622,565	1,020,407
Total Liabilities & Deferred Inflows	2,773,687	4,078,123	6,331,195	6,513,609	9,104,882	10,591,732
Net Position:						
Net investment in capital assets	30,896,189	30,000,000	2,985,334	2,890,608	33,881,523	32,890,608
Restricted	415,998	445,997	55,532	41,068	471,530	487,065
Unrestricted	9,254,331	7,225,525	702,163	799,406	9,956,494	8,024,931
Total Net Position	\$ 40,566,518	37,671,522	3,743,029	3,731,082	44,309,547	41,402,604

The largest portion of the Authority's assets is capital assets, which includes land, buildings, land improvements, and equipment, net of accumulated depreciation. These assets are used in the development or operation of the Authority's housing projects. During 2023, the Authority's net capital assets increased by a total of \$794,634; as capital asset additions exceeded depreciation expense and disposals (if any) for the year. Beginning construction in progress on the Mid-Valley project was the most significant transaction affecting capital assets in 2023. Details of the Authority's capital assets are found in Note IV.D.

The Authority's long-term debt obligations relate to its acquisition and improvement of buildings and other assets for affordable housing. The Authority long-term liabilities attributable to its governmental activities are explained in Note IV.E, while the details of the Authority's business-type activity long-term liabilities are provided in Note IV.F. During 2023, the Authority's aggregate long-term debt decreased by a total of \$196,281 as no new debt was incurred and the Authority continued to make scheduled principal repayments on existing long-term debt.

The Authority's total net position – the extent to which assets exceeded liabilities – was \$44,309,547 at December 31, 2023. This comprises the Authority's net investment in capital assets (\$33,881,523), restricted net position (\$471,530 – which represents resources that are subject to external restrictions on how they may be used), and unrestricted net position (\$9,956,494), which may be used to meet the Authority's ongoing obligations. The Authority reports positive balances in both governmental and business-type activities components of net position at December 31, 2023.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

The following table summarizes the changes in the Authority's net position for 2023 and 2022:

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program revenues:						
Charges for services	\$ 190,056	93,563	953,763	724,716	1,143,819	818,279
Operating grants / contributions	3,086,672	1,696,063	168,683	958,473	3,255,355	2,654,536
General revenues:						
Taxes, interest and other revenue	1,678,506	1,281,001	13,857	4,150	1,692,363	1,285,151
Total Revenues	4,955,234	3,070,627	1,136,303	1,687,339	6,091,537	4,757,966
Expenses:						
General government	803,680	459,808	-	-	803,680	459,808
Development	188,178	149,722	-	-	188,178	149,722
Housing operations	1,068,380	1,451,795	1,124,356	892,837	2,192,736	2,344,632
Total Expenses	2,060,238	2,061,325	1,124,356	892,837	3,184,594	2,954,162
Change in Net Position	2,894,996	1,009,302	11,947	794,502	2,906,943	1,803,804
Net Position - Beginning	37,671,522	36,662,220	3,731,082	2,936,580	41,402,604	39,598,800
Net Position - Ending	\$ 40,566,518	37,671,522	3,743,029	3,731,082	44,309,547	41,402,604

Governmental activities increased the Authority's net position by \$2,894,996 during 2023, accounting for 100% of the total change in net position for the year. The Authority's total 2023 governmental activities revenues increased \$1,884,607 from the prior year, as the Authority recognized a \$2.8 million grant that had been deferred in 2022. Aggregate expenses for governmental activities decreased \$1,087 from 2022 levels.

The Authority's net position was increased \$11,947 during 2023 through business-type activities. Total 2023 business-type revenues decreased by \$551,036 from 2022 and total business-type expenses increased \$231,519 in comparison to the prior year.

FINANCIAL ANALYSIS of the AUTHORITY'S FUNDS

As noted earlier, the Authority uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds:

The focus of the Authority's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Authority's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of December 31, 2023, the Authority's governmental funds reported combined ending fund balances of \$3,754,351; an increase of \$1,924,806 in comparison with the prior year. The Authority reports a positive unassigned governmental funds balance, while the remainder is not available for new spending because it has been restricted to provide an emergency reserve as required by the Colorado Taxpayers Bill of Rights ("TABOR") amendment (\$60,000), was already disbursed to pay for expenditures in advance (\$21,023), or has been restricted for other purposes (\$2,922,284).

FINANCIAL ANALYSIS of the AUTHORITY’S FUNDS (continued)

Governmental funds (continued):

The General Administrative Fund is the Authority’s primary operating fund. At December 31, 2023, unassigned fund balance of the General Administrative Fund was \$132,689 and total fund balance was \$212,879. The fund balance of the Authority’s General Administrative Fund increased by \$32,697 during 2023, as revenues and transfers in exceeded aggregated expenditures for the year.

The Development Fund ended 2023 with a total fund balance of \$2,766,286; an increase of \$1,307,352 from 2022 primarily as a result of recognizing revenue from \$2,800,000 in state grant funds which were partially transferred for Brown Ranch.

The fund balance of the Down Payment Loan Fund decreased \$10,999 during 2023, ending the year at \$155,998; as revenues from down payment loan repayments were exceeded by related expenditures to fund loans and mortgages.

The Brown Ranch Fund was started in 2022 to account for the development of the Brown Ranch parcel donated to the Authority in 2021. The fund balance for the Brown Ranch Fund increased \$595,756 in 2023, as interfund transfers exceeded the difference between development expenses incurred for the year.

Proprietary funds:

The Authority’s proprietary funds provide the same type of information found in the government-wide business-type financial statements, but in more detail. As of December 31, 2023, the Authority’s proprietary funds reported an aggregate net position of \$3,743,029; an increase of \$11,947 for the year. The majority (80%) of proprietary fund net position is represented by the Authority’s net investment in proprietary fund capital assets, while \$702,163 is unrestricted and available for spending at the Authority’s discretion.

The operations of Fish Creek Mobile Home Park Fund generated net income of \$76,991 for 2023.

A loss (decrease in net position) of \$135,279 was incurred by the Authority’s Hillside Village Apartments Fund for 2023. Hillside Village Apartments had 1 unit(s) available at December 31, 2023.

The Authority’s Whitehaven Mobile Home Park Fund yielded net income of \$70,235 for 2023.

The Authority is committed to serving the needs of low-income individuals, while balancing the financial goal of keeping the private / pay ratio sufficiently high so as to be able to maintain the facilities.

Budget Variances in the General Administrative Fund:

The Authority’s General Administrative Fund ended 2023 \$140,419 ahead of budget, as revenues exceeded expectations by \$122; aggregate expenditures yielded a positive \$140,297 budget variance; and other financing sources (net transfers) were \$0 less than budgeted for the year.

The Authority noted the following significant variances from budget in the General Administrative Fund during 2023:

	Final Budget	Actual	Variance: Positive / (Negative)	Reason
Expenditures:				
Wages and benefits	845,289	682,845	162,444	Anticipated full year Deputy Director position, but was hired halfway through the year

CAPITAL ASSETS

In 2023, the Authority acquired capital asset additions totaling \$939,883 (primarily, capitalized development costs related to the Mid Valley project) and had no dispositions. Additional information about the Authority's capital assets can be found in the Notes to the Financial Statements in section D.

LONG-TERM DEBT

The Authority's long-term debt obligations relate to the purchase, construction and maintenance of the properties used in its proprietary funds for housing, and certain housing-related investments. During 2023, the Authority's aggregate long-term debt obligations decreased by a net amount of \$196,281 due to the reduction through scheduled principal payments. Additional information regarding long-term debt can be found in the Notes to the Financial Statements in section D.

FUTURE EVENTS

In spring of 2024, construction will begin on our Mid Valley units. We expect our first for-sale units to be available in 2025.

Our work to build affordable and attainable housing for our workforce at Brown Ranch will continue in 2024.

The Authority will be working with the US Forest Service in 2024 to build employee housing.

REQUEST for INFORMATION

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest in the government's finances.

Questions concerning any of the information provided in this report or requests for additional information should be addressed to: Yampa Valley Housing Authority, P.O. Box 774542, Steamboat Springs, Colorado 80477.



GOVERNMENT-WIDE FINANCIAL STATEMENTS

Yampa Valley Housing Authority
Statement of Net Position
December 31, 2023

	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and investments - Unrestricted	4,668,128	415,961	5,084,089
Restricted cash and investments	-	418,190	418,190
Tenant receivables, net	-	6,895	6,895
Accounts receivable, net	99,464	-	99,464
Property taxes receivables	1,622,565	-	1,622,565
Prepaid expenses	21,023	42,701	63,724
Program loans receivable:			
Principal receivable in more than one year	393,722	-	393,722
Interest receivable within one year	368	-	368
Interest receivable in more than one year	19,503	-	19,503
Notes receivable:			
Principal receivable in more than one year	2,967,092	-	2,967,092
Interest receivable within one year	8,000	-	8,000
Interest receivable in more than one year	308,753	-	308,753
Mortgages receivable:			
Principal receivable within one year	12,508	-	12,508
Principal receivable in more than one year	197,660	-	197,660
Investments in LLCs	2,125,230	-	2,125,230
Capital assets not being depreciated	30,896,189	7,175,772	38,071,961
Capital assets, net of accumulated depreciation	-	2,014,705	2,014,705
Total Assets	43,340,205	10,074,224	53,414,429
Liabilities:			
Accounts payable	1,000,250	54,464	1,054,714
Accrued wages	12,344	-	12,344
Accrued interest	5,300	5,657	10,957
Unearned revenue	21,000	19,415	40,415
Compensated absences	14,203	8,933	23,136
Tenant security deposits	670	37,583	38,253
Long-term debt payable:			
Due within one year	-	201,290	201,290
Due in more than one year	97,355	6,003,853	6,101,208
Total Liabilities	1,151,122	6,331,195	7,482,317
Deferred Inflows of Resources:			
Property taxes	1,622,565	-	1,622,565
Net Position:			
Net investment in capital assets	30,896,189	2,985,334	33,881,523
Restricted:			
Emergencies	60,000	-	60,000
Operations and maintenance reserve	200,000	55,532	255,532
Revolving loan fund	155,998	-	155,998
Unrestricted	9,254,331	702,163	9,956,494
Total Net Position	40,566,518	3,743,029	44,309,547

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

Yampa Valley Housing Authority
Statement of Activities
For the Year Ended December 31, 2023

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:						
General government	803,680	137,800	-	(475,824)	-	(475,824)
Development	188,178	2,882,403	-	2,694,225	-	2,694,225
Housing	1,068,380	66,469	-	(1,001,911)	-	(1,001,911)
Total - Governmental activities	2,060,238	3,086,672	-	1,216,490	-	1,216,490
Business-type activities:						
Housing	1,124,356	168,683	-	-	(1,910)	(1,910)
Total - Business-type activities	1,124,356	168,683	-	-	(1,910)	(1,910)
Total	3,184,594	3,255,355	-	1,216,490	(1,910)	1,214,580
General revenues:						
Property tax revenue				1,076,345	-	1,076,345
Specific ownership tax				75,519	-	75,519
Investment earnings				328,963	13,857	342,820
Miscellaneous income				197,679	-	197,679
Total - General revenues and transfers				<u>1,678,506</u>	<u>13,857</u>	<u>1,692,363</u>
Change in Net Position				2,894,996	11,947	2,906,943
Net Position - Beginning				37,671,522	3,731,082	41,402,604
Net Position - Ending				<u>40,566,518</u>	<u>3,743,029</u>	<u>44,309,547</u>

The accompanying notes are an integral part of these financial statements.
C2



**YAMPA VALLEY
HOUSING AUTHORITY**

FUND FINANCIAL STATEMENTS

Yampa Valley Housing Authority
Balance Sheet
Governmental Funds
December 31, 2023
(With Comparative Totals for December 31, 2022)

	2023				2022	
	General Administrative Fund	Development Fund	Down Payment Loan Fund	Brown Ranch Fund	Total	Total
Assets:						
Cash and investments - Unrestricted	209,184	3,647,322	175,998	542,090	4,574,594	4,581,967
Restricted cash and cash investments	-	-	-	93,534	93,534	80,303
Accounts receivable, net	15,505	20,041	-	63,918	99,464	99,714
Property taxes receivable	-	1,622,565	-	-	1,622,565	1,020,407
Prepaid expenses	20,190	-	-	833	21,023	15,195
Total Assets	244,879	5,289,928	175,998	700,375	6,411,180	5,797,586
Liabilities:						
Accounts payable	10,330	897,683	20,000	72,237	1,000,250	106,270
Taxes and benefits payable	-	3,394	-	8,950	12,344	6,564
Tenant security deposits	670	-	-	-	670	-
Unearned revenue	21,000	-	-	-	21,000	2,834,800
Total Liabilities	32,000	901,077	20,000	81,187	1,034,264	2,947,634
Deferred Inflows of Resources:						
Property taxes	-	1,622,565	-	-	1,622,565	1,020,407
Total Deferred Inflows of Resources	-	1,622,565	-	-	1,622,565	1,020,407
Fund Balances:						
Non-spendable:						
Prepays	20,190	-	-	833	21,023	15,195
Restricted for down payment assistance	-	-	155,998	-	155,998	166,997
Restricted for future development	-	2,766,286	-	-	2,766,286	1,458,934
Restricted for emergencies	60,000	-	-	-	60,000	79,000
Unassigned	132,689	-	-	618,355	751,044	109,419
Total Fund Balances	212,879	2,766,286	155,998	619,188	3,754,351	1,829,545
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	244,879	5,289,928	175,998	700,375	6,411,180	5,797,586

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

Yampa Valley Housing Authority
Reconciliation of the Balance Sheet of Governmental Funds
to the Governmental Statement of Net Position
December 31, 2023

Total Fund Balances - Governmental funds		3,754,351
<p>Long-term receivables related to governmental activities are not currently available financial resources and, therefore, are not reported in the funds. The following long-term receivables are held at year end:</p>		
Program receivables	413,593	
Notes receivable	3,283,845	
Mortgages receivable	210,168	
		3,907,606
<p>Investments related to governmental activities are not currently available financial resources and, therefore, are not reported in governmental funds.</p>		
		2,125,230
<p>Capital assets used in governmental activities are not currently available financial resources and, therefore, are not reported in governmental funds.</p>		
		30,896,189
<p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. Long-term liabilities include the following:</p>		
Compensated absences	(14,203)	
Participation Agreement note payable - Alpenglow Village project	(97,355)	
Participation Agreement interest payable - Alpenglow Village project	(5,300)	
		(116,858)
Total net position - Governmental activities		40,566,518

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

Yampa Valley Housing Authority
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2023
(With Comparative Totals for the Year Ended December 31, 2022)

	2023				2022	
	General Administrative Fund	Development Fund	Down Payment Loan Fund	Brown Ranch Fund	Total	Total
Revenues:						
Property taxes	-	1,076,345	-	-	1,076,345	1,068,464
Specific ownership tax	-	75,519	-	-	75,519	72,628
Grants and contributions	137,800	2,800,000	-	66,469	3,004,269	1,643,735
Management fees	188,956	-	-	-	188,956	119,344
Mortgage income	12,405	-	-	-	12,405	13,139
Investment earnings	126	241,253	21,447	-	262,826	92,928
Down payment loan principal repayments	-	-	54,054	-	54,054	93,996
Distributions from projects	-	82,403	-	-	82,403	52,327
Other	12	-	-	197,667	197,679	905
Total Revenues	339,299	4,275,520	75,501	264,136	4,954,456	3,157,466
Expenditures:						
General government:						
Wages and benefits	682,845	127,848	-	315,641	1,126,334	691,237
Office expenses	15,289	-	-	-	15,289	10,736
Professional fees	12,506	-	-	441,315	453,821	988,115
General and administrative	74,676	-	2,500	73,293	150,469	157,175
Contract labor	5,547	-	-	26,559	32,106	122,075
Utilities	4,589	-	-	4,698	9,287	7,249
Direct assistance	-	-	80,000	-	80,000	157,500
Other	150	-	-	-	150	787
Development:						
Professional fees	-	7,220	-	-	7,220	20,257
General and administrative	-	4,475	-	-	4,475	4,256
Treasurer fees	-	30,610	-	-	30,610	30,436
Capital contributions	-	-	-	-	-	2,000,000
Repairs and maintenance	-	900	-	6,854	7,754	48,373
Marketing	-	600	-	-	600	400
Other	-	5,723	-	10,213	15,936	8,303
Capital outlay	-	905,792	-	189,807	1,095,599	-
Debt service:						
Principal	-	-	-	-	-	22,645
Total Expenditures	795,602	1,083,168	82,500	1,068,380	3,029,650	4,269,544
Excess (Deficiency) of Revenues Over Expenditures	(456,303)	3,192,352	(6,999)	(804,244)	1,924,806	(1,112,078)
Other Financing Sources (Uses):						
Transfers in	489,000	-	-	1,400,000	1,889,000	947,393
Transfers (out)	-	(1,885,000)	(4,000)	-	(1,889,000)	(947,393)
Total Other Financing Sources (Uses)	489,000	(1,885,000)	(4,000)	1,400,000	-	-
Net Change in Fund Balances	32,697	1,307,352	(10,999)	595,756	1,924,806	(1,112,078)
Fund Balances - Beginning	180,182	1,458,934	166,997	23,432	1,829,545	2,941,623
Fund Balances - Ending	212,879	2,766,286	155,998	619,188	3,754,351	1,829,545

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

Yampa Valley Housing Authority
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Governmental Statement of Activities
For the Year Ended December 31, 2023

Net Change in Fund Balances - Total governmental funds 1,924,806

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report Down Payment Assistance outlays as expenditures and repayments as revenue. However, in the government-wide Statement of Activities, Down Payment Assistance outlays are reported as increases in notes receivable, repayments are reported as decreases in those notes receivable, and interest earned on those notes are reported as revenue. These are the changes in Down Payment Assistance for the year:

Down Payment Assistance outlays	80,000	
Down Payment Assistance repayments	(54,054)	
Accrued interest on program loans	5,233	
		31,179

Some revenues reported in the Statement of Activities are not from the receipt of current financial resources and therefore are not reported as revenues in the governmental funds:

Notes receivable	-	
Accrued interest on notes receivable	62,000	
		62,000

Principal advances on long-term receivables are reported as expenditures in governmental funds, but they are reported as increases in notes receivable in the Statement of Net Position. Repayments of long-term receivables are revenues in governmental funds, but they reduce long-term receivables in the Statement of Net Position and do not affect the Statement of Activities. The following advances and repayments were made during the year:

Principal repayments on mortgages receivable	(12,405)	
		(12,405)

Capital outlays to purchase or construct capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are capitalized in the Statement of Net position and are allocated over their estimated useful lives as annual depreciation expense in the Statement of Activities:

Capital outlay	896,189	
		896,189

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:

Participation Agreement expense for Alpenglow Village project	(1,200)	
Change in accrued compensated absences	(5,573)	
		(6,773)

Change in Net Position of Governmental Activities 2,894,996

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

Yampa Valley Housing Authority
Statement of Net Position
Proprietary Funds
December 31, 2023
(With Comparative Totals for December 31, 2022)

	2023			2022	
	Hillside Village Apartments	Fish Creek Mobile Home Park	Whitehaven Mobile Home Park	Total	Total
Assets:					
Current assets:					
Cash and investments - Unrestricted	43,675	278,381	93,905	415,961	534,885
Restricted cash and investments	229,904	180,000	8,286	418,190	392,928
Tenant receivables, net	5,200	(995)	2,690	6,895	13,162
Prepaid expenses	3,498	37,509	1,694	42,701	11,684
Total - Current assets	<u>282,277</u>	<u>494,895</u>	<u>106,575</u>	<u>883,747</u>	<u>952,659</u>
Capital assets not being depreciated	450,000	3,557,078	3,168,694	7,175,772	7,132,078
Capital assets, net of accumulated depreciation	<u>830,378</u>	<u>1,184,327</u>	<u>-</u>	<u>2,014,705</u>	<u>2,159,954</u>
Total Assets	<u>1,562,655</u>	<u>5,236,300</u>	<u>3,275,269</u>	<u>10,074,224</u>	<u>10,244,691</u>
Liabilities:					
Current liabilities:					
Accounts payable	36,152	13,979	4,333	54,464	47,016
Accrued interest	-	5,657	-	5,657	5,906
Deferred revenue	2,481	13,140	3,794	19,415	13,371
Compensated absences	8,337	596	-	8,933	7,349
Tenant security deposits	29,403	-	8,180	37,583	38,543
Long-term debt due within one year	9,953	133,719	57,618	201,290	196,281
Total - Current liabilities	<u>86,326</u>	<u>167,091</u>	<u>73,925</u>	<u>327,342</u>	<u>308,466</u>
Long-term liabilities:					
Long term debt due in more than one year	<u>1,067,709</u>	<u>2,554,536</u>	<u>2,381,608</u>	<u>6,003,853</u>	<u>6,205,143</u>
Total Liabilities	<u>1,154,035</u>	<u>2,721,627</u>	<u>2,455,533</u>	<u>6,331,195</u>	<u>6,513,609</u>
Net Position:					
Net investment in capital assets	202,716	2,053,150	729,468	2,985,334	2,890,608
Operations and maintenance reserves	-	55,532	-	55,532	41,068
Unrestricted	<u>205,904</u>	<u>405,991</u>	<u>90,268</u>	<u>702,163</u>	<u>799,406</u>
Total Net Position	<u>408,620</u>	<u>2,514,673</u>	<u>819,736</u>	<u>3,743,029</u>	<u>3,731,082</u>

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

Yampa Valley Housing Authority
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2023
(With Comparative Totals for the Year Ended December 31, 2022)

	2023			2022	
	Hillside Village Apartments	Fish Creek Mobile Home Park	Whitehaven Mobile Home Park	Total	Total
Operating Revenues:					
Rents	322,213	398,210	217,453	937,876	713,759
Rent subsidy	122,964	-	-	122,964	146,837
Interest subsidy	45,719	-	-	45,719	45,719
Application fees	370	206	-	576	562
Laundry and vending	4,664	-	-	4,664	4,809
Other tenant charges	10,137	10	-	10,147	5,449
Other revenue	500	-	-	500	137
Total Operating Revenues	<u>506,567</u>	<u>398,426</u>	<u>217,453</u>	<u>1,122,446</u>	<u>917,272</u>
Operating Expenses:					
Wages and benefits	187,376	13,659	-	201,035	182,622
Contract labor	413	-	2,055	2,468	-
Professional fees	7,082	4,710	57	11,849	23,980
Management fees	42,660	33,300	13,712	89,672	75,960
Utilities	77,141	71,423	23,558	172,122	136,110
Repairs and maintenance	26,867	20,061	19,739	66,667	42,022
Snow removal	39,063	51,628	8,963	99,654	56,150
Railroad licenses	-	11,527	-	11,527	8,215
Manager unit rent	8,268	-	-	8,268	8,268
Insurance	13,059	-	-	13,059	11,102
Capital outlay	-	-	11,000	11,000	-
Depreciation	109,095	36,154	-	145,249	146,604
Other expenses	64,712	15,820	4,763	85,295	49,675
Total Operating Expenses	<u>575,736</u>	<u>258,282</u>	<u>83,847</u>	<u>917,865</u>	<u>740,708</u>
Income (Loss) From Operations	(69,169)	140,144	133,606	204,581	176,564
Non-operating Revenues (Expenses):					
Grants	-	-	-	-	765,917
Investment earnings	210	13,545	102	13,857	4,150
Interest expense	(66,320)	(76,698)	(63,473)	(206,491)	(152,129)
Total Non-operating Revenues (Expenses)	<u>(66,110)</u>	<u>(63,153)</u>	<u>(63,371)</u>	<u>(192,634)</u>	<u>617,938</u>
Change in Net Position	(135,279)	76,991	70,235	11,947	794,502
Net Position - Beginning	<u>543,899</u>	<u>2,437,682</u>	<u>749,501</u>	<u>3,731,082</u>	<u>2,936,580</u>
Net Position - Ending	<u>408,620</u>	<u>2,514,673</u>	<u>819,736</u>	<u>3,743,029</u>	<u>3,731,082</u>

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

Yampa Valley Housing Authority
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2023
(With Comparative Totals for the Year Ended December 31, 2022)

	2023			2022	
	Hillside Village Apartments	Fish Creek Mobile Home Park	Whitehaven Mobile Home Park	Total	Total
Cash Flows From Operating Activities:					
Cash received from tenants and others	457,137	401,784	226,907	1,085,828	874,781
Cash paid for goods and services	(450,620)	(254,222)	(89,759)	(794,601)	(573,591)
Other cash receipts	45,584	2,385	-	47,969	41,747
Net Cash Provided (Used) by Operating Activities	<u>52,101</u>	<u>149,947</u>	<u>137,148</u>	<u>339,196</u>	<u>342,937</u>
Cash Flows From Non-Capital and Related Financing Activities:					
Other cash receipts	-	-	-	-	765,917
Net Cash Provided (Used) by Non-Capital and Related Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>765,917</u>
Cash Flows From Capital and Related Financing Activities:					
Acquisition and construction of capital assets	-	-	(43,695)	(43,695)	(3,192,753)
Loan proceeds	-	-	-	-	2,500,000
Principal paid on capital debt	(9,363)	(130,758)	(56,158)	(196,279)	(140,990)
Interest paid on capital debt	(66,320)	(76,947)	(63,474)	(206,741)	(152,369)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(75,683)</u>	<u>(207,705)</u>	<u>(163,327)</u>	<u>(446,715)</u>	<u>(986,112)</u>
Cash Flows From Investing Activities:					
Interest on investments	210	13,545	102	13,857	4,150
Net Cash Provided (Used) by Investing Activities	<u>210</u>	<u>13,545</u>	<u>102</u>	<u>13,857</u>	<u>4,150</u>
Net Change in Cash and Cash Equivalents	(23,372)	(44,213)	(26,077)	(93,662)	126,892
Cash and Cash Equivalents - Beginning	296,951	502,594	128,268	927,813	800,921
Cash and Cash Equivalents - Ending	<u>273,579</u>	<u>458,381</u>	<u>102,191</u>	<u>834,151</u>	<u>927,813</u>
Ending cash and cash equivalents consists of:					
Cash and cash equivalents - Unrestricted	43,675	278,381	93,905	415,961	534,885
Restricted cash and cash equivalents	229,904	180,000	8,286	418,190	392,928
Cash and Cash Equivalents - Ending	<u>273,579</u>	<u>458,381</u>	<u>102,191</u>	<u>834,151</u>	<u>927,813</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Operating income (loss)	<u>(69,169)</u>	<u>140,144</u>	<u>133,606</u>	<u>204,581</u>	<u>176,564</u>
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation	109,095	36,154	-	145,249	146,604
(Increase) decrease in tenant receivables	(2,754)	3,365	5,659	6,270	(7,997)
(Increase) decrease in prepaid expenses	(1,729)	(27,600)	(1,694)	(31,023)	(3,646)
Increase (decrease) in accounts payable	16,531	(4,863)	(4,218)	7,450	22,928
Increase (decrease) in tenant security deposits	(960)	-	-	(960)	11,225
Increase (decrease) in compensated absences	1,222	362	-	1,584	1,231
Increase (decrease) in deferred revenue	(135)	2,385	3,795	6,045	(3,972)
Total - Adjustments	<u>121,270</u>	<u>9,803</u>	<u>3,542</u>	<u>134,615</u>	<u>166,373</u>
Net Cash Provided (Used) by Operating Activities	<u>52,101</u>	<u>149,947</u>	<u>137,148</u>	<u>339,196</u>	<u>342,937</u>

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



**YAMPA VALLEY
HOUSING AUTHORITY**

NOTES TO THE FINANCIAL STATEMENTS

Yampa Valley Housing Authority
Notes to the Financial Statements
December 31, 2023

I. Summary of Significant Accounting Policies

Yampa Valley Housing Authority (the “Authority”) was established on November 18, 2003 by an intergovernmental agreement between the City of Steamboat Springs, Colorado (the “City”) and Routt County, Colorado (the “County”), as a separate governmental entity – known as a multi-jurisdictional housing authority – under section 29-1-204.5 of the Colorado Revised Statutes (“CRS”). The Authority oversees projects and programs to provide housing for families of low or moderate incomes in Routt County, including down payment assistance and housing counseling services.

The Authority is governed by a Board of Directors (the “Board”) consisting of 7 – 15 members, including one member each from the City Council and the County Board of County Commissioners. The City Council and the County Board of County Commissioners jointly appoint all other Board members to 3-year terms.

The Authority’s financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) for governmental entities. The Governmental Accounting Standards Board (“GASB”) is the standard-setting body for the establishment of GAAP for governmental entities. The following summary of the more significant accounting policies of the Authority is presented to assist the reader in interpreting these financial statements and should be viewed as an integral part of this report.

A. Reporting Entity

The reporting entity consists of (a) the primary government, i.e., the Authority, and (b) organizations for which the Authority is financially accountable. The Authority is considered to be financially accountable for a legally separate organization if it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the Authority. Consideration is also given to other organizations that are fiscally dependent, i.e., unable to adopt a budget, levy tax, or issue debt without approval by the Authority. Organizations for which the nature and significance of their relationship with the Authority are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete are also included in the reporting entity.

The accompanying financial statements present the primary government (the Authority) and its component units, entities for which the Authority is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the Authority’s operations. Discretely presented component units, if any, are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the Authority.

The Authority has six component units: YVHA Elk River Enterprise, LLC (“Elk River LLC”), YVHA Pine Grove Enterprise, LLC (“Pine Grove LLC”), YVHA Sunlight Enterprise, LLC (“Sunlight Enterprise LLC”), YVHA Anglers Enterprise, LLC (“Anglers Enterprise LLC”), YVHA Property Management, LLC (“Property Management LLC”), and YVHA Whitehaven Enterprise, LLC (“Whitehaven Enterprise LLC”). Separate financial statements are not prepared for any of the component units as they are reported within the Development Fund as blended component units of the Authority.

Elk River LLC was organized in April 2016 as a Colorado limited liability company to assist and participate in the development of a project known as The Reserves at Steamboat Springs (“The Reserves”), consisting of 48 apartment units and a clubhouse. The Authority is the sole member of Elk River LLC.

Yampa Valley Housing Authority
Notes to the Financial Statements
December 31, 2023
(Continued)

I. Summary of Significant Accounting Policies (continued)

A. Reporting Entity (continued)

Pine Grove LLC was organized in April 2019 as a Colorado limited liability company to assist and participate in the development of a project known as Alpenglow Village (“Alpenglow Village”), consisting of 72 apartment units and a clubhouse. The Authority is the sole member of Pine Grove LLC.

Sunlight Enterprise LLC was organized in July 2020 as a Colorado limited liability company to assist and participate in the development of a project known as Sunlight Crossing (“Sunlight Crossing”), consisting of 90 workforce housing apartment units and other improvements. The Authority is the sole member of Sunlight Enterprise LLC.

Anglers Enterprise LLC was organized in April 2021 as a Colorado limited liability company to assist and participate in the development of a project known as Anglers Four Hundred (“Anglers Four Hundred”), consisting of 75 apartment units. The Authority is the sole member of Anglers Enterprise LLC.

Property Management LLC was organized in August 2020 as a Colorado limited liability company to provide management services for the Sunlight Crossing project, as well as for other developments. The Authority is the sole member of Property Management LLC. Property Management LLC had no activity in 2020.

Whitehaven Enterprise LLC was organized in November 2022 as a Colorado limited liability company to acquire and operate the Whitehaven Mobile Home Park (“Whitehaven Mobile Home Park”), a 28-lot mobile home park. The Authority is the sole member of Whitehaven Enterprise LLC.

B. Government-wide and Fund Financial Statements

The Authority’s basic financial statements include both government-wide (reporting the Authority as a whole) and fund financial statements (reporting the Authority’s individual major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Authority’s governmental function reports the general government (administration), down-payment assistance, and development activities (including Brown Ranch) of the Authority, while the operations of the Authority’s three housing projects are classified as business-type activities.

1. Government-wide Financial Statements

Government-wide financial statements report information on all the activities of the Authority and its component units.

The government-wide Statement of Activities reports both the gross and net cost of each of the Authority’s governmental functions and business-type activities. The governmental functions are primarily supported by general government revenues (property taxes, specific ownership taxes, investment earnings, etc.), while business-type activities rely to a significant extent on fees and charges for support. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the governmental function or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

Yampa Valley Housing Authority
Notes to the Financial Statements
December 31, 2023
(Continued)

I. Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Financial Statements (continued)

1. Government-wide Financial Statements (continued)

The government-wide focus is on the sustainability of the Authority as an entity and the change in net position resulting from the current year's operations.

2. Fund Financial Statements

The financial transactions of the Authority are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that is comprised of its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The fund focus is on current available resources and budget compliance.

The Authority reports the following major governmental funds:

General Administrative Fund – Accounts for all financial resources of the Authority, except those required to be accounted for in the enterprise funds or other governmental funds. This fund accounts for the administrative activities of the Authority. The major sources of revenue are from contributions from the City and the County.

Development Fund – Accounts for developer fees and property tax revenues levied for acquisition and construction of affordable housing projects and subsequent sale to qualified families. This fund also accounts for potential project feasibility activities.

Down Payment Loan Fund – Accounts for all resources of the Authority related to down payment assistance loan activity to assist local home buyers with the purchase of a home.

Brown Ranch Fund – Accounts for activities of the Authority related to the development of the Brown Ranch parcel.

The Authority reports the following major proprietary or business-type funds:

Hillside Village Apartments – Accounts for the operation of the Authority's 55-unit multi-family housing project financed by the U.S. Department of Agriculture (the "USDA") under its Rural Rental Housing Program. The primary sources of revenue are tenant rentals and tenant assistance payments from the USDA.

Fish Creek Mobile Home Park – Accounts for the operation of the Authority's 68-lot mobile home park. The primary source of revenue is lot rentals.

Whitehaven Mobile Home Park – Accounts for the operation of the Authority's 28-lot mobile home park. The primary source of revenue is lot rentals.

Yampa Valley Housing Authority
Notes to the Financial Statements
December 31, 2023
(Continued)

I. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

Measurement focus refers to whether financial statements measure changes in current resources only (current financial focus) or changes in both current and long-term resources (long-term economic focus). Basis of accounting refers to the point at which revenues, expenditures, or expenses are recognized in the accounts and reported in the financial statements. Financial statement presentation refers to classification of revenues by source and expenses by function.

1. Long-term Economic Focus and Accrual Basis

Both governmental and business-type activities in the government-wide financial statements, and the proprietary fund financial statements, use the long-term economic focus and are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the related cash flow.

2. Current Financial Focus and Modified Accrual Basis

The governmental fund financial statements use the current financial focus and are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter (60 days) to be used to pay liabilities of the current period. Expenditures are generally recognized when the related liability is incurred. The exception to this general rule is that principal and interest on general long-term debt, if any, is recognized when due.

3. Financial Statement Presentation

Amounts reported as program revenues include: 1) fees and charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided; 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Authority's enterprise funds are charges to tenants for rentals and related assistance payments. Operating expenses for the enterprise funds include the operation, maintenance, and depreciation of capital assets, as well as administrative costs. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Yampa Valley Housing Authority
Notes to the Financial Statements
December 31, 2023
(Continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts

1. Cash and Cash Equivalents

Cash and cash equivalents are defined as deposits that can be withdrawn at any time without notice or penalty and investments with original maturities of three months or less.

The Authority follows Colorado state statutes as an investment policy, which permits investments in the following type of obligations which corresponds with state statutes:

- U.S. Treasury obligations (maximum maturity of 60 months)
- Federal instrumentality securities (maximum maturity of 60 months)
- FDIC-insured certificates of deposit (maximum maturity of 18 months)
- Corporate bonds (maximum maturity of 36 months)
- Prime commercial paper (maximum maturity of 9 months)
- Eligible banker's acceptances
- Repurchase agreements
- General Obligations and Revenue Obligations
- Local government investment pools
- Money market mutual funds

2. Deposits Held in Trust / Restricted Deposits and Reserves

Certain balances of the Authority's deposits are classified as restricted because their use is restricted to specific purposes by legally binding commitments. The Authority's restricted deposits include balances related to tenant security deposits, reserves required by financing arrangements, and amounts to be used solely to fund down-payment assistance loans.

3. Receivables

Receivables are reported net of an allowance for uncollectible accounts.

Tenant receivables consist primarily of amounts due from tenants for rent and other charges. The Authority's management reviews such accounts receivable periodically to consider the collectability of the balances, and has recorded an allowance for uncollectible accounts of \$2,000 at December 31, 2023 for amounts which may not be collectible.

Program loans receivable are due from homeowners, secured by a subordinate deeds of trust, and were originally funded through down payment assistance grants and contributions. An allowance for loan losses is based upon management's periodic review of the collectability of program loans in light of historical experience with similar programs and the nature of the Authority's loan portfolio. At December 31, 2023, the Authority has established an allowance of \$22,800 to provide for program loans which may not be collectible.

Yampa Valley Housing Authority
Notes to the Financial Statements
December 31, 2023
(Continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

3. Receivables (continued)

Mortgage notes receivable consist of 30-year, non-interest-bearing mortgages which are collateralized by the underlying properties. The mortgages were originally held by Routt County Habitat for Humanity but were assigned to the Authority in 2015. The Authority has not established an allowance for uncollectible mortgage notes as of December 31, 2023, based on management's review of the outstanding notes.

4. Investments in Limited Liability Companies

The Authority's single-member LLC, Elk River LLC, holds a 30% interest in OPG SS Managers, LLC ("OPG Managers LLC") and a 0.01% interest as a special member in OPG Steamboat Springs Partners, LLC ("OPG Partners LLC"). OPG Managers LLC maintains a 0.01% interest as the managing member of OPG Partners LLC. Elk River LLC's investments in OPG Managers LLC and OPG Partners LLC are accounted for using the cost method.

The Authority's single-member LLC, Pine Grove LLC, holds a 0.01% interest as a special member in OPG Alpenglow Partners, LLC ("OPG Alpenglow LLC"). Pine Grove LLC's investment in OPG Alpenglow LLC is accounted for using the cost method.

The Authority's single-member LLC, Sunlight Enterprise LLC, holds a 3.6885% interest as a special member in Sunlight Crossing, LLC ("Sunlight Crossing LLC"). Sunlight Enterprise LLC's investment in Sunlight Crossing LLC is accounted for using the cost method.

The Authority's single-member LLC, Anglers Enterprise LLC, holds a 0.01% interest as a special member in OPG Anglers Four Hundred Partners, LLC ("OPG Anglers Four Hundred LLC"). Anglers Enterprise LLC's investment in OPG Anglers Four Hundred LLC is accounted for using the cost method.

5. Capital Assets

Capital assets include rental property, related improvements, water and sewer systems, roads, and equipment. Capital assets are defined by the Authority as assets with an initial cost of at least \$10,000 and an estimated useful life in excess of one year. Such assets are recorded at cost where historical records are available and at an estimated historical cost where no historical record exists. Donated capital assets, if any, are recorded at acquisition value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

**Yampa Valley Housing Authority
Notes to the Financial Statements
December 31, 2023
(Continued)**

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

5. Capital Assets (continued)

Capital assets (excluding land) are depreciated, using the straight-line method, over the following estimated useful lives:

	Estimated Lives
Rental property buildings and improvements	27.5 years
Water and sewer systems	50 years
Roads	20 years
Land improvements	10 - 25 years
Furniture and equipment	5 - 7 years

6. Land Held for Development

Real estate held for development is carried at the lower of cost or net realizable value. An impairment loss is recognized with respect to land held for development when the fair value of the property is less than the carrying amount of the property.

7. Compensated Absences

Earned but unused vacation benefits are recorded as an expense and liability when incurred in the government-wide and proprietary fund financial statements.

Starting employees earn 15 days of paid vacation leave per year; after 5 years of employment with the Authority, an employee earns 20 days; after 10 years of service, an employee earns 25 days of vacation leave. No employee is eligible to carry over more than 10 days of vacation entitlement from year to year, although the Executive Director is allowed to approve an additional 5 days of carryover in certain circumstances.

8. Deferred Outflows/Inflows of Resources

Deferred outflows of resources represent a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense / expenditure) until then. The Authority does not have any deferred outflows of resources to report at December 31, 2023.

Deferred inflows of resources represent an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Authority has one item that qualifies for reporting in this category; unavailable revenue from property taxes, reported in the governmental balance sheet and the Statement of Net Position. These amounts are deferred and recognized as an inflow from resources in the period that amounts become available.

Yampa Valley Housing Authority
Notes to the Financial Statements
December 31, 2023
(Continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

9. Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures or expenses initially made from it that are properly applicable to another fund, are recorded as expenditures or expenses in the reimbursing fund and as reductions of expenditures or expenses in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers.

Activities between funds that are representative of lending / borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due from other funds” or “due to other funds”. Any residual balances outstanding between governmental and business-type activities are reported in the government-wide financial statements as “internal balances”.

10. Fund Equity

Governmental accounting standards establish fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications include Non-spendable, Restricted, Committed, Assigned, and Unassigned. These classifications reflect not only the nature of the funds, but also provide clarity as to the level of restriction; such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the General Administrative Fund, and should be the only fund that reports a positive unassigned balance. In all other funds, unassigned fund balance is limited to negative residual fund balance.

The Authority classifies governmental fund balances as follows:

- Non-spendable – includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements.
- Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.
- Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority which is the Board.
- Assigned – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balance may be assigned by the Board or its management designees.
- Unassigned – includes residual positive fund balance within the General Administrative Fund which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

Yampa Valley Housing Authority
Notes to the Financial Statements
December 31, 2023
(Continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

10. Fund Equity (continued)

The Authority uses restricted amounts first when both restricted and unrestricted fund balance is available, unless there are legal documents / contracts that prohibit doing this, such as in grant agreements requiring dollar-for-dollar spending. Additionally, the Authority first uses committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

Under the terms of grant agreements, the Authority funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, they are both restricted and unrestricted in order to finance the Authority's programs. It is the Authority's policy to first apply cost-reimbursement grant resources to such programs and then general revenues.

11. Use of Estimates

The preparation of financial statements in conformity with GAAP requires the Authority's management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

II. Reconciliation of Government-wide and Fund Financial Statements

A. Explanation of Certain Differences between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

The Authority's financial statements include a reconciliation between governmental funds total fund balance and net position of governmental activities as reported in the government-wide Statement of Net Position. The differences include long-term receivables for notes, loans, and mortgages; capital assets and accumulated depreciation; investment in LLCs; accrued compensated absences; and long-term debt.

B. Explanation of Certain Differences between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance and the Government-wide Statement of Activities

The Authority's financial statements also include a reconciliation between net change in fund balances - total governmental funds and change in net position of governmental activities as reported in the government-wide Statement of Activities. The differences include accounting for long-term notes, loans, and mortgages receivable transactions (outlays, repayments, and interest); debt transactions (interest, issuances, and repayments), capital assets (acquisitions, disposals, and depreciation); and changes in long-term debt and accrued compensated absences.

Yampa Valley Housing Authority
Notes to the Financial Statements
December 31, 2023
(Continued)

III. Stewardship, Compliance, and Accountability

A. Budgets and Budgetary Accounting

Annual appropriations are adopted for all of the Authority's funds. Prior to the end of the fiscal year, the Authority's management submits to the Board a proposed operating budget for the fiscal year commencing the following January 1. Budgets include proposed expenditures for all funds and the means of financing them. Expenditures may not legally exceed appropriations at the fund level. All appropriations lapse at the end of each calendar year. Budgets are legally enacted upon approval by the Board.

The budget for the Authority's governmental funds are prepared on a basis consistent with GAAP, while the budgets for the Authority's proprietary funds are prepared using a non-GAAP basis. The supplementary budgetary comparison schedules for each of the proprietary funds in section F include a reconciliation between the budget-basis change in net position and the GAAP-basis change in net position.

The Authority conforms to the following procedures, in compliance with CRS 29-1, in establishing the budgetary data reflected in the financial statements:

- Prior to October 15, the Executive Director submits to the Board a proposed operating budget for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted by the Board to obtain taxpayer comments.
- Prior to December 31, the Board adopts the budget by formal resolution.
- Expenditures may not legally exceed appropriations at the fund level. Revisions that alter the total expenditures must be approved by the Board.

Property taxes are levied on December 15 of each year and attach as an enforceable lien on property on January 1. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County Treasurer collects property taxes and remits collections to the Authority on a monthly basis.

Property taxes are recorded initially as deferred inflows of resources in the year they are levied and measurable. The deferred inflows of resources are recorded as revenue in the year they are available or collected.

In November 2017, the Authority's voters approved a 1.0 mill levy increase in tax collection year 2018 for a ten-year period through the 2027 tax collection year for land acquisition, planning, design, financing, construction, and administration of housing developments serving seasonal, low-income, and entry-level households. The November 2017 ballot question approved by voters also exempts the Authority from revenue limits imposed by TABOR.

**Yampa Valley Housing Authority
Notes to the Financial Statements
December 31, 2023
(Continued)**

III. Stewardship, Compliance, and Accountability (continued)

A. Budgets and Budgetary Accounting (continued)

The Authority adopted the following supplemental budget appropriations for 2023:

<u>Fund</u>	<u>Original Budget Expenditures</u>	<u>Supplemental Appropriations</u>	<u>Amended Budget Expenditures</u>
Hillside Village Apartments	\$ 495,992	45,719	541,711
Whitehaven Mobile Home Park	184,198	63,905	248,103

B. Comparative Data

Comparative total data for the prior year has been presented in the certain of the accompanying financial statements in order to provide an understanding of the changes in the Authority's financial position and operations. However, comparative data has not been presented in all statements since their inclusion would make the statements unduly complex and difficult to understand. The comparative information is not included in accordance with GAAP and such information should be read with the Authority's prior year financial statements.

C. TABOR Amendment

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20, commonly known as the Taxpayer's Bill of Rights ("TABOR"). TABOR contains revenue, spending, tax and debt limitations that apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax, or tax policy change directly causing a net tax revenue gain to any local government.

Future spending and revenue limits are determined based on the prior year's fiscal year spending adjusted for allowable increases based upon inflation and local growth. Fiscal year spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the fiscal year spending limit must be refunded unless the voters approve retention of such revenue. As discussed in Note III.A, the 2017 ballot measure approved by voters exempts the Authority from TABOR's revenue limits.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

**Yampa Valley Housing Authority
Notes to the Financial Statements
December 31, 2023
(Continued)**

III. Stewardship, Compliance, and Accountability (continued)

C. TABOR Amendment (continued)

TABOR requires local governments to establish emergency reserves. These reserves must be at least 3% of fiscal year spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. The Authority has reserved \$60,000 of the December 31, 2023 fund balance in the General Administrative Fund for this purpose. The Authority's management believes it is compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions may require judicial interpretation.

IV. Detailed Notes on all Funds

A. Deposits and Investments

Colorado's 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 levels insured by the Federal Deposit Insurance Corporation (the "FDIC") must be collateralized. The eligible collateral is determined by the PDPA. The PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to the aggregate uninsured deposits. The FDIC insures the first \$250,000 of the Authority's interest-bearing deposits at each financial institution. Deposit balances over \$250,000 are collateralized as required by the PDPA. The Authority's deposits at December 31, 2023 are entirely covered by FDIC or by PDPA.

At December 31, 2023, the carrying value of the Authority's deposits was \$828,412 and the bank balance of these accounts was \$909,959. The difference between carrying and bank balances represents items that had not cleared the bank at year end.

The Authority held deposits and investments with the following ratings and maturities at December 31, 2023:

<u>Type</u>	<u>Standard & Poor's Rating</u>	<u>Carrying Amount</u>	<u>Investment Maturities</u>	
			<u>Less Than One Year</u>	<u>One to Five Years</u>
Deposits:				
Checking	Not Rated	\$ 647,230	647,230	-
Savings	Not Rated	181,182	181,182	-
Investments:				
Investment pools	AAAm	4,673,867	4,673,867	-
Totals		<u>\$ 5,502,279</u>	<u>5,502,279</u>	<u>-</u>

At December 31, 2023, unrealized gains or (losses) were \$0.

**Yampa Valley Housing Authority
Notes to the Financial Statements
December 31, 2023
(Continued)**

IV. Detailed Notes on all Funds (continued)

A. Deposits and Investments (continued)

The Authority's cash and investments are presented on the Statement of Net Position at December 31, 2023 as follows:

Cash and investments - Unrestricted	\$ 5,084,089
Restricted cash and investments	<u>418,190</u>
Total	<u>\$ 5,502,279</u>

The Authority maintains restricted cash reserves in accordance with USDA loan requirements related to Hillside Village Apartments and Alpine Bank loan requirements related to Fish Creek Mobile Home Park. The Authority's restricted cash balances are as follows at December 31, 2023:

Hillside Village:	
Tenant security deposits	\$ 29,404
Tax and insurance reserves	10,190
Reserve for replacement	<u>190,310</u>
	229,904
Fish Creek Mobile Home Park:	
Loan reserves	<u>180,000</u>
Whitehaven Mobile Home Park:	
Tenant security deposits	<u>8,286</u>
Total	<u>\$ 418,190</u>

All USDA restricted cash balances are maintained in separate bank accounts from other cash deposits. Additions to the reserve for replacement are approved annually by the USDA. Withdrawals from the reserve for replacement are approved on an individual basis by the USDA.

Fair Value of Investments:

The Authority measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted prices for identical investments in active markets
- Level 2: Observable inputs other than quoted market prices
- Level 3: Unobservable inputs.

At December 31, 2023, the Authority had the following recurring fair value measurements:

Investments Measured at Net Asset Value:

COLOTRUST	<u>\$ 4,673,867</u>
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Yampa Valley Housing Authority
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on all Funds (continued)

A. Deposits and Investments (continued)

The Authority's holdings in government investment pools are comprised of balances with COLOTRUST, which is an investment vehicle established for local government entities in Colorado to pool surplus funds. It operates similarly to money market funds, whereby each share is equal in value to \$1. Investments of the trust consist of U.S. Treasury bills, notes and note strips, and repurchase agreements collateralized by U.S. Treasury securities. The Authority has no regulatory oversight for the pools.

Interest Rate Risk: As a means of limiting its exposure to interest rate risk, the Authority coordinates its investment maturities to closely match cash flow needs and restricts the maximum investments term to less than five years from the purchase date. As a result of the limited length of maturities, the Authority has limited its interest rate risk.

Credit Risk: State law limits investments to those authorized by State statutes, including U.S. agencies and 2a7-like pools. The Authority's general investment policy is to apply the prudent-investor rule: Investments are made as a prudent person would expect to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

Concentration of Credit Risk: The Authority diversifies its investments by security type and institution. Investments may only be made in those financial institutions which are insured by the FDIC, the Federal Home Mortgage Association, the Federal Savings and Loan Insurance Corporation, congressionally-authorized mortgage lenders and investments that are federally guaranteed. Financial institutions holding Authority funds must provide the Authority with a statement of collateral in the form of a listing of securities pledged, and a copy of the certificate from the Banking Authority that states that the institution is an eligible public depository.

B. Interfund Balances and Transfers

The Authority had no interfund balances at December 31, 2023.

The Authority made the following interfund transfers – which represent allocations of resources based upon the Board's adopted budgetary policies – during 2023:

<u>Transfers From</u>	<u>Transfers To</u>	<u>Amount</u>
Development Fund	General Administrative Fund	\$ 485,000
Development Fund	Brown Ranch Fund	1,400,000
Down Payment Loan Fund	General Administrative Fund	4,000

Transfers from the Development Fund were made to fund additional expenditures, while transfers from the Down Payment Loan Fund were made to transfer a portion of the interest earned on program loans.

Yampa Valley Housing Authority
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on all Funds (continued)

C. Loans, Notes, and Mortgages Receivables

	<u>12/31/22</u> <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>12/31/23</u> <u>Balance</u>	<u>Amounts Due</u> <u>in One Year</u>
Program loans receivable:					
Down payment assistance loans	\$ 390,576	80,000	(54,054)	416,522	-
Accrued interest	14,634	8,463	(3,226)	19,871	368
less: Allowance for doubtful accounts	(22,800)	-	-	(22,800)	-
Total - Program loans	<u>382,410</u>	<u>88,463</u>	<u>(57,280)</u>	<u>413,593</u>	<u>368</u>
Notes receivable:					
Promissory note - OPG Partners LLC	800,000	-	-	800,000	-
Accrued interest - OPG Partners LLC	236,087	40,000	-	276,087	8,000
Promissory note - OPG Alpenglow LLC	167,092	-	-	167,092	-
Accrued interest - OPG Alpenglow LLC	2,000	2,000	-	4,000	-
Promissory notes - OPG Anglers Four Hundred LLC	2,000,000	-	-	2,000,000	-
Accrued interest - OPG Anglers Four Hundred LLC	16,666	20,000	-	36,666	-
less: Allowance for doubtful accounts	-	-	-	-	-
Total - Notes receivable	<u>3,221,845</u>	<u>62,000</u>	<u>-</u>	<u>3,283,845</u>	<u>8,000</u>
Mortgages receivable:					
Mortgages outstanding	222,573	-	(12,405)	210,168	12,508
Total - Mortgages receivable	<u>222,573</u>	<u>-</u>	<u>(12,405)</u>	<u>210,168</u>	<u>12,508</u>
Totals	<u>\$ 3,826,828</u>	<u>150,463</u>	<u>(69,685)</u>	<u>3,907,606</u>	<u>20,876</u>

1. Program Loans Receivable

The Authority's program loans receivable consist of subordinatedly-secured down payment assistance notes due from homeowners, bearing interest at 0 – 5% per annum, and maturing between 2023 and 2040.

2. Notes Receivable

During 2016, the Authority executed a promissory note in the principal amount of \$800,000 with OPG Partners LLC to finance the development of The Reserves multi-family housing project. The note, which bears simple interest at 5% per annum, calls for annual payments of \$8,000 beginning 31 months after the issuance date, with the remaining principal and interest balance due in April 2046. The note is secured by a subordinated deed of trust on the project.

During 2019, the Authority executed a promissory note in the principal amount of \$200,000 with OPG Alpenglow LLC to finance the development of the Alpenglow Village multi-family housing project. The note, which bears simple interest at 1% per annum, calls for annual payments from 75% of cash flow in priority per OPG Alpenglow LLC's Operating Agreement, due March 1 each year following the first fiscal year, with the remaining principal and interest balance due in August 2059. The note is secured by a subordinated deed of trust on the project.

**Yampa Valley Housing Authority
Notes to the Financial Statements
December 31, 2023
(Continued)**

IV. Detailed Notes on all Funds (continued)

C. Loans, Notes, and Mortgages Receivables (continued)

2. Notes Receivable (continued)

During 2022, the Authority executed two promissory notes in the principal amounts of \$1,500,000 and \$500,000, respectively, with OPG Anglers Four Hundred LLC to finance the development of the Anglers Four Hundred multi-family housing project. The notes, which bear simple interest at 1% per annum, call for annual payments from 75% of cash flow in priority per OPG Anglers Four Hundred LLC's Operating Agreement, due March 1 each year following the first fiscal year, with the remaining principal and interest balance due in February 2062. The notes are secured by subordinated deeds of trust on the project.

3. Mortgages Receivable

Mortgage notes receivable consist of 30-year, non-interest-bearing mortgages, maturing between 2019 and 2044, which are collateralized by the underlying properties.

D. Capital Assets

The following are the changes in the Authority's capital assets for the year ended December 31, 2023:

	<u>12/31/22</u> <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>12/31/23</u> <u>Balance</u>
<u>Governmental Activities:</u>				
Capital assets, not being depreciated:				
Land held for development	\$ 30,000,000	-	-	30,000,000
Construction in progress	-	896,189	-	896,189
Total capital assets not being depreciated	<u>30,000,000</u>	<u>896,189</u>	<u>-</u>	<u>30,896,189</u>
Governmental Activities Capital Assets, net	<u>\$ 30,000,000</u>	<u>896,189</u>	<u>-</u>	<u>30,896,189</u>

Yampa Valley Housing Authority
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on all Funds (continued)

D. Capital Assets (continued)

	<u>12/31/22</u> <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>12/31/23</u> <u>Balance</u>
<u>Business-type Activities:</u>				
Capital assets not being depreciated:				
Land	\$ 7,132,078	-	-	7,132,078
Construction in progress	-	43,694	-	43,694
Total capital assets not being depreciated	<u>7,132,078</u>	<u>43,694</u>	<u>-</u>	<u>7,175,772</u>
Capital assets being depreciated:				
Buildings and improvements	2,955,635	-	-	2,955,635
Land improvements	194,711	-	-	194,711
Water and sewer systems	1,262,501	-	-	1,262,501
Roads	156,335	-	-	156,335
Furniture and equipment	13,899	-	-	13,899
Total capital assets, being depreciated	<u>4,583,081</u>	<u>-</u>	<u>-</u>	<u>4,583,081</u>
Less accumulated depreciation for:				
Buildings and improvements	(2,031,336)	(108,297)	-	(2,139,633)
Land improvements	(154,045)	(3,885)	-	(157,930)
Water and sewer systems	(168,473)	(25,250)	-	(193,723)
Roads	(55,371)	(7,817)	-	(63,188)
Furniture and equipment	(13,902)	-	-	(13,902)
Total accumulated depreciation	<u>(2,423,127)</u>	<u>(145,249)</u>	<u>-</u>	<u>(2,568,376)</u>
Total capital assets being depreciated, net	<u>2,159,954</u>	<u>(145,249)</u>	<u>-</u>	<u>2,014,705</u>
Business-type Activities Capital Assets, net	<u>\$ 9,292,032</u>	<u>(101,555)</u>	<u>-</u>	<u>9,190,477</u>

The Authority had capital outlay and depreciation expense during 2023 for the following functions:

	<u>Capital Outlay</u>	<u>Depreciation Expense</u>
Governmental activities:		
Development	<u>\$ 896,189</u>	<u>-</u>
Business-type activities:		
Housing	<u>\$ 43,694</u>	<u>145,249</u>

E. Long-Term Debt – Governmental Activities

Changes in the Authority's long-term debt for governmental activities during 2023 were as follows:

	<u>12/31/22</u> <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>12/31/23</u> <u>Balance</u>	<u>Due Within</u> <u>One Year</u>
Participation Agreement note payable	\$ 97,355	-	-	97,355	-

**Yampa Valley Housing Authority
Notes to the Financial Statements
December 31, 2023
(Continued)**

IV. Detailed Notes on all Funds (continued)

E. Long-Term Debt – Governmental Activities

1. Participation Agreement Note Payable

During 2019, the Authority executed a Participation Agreement with Overland Property Group, LLC (“Overland”), under which the Authority agreed to sell a 60% interest (the “Participation Percentage”) in its \$200,000 promissory note receivable from OPG Alpenglow LLC (the “OPG Alpenglow LLC Promissory Note”, as described in Note IV.C.2.) to Overland for \$11,667 (the present value of the Participation Percentage in the cash flows from the OPG Alpenglow LLC Promissory Note). Under the terms of the Participation Agreement, the Authority will collect all scheduled payments for the OPG Alpenglow LLC Promissory Note and remit the Participation Percentage of each such payment to Overland. Consistent with the terms of the OPG Alpenglow LLC Promissory Note, the Participation Agreement note payable calls for annual payments equal to 60% of the 75% of cash flow from the Alpenglow Village project, in priority per the Operating Agreement, due March 1 each year following the first fiscal year, with the outstanding principal and interest balance due in August 2059.

F. Long-Term Debt – Business-Type Activities

Changes in the Authority’s long-term debt for business-type activities during 2023 were as follows:

	<u>12/31/22</u> <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>12/31/23</u> <u>Balance</u>	<u>Due Within</u> <u>One Year</u>
USDA Rural Development	\$ 1,087,025	-	(9,363)	1,077,662	9,953
Alpine Bank	1,714,558	-	(72,305)	1,642,253	74,934
City of Steamboat Springs	582,735	-	(22,036)	560,699	22,367
CWRPDA - DWRF	149,615	-	(6,650)	142,965	6,650
CWRPDA - WPCRF	372,108	-	(29,769)	342,339	29,769
Whitehaven note payable	2,495,383	-	(56,158)	2,439,225	57,617
Totals	<u>\$ 6,401,424</u>	<u>-</u>	<u>(196,281)</u>	<u>6,205,143</u>	<u>201,290</u>

1. USDA Rural Development Secured Promissory Note

The Authority entered into a Multi-Family Housing Assumption Agreement with the USDA in August 2007 in the principal amount of \$1,177,107 to consolidate four existing USDA loans with Regional Affordable Living Foundation as the original borrower. The note, which bears interest at 6.125% per annum, is payable in blended monthly installments of \$6,307 (net of a \$3,810 monthly interest subsidy). The note, which is amortized over 50 years but matures in August 2037, is secured by a deed of trust on all rental property at Hillside Village Apartments.

Yampa Valley Housing Authority
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on all Funds (continued)

F. Long-Term Debt – Business-Type Activities (continued)

2. Alpine Bank Secured Promissory Note

The Authority executed a secured promissory note with Alpine Bank in September 2014 in the principal amount of \$2,206,551 to pay off an existing loan obligation to Wells Fargo Bank, N.A. The note, which bears interest at 4% per annum, is payable in blended monthly installments of \$11,709 through maturity in October 2039. The note is secured by a deed of trust on land and improvements at the Fish Creek Mobile Home Park and a pledge of associated rental revenues. The note also requires the Authority to establish a \$100,000 reserve fund to be increased to \$180,000 by December 31, 2019.

3. City of Steamboat Springs Secured Promissory Note

In August 2007, the Authority entered into a secured promissory note agreement with the City for \$954,000 to acquire the Fish Creek Mobile Home Park. In January 2011, the principal balance was reduced by \$193,856 for remaining escrow funds paid to the City after completion of required railroad improvements. From January 2011 through December 2013, the note accrued interest at the lowest municipal bond rate then available plus one hundred basis points. Effective in September 2014, the note was amended with an outstanding principal and accrued interest balance of \$790,778. The note is non-interest-bearing through 2018, but bears interest at 1.5% per annum beginning in 2019. Terms of the amended note call for annual payments of \$30,777, and a final payment of \$44,155 at maturity in January 2044. The note is secured by a subordinated deed of trust on land and improvements at the Fish Creek Mobile Home Park.

4. CWRPDA Drinking Water Revolving Fund (“DWRP”) Loan

The Authority executed a \$729,891 loan agreement with Colorado Water Resources and Power Development Authority (“CWRPDA”) in June 2015. The loan agreement included principal forgiveness of \$486,750 by CWRPDA to a reduced principal amount of \$243,141 and a 0% interest rate. In March 2016, the principal balance was further reduced by the remaining unused project funds of \$42,928. Terms of the loan agreement require semi-annual payments of \$3,325 from May 2016 through maturity in May 2045. Proceeds were used to replace the water distribution system within the Fish Creek Mobile Home Park.

The loan agreement requires the Authority to maintain an operations and maintenance reserve fund equal to three months of operations and maintenance expenses. The Authority has reserved \$55,532 for this purpose as of December 31, 2023.

**Yampa Valley Housing Authority
Notes to the Financial Statements
December 31, 2023
(Continued)**

IV. Detailed Notes on all Funds (continued)

F. Long-Term Debt – Business-Type Activities (continued)

5. CWRPDA Water Pollution Control Revolving Fund (“WPCRF”) Loan

In June 2015, the Authority entered into a \$613,768 loan agreement with CWRPDA. In March 2016, the principal was reduced by the remaining unused project funds of \$17,937. Terms of the loan agreement include a 0% interest rate and semi-annual payments of \$14,884 from May 2016 through maturity in May 2035. Proceeds were used to replace the sewer collection system with new sewer mains under the drive aisle of the Fish Creek Mobile Home Park.

The loan agreement has the same requirement to maintain an operations and maintenance reserve fund as the CWRPDA - DWRF loan.

6. CWRPDA Loans Rate Covenant

The CWRPDA loan agreements include a rate covenant whereby the Authority’s Fish Creek Mobile Home Park rents, after meeting operation and maintenance expenses, is required to be sufficient to cover 110% of the aggregate debt service coming due. The following is the Authority’s calculation with respect to compliance with the rate covenant for the year ended December 31, 2023:

Rents		\$ 398,210
less:		
Operating expenses	\$ 258,282	
less: Depreciation	(36,154)	
less: Capital improvements	<u>(3,920)</u>	
		<u>(218,208)</u>
Net rents		<u>\$ 180,002</u>
Aggregate debt service payments		<u>\$ 207,707</u>
Net rents / aggregate debt service payments		87%

The Authority has written to CWRPDA to explain that Fish Creek’s 2023 results reflected higher than budgeted snow removal costs due to record snowfall levels, and to detail the Authority’s operational plans for compliance in 2024.

7. Whitehaven Note Payable

In November 2022, the Authority executed a \$2,500,000 promissory note with a philanthropic group in connection with the Authority’s acquisition of Whitehaven Mobile Home Park. The note, which bears interest at 2.57% per annum, calls for blended monthly payments through maturity in November 2052. The note is secured by the land and improvements at Whitehaven Mobile Home Park.

Multiple philanthropic groups also provided the Authority with a \$500,000 grant to assist with the acquisition, stabilization, and investment in infrastructure at Whitehaven Mobile Home Park.

**Yampa Valley Housing Authority
Notes to the Financial Statements
December 31, 2023
(Continued)**

IV. Detailed Notes on all Funds (continued)

F. Long-Term Debt – Business-Type Activities (continued)

8. Annual Debt Service Requirements

Aggregate debt service requirements to maturity at December 31, 2023 for the Authority’s long-term business-type debt are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 201,290	201,730	403,020
2025	207,384	195,636	403,020
2026	212,997	190,023	403,020
2027	219,004	184,016	403,020
2028	225,085	177,935	403,020
2029 - 2033	1,228,318	786,783	2,015,101
2034 - 2038	2,161,326	537,947	2,699,273
2039 - 2043	743,857	164,284	908,141
2044 - 2048	560,590	91,694	652,284
2049 - 2053	445,292	23,242	468,534
	<u>\$ 6,205,143</u>	<u>2,553,290</u>	<u>8,758,433</u>

V. Other Information

A. Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees, and natural disasters. These risks are funded through participation in the Colorado Intergovernmental Risk Sharing Agency (CIRSA).

CIRSA is a member-owned self-insurance pool whose general objectives are to provide member municipalities’ affordable defined property and liability and/or workers’ compensation coverage and risk management services. CIRSA is financed by its members’ annual contributions and interest earnings on those contributions. The contributions are used, in part, to establish loss funds from which member claims and associated costs are paid. Excess reinsurance coverage is also purchased. Certain surplus funds are used to the benefit of members and may include reductions in future contributions. Although none have occurred to date, additional member contributions may be required if necessary. The Authority’s contribution to CIRSA for insurance coverage is reported as an expense. The Authority is unaware of any excess losses which may have been incurred by CIRSA and there have been no settled claims which exceed insurance coverage in any of the last three years.

B. Related Party Transactions

The County contributed \$50,000 to the Authority during 2023. The City also contributed \$50,000 to the Authority during 2023. The City and County are not required to make annual contributions to the Authority.

Yampa Valley Housing Authority
Notes to the Financial Statements
December 31, 2023
(Continued)

V. Other Information (continued)

B. Related Party Transactions (continued)

In 2010, the Authority entered into an intergovernmental agreement with the City with respect to down payment assistance funds. Under the terms of the agreement, the City is to provide up to \$100,000 for a down payment assistance revolving loan fund program. The City is required to pay 10% of all granted funds in the Authority's General Administrative Fund for administrative costs remitted on a transactional basis at the time loan funds are transmitted. The City's management has verbally increased the amount of available funds in the program to \$200,000.

C. Retirement Plan

The Authority's employees can participate in a section 457 deferred compensation plan administered by the ICMA Retirement Corporation. The Authority contributes 6% of employees' wages to the plan and the individual retirement accounts are self-directed and managed by the employees. All employees are fully vested immediately. The Authority's contributions to the plan totaled \$61,164 for the year ended December 31, 2023.

D. Grant Funds

The Authority participates in several grant arrangements. Expenses financed by grants are subject to audit and disallowance by granting authorities. Management of the Authority is unaware of any non-compliance issues and feels any potential questions or disallowed costs would not materially affect the presentation of the Authority's financial statements as of and for the year ended December 31, 2023.

E. Alpenglow Village Project

During 2019, Pine Grove LLC (a component unit of the Authority, as described in Note I.A.) contributed \$525,000 to OPG Alpenglow LLC for a 0.01% special member interest (as described in Note I.D.4.). Under the terms of various agreements between participants in the Alpenglow Village development, the Authority – either directly or through Pine Grove LLC – is to receive a Developer Fee, a Compliance Fee, and an Incentive Management Fee upon OPG Alpenglow LLC's achievement of specified milestones. The Authority and Pine Grove LLC have been granted a right of first refusal to acquire the Alpenglow Village project, on terms and conditions set forth in the agreements.

F. Sunlight Crossing Project

During 2020, Sunlight Enterprise LLC (a component unit of the Authority, as described in Note I.A.) contributed \$1,600,000 to Sunlight Crossing LLC for a 3.6885% special member interest (as described in Note I.D.4.). Under the terms of various agreements between participants in the Sunlight Crossing development, the Authority – either directly or through Sunlight Enterprise LLC – is to receive a monthly property management fee equal to 4% of the Gross Collected Income as defined in the agreements. The Authority and Sunlight Enterprise LLC have been granted a right of first refusal to acquire the Sunlight Crossing project, on terms and conditions set forth in the agreements.

Yampa Valley Housing Authority
Notes to the Financial Statements
December 31, 2023
(Continued)

V. Other Information (continued)

G. Anglers Four Hundred Project

In March 2022, Anglers Enterprise LLC (a component unit of the Authority, as described in Note I.A.) contributed \$100 to OPG Anglers Four Hundred LLC for a 0.01% special member interest. Under the terms of the various agreements between the participants in the Anglers Four Hundred development, the Authority – either directly or through Anglers Enterprise LLC – is to receive a Developer Fee, a Compliance Fee, and an Incentive Management Fee upon OPG Anglers Four Hundred LLC's achievement of specified milestones. The Authority and Anglers Enterprise LLC have been granted a right of first refusal to acquire the Anglers Four Hundred project, on terms and conditions set forth in the agreements.

H. Brown Ranch Annexation Agreement and Short-Term Rental Tax Allocation from City

In October 2022, the Authority filed a petition for annexation with the City to annex the Authority's Brown Ranch property into City limits. Following public hearings by the City during 2023, the City Council approved annexation of the Brown Ranch pursuant to an Annexation Agreement executed in October 2023. The annexation was then sent to a voter referendum by a committee formed by Steamboat citizens. On March 26, 2024, the voters rejected the Brown Ranch annexation.

Despite this setback, YVHA still owns the land and will continue to work to solve the affordable housing crisis in our community.



REQUIRED SUPPLEMENTARY INFORMATION

Yampa Valley Housing Authority
Governmental Fund - General Administrative Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	2023			Final Budget Variance: Positive (Negative)	2022
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Contributions	150,000	150,000	137,800	(12,200)	116,500
Management fees	270,245	176,645	188,956	12,311	119,344
Mortgage income	12,508	12,508	12,405	(103)	13,139
Investment earnings	24	24	126	102	43
Other	-	-	12	12	816
Total Revenues	<u>432,777</u>	<u>339,177</u>	<u>339,299</u>	<u>122</u>	<u>249,842</u>
Expenditures:					
General government:					
Wages and benefits	845,289	845,289	682,845	162,444	396,098
Office expenses	7,900	7,900	15,289	(7,389)	10,736
Professional fees	12,150	12,150	12,506	(356)	8,853
General and administrative	62,460	62,460	74,676	(12,216)	63,085
Contract labor	3,600	3,600	5,547	(1,947)	3,312
Utilities	4,000	4,000	4,589	(589)	3,630
Other	500	500	150	350	787
Total Expenditures	<u>935,899</u>	<u>935,899</u>	<u>795,602</u>	<u>140,297</u>	<u>486,501</u>
Excess (Deficiency) of Revenues over Expenditures	(503,122)	(596,722)	(456,303)	140,419	(236,659)
Other Financing Sources (Uses):					
Transfers in	489,000	489,000	489,000	-	204,000
Total Other Financing Sources (Uses)	<u>489,000</u>	<u>489,000</u>	<u>489,000</u>	<u>-</u>	<u>204,000</u>
Net Change in Fund Balance	<u>(14,122)</u>	<u>(107,722)</u>	32,697	<u>140,419</u>	(32,659)
Fund Balance - Beginning			180,182		212,841
Fund Balance - Ending			<u>212,879</u>		<u>180,182</u>

Yampa Valley Housing Authority
Governmental Fund - Development Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	2023			Final Budget Variance: Positive (Negative)	2022
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Property taxes	1,075,280	1,075,280	1,076,345	1,065	1,068,464
Specific ownership tax	65,004	65,004	75,519	10,515	72,628
Grants and contributions	385,000	385,000	2,800,000	2,415,000	795,402
Investment earnings	24,300	24,300	241,253	216,953	68,676
Down payment loan principal repayments	-	-	-	-	37,741
Distributions from projects	36,000	36,000	82,403	46,403	52,327
Total Revenues	<u>1,585,584</u>	<u>1,585,584</u>	<u>4,275,520</u>	<u>2,689,936</u>	<u>2,095,238</u>
Expenditures:					
Development:					
Wages and benefits	135,884	135,884	127,848	8,036	87,287
Professional fees	24,000	24,000	7,220	16,780	20,257
General and administrative	10,000	10,000	4,475	5,525	4,256
Treasurer fees	32,260	32,260	30,610	1,650	30,436
Capital contributions	2,000,000	2,000,000	-	2,000,000	2,000,000
Repairs and maintenance	-	-	900	(900)	-
Marketing	-	-	600	(600)	400
Other	5,700	5,700	5,723	(23)	5,883
Capital outlay	770,000	770,000	905,792	(135,792)	-
Debt service:					
Principal	-	-	-	-	22,645
Total Expenditures	<u>2,977,844</u>	<u>2,977,844</u>	<u>1,083,168</u>	<u>1,894,676</u>	<u>2,171,164</u>
Excess (Deficiency) of Revenues over Expenditures	(1,392,260)	(1,392,260)	3,192,352	4,584,612	(75,926)
Other Financing Sources (Uses):					
Transfers (out)	(1,885,000)	(1,885,000)	(1,885,000)	-	(943,393)
Total Other Financing Sources (Uses)	<u>(1,885,000)</u>	<u>(1,885,000)</u>	<u>(1,885,000)</u>	<u>-</u>	<u>(943,393)</u>
Net Change in Fund Balance	<u>(3,277,260)</u>	<u>(3,277,260)</u>	1,307,352	<u>4,584,612</u>	(1,019,319)
Fund Balance - Beginning			1,458,934		2,478,253
Fund Balance - Ending			<u>2,766,286</u>		<u>1,458,934</u>

Yampa Valley Housing Authority
Governmental Fund - Down Payment Loan Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	2023			Final Budget Variance: Positive (Negative)	2022
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Investment earnings	6,396	6,396	21,447	15,051	24,209
Down payment loan principal repayments	30,292	30,292	54,054	23,762	56,255
Other	-	-	-	-	89
Total Revenues	<u>36,688</u>	<u>36,688</u>	<u>75,501</u>	<u>38,813</u>	<u>80,553</u>
Expenditures:					
General government:					
General and administrative	2,604	2,604	2,500	104	2,585
Direct assistance	160,000	160,000	80,000	80,000	157,500
Total Expenditures	<u>162,604</u>	<u>162,604</u>	<u>82,500</u>	<u>80,104</u>	<u>160,085</u>
Excess (Deficiency) of Revenues over Expenditures	(125,916)	(125,916)	(6,999)	118,917	(79,532)
Other Financing Sources (Uses):					
Transfers (out)	(4,000)	(4,000)	(4,000)	-	(4,000)
Total Other Financing Sources (Uses)	<u>(4,000)</u>	<u>(4,000)</u>	<u>(4,000)</u>	<u>-</u>	<u>(4,000)</u>
Net Change in Fund Balance	<u>(129,916)</u>	<u>(129,916)</u>	(10,999)	<u>118,917</u>	(83,532)
Fund Balance - Beginning			166,997		250,529
Fund Balance - Ending			<u>155,998</u>		<u>166,997</u>

Yampa Valley Housing Authority
Governmental Fund - Brown Ranch Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	<u>2023</u>			Final Budget Variance: Positive (Negative)	<u>2022</u>
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Grants and contributions	5,250,000	5,250,000	66,469	(5,183,531)	731,833
Other	-	-	197,667	197,667	-
Total Revenues	<u>5,250,000</u>	<u>5,250,000</u>	<u>264,136</u>	<u>(4,985,864)</u>	<u>731,833</u>
Expenditures:					
General government:					
Wages and benefits	307,575	307,575	315,641	(8,066)	207,852
Professional fees	86,000	86,000	441,315	(355,315)	987,347
General and administrative	82,952	82,952	73,293	9,659	83,420
Contract labor	80,000	80,000	26,559	53,441	118,763
Utilities	7,100	7,100	4,698	2,402	3,619
Repair and maintenance	10,200	10,200	6,854	3,346	48,373
Other	15,000	15,000	10,213	4,787	2,420
Capital outlay	5,992,485	5,992,485	189,807	5,802,678	-
Total Expenditures	<u>6,581,312</u>	<u>6,581,312</u>	<u>1,068,380</u>	<u>5,512,932</u>	<u>1,451,794</u>
Excess (Deficiency) of Revenues over Expenditures	(1,331,312)	(1,331,312)	(804,244)	527,068	(719,961)
Other Financing Sources (Uses):					
Transfers in	1,400,000	1,400,000	1,400,000	-	743,393
Total Other Financing Sources (Uses)	<u>1,400,000</u>	<u>1,400,000</u>	<u>1,400,000</u>	<u>-</u>	<u>743,393</u>
Net Change in Fund Balance	<u>68,688</u>	<u>68,688</u>	595,756	<u>527,068</u>	23,432
Fund Balance - Beginning			23,432		-
Fund Balance - Ending			<u>619,188</u>		<u>23,432</u>



**YAMPA VALLEY
HOUSING AUTHORITY**

SUPPLEMENTARY INFORMATION

Yampa Valley Housing Authority
Proprietary Fund - Hillside Village Apartments
Schedule of Revenues, Expenses, and Changes in Net Position
Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	<u>2023</u>			<u>Final Budget Variance: Positive (Negative)</u>	<u>2022</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
Operating Revenues:					
Tenant rents	427,126	427,126	322,213	(104,913)	305,705
Rent subsidy	-	-	122,964	122,964	146,837
Interest subsidy	-	-	45,719	45,719	45,719
Application fees	600	600	370	(230)	109
Laundry and vending	5,000	5,000	4,664	(336)	4,809
Other tenant charges	4,500	4,500	10,137	5,637	5,354
Other revenue	-	-	500	500	137
Total Revenues	<u>437,226</u>	<u>437,226</u>	<u>506,567</u>	<u>69,341</u>	<u>508,670</u>
Operating Expenses:					
Operating and maintenance:					
Wages and benefits	78,051	78,051	75,925	2,126	69,191
Contract labor	-	-	413	(413)	-
Repairs and maintenance	27,000	27,000	26,867	133	20,727
Snow removal	20,000	20,000	39,063	(19,063)	30,799
Other expenses	55,281	55,281	45,292	9,989	17,559
Administrative:					
Wages and benefits	118,645	118,645	110,229	8,416	100,174
Professional fees	8,000	8,000	7,082	918	7,015
Management fees	42,660	42,660	42,660	-	42,660
Manager unit rent	8,268	8,268	8,268	-	8,268
Other expenses	24,423	24,423	19,420	5,003	20,471
Insurance	13,000	13,000	13,059	(59)	11,102
Utilities	70,700	70,700	77,141	(6,441)	71,773
Total Expenses	<u>466,028</u>	<u>466,028</u>	<u>465,419</u>	<u>609</u>	<u>399,739</u>
Operating Income (Loss) - Budget Basis	(28,802)	(28,802)	41,148	69,950	108,931
Non-operating Revenues (Expenses):					
Investment earnings	60	60	210	150	69
Principal repayment	-	-	(9,363)	(9,363)	(9,363)
Interest expense	(29,964)	(75,683)	(66,320)	9,363	(66,875)
Transfers in	27,265	27,265	-	(27,265)	-
Total Non-operating Revenues (Expenses)	<u>(2,639)</u>	<u>(48,358)</u>	<u>(75,473)</u>	<u>(27,115)</u>	<u>(76,169)</u>
Change in Net Position - Budget Basis	<u>(31,441)</u>	<u>(77,160)</u>	(34,325)	<u>42,835</u>	32,762
Reconciliation from Budget to GAAP Basis:					
Loan principal repayment			9,363		9,363
Change in compensated absences			(1,222)		(1,276)
Depreciation			(109,095)		(109,095)
Change in Net Position - GAAP Basis			(135,279)		(68,246)
Net Position - Beginning			<u>543,899</u>		<u>612,145</u>
Net Position - Ending			<u>408,620</u>		<u>543,899</u>

Yampa Valley Housing Authority
Proprietary Fund - Fish Creek Mobile Home Park
Schedule of Revenues, Expenses, and Changes in Net Position
Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	<u>2023</u>			Final Budget Variance: Positive (Negative)	<u>2022</u>
	Original Budget	Final Budget	Actual		Actual
Operating Revenues:					
Tenant rents	398,160	398,160	398,210	50	390,304
Application fees	-	-	206	206	453
Other tenant charges	200	200	10	(190)	95
Total Revenues	<u>398,360</u>	<u>398,360</u>	<u>398,426</u>	<u>66</u>	<u>390,852</u>
Operating Expenses:					
Wages and benefits	13,234	13,234	13,297	(63)	12,026
Professional fees	9,000	9,000	4,710	4,290	3,303
Management fees	33,300	33,300	33,300	-	33,300
Utilities	53,500	53,500	71,423	(17,923)	62,862
Repairs and maintenance	8,000	8,000	20,061	(12,061)	8,960
Snow removal	15,000	15,000	51,628	(36,628)	23,905
Railroad licenses	9,700	9,700	11,527	(1,827)	8,215
Capital outlay	-	-	-	-	67,753
Other expenses	191,750	191,750	15,820	175,930	11,746
Total Expenses	<u>333,484</u>	<u>333,484</u>	<u>221,766</u>	<u>111,718</u>	<u>232,070</u>
Operating Income (Loss) - Budget Basis	64,876	64,876	176,660	111,784	158,782
Non-operating Revenues (Expenses):					
Investment earnings	250	250	13,545	13,295	4,076
Principal repayment	(125,976)	(125,976)	(130,760)	(4,784)	(130,760)
Interest expense	(83,185)	(83,185)	(76,698)	6,487	(79,900)
Transfers in	165,000	165,000	-	(165,000)	-
Total Non-operating Revenues (Expenses)	<u>(43,911)</u>	<u>(43,911)</u>	<u>(193,913)</u>	<u>(150,002)</u>	<u>(206,584)</u>
Change in Net Position - Budget Basis	<u>20,965</u>	<u>20,965</u>	(17,253)	<u>(38,218)</u>	(47,802)
Reconciliation from Budget to GAAP Basis:					
Loan principal repayment			130,760		130,760
Capitalized assets			-		67,753
Change in compensated absences			(362)		45
Depreciation			(36,154)		(37,509)
Change in Net Position - GAAP Basis			76,991		113,247
Net Position - Beginning			<u>2,437,682</u>		<u>2,324,435</u>
Net Position - Ending			<u>2,514,673</u>		<u>2,437,682</u>

Yampa Valley Housing Authority
Proprietary Fund - Whitehaven Mobile Home Park
Schedule of Revenues, Expenses, and Changes in Net Position
Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	<u>2023</u>			<u>Final Budget Variance: Positive (Negative)</u>	<u>2022</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
Operating Revenues:					
Tenant rents	221,940	221,940	217,453	(4,487)	17,750
Total Revenues	<u>221,940</u>	<u>221,940</u>	<u>217,453</u>	<u>(4,487)</u>	<u>17,750</u>
Operating Expenses:					
Wages and benefits	6,538	6,538	-	6,538	-
Contract labor	5,000	5,000	2,055	2,945	-
Professional fees	1,000	1,000	57	943	13,662
Management fees	13,712	13,712	13,712	-	-
Utilities	21,665	21,665	23,558	(1,893)	1,475
Repairs and maintenance	-	19,739	19,739	-	12,335
Snow removal	7,000	7,000	8,963	(1,963)	1,446
Capital outlay	5,088	49,254	54,694	(5,440)	3,125,000
Other expenses	3,633	3,633	4,763	(1,130)	(101)
Total Expenses	<u>63,636</u>	<u>127,541</u>	<u>127,541</u>	<u>-</u>	<u>3,153,817</u>
Operating Income (Loss) - Budget Basis	158,304	94,399	89,912	(4,487)	(3,136,067)
Non-operating Revenues (Expenses):					
Grants	-	-	-	-	765,917
Investment earnings	-	-	102	102	5
Principal repayment	(56,312)	(56,312)	(56,158)	154	-
Interest expense	(64,250)	(64,250)	(63,473)	777	(5,354)
Total Non-operating Revenues (Expenses)	<u>(120,562)</u>	<u>(120,562)</u>	<u>(119,529)</u>	<u>1,033</u>	<u>760,568</u>
Change in Net Position - Budget Basis	<u>37,742</u>	<u>(26,163)</u>	(29,617)	<u>(3,454)</u>	(2,375,499)
Reconciliation from Budget to GAAP Basis:					
Loan principal repayment			56,158		-
Capitalized assets			43,694		3,125,000
Change in Net Position - GAAP Basis			70,235		749,501
Net Position - Beginning			<u>749,501</u>		-
Net Position - Ending			<u>819,736</u>		<u>749,501</u>



**YAMPA VALLEY
HOUSING AUTHORITY**

OTHER COMPLIANCE INFORMATION

Position 3
**MULTI-FAMILY HOUSING
BORROWER BALANCE SHEET**

PART I - BALANCE SHEET

PROJECT NAME Hillside Village Apartments	BORROWER NAME Yampa Valley Housing Authority	BORROWER ID AND PROJECT NO. 2 3267333 013
--	--	---

	CURRENT YEAR	PRIOR YEAR	COMMENTS
BEGINNING DATES> ENDING DATES>	(01-01-2024) (12-31-2024)	(01-01-2023) (12-31-2023)	

ASSETS

CURRENT ASSETS

1. GENERAL OPERATING ACCOUNT	43,675.00	\$84,022.00	
2. R.E. TAX & INSURANCE ACCOUNT	10,190.00	10,185.00	
3. RESERVE ACCOUNT	190,310.00	172,378.00	
4. SECURITY DEPOSIT ACCOUNT	29,404.00	30,363.00	
5. OTHER CASH (<i>identify</i>)			
6. OTHER (<i>identify</i>)			
7. TOTAL ACCOUNTS RECEIVABLE (<i>Attach list</i>)	6,200.00	3,447.00	
..... ACCTS RCVBL 0-30 DAYS \$ 6,200.00		3,447.00	
ACCTS RCVBL 30-60 DAYS \$ 0.00		0.00	
ACCTS RCVBL 60-90 DAYS \$ 0.00		0.00	
ACCTS RCVBL OVER 90 DAYS \$ 0.00		0.00	
8. LESS: ALLOWANCE FOR DOUBTFUL ACCOUNTS	(1,000.00)	(\$1,000.00)	
9. INVENTORIES (<i>supplies</i>)	()	()	
10. PREPAYMENTS	3,498.00	1,774.00	
11. _____			
12. TOTAL CURRENT ASSETS (Add 1 thru 11)	282,277.00	301,169.00	

FIXED ASSETS

13. LAND	622,226.00	622,226.00	
14. BUILDINGS	2,917,981.00	2,917,981.00	
15. LESS: ACCUMULATED DEPRECIATION	(2,259,829.00)	(2,150,732.00)	
16. FURNITURE & EQUIPMENT	13,899.00	13,899.00	
17. LESS: ACCUMULATED DEPRECIATION	(13,899.00)	(13,899.00)	
18. _____			
19. TOTAL FIXED ASSETS (Add 13 thru 18)	\$1,280,378.00	\$1,389,475.00	

OTHER ASSETS

20. _____			
21. TOTAL ASSETS (Add 12, 19, and 20)	\$1,562,655.00	\$1,690,644.00	

LIABILITIES AND OWNERS EQUITY

CURRENT LIABILITIES

22. TOTAL ACCOUNTS PAYABLE (<i>Attach list</i>)	\$36,152.00	\$19,627.00	
..... ACCTS PAYABLE 0-30 DAYS \$ 36,153.00		19,627.00	
ACCTS PAYABLE 30-60 DAYS \$ 0.00			
ACCTS PAYABLE 60-90 DAYS \$ 0.00			
ACCTS PAYABLE OVER 90 DAYS \$ 0.00			
23. NOTES PAYABLE (<i>Attach list</i>)			
24. SECURITY DEPOSITS	29,403.00	30,362.00	
25. TOTAL CURRENT LIABILITIES (Add 22 thru 24)	\$65,555.00	\$49,989.00	

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0189. The time required to complete this information collection is estimated to average 2 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

LONG-TERM LIABILITIES

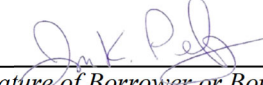
26. NOTES PAYABLE RURAL DEVELOPMENT	\$1,077,662.00	\$1,087,025.00	
27. OTHER (Identify) <u>Accrued Compensated Absences and P.F.</u>	10,818.00	9,731.00	
28. TOTAL LONG-TERM LIABILITIES (Add 26 and 27)	1,088,480.00	1,096,756.00	
29. TOTAL LIABILITIES (Add 25 and 28)	1,154,035.00	1,146,745.00	
30. OWNER'S EQUITY (Net Worth) (21 minus 29)	(408,620.00)	(543,899.00)	
31. TOTAL LIABILITIES AND OWNER'S EQUITY (Add 29 and 30)	\$1,562,655.00	\$1,690,644.00	

Warning: Section 1001 of Title 18, United States Code provides: "Whoever, in any matter within the jurisdiction any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both."

I HAVE READ THE ABOVE WARNING STATEMENT AND I HEREBY CERTIFY THE FOREGOING INFORMATION IS COMPLETE AND ACCURATE TO THE BEST OF MY KNOWLEDGE.

03-29-2024

 (Date)



 (Signature of Borrower or Borrower' Representative)
 Executive Director, YVHA

 (Title)

PART II - VERIFICATION OF REVIEW

I/We have reviewed the borrower's records. The accompanying balance sheet, and statement of actual budget and income on Form RD 1930-7, is a fair presentation of the borrower's records.

I/We certify that no identity of interest exists between me/us and any individual or organization doing business with the project or borrower.

 (Date)

 (Signature)

 (Name and Title)

 (Address)

In lieu of the above verification and signature, a review completed, dated and signed by a person or firm qualified by I license or certification is attached.

**MULTIPLE FAMILY HOUSING PROJECT BUDGET/
UTILITY ALLOWANCE**

PROJECT NAME Hillside Village Apartments		BORROWER NAME Yampa Valley Housing Authority		BORROWER ID AND PROJECT NO. 203267333 013	
Loan/Transfer Amount \$		Note Rate Payment \$		IC Payment \$	
Reporting Period <input checked="" type="checkbox"/> Annual <input type="checkbox"/> Quarterly <input type="checkbox"/> Monthly	Budget Type <input type="checkbox"/> Initial <input checked="" type="checkbox"/> Regular Report <input type="checkbox"/> Rent Change <input type="checkbox"/> SMR <input type="checkbox"/> Other Servicing	Project Rental Type <input checked="" type="checkbox"/> Family <input type="checkbox"/> Elderly <input type="checkbox"/> Congregate <input type="checkbox"/> Group Home <input type="checkbox"/> Mixed <input type="checkbox"/> LH	Profit Type <input type="checkbox"/> Full Profit <input type="checkbox"/> Limited Profit <input checked="" type="checkbox"/> Non-Profit	The following utilities are master metered: <input type="checkbox"/> Electricity <input type="checkbox"/> Gas <input checked="" type="checkbox"/> Water <input checked="" type="checkbox"/> Sewer <input checked="" type="checkbox"/> Trash <input type="checkbox"/> Other _____	
<input checked="" type="checkbox"/> I hereby request 0 units of RA. Current number of RA units <u>36</u> .					Borrower Accounting Method <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual

PART I-CASH FLOW STATEMENT

	CURRENT BUDGET	ACTUAL	PROPOSED BUDGET	COMMENTS or (YTD)
BEGINNING DATES>	01-01-2023	01-01-2023	01-01-2024	
ENDING DATES>	12-31-2023	12-31-2023	12-31-2024	
OPERATIONAL CASH SOURCES				
1. RENTAL INCOME	443,496.00	336,503.00	472,500.00	
2. RHS RENTAL ASSISTANCE RECEIVED		122,964.00		
3. APPLICATION FEES RECEIVED		370.00		
4. LAUNDRY AND VENDING	5,000.00	4,664.00	5,000.00	
5. INTEREST INCOME	60.00	42.00	45,779.00	
6. TENANT CHARGES	6,500.00	10,137.00	8,000.00	
7. OTHER -PROJECT SOURCES	600.00	500.00	600.00	
8. LESS (Vacancy and Contingency Allowance)	(8,870.00)		(9,450.00)	
9. LESS (Agency Approved Incentive Allowance)	(0.00)		(8,268.00)	
10. SUB-TOTAL [(1 thru 7) - (8 & 9)]	446,786.00	475,180.00	514,161.00	
NON-OPERATIONAL CASH SOURCES				
11. CASH-NON PROJECT	0.00	0.00	0.00	
12. AUTHORIZED LOAN (Non-RHS)	0.00	0.00	0.00	
13. TRANSFER FROM RESERVE	0.00	0.00	33,000.00	
14. SUB-TOTAL (11 thru 13)	0.00	0.00	33,000.00	
15. TOTAL CASH SOURCES (10+14)	446,786.00	475,180.00	547,161.00	
OPERATIONAL CASH USES				
16. TOTAL O&M EXPENSES (From Part II)	399,212.00	439,553.00	441,968.00	
17. RHS DEBT PAYMENT	29,964.00	29,964.00	83,184.00	
18. RHS PAYMENT (Overage)		17,231.00		
19. RHS PAYMENT (Late Fee)		0.00		
20. REDUCTION IN PRIOR YEAR PAYABLES		0.00		
21. TENANT UTILITY PAYMENTS		0.00		
22. TRANSFER TO RESERVE	17,381.00	17,780.00	17,781.00	
23. RETURN TO OWNER/NP ASSET MANAGEMENT FEE....	0.00	0.00	0.00	
24. SUB-TOTAL (16 thru 23)	446,557.00	504,528.00	542,933.00	
NON-OPERATIONAL CASH USES				
25. AUTHORIZED DEBT PAYMENT (Non-RHS)				
26. ANNUAL CAPITAL BUDGET (From Part III, Lines 4-6)	0.00	11,000.00	33,000.00	
27. MISCELLANEOUS				
28. SUB-TOTAL (25 thru 27)	0.00	11,000.00	33,000.00	
29. TOTAL CASH USES (24+28)	446,557.00	515,528.00	575,933.00	
30. NET CASH (DEFICIT) (15- 29)	229.00	(40,348.00)	(28,772.00)	
CASH BALANCE				
31. BEGINNING CASH BALANCE	98,481.00	84,023.00	98,481.00	
32. ACCRUAL TO CASH ADJUSTMENT		0.00		
33. ENDING CASH BALANCE (30+31+32)	98,710.00	43,675.00	69,709.00	

According to the Paperwork Reduction Act of 1995, an agency may not conduct sponsor and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0189. The time required to complete this information collection is estimated to average 2 1/2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

PART II-OPERATING AND MAINTENANCE EXPENSE SCHEDULE

	CURRENT BUDGET	ACTUAL	PROPOSED BUDGET	COMMENTS or (YTD)
1. MAINTENANCE AND REPAIRS PAYROLL	68,942.00	75,928.00	82,032.00	
2. MAINTENANCE AND REPAIRS SUPPLY	15,000.00	14,662.00	15,000.00	
3. MAINTENANCE AND REPAIRS CONTRACT	12,000.00	12,204.00	12,000.00	
4. PAINTING	5,000.00	3,094.00	5,000.00	
5. SNOW REMOVAL	20,000.00	44,537.00	30,000.00	
6. ELEVATOR MAINTENANCE/CONTRACT	0.00	0.00	0.00	
7. GROUNDS	8,000.00	8,193.00	8,500.00	
8. SERVICES	4,000.00	1,010.00	3,999.00	
9. ANNUAL CAPITAL BUDGET (From Part V- Operating)	20,000.00	0.00	0.00	
10. OTHER OPERATING EXPENSES (Itemize)	2,000.00	0.00	2,001.00	
11. SUB-TOTAL MAINT. & OPERATING (1 thru 10)	154,942.00	159,628.00	158,532.00	
12. ELECTRICITY <input type="checkbox"/> If master metered	7,000.00	6,551.00	7,000.00	
13. WATER <input type="checkbox"/> check box on	24,000.00	32,615.00	27,600.00	
14. SEWER <input type="checkbox"/> front	24,700.00	23,280.00	25,400.00	
15. FUEL (Oil/Coal/Gas)	0.00	0.00	0.00	
16. GARBAGE & TRASH REMOVAL	15,000.00	14,695.00	16,800.00	
17. OTHER UTILITIES	0.00	0.00	0.00	
18. SUB-TOTAL UTILITIES (12 Thru 17)	70,700.00	77,141.00	76,800.00	
19. SITE MANAGEMENT PAYROLL	52,300.00	67,459.00	70,813.00	
20. MANAGEMENT FEE	43,956.00	42,660.00	42,660.00	
21. PROJECT AUDITING EXPENSE	7,000.00	7,000.00	7,420.00	
22. PROJECT BOOKKEEPING/ACCOUNTING	0.00	0.00	0.00	
23. LEGAL EXPENSES	1,000.00	82.00	400.00	
24. ADVERTISING	1,000.00	583.00	999.00	
25. TELEPHONE & ANSWERING SERVICE	3,000.00	2,303.00	2,400.00	
26. OFFICE SUPPLIES	1,500.00	626.00	3,250.00	
27. OFFICE FURNITURE & EQUIPMENT	500.00	2,585.00	500.00	
28. TRAINING EXPENSE	1,500.00	2,701.00	1,000.00	
29. HEALTH INS. & OTHER EMP. BENEFITS	30,790.00	30,434.00	32,677.00	
30. PAYROLL TAXES	12,024.00	12,336.00	12,088.00	
31. WORKMAN'S COMPENSATION	3,000.00	2,112.00	2,466.00	
32. OTHER ADMINISTRATIVE EXPENSES (Itemize)	3,000.00	18,844.00	7,732.00	
33. SUB-TOTAL ADMINISTRATIVE (19 thru 32)	160,570.00	189,725.00	184,405.00	
34. REAL ESTATE TAXES	0.00	0.00	0.00	
35. SPECIAL ASSESSMENTS	0.00	0.00	0.00	
36. OTHER TAXES, LICENSES& PERMITS	0.00	0.00	0.00	
37. PROPERTY & LIABILITY INSURANCE	13,000.00	13,059.00	22,231.00	
38. FIDELITY COVERAGE INSURANCE	0.00	0.00	0.00	
39. OTHER INSURANCE	0.00	0.00	0.00	
40. SUB-TOTAL TAXES& INSURANCE (34 thru 39)	13,000.00	13,059.00	22,231.00	
41. TOTAL O&M EXPENSES (11 +18+33+40)	399,212.00	439,553.00	441,968.00	

PART III-ACCOUNT BUDGETING/STATUS

	CURRENT BUDGET	ACTUAL	PROPOSED BUDGET	COMMENTS or (YTD)
RESERVE ACCOUNT:				
1. BEGINNING BALANCE	132,318.00	172,378.00	190,293.00	
2. TRANSFER TO RESERVE	17,381.00	17,781.00	17,781.00	
TRANSFER FROM RESERVE				
3. OPERATING DEFICIT	0.00			
4. ANNUAL CAPITAL BUDGET (<i>Part V - Reserve</i>)	0.00		33,000.00	
5. BUILDING & EQUIPMENT REPAIR	0.00	0.00		
6. OTHER NON-OPERATING EXPENSES	0.00	0.00	0.00	
7. TOTAL (3 thru 6)	(0.00)	(0.00)	(33,000.00)	
8. ENDING BALANCE [(1 +2)-7]	149,699.00	190,159.00	175,074.00	

GENERAL OPERATING ACCOUNT:*

BEGINNING BALANCE	84,022.00	
ENDING BALANCE	43,675.00	

REAL ESTATE TAX AND INSURANCE ESCROW ACCOUNT:*

BEGINNING BALANCE	10,185.00	
ENDING BALANCE	10,190.00	

TENANT SECURITY DEPOSIT ACCOUNT:*

BEGINNING BALANCE	30,363.00	
ENDING BALANCE	29,404.00	

(*Complete upon submission of actual expenses.)

NUMBER OF APPLICANTS ON THE WAITING LIST	71	RESERVE ACCT. REQ. BALANCE	154,290.00
NUMBER OF APPLICANTS NEEDING RA	0	AMOUNT AHEAD/BEHIND	35,869.00

Performance Standards Borrower Self-Certification Letter

Date March 29, 2024

USDA Rural Development Office
Address 690 Industrial Blvd
Address Delta, Colorado 81416

In accordance with the criteria specified in Section 5; Paragraph 4.32 C. of the USDA Rural Development Handbook (HB-2-3560) for the year ended 12/31/2023 the borrower must self-certify that Yampa Valley Housing Authority - Hillside Village Apartments is in compliance with the nine performance standards. The following is a summary of our compliance with the performance standards.

1. The required accounts are (are not) properly maintained and tracked separately. The accounts we maintain are marked below:
 Operating Account(s) Security Deposit Account
 Tax & Insurance Account Reserve Account
 Other Accounts: _____
2. The payments from operating account(s) are (are not) disclosed and accurately represented.
3. The reserve account(s):
 - a. is on (not on) schedule with the Agency required minimum funding requirements;
 - b. is (is not) maintained in a supervised bank account that requires the Agency's countersignature on all withdrawals;
 - c. is on (not on) schedule with contributions to the reserve account for the current year with the Agency required minimum funding; and
 - d. has no (has) encumbrances on the reserve funds.
4. The tenant security deposits accounts are (are not) fully funded and are (are not) maintained in separate accounts.
5. The payment of owner return was:
 paid in the amount of \$ 0 for 20 23 fiscal year and was (was not) in accordance with the Agency's requirements OR
 not paid during the reporting year OR
 not allowable due to our nonprofit status OR

not allowable due to our nonprofit status. However, an asset management fee in the amount of \$ _____ was paid for 20 _____ fiscal year.

6. The borrower has (*has not*) maintained proper insurance in accordance with the requirements in 7 CFR 3560.105. Coverage maintained for _____ Hillside Village Apartments is as follows:

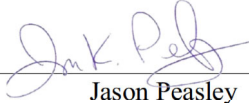
- | | |
|---|---|
| <input checked="" type="checkbox"/> Liability Insurance | <input type="checkbox"/> Flood Insurance |
| <input checked="" type="checkbox"/> Property Insurance | <input type="checkbox"/> Earthquake Insurance |
| <input type="checkbox"/> Fidelity Bond | <input type="checkbox"/> Other: _____ |

7. All financial records are (*are not*) adequate and suitable for examination.

8. There have been no changes in the ownership of _____ Hillside Village Apartments other than those approved by the Agency and identified in the certification. ***For non-profit borrowers:*** The Board of Directors is (*is not*) active and maintains oversight responsibilities for the project.

The real estate taxes (property taxes) are paid in accordance with state and/or local requirements. As of 12/31/2023, there are no delinquent real estate taxes (property taxes).

I certify that the above is true, accurate and is properly supported by documentation kept in our files.



Jason Peasley

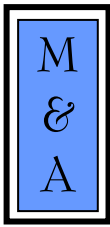
Printed Signature

Borrower Name: Yampa Valley Housing Authority

NOTE TO BORROWER: If the project is not in compliance with any of the above Performance Standards you must state that you are not in compliance with the standard and provide the Agency with a statement about the non-compliance and the methods taken to correct the non-compliance.



FEDERAL AWARDS COMPLIANCE



McMAHAN AND ASSOCIATES, L.L.C.

Certified Public Accountants and Consultants

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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 Directors
Yampa Valley Housing Authority
Steamboat Springs, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Yampa Valley Housing Authority (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 March 29, 2024.

Internal Control over Financial Reporting

In planning and performing our audit on the financial statements, we considered the Authority's internal control over financial reporting to determine the 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 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 may exist that have not been identified.

Member: American Institute of Certified Public Accountants

PAUL J. BACKES, CPA, CGMA
MICHAEL N. JENKINS, CA, CPA, CGMA
MATTHEW D. MILLER, CPA,

AVON: (970) 845-8800
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INDEPENDENT AUDITOR'S REPORT
To the Board of Directors
Yampa Valley Housing Authority
Steamboat Springs, Colorado

Compliance and Other Matters

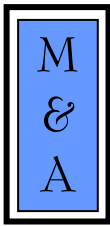
As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material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

Purpose of this Report

The purpose of this report is 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.

McMahan and Associates, L.L.C.

McMahan and Associates, L.L.C.
Avon, Colorado
March 29, 2024



MCMAHAN AND ASSOCIATES, L.L.C.

Certified Public Accountants and Consultants

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

**To the Board of Directors
Yampa Valley Housing Authority
Steamboat Springs, Colorado**

Report on Compliance for Each Major Program

Opinion on Each Major Federal Program

We have audited the compliance of Yampa Valley Housing Authority (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 each of Authority's major federal programs for the year ended December 31, 2023. The Authority's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Member: American Institute of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors
Yampa Valley Housing Authority
Steamboat Springs, Colorado**

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 U.S. 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 each major federal program as a whole.

In performing an audit in accordance with U.S. 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 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 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 Authority's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

INDEPENDENT AUDITOR'S REPORT
To the Board of Directors
Yampa Valley Housing Authority
Steamboat Springs, Colorado

Report on Internal Control Over Compliance (continued)

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

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

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

A handwritten signature in blue ink that reads "McMahan and Associates, L.L.C.".

McMahan and Associates, L.L.C.
Avon, Colorado
March 29, 2024

**Yampa Valley Housing Authority
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2023**

Part I – Summary of Auditor’s Results

Financial Statements:

Type of auditor’s report issued Unmodified

Internal control over financial reporting:

Material weakness identified	None noted
Significant deficiency identified	None noted
Noncompliance material to financial statements noted	None noted

Federal Awards:

Internal control over major programs:

Material weakness identified	None noted
Significant deficiency identified	None noted
Type of auditor’s report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Title 2, U.S. Code of Federal Regulations, Part 200	None noted

Major programs:

Rural Rental Housing Loan Program	ALN #10.415
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Dollar threshold used to identify Type A from Type B programs	\$750,000
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Identified as low-risk auditee	Yes
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Part II – Findings Related to Financial Statements

Findings related to financial statements as required by <i>Government Auditing Standards</i>	None noted
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Auditor-assigned reference number	Not applicable
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Part III – Findings Related to Federal Awards

Internal control findings	None noted
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Compliance findings	None noted
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Questioned costs	None noted
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Auditor-assigned reference number	Not applicable
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Yampa Valley Housing Authority
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2022

The Authority had no findings for the year ended December 31, 2022.

Yampa Valley Housing Authority
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

<u>Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Expenditures</u>
U.S. Department of Agriculture:			
<i>Direct programs:</i>			
Rural Rental Housing Loans	10.415	N/A	\$ 1,132,744
Rural Rental Assistance Payments	10.427	N/A	122,964
Total - U.S. Department of Agriculture			<u>1,255,708</u>
Total			<u>\$ 1,255,708</u>

Notes to the Schedule of Expenditures of Federal Awards for the Year Ended December 31, 2023

Note 1. Basis of Presentation

The Schedule of Expenditures of Federal Awards includes the Federal grant activity of Yampa Valley Housing Authority (the "Authority") and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2, U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Therefore, some amounts presented in this schedule may differ from amounts presented or used in the preparation of the general purpose financial statements.

Note 2. Indirect Facilities and Administration Costs

The Authority has elected not to use the 10% de minimis cost rate allowed in §200.414, *Indirect (F&A) Costs*, of the Uniform Guidance.

Note 3. Loans Outstanding

The Authority participates in the Rural Housing Service loan program. The balance of such loans at December 31, 2023 is as follows:

<u>Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>Balance of Direct Loans</u>
Rural Rental Housing Loans	10.415	\$ 1,077,662

Note 4 - Sub recipients:

The Authority did not provide any federal funds listed in the Schedule of Expenditures of Federal Awards to sub-recipients.