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

FINANCIAL STATEMENTS WITH INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2025

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

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INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the Housing Authority of the City of Grand Junction (the "Housing Authority") and the discretely presented component units, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Housing Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the Housing Authority, as of December 31, 2025, 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.

We did not audit the financial statements of the discretely presented component units, which represent 100 percent of the assets, net position, and revenue of the discretely presented component units. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for discretely presented component units, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Housing Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Housing Authority's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority's basic financial statements. The combining financial statements, supplementary information required by HUD, computation of surplus cash, distributions, and residual receipts and the schedule of expenditures of federal awards are presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the Department of Housing and Urban Development, and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining financial statements, supplementary information required by HUD, computation of surplus cash, distributions, and residual receipts and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 18, 2026, on our consideration of the Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority's internal control over financial reporting and compliance.

Hawkins Ash CPAs, LLP

La Crosse, Wisconsin
May 18, 2026

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED DECEMBER 31, 2025

The management of the Grand Junction Housing Authority (GJHA) offers this narrative overview and analysis of its audited financial statements for fiscal year ended December 31, 2025. The goal is for the reader to better understand the Authority's financial activities and its overall financial position and to show whether current year revenue covered current year expenses and the extent to which GJHA has invested its capital assets. We encourage readers to consider the information presented here in conjunction with GJHA's financial statements, which begins on page 12.

FINANCIAL HIGHLIGHTS - PRIMARY GOVERNMENT

- GJHA's assets exceed its liabilities as of December 31, 2025 by $35,846,922 compared to $31,875,890 as of December 31, 2024. This was an increase of $3,971,032 from 2024 to 2025, which included an asset increase of $2,691,006 and a total liability decrease of $1,280,026.

- GJHA's net investment in capital assets as of December 31, 2025 was $8,008,433, reflecting a decrease of $327,647 from December 31, 2024.

- GJHA's total operating revenue for the fiscal year ended December 31, 2025 was $21,214,671.

- GJHA's total operating expenses for the fiscal year ended December 31, 2025 were $17,964,086. Therefore, GJHA's total operating revenue was more than its operating expenses by $3,250,585.

- GJHA's total non-operating revenue for the fiscal year ended December 31, 2025 was $720,447, resulting in a total increase in net position of $3,971,032.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

- *Statement of Net Position* - reports GJHA's current financial resources: its cash and other current assets, its current and non-current liabilities and comparing those two elements, the resulting net position of GJHA.

- *Statement of Revenue and Expenses* - reports GJHA's various revenue and expenses.

- *Statement of Cash Flows* - reports GJHA's resulting cash flows from: operating activities, capital and related financing activities, and investing activities.

STATEMENT OF NET POSITION
DECEMBER 31, 2025 AND 2024

	2025	2024	Increase (Decrease)
ASSETS			
Current assets	$ 7,072,473	$ 9,302,489	$ (2,230,016)
Capital assets	21,999,779	22,947,645	(947,866)
Other assets	21,368,679	15,660,017	5,708,662
Restricted assets	1,592,529	1,432,303	160,226
Total Assets	**$ 52,033,460**	**$ 49,342,454**	**$ 2,691,006**
LIABILITIES AND NET POSITION			
Current liabilities	$ 4,938,929	$ 5,569,779	$ (630,850)
Non-current liabilities	11,247,609	11,896,785	(649,176)
Total Liabilities	16,186,538	17,466,564	(1,280,026)
Net investment in capital assets	8,008,433	8,336,080	(327,647)
Restricted	1,220,926	1,107,327	113,599
Unrestricted	26,617,563	22,432,483	4,185,080
Total Net Position	35,846,922	31,875,890	3,971,032
Total Liabilities and Net Position	**$ 52,033,460**	**$ 49,342,454**	**$ 2,691,006**

STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024	Increase (Decrease)
OPERATING REVENUE			
Operating grants	$ 16,155,261	$ 12,800,297	$ 3,354,964
Other operating revenue	2,148,447	2,312,193	(163,746)
Dwelling rentals income - tenants	2,910,963	2,815,168	95,795
Total Operating Revenue	21,214,671	17,927,658	3,287,013
OPERATING EXPENSES			
Housing assistance payments	10,081,799	9,720,770	361,029
Administration	3,642,152	3,690,017	(47,865)
Tenant services	326,352	354,239	(27,887)
Depreciation and amortization	950,873	929,625	21,248
Maintenance & operations	1,671,223	1,573,928	97,295
Utilities	516,351	525,042	(8,691)
General & insurance expenses	775,336	783,917	(8,581)
Total Operating Expenses	17,964,086	17,577,538	386,548
NONOPERATING REVENUE (EXPENSES)			
Interest income	893,754	939,509	(45,755)
Interest expense	(314,694)	(334,384)	19,690
Extraordinary items	9,586	(625,786)	635,372
Gain on sale of fixed assets	131,801	-	131,801
Total Nonoperating Revenue (Expense)	720,447	(20,661)	741,108
Change in Net Position	**$ 3,971,032**	**$ 329,459**	**$ 3,641,573**

ANALYSIS OF FINANCIAL STATEMENTS

STATEMENT OF NET POSITION - see page 6

- **Current Assets** decreased $2,072,513 primarily due to spend down of cash that was on hand for ongoing capital projects.

- **Capital Assets** decreased $947,866 primarily due to transfer of construction work in progress from work done on The Current.

- **Other Assets** Increased due to additional notes receivables issued in 2025.

- **Current Liabilities** decreased $630,850 primarily due to the amount of unearned revenue related to The Current project that was earned in 2025.

- **Non-Current Liabilities** decreased $649,176 due to decreases in notes payable.

- **Restricted Net Position** increased $152,492 primarily due to an increase in replacement reserve amounts.

- **Unrestricted Net Position for all programs** increased $4,185,080 primarily due to:

    - Net increase in the Acquisitions and Development fund of $4,119,421 primarily due to operating funds received from the City for The Current project.

ANALYSIS OF FINANCIAL STATEMENTS - Continued

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

REVENUE - (Operating and Non-Operating)

- **Operating Grants** Increased by $3,354,964, primarily due to:

  - Acquisitions and Development increased due to city funding received for The Current project.

Operating Grants Description	2025	2024	Difference
Nellie Bechtel - HUD Rent Assistance Grant	$204,130	$199,327	$4,803
Voucher Client Support- Next50, United Healthcare	87,523	186,811	-99,288
Ratekin Tower - HUD Rent Assistance Grant	672,659	639,701	32,958
Walnut Park - HUD Rent Assistance Grant	485,672	454,122	31,550
Family Self Sufficiency - HUD Administrative Grant	30,765	48,291	-17,526
Vouchers - HUD Housing Assistance Payments	9,854,273	9,385,052	469,221
Vouchers - HUD Administrative Fee Grant	1,372,202	1,327,814	44,388
Tenant Based Rental Assistance - Colorado Division of Housing	106,987	232,985	-125,998
Walnut Park Service Coordinator - HUD	47,722	52,264	-4,542
General Fund CHFA Healthy Housing	-	829	-829
Emergency Housing Vouchers	160,773	184,097	-23,324
Doors 2 Success - United Way/Other Support	64,944	89,004	-24,060
Utility Income - Port In	427	-	427
Acquisitions and Development Grant Income - Development	3,067,184	-	3,067,184
Total Operating Grants	**$16,155,261**	**$12,800,297**	**$3,354,964**

- **Other Operating Revenue** - Decreased by $163,746 due, in part, to lower development fees collected in 2025 based on partnership agreements.

- **Dwelling Rentals Income** - Increased by $95,795 primarily due to approved rent increases, improvements in occupancy at certain properties and other variables.

ANALYSIS OF FINANCIAL STATEMENTS - Continued

EXPENSES - (Operating and Non-Operating)

- **Housing Assistance Payments** increased by $361,029 in comparison to 2024, primarily due to the increase in number of vouchers leased combined with an increase in the Housing Choice Voucher payment standards.
- **Tenant Services** decreased by $27,887 due to the decrease in payments to tenants for rent and other assistance due to a decrease in supportive services grant income available.
- **Maintenance & Operations** increased by $97,295 due primarily to an increase in staffing levels on the maintenance team.
- **Utilities'** costs decreased slightly by $8,691.
- **Insurance Expense** increased by $36,637 due to an overall increase in insurance policy costs both state-wide and nationally.
- **Extraordinary items** changed by $635,372 and are from 2024 having large expenditures for Hazard cleanup.

STATEMENT OF CASH FLOWS - see page 15 & 16 of basic financial statements

Net Cash decreased $1,858,913.

- Net Cash Provided by Operating Activities was $3,729,028 primarily from the following:
  - General Administration provided $288,981
  - Acquisitions and Development provided $1,898,217
  - Monument Business Center provided $146,063 (through commercial leasing)
  - Crystal Brook provided $83,030
  - Ratekin Tower provided $408,190
  - Walnut Park provided $188,612
  - Nellie Bechtel provided $379,571
  - Housing Choice Vouchers (including Emergency Housing) provided $234,981
  - Housing Service Coordinator and Service Coordinator used $31,580
  - TBRA provided $28,736
  - Housing Advocate used $131,606

- Net Cash Used in Capital and Related Financing activities is from the following:
  - Acquisition of capital assets of $2,153,720
  - Proceeds from sale of capital assets $2,282,514
  - Principal payments of $620,219
  - Note receivable issued of $5,047,177
  - Interest paid $291,294

- Net Cash Used in Noncapital Financing Activities was $9,586

- Net Cash Provided by Investing Activities was $232,369 from interest received.

BUDGETARY HIGHLIGHTS

- The Authority continues to work on the self-sustainability of all programs/properties by seeking new sources of funding and reducing costs wherever possible.

- During 2025, GJHA utilized 94.3 percent of its awarded Housing Choice Voucher Program budget authority.

FUTURE EVENTS

- The Authority received $138,817 in Deferred Developer Fee, Administrative Fee, and other Soft Loan payments in 2026 based on surplus cash calculations from 2025.

- The initial investment in CDs of $3,000,000 in 2023 has decreased to $2,854,588 as of March 2026 due to the planned use of $1M for development of The Current. Cash needs will be discussed quarterly to determine the best use of these funds.

- For calendar year 2026, the Authority anticipates it will receive adequate housing assistance payment operating grant funding to lease Section 8 Housing Choice Vouchers.

  In 2025-26, the Authority is engaged with the City of Grand Junction, Mesa County and multiple affordable housing development partners to pursue the development of up to 250 new affordable housing units in the next 2-3 years, as well as the rehabilitation and preservation of up to 250 existing affordable housing units

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

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

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

BASIC FINANCIAL STATEMENTS

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
STATEMENT OF NET POSITION
DECEMBER 31, 2025

ASSETS	PRIMARY GOVERNMENT	DISCRETELY PRESENTED COMPONENT UNITS	TOTAL (MEMORANDUM ONLY)
CURRENT ASSETS			
Cash and investments	$ 6,347,040	$ 660,045	$ 7,007,085
Cash and investments - restricted	1,592,529	2,064,568	3,657,097
Receivables			
Tenants, net of allowance for doubtful accounts	38,027	47,248	85,275
Other, net of allowance for doubtful accounts	294,742	-	294,742
Due from other governments	71,076	-	71,076
Inventory	188,853	-	188,853
Prepaid expenses	132,735	2,689	135,424
TOTAL CURRENT ASSETS	8,665,002	2,774,550	11,439,552
NONCURRENT ASSETS			
Notes receivable	14,329,270	-	14,329,270
Interest receivable	6,747,316	-	6,747,316
Other assets, net of accumulated amortization	292,093	242,669	534,762
Land	2,431,651	3,325,912	5,757,563
Land improvements	4,868,706	6,827,255	11,695,961
Buildings and improvements	32,293,680	64,832,519	97,126,199
Equipment	2,881,825	2,062,860	4,944,685
Construction in progress	3,656,677	-	3,656,677
Less accumulated depreciation	(24,132,760)	(22,981,355)	(47,114,115)
TOTAL NONCURRENT ASSETS	43,368,458	54,309,860	97,678,318
TOTAL ASSETS	**$ 52,033,460**	**$ 57,084,410**	**$ 109,117,870**

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

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
STATEMENT OF NET POSITION - Continued
DECEMBER 31, 2025

LIABILITIES AND NET POSITION	PRIMARY GOVERNMENT	DISCRETELY PRESENTED COMPONENT UNITS	TOTAL (MEMORANDUM ONLY)
CURRENT LIABILITIES			
Accounts payable	$ 180,567	$ 23,970	$ 204,537
Accrued expenses	937,075	302,815	1,239,890
Compensated absences	213,569	-	213,569
Unearned revenue	2,761,373	4,345	2,765,718
Tenants' security deposits	229,011	261,300	490,311
Current portion of notes payable	617,334	202,135	819,469
TOTAL CURRENT LIABILITIES	4,938,929	794,565	5,733,494
NONCURRENT LIABILITIES			
Tenants' FSS escrow	61,219	-	61,219
Developer fee payable	-	300,837	300,837
Notes payable, net of discount	11,186,390	15,629,891	26,816,281
Accrued interest payable	-	6,121,872	6,121,872
TOTAL NONCURRENT LIABILITIES	11,247,609	22,052,600	33,300,209
TOTAL LIABILITIES	16,186,538	22,847,165	39,033,703
NET POSITION			
Net investment in capital assets	8,008,433	38,235,165	46,243,598
Restricted	1,220,926	1,777,381	2,998,307
Unrestricted	26,617,563	(5,775,301)	20,842,262
TOTAL NET POSITION	35,846,922	34,237,245	70,084,167
TOTAL LIABILITIES AND NET POSITION	**$ 52,033,460**	**$ 57,084,410**	**$ 109,117,870**

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

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2025

	PRIMARY GOVERNMENT	DISCRETELY PRESENTED COMPONENT UNITS	TOTAL (MEMORANDUM ONLY)
OPERATING REVENUE			
Dwelling rental	$ 2,910,963	$ 3,373,843	$ 6,284,806
Operating grants	16,155,261	-	16,155,261
Other operating revenue	2,148,447	221,972	2,370,419
TOTAL OPERATING REVENUE	21,214,671	3,595,815	24,810,486
OPERATING EXPENSES			
Administration	3,642,152	1,147,484	4,789,636
Tenant services	326,352	1,020	327,372
Utilities	516,351	369,967	886,318
Maintenance and operations	1,671,223	576,544	2,247,767
General expenses	228,706	274,941	503,647
Insurance	546,630	395,578	942,208
Housing assistance payments	10,081,799	-	10,081,799
Depreciation and amortization	950,873	2,208,876	3,159,749
TOTAL OPERATING EXPENSES	17,964,086	4,974,410	22,938,496
OPERATING INCOME (LOSS)	3,250,585	(1,378,595)	1,871,990
NONOPERATING REVENUE (EXPENSE)			
Interest income	893,754	37,192	930,946
Extraordinary items	9,586	-	9,586
Gain on sale of capital assets	131,801	-	131,801
Interest expense	(314,694)	(1,007,833)	(1,322,527)
NET NONOPERATING REVENUE (EXPENSE)	720,447	(970,641)	(250,194)
CHANGE IN NET POSITION	3,971,032	(2,349,236)	1,621,796
NET POSITION AT BEGINNING OF YEAR	31,875,890	36,586,481	68,462,371
NET POSITION AT END OF YEAR	**$ 35,846,922**	**$ 34,237,245**	**$ 70,084,167**

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

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2025

	PRIMARY GOVERNMENT	DISCRETELY PRESENTED COMPONENT UNITS	TOTAL (MEMORANDUM ONLY)
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from tenants/participants	$ 2,161,291	$ 3,385,549	$ 5,546,840
Cash received from operating grants	16,319,786	-	16,319,786
Other income received	2,177,111	176,942	2,354,053
Cash payments to vendors	(3,179,545)	(2,140,130)	(5,319,675)
Cash payments to employees	(3,667,916)	(605,890)	(4,273,806)
Cash payments for housing assistance	(10,081,799)	-	(10,081,799)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	3,728,928	816,471	4,545,399
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Notes receivable	(5,047,177)	-	(5,047,177)
Developer fee paid	-	(29,003)	(29,003)
Acquisition of capital assets	(2,153,720)	-	(2,153,720)
Proceeds from sale of capital assets	2,282,514	-	2,282,514
Principal payments	(620,219)	(193,079)	(813,298)
Interest paid	(291,294)	(340,629)	(631,923)
NET CASH PROVIDED BY (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES	(5,829,896)	(562,711)	(6,392,607)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Extraordinary items	9,586	-	9,586
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	232,369	37,194	269,563
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,859,013)	290,954	(1,568,059)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	9,798,582	2,433,659	12,232,241
CASH AND CASH EQUIVALENTS AT END OF YEAR	**$ 7,939,569**	**$ 2,724,613**	**$ 10,664,182**

(Continued on page 16)

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

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
STATEMENT OF CASH FLOWS - Continued
YEAR ENDED DECEMBER 31, 2025

	PRIMARY GOVERNMENT	DISCRETELY PRESENTED COMPONENT UNITS	TOTAL (MEMORANDUM ONLY)
RECONCILIATION OF CASH AND CASH EQUIVALENTS PER STATEMENT OF CASH FLOWS TO THE STATEMENT OF NET POSITION			
Cash and investments	$ 6,347,040	$ 660,045	$ 7,007,085
Cash and investments - restricted	1,592,529	2,064,568	3,657,097
CASH AND CASH EQUIVALENTS PER STATEMENT OF NET POSITION	**$ 7,939,569**	**$ 2,724,613**	**$ 10,664,182**
RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES			
Operating income (loss)	$ 3,250,585	$ (1,378,595)	$ 1,871,990
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities			
Depreciation and amortization	950,873	2,208,876	3,159,749
Changes in assets and liabilities			
Decrease (increase) in assets			
Accounts receivable	77,219	17,978	95,197
Due from other governments	163,310	-	163,310
Inventory	(12,847)	-	(12,847)
Prepaid expenses	(16,893)	(1,903)	(18,796)
Increase (decrease) in liabilities			
Accounts payable - operations	51,506	5,821	57,327
Accrued expenses	133,528	(29,434)	104,094
Unearned revenue	(833,607)	6,243	(827,364)
Tenants' security deposits	(3,246)	(12,515)	(15,761)
Tenants' FSS escrow	(31,500)	-	(31,500)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	**$ 3,728,928**	**$ 816,471**	**$ 4,545,399**

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

NOTE 1 - Summary of Significant Accounting Policies

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

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

a. The Housing Authority is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization, or (2) there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Housing Authority.

b. The Housing Authority may be financially accountable if an organization is fiscally dependent on the Housing Authority regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government, or (3) a jointly appointed board.

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

Blended Component Units:

Doors 2 Success

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

McMahon

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

NOTE 1 - Summary of Significant Accounting Policies - Continued

Linden Pointe LLLP

Linden Pointe, LLLP ("Linden Pointe") was formed on February 18, 2004, as a limited liability limited partnership under the laws of the state of Colorado. It was formed for the purpose of owning and operating a 92-unit low-income housing project called Linden Pointe located in Grand Junction, Colorado. Pursuant to the Assignment and Assumption of Limited Partner Interests and Amendment to the Amended and Restated Agreement of Limited Partnership dated December 31, 2020, the Housing Authority acquired an additional 99.89 percent interest (giving them 99.99 percent ownership) and Affordable Homes, LLC, an affiliate of the Housing Authority, acquired a 0.1 percent limited partnership interest in Linden Pointe.

Discretely Presented Component Units (DPCU):

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

Arbor Vista, LLLP

Arbor Vista, LLLP ("Arbor Vista") was formed on June 29, 2007, as a limited liability limited partnership under the laws of the state of Colorado. It was formed for the purpose of owning and operating a 72-unit multifamily housing apartment complex called Arbor Vista located in Grand Junction, Colorado. Arbor Vista is owned 44.995 percent by Enterprise Housing Partners XVII, L.P. and 54.995 percent by Enterprise Housing Partners XVIII, L.P. (Limited Partners) and 0.01 percent by the Housing Authority (General Partner). Amended and Restated Agreement of Limited Partnership dated December 31, 2024, the Housing Authority acquired an additional 99.89 percent interest (giving them 99.99 percent ownership) and Affordable Homes, LLC, an affiliate of the Housing Authority, acquired a 0.1 percent limited partnership interest in Linden Pointe.).

The Highlands LLLP

The Highlands LLLP ("The Highlands") is a Colorado limited liability partnership formed in February 2015, for the purpose of investment in real property and the provision of low-income housing through the construction, renovation, rehabilitation, operation and leasing of an apartment complex. The Highlands is a 64-unit, multifamily rental housing development in Grand Junction, Colorado, for low to moderate-income residents. The Highlands is owned 99.99 percent by Wells Fargo Affordable Housing Community Development Corporation (Limited Partner) and 0.01 percent by the Housing Authority (General Partner).

NOTE 1 - Summary of Significant Accounting Policies - Continued

Village Park LLLP

Village Park LLLP ("Village Park") was formed on February 20, 2012, as a limited liability limited partnership under the laws of the state of Colorado. It was formed for the purpose of owning and operating a 72-unit apartment complex in Grand Junction, Colorado. Village Park is owned 99.99 percent by Wincopin Circle LLLP (Limited Partner) and 0.01 percent by the Housing Authority (General Partner).

The Highlands 2 LLLP

The Highlands 2 LLLP ("The Highlands 2") was formed on February 27, 2018, as a limited liability limited partnership under the laws of the state of Colorado. It was formed for the purpose of owning and operating a 72-unit apartment complex for seniors in Grand Junction, Colorado. The Highlands 2 is owned 99.99 percent by Wells Fargo Affordable Housing Community Development Corporation (Limited Partner) and 0.01 percent by the Housing Authority (General Partner).

2814 LLLP

2814 LLLP ("2814") was formed on March 13, 2020, as a limited liability limited partnership under the laws of the state of Colorado. It was formed for the purpose of owning and operating a 60-unit apartment complex in Grand Junction, Colorado. 2814 is owned 99.99 percent by Wells Fargo Affordable Housing Community Development Corporation (Limited Partner) and 0.01 percent by the Housing Authority (General Partner).

The Authority's DPCUs are presented for financial reporting purposes as of and for the year ended December 31, 2025 and reported under the "Discretely Presented Component Units" column on the Statement of Net Position and Statement of Revenue, Expenses and Changes in Net Position. Separately issued financial statements for the DPCUs can be obtained by writing the Director of Finance, Housing Authority of the City of Grand Junction, 8 Foresight Circle, Grand Junction, Colorado, 81505.

Programs Administered by the Housing Authority - The programs of the Housing Authority are recorded in one enterprise fund. Each program is maintained using a separate set of self-balancing accounts. A major fund is defined as a program that total assets, liabilities, revenues, or expenses per program are at least 10 percent of the total category of the Housing Authority. The programs include:

- State & Local (General Administration, Acquisitions and Development, Monument Business Center & Crystal Brook)
- Section 8 New Construction (Ratekin & Walnut Park)
- Section 8 Housing Assistance Program (Nellie Bechtel)
- Service Coordinator for Multifamily Housing
- Mortgage Insurance for the purchase or Refinancing of Existing Multifamily Housing Projects
- Housing Finance Agency Risk Sharing Loan
- Family Self-Sufficiency (FSS)
- Housing Choice Vouchers
- Mainstream Vouchers Program
- Emergency Housing Vouchers
- Home Investment Partnership Program
- Tenant Based Rental Assistance (TBRA)

NOTE 1 - Summary of Significant Accounting Policies - Continued

Basis of Accounting and Measurement Focus - The Housing Authority's basic financial statements are presented on the full accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles for governmental entities. The discretely presented component units consist of low-income housing tax credit (LIHTC) entities organized as for-profit limited partnerships or limited liability companies and are reported on the accrual basis of accounting in accordance with U.S. GAAP, as codified by the Financial Accounting Standards Board (FASB).

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

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

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

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

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

Accounts Receivable - Accounts receivable are recorded at gross amount, less an allowance for doubtful accounts. The allowance for doubtful accounts for fraud recovery was $17,731 for housing choice vouchers at December 31, 2025.

Accounts Receivable - Component Units - Accounts receivable are recorded at gross amount, less an allowance for doubtful accounts. The allowance for doubtful accounts for tenant accounts receivable was $-0- for the component units at December 31, 2025.

NOTE 1 - Summary of Significant Accounting Policies - Continued

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

Other Assets - Component Units - Other assets consist of tax credit fees. Tax credit fees have been capitalized and will be amortized over the 15-year compliance period for Village Park, the Highlands, Highlands 2, and 2814, and over 30 years for Arbor Vista. Accumulated amortization was $274,391 as of December 31, 2025.

Debt Issuance Costs - Component Units - Debt issuance costs will be amortized over the life of the related debt. Accumulated amortization was $308,489 as of December 31, 2025. Unamortized debt issuance cost was $132,143.

Capital Assets - Purchased capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets, works of art and similar items, and capital assets received in a service concession arrangement are valued at their acquisition value at the date of donation. Capital expenses of $3,000 or more, with a useful life greater than one year, are capitalized. Buildings and equipment are carried at cost or estimated fair value and depreciated using a straight-line method of depreciation over their estimated useful lives as follows:

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

Impairment of Long-Lived Assets - The Housing Authority reviews its capital assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recovered. If the fair value is less than the carrying amount of the asset, an impairment loss is recognized for the difference. No impairment loss has been recognized for the year ended December 31, 2025.

Compensated Absences - Compensated absences are those absences for which employees will be paid, such as vacation and sick leave. A liability for compensated absences that is attributable to services already rendered and that are not contingent on a specific event that is outside the control of the Housing Authority and its employees, is accrued when benefits are more likely than not to be used or otherwise paid. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the Housing Authority and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

Net Position - Net position is displayed in three components:

a. <u>Net investment in capital assets</u> - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

b. <u>Restricted net position</u> - Consists of resources with constraints placed on the use either by (1) external group such as creditors, grantors, contributors, or laws or regulations of other governments or, (2) law through constitutional provisions or enabling legislation.

c. <u>Unrestricted net position</u> - All other resources that do not meet the definition of “restricted” or “net investment in capital assets.”

NOTE 1 - Summary of Significant Accounting Policies - Continued

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

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

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

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

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

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

Subsequent Events - The Housing Authority has evaluated subsequent events through May 18, 2026, the date which the financial statements were available to be issued.

NOTE 2 - Cash and Investments

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

At December 31, 2025, the Housing Authority reported cash and cash equivalents as follows:

Cash and investments	$ 6,347,040
Cash and investments - restricted	1,592,529
	$ 7,939,569

At December 31, 2025, the Component Units reported cash and cash equivalents as follows:

Cash and investments	$ 660,045
Cash and investments - restricted	2,064,568
	$ 2,724,613

Fair Value of Deposits and Investments - Deposits and investments are reported at fair value. At December 31, 2025, the fair value of the Housing Authority's deposits approximated original cost; therefore, no fair value adjustments were necessary.

NOTE 2 - Cash and Investments - Continued

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

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

Custodial Credit Risk - Deposits - This is the risk that in the event of the failure of the counterparty, the Housing Authority will not be able to recover the value of its collateral securities that are held by the counterparty. The Housing Authority's custodial agreement policy prohibits counterparties holding securities not in the Housing Authority's name.

Deposits - The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by State statutes and regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured deposits as a group. The market value of the collateral must be at least equal to 102 percent of the uninsured deposits. At December 31, 2025, the Housing Authority had bank deposits of $7,418,680 collateralized with securities held by the financial institutions' agents.

Discretely Presented Component Units - The Partnerships maintain operating cash and cash equivalents in various deposit accounts. The operating cash and cash equivalents are insured by the Federal Deposit Insurance Corporation up to $250,000. Management believes that no significant concentration of credit risk exists with respect to operating cash during the year ended December 31, 2025.

NOTE 3 - Capital Assets

A summary of changes in capital assets is as follows:

	BALANCE 01/01/25	ADDITIONS	RETIREMENTS	ADJUSTMENTS & TRANSFERS	BALANCE 12/31/25
Capital assets not being depreciated:					
Land	$ 2,431,651	$ -	$ -	-	$ 2,431,651
Construction in progress	5,748,539	1,193,234	(2,150,713)	(1,134,383)	3,656,677
TOTAL CAPITAL ASSETS NOT BEING DEPRECIATED	8,180,190	1,193,234	(2,150,713)	(1,134,383)	6,088,328
Capital assets being depreciated:					
Land improvements	3,991,765	876,941	-	-	4,868,706
Buildings and improvements	31,136,464	22,833	-	1,134,383	32,293,680
Equipment	2,821,113	60,712	-	-	2,881,825
TOTAL CAPITAL ASSETS BEING DEPRECIATED	37,949,342	960,486	-	1,134,383	40,044,211
Less accumulated depreciation	(23,181,887)	(950,873)	-	-	(24,132,760)
TOTAL CAPITAL ASSETS BEING DEPRECIATED, NET OF ACCUMULATED DEPRECIATION	14,767,455	9,613	-	1,134,383	15,911,451
TOTAL CAPITAL ASSETS, NET OF ACCUMULATED DEPRECIATION	**$ 22,947,645**	**$ 1,202,847**	**$ (2,150,713)**	**$ -**	**$ 21,999,779**

NOTE 3 - Capital Assets - Continued

A summary of changes in capital assets for the component units as of December 31, 2025, is as follows:

	BALANCE 01/01/25	ADDITIONS	RETIREMENTS	BALANCE 12/31/25
Capital assets not being depreciated:				
Land	$ 3,325,912	$ -	$ -	$ 3,325,912
Construction in progress	-	-	-	-
TOTAL CAPITAL ASSETS NOT BEING DEPRECIATED	3,325,912	-	-	3,325,912
Capital assets being depreciated:				
Land improvements	6,827,255	-	-	6,827,255
Buildings	64,832,519	-	-	64,832,519
Furniture, equipment, and machinery	2,062,860	-	-	2,062,860
TOTAL CAPITAL ASSETS BEING DEPRECIATED	73,722,634	-	-	73,722,634
Less accumulated depreciation	(20,805,068)	(2,176,287)	-	(22,981,355)
TOTAL CAPITAL ASSETS BEING DEPRECIATED, NET OF ACCUMULATED DEPRECIATION	52,917,566	(2,176,287)	-	50,741,279
TOTAL CAPITAL ASSETS, NET OF ACCUMULATED DEPRECIATION	**$ 56,243,478**	**$ (2,176,287)**	**$ -**	**$ 54,067,191**

NOTE 4 - Notes Receivable

At December 31, 2025, notes receivable consists of:

Four (4) notes receivable from Arbor Vista, accruing interest at 5.10% with payments due from available cash. Principal and accrued interest are due December 31, 2038. The notes are secured by the underlying property.	$ 2,471,806
Two (2) notes receivable from Village Park, accruing interest at 5.10% with payments due from available cash. Principal and accrued interest are due December 31, 2042. The notes are secured by the underlying property.	1,040,000
Three (3) notes receivable from The Highlands, accruing interest at 5.00% with payments due from available cash. Principal and accrued interest are due December 31, 2046. The notes are secured by the underlying property.	1,267,965
Four (4) notes receivable from The Highlands 2, accruing interest at 5.00% with payments due from available cash. Principal and accrued interest are due February 27, 2058. The notes are secured by the underlying property.	2,260,868
Developer fee receivable from The Highlands 2, accruing interest at 2.74% with payments due from available cash. The developer fee and accrued interest are due as cash flow becomes available.	75,925
Six (6) notes receivable from 2814 LLLP, accruing interest at 1.93% with payments due from available cash. Principal and accrued interest are due March 13, 2050. The notes are secured by the underlying property.	2,063,110
Developer fee receivable from 2814 LLLP, accruing interest at 1.93% with payments due from available cash. The developer fee and accrued interest are due April 1, 2036.	224,912
One (1) note receivable from The Current, accruing interest at 4.73% with payments due from available cash. Principal and accrued interest are due October 31, 2055. The notes are secured by underlying property.	2,647,184
Two (2) note receivable from The Current, accruing interest at 1.00% with payments due from available cash. Principal and accrued interest are due October 31, 2067. The notes are secured by underlying property.	2,277,500
TOTAL NOTES RECEIVABLE	**$14,329,270**

NOTE 4 - Notes Receivable - Continued

Accrued interest on the aforementioned notes receivable totaled $6,747,316 of December 31, 2025.

NOTE 5 - Long-Term Obligations

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

Summary of Long-Term Obligations

	BALANCE 01/01/25	ADDITIONS	REDUCTIONS	BALANCE 12/31/25	AMOUNT DUE WITHIN ONE YEAR
Compensated absences	$ 225,148	$ -	$ (11,579)	$ 213,569	$ 213,569
Tenants' FSS escrow	92,719	-	(31,500)	61,219	-
Notes payable	12,423,943	-	(620,219)	11,803,724	617,334
	$ 12,741,810	$ -	$ (663,298)	$12,078,512	$ 830,903

Compensated absences are presented as a net change.

At December 31, 2025, long-term debt consists of:

Note payable to Colorado Housing Finance Authority for Ratekin property, interest at 1.75%, monthly payments of $8,001, including interest; matures July 1, 2034. Collateralized by deed of trust on Ratekin.	$ 767,043
Note payable to HUD for Ratekin property, interest at 1.00%, annual payments, including interest equal to 75.00% of surplus cash as defined; matures August 1, 2033. Collateralized by deed of trust on Ratekin.	2,123,568
Note payable to HUD for Ratekin property, interest at 1.00%, principal and interest due in full August 1, 2033. Collateralized by deed of trust on Ratekin.	216,474
Loan payable to the Bank of Colorado. Monthly payments include interest at 3% until November 8, 2018, at which time monthly payments will be $7,189 including interest at 4.17% until November 8, 2023. The loan then changes to a variable interest rate calculated at the Federal Home Loan Bank of Topeka 5-Year Advance Rate plus a margin of 2%. The loan matures October 8, 2035 and is collateralized by a deed of trust on the Monument Business Center property.	705,918
Loan payable to the Bank of Colorado which was converted to permanent loan on November 1, 2016. Monthly payments of $12,372 include interest at 2.75% through December 1, 2020, at which time the rate will become the Federal Home Loan Bank of Topeka 5-Year Advance Rate plus a margin of 2%. The loan matures November 1, 2041 and is collateralized by real property at 8 Foresight Circle.	1,858,140
Note payable to bank for Nellie Bechtel Property, interest at 3.75%, monthly payments of $18,670, including interest; principal and remaining interest due January 1, 2036, collateralized by deed of trust on property.	3,122,503
Note payable to the State of Colorado - Department of Local Affairs in the original amount of $1,274,655. Interest accrues at 1% per annum until January 1, 2020 at which time monthly payments including interest at 1% are due. The loan matures on February 1, 2035 and is collateralized by a deed of trust on the Nellie Bechtel property.	333,245

NOTE 5 - Long-Term Obligations - Continued

Note payable to the Bank of Colorado in the original amount of $319,425. Interest accrues at 2.95% with monthly payments of $1,771 beginning on December 1, 2019. The loan matures on November 1, 2029 and is collateralized by real property at 2517 Foresight Circle.	$ 242,797
Note payable to the Bank of San Juan with monthly payments of $13,122.75 including interest at 2.25% beginning on March 10, 2022. Borrower's final payment will be due on February 10, 2037 and is collateralized by the Linden Pointe deed of trust.	1,552,182
Note payable to the Bank of San Juan with monthly payments of $12,369.42 including interest at 2.77% beginning on June 3, 2022. Borrower's final payment will be due on June 3, 2032, and is collateralized by the Walnut Park deed of trust.	881,854
TOTAL NOTES PAYABLE	11,803,724
Less current portion	(617,334)
LONG-TERM PORTION	**$11,186,390**

Maturities of Long-Term Debt

The aggregate maturities of long-term debt following December 31, 2025, are as follows:

YEARS	PRINCIPAL	INTEREST
2026	$ 617,334	$ 276,782
2027	633,954	260,164
2028	651,066	243,050
2029	853,577	224,972
2030	671,267	202,063
2031-2035	5,626,089	704,193
2036-2040	2,632,074	44,785
2041	118,363	924
TOTAL	**$ 11,803,724**	**$ 1,956,933**

Details of the Component Unit's long-term obligations as of December 31, 2025, are set forth below:

Summary of Long-Term Obligations

	BALANCE 01/01/2025	ADDITIONS	REDUCTIONS	BALANCE 12/31/2025	AMOUNT DUE WITHIN ONE YEAR
Notes payable	**$16,157,248**	**$ -**	**$ (193,079)**	**$15,964,169**	**$ 202,135**

At December 31, 2025, the Components Units' long-term debt consists of:

Loan payable to the Colorado Housing and Finance Authority with monthly payments of $9,490 including interest at 6.08%. The loan matures September 1, 2029 and secured by a deed of trust on the Arbor property.	$ 1,218,570
Loan payable to the Colorado Housing and Finance Authority with monthly payments of $1,686 including interest at 3%. The loan matures on September 1, 2029 and is secured by a deed of trust on the Arbor property.	227,777
Four (4) loans payable to the Colorado Housing and Finance Authority with interest accruing at 5.10%. Payments are due to the extent of excess cash flow. The loans mature on December 31, 2038 and are secured by a deed of trust on the Arbor property.	2,471,806

NOTE 5 - Long-Term Obligations - Continued

Three (3) loans payable to the Colorado Housing and Finance Authority accruing interest at 5% with payments due from available cash. The loans mature on December 31, 2046 and are secured by a deed of trust on the Highlands property.	1,267,721
Loan payable to the Bank of Colorado with interest only payments due monthly. The loan accrues interest at 5.19%, matures October 21, 2034 and is secured by a deed of trust on the Village Park property.	1,979,345
Loan payable to the Colorado Housing and Finance Authority in the original amount of $500,000. Monthly payments of $2,108 include interest at 3.00%. The loan matures April 1, 2035 and is secured by a deed of trust on the Highlands property.	411,370
Loan payable to the Bank of Colorado in the original amount of $690,000. Monthly payments of $3,953 include interest at 5.50%. The loan matures March 28, 2038 and is secured by a deed of trust on The Highlands property.	604,566
Two (2) loans payable to the Colorado Housing and Finance Authority accruing interest at 5.10% with payments due from available cash flow. The loans mature on December 31, 2042 and are secured by deed of trust on the Village Park property.	1,040,000
Four (4) loans payable to the Colorado Housing and Finance Authority accruing interest at 5.00% with payments due from available cash flow. The loans mature on February 27, 2058 and are secured by a deed of trust on The Highlands 2 property.	2,260,868
On February 27, 2018, a construction loan was entered into with the Bank of Colorado in the maximum amount of $10,500,000 with an interest rate of 4.00%. Interest was payable monthly with all outstanding principal due on December 1, 2019. On February 26, 2020, the construction loan was converted to the permanent phase in the principal amount of $700,000 with an interest rate of 5.75%. The loan matures on February 26, 2050 and is secured by real property.	658,876
On February 26, 2020, Highlands 2 entered into a promissory note with CHFA in the principal amount of $500,000. The loan bears interest at a rate of 3%, matures on March 1, 2037, and is secured by real property.	435,471
Six (6) loans payable between 2814 and the Colorado Housing and Finance Authority in the amounts of $12,184, $423,163, $900,000, $105,000, $20,000, and $580,000. The loans accrue interest at 1.93%, with payments due from available cash flow. The loans mature on March 13, 2050 and are secured by a deed of trust on the 2814 property.	2,063,110
On March 13, 2020, 2814 entered into a construction loan with the Bank of Colorado in the maximum amount of $11,145,000, with an interest rate of 3.250% and is secured by the property. The remaining unpaid $675,000 principal balance was converted to a permanent loan and the maturity date was extended to January 19, 2052.	$ 647,289
On January 19, 2022, 2814 entered into a loan agreement with Colorado Housing and Finance Authority in the principal amount of $725,000. The loan is secured by a deed of trust on the property. The loan bears interest at 3.0% and matures on February 1, 2039.	677,400
TOTAL DISCOUNTED NOTES PAYABLE	15,964,169
Less unamortized debt issuance costs	(132,143)
TOTAL NOTES PAYABLE	15,832,026
Less current portion	(202,135)
LONG-TERM PORTION	**$15,629,891**

NOTE 5 - Long-Term Obligations - Continued

Maturities of Component Unit Long-Term Debt

Maturities of the long-term debt at December 31, 2025, are:

YEARS	PRINCIPAL
2026	$ 202,135
2027	211,990
2028	221,792
2029	1,386,618
2030	161,781
Thereafter	13,779,853
	$ 15,964,169

NOTE 6 - Pension Plan

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

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

Substantially all employees must participate in the retirement plan. Employees are required to contribute 7.9 percent of their salary. The Housing Authority is required to contribute 10 percent of an employee’s salary. The Housing Authority's actual contribution was $368,066 for the year ended December 31, 2025. Total employee contributions for the year ended December 31, 2025 were $291,783. Total eligible wages for the year ended December 31, 2025 were $3,677,069

NOTE 7 - Component Unit Developer Fee Payable

Pursuant to the Amended and Restated Agreement of Limited Partnership of The Highlands 2 Project, the Housing Authority of the City of Grand Junction, as General Partner, is entitled to receive a developer fee equal to $1,699,103 for services rendered in connection with the development of The Highlands 2 Project. The General Partner is also entitled to an additional incentive developer fee equal to the excess of projected development costs eligible for low-income housing tax credits over the Partnership’s aggregate expenditures for such items. Any unpaid portion of the fee shall accrue. The fee shall be paid subject to the terms of the Partnership Agreement. The Partnership is obligated to repay any unpaid developer fee and unpaid interest on or before December 31, 2032. As of December 31, 2025, the Developer had earned $1,699,103 and was owed $75,925.

Pursuant to the Amended and Restated Agreement of Limited Partnership of The 2814 Project, the Housing Authority of the City of Grand Junction, as General Partner, is entitled to receive a developer fee equal to $1,400,000 for services rendered in connection with the development of The 2814 Project. The payable shall bear interest at the long-term Applicable Federal Rate compounded annually. The fee shall be paid subject to the terms of the Partnership Agreement. The Partnership is obligated to repay any unpaid developer fee and unpaid interest on or before April 1, 2026. As of December 31, 2025, the Developer had earned $1,400,000 and was owed $224,912.

NOTE 8 - Risk Management

Insured Risk - The Housing Authority purchases commercial insurance with various deductibles and coverages to cover liability, property, workers' compensation, errors, omissions, and employee defalcation risk. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

NOTE 9 - Net Position

The following is a summary of individual net position restrictions at December 31, 2025 for the Housing Authority.

Program	Purpose	Amount
Restricted		
Section 8	Unspent HAP	$ 84,122
FSS	Forfeited FSS escrows	28,356
Ratekin	Replacement and operating reserves	375,387
Crystal Brook	Replacement and operating reserves	185,593
Linden Point	Replacement and operating reserves	212,930
Nellie Bechtel	Replacement and operating reserves	73,525
Monument Business Center	Operating reserves	25,900
Doors 2 Success	Security Deposit Guarantee	16,874
General Administration	Future projects	46,288
Walnut Park	Replacement and operating reserves	171,951
		$ 1,220,926

The following is a summary of individual net position restrictions at December 31, 2025 for the Component Units:

Program	Purpose	Amount
Restricted		
Arbor Vista, LLLP	Replacement and operating reserves	$ 490,702
Village Park LLLP	Replacement and operating reserves	489,162
The Highlands LLLP	Replacement and operating reserves	306,700
The Highlands 2 LLLP	Replacement and operating reserves	285,689
2814 LLLP	Replacement and operating reserves	205,128
		$ 1,777,381

NOTE 10 - Economic Dependency

The Housing Authority received approximately 58 percent of its total revenue from the United States Department of Housing and Urban Development. This funding is subject to federal government budget appropriations and potential funding reductions.

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

SUPPLEMENTARY INFORMATION

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2025

			REAL ESTATE						
ASSETS	GENERAL ADMINISTRATION	ACQUISITIONS AND DEVELOPMENT	MONUMENT BUSINESS CENTER	CRYSTAL BROOK	RATEKIN TOWER	WALNUT PARK	NELLIE BECHTEL	MCMAHON	LINDEN POINTE LLLP
CURRENT ASSETS									
Cash and investments	$ 6,450,627	$ (3,494,260)	$ 187,081	$ 415,669	$ 296,238	$ 785,361	$ 605,702	$ 182,464	$ 596,237
Cash and investments - restricted	46,288	-	30,900	217,501	414,769	201,362	122,721	-	288,127
Receivables									
Tenants, net of allowance for doubtful accounts	-	-	-	8,189	5,235	710	-	-	23,893
Other, net of allowance for doubtful accounts	275,167	-	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-	-	-
Due from other programs	112,550	81,416	-	2,667	-	2,060	269	-	12,993
Inventory	188,853	-	-	-	-	-	-	-	-
Prepaid expenses	131,794	-	-	5	-	-	-	907	-
TOTAL CURRENT ASSETS	7,205,279	(3,412,844)	217,981	644,031	716,242	989,493	728,692	183,371	921,250
NONCURRENT ASSETS									
Notes receivable	763,209	16,215,811	-	-	-	-	-	-	-
Interest receivable	33,042	7,874,219	-	-	-	-	-	-	-
Other assets, net of accumulated amortization	292,093	-	-	-	-	-	-	-	-
Land	453,785	430,128	290,008	80,077	485,530	77,974	290,337	-	323,812
Land improvements	843,207	-	2,581	338,126	13,300	1,273,342	423,075	-	1,975,075
Buildings and improvements	2,947,618	-	1,030,122	2,962,147	6,448,605	4,823,476	5,546,341	-	8,535,371
Equipment	1,031,131	-	65,835	100,041	483,429	204,801	161,382	9,803	505,779
Construction in progress	-	3,656,677	-	-	-	-	-	-	-
Less accumulated depreciation	(2,157,931)	-	(640,192)	(3,105,521)	(6,299,567)	(3,495,558)	(1,554,711)	(2,451)	(6,619,140)
TOTAL NONCURRENT ASSETS	4,206,154	28,176,835	748,354	374,870	1,131,297	2,884,035	4,866,424	7,352	4,720,897
TOTAL ASSETS	**$ 11,411,433**	**$ 24,763,991**	**$ 966,335**	**$ 1,018,901**	**$ 1,847,539**	**$ 3,873,528**	**$ 5,595,116**	**$ 190,723**	**$ 5,642,147**

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
COMBINING STATEMENT OF NET POSITION - Continued
DECEMBER 31, 2025

ASSETS	RENTAL ASSISTANCE AND OTHER SUPPORT SERVICES: HOUSING CHOICE VOUCHERS	EMERGENCY HOUSING VOUCHERS	FSS	HOUSING SERVICE COORDINATOR	SERVICE COORDINATOR	TBRA	HOUSING ADVOCATE	DOORS 2 SUCCESS	ELIMINATING ENTRY	TOTAL
CURRENT ASSETS										
Cash and investments	$ 337,150	$ (786)	$ (2,517)	$ 25	$ (7,912)	$ (11,511)	$ -	$ 7,472	$ -	$ 6,347,040
Cash and investments - restricted	145,341	42,480	28,356	-	-	-	-	54,684	-	1,592,529
Receivables										
Tenants, net of allowance for doubtful accounts	-	-	-	-	-	-	-	-	-	38,027
Other, net of allowance for doubtful accounts	17,730	-	1,845	-	-	-	-	-	-	294,742
Due from other governments	4,207	49,489	2,517	-	7,912	6,951	-	-	-	71,076
Due from other programs	-	-	5,167	-	-	-	-	-	(217,122)	-
Inventory	-	-	-	-	-	-	-	-	-	188,853
Prepaid expenses	-	-	-	-	-	-	29	-	-	132,735
TOTAL CURRENT ASSETS	504,428	91,183	35,368	25	-	(4,560)	29	62,156	(217,122)	8,665,002
NONCURRENT ASSETS										
Notes receivable	-	-	-	-	-	-	-	-	(2,649,750)	14,329,270
Interest receivable	-	-	-	-	-	-	-	-	(1,159,945)	6,747,316
Other assets, net of accumulated amortization	-	-	-	-	-	-	-	-	-	292,093
Land	-	-	-	-	-	-	-	-	-	2,431,651
Land improvements	-	-	-	-	-	-	-	-	-	4,868,706
Buildings and improvements	-	-	-	-	-	-	-	-	-	32,293,680
Equipment	314,814	-	1,278	-	3,532	-	-	-	-	2,881,825
Construction in progress	-	-	-	-	-	-	-	-	-	3,656,677
Less accumulated depreciation	(252,879)	-	(1,278)	-	(3,532)	-	-	-	-	(24,132,760)
TOTAL NONCURRENT ASSETS	61,935	-	-	-	-	-	-	-	(3,809,695)	43,368,458
TOTAL ASSETS	**$ 566,363**	**$ 91,183**	**$ 35,368**	**$ 25**	**$ -**	**$ (4,560)**	**$ 29**	**$ 62,156**	**$ (4,026,817)**	**$ 52,033,460**

(Continued on page 32)

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
COMBINING STATEMENT OF NET POSITION - Continued
DECEMBER 31, 2025

			REAL ESTATE						
LIABILITIES AND NET POSITION	GENERAL ADMINISTRATION	ACQUISITIONS AND DEVELOPMENT	MONUMENT BUSINESS CENTER	CRYSTAL BROOK	RATEKIN TOWER	WALNUT PARK	NELLIE BECHTEL	MCMAHON	LINDEN POINTE LLLP
CURRENT LIABILITIES									
Accounts payable	$ 80,155	$ 59,667	$ 407	$ 401	$ 15,090	$ 6,838	$ 8,572	$ 264	$ 1,746
Accrued expenses	83,481	13,138	5,783	537,180	117,619	3,116	14,911	-	1,285,691
Compensated absences	117,695	10,878	-	1,971	5,582	4,735	5,031	-	4,372
Unearned revenue	-	2,680,000	-	-	-	-	1,083	-	-
Other accounts payable	99,405	-	-	2,464	64,708	-	-	11,704	29,060
Tenants' security deposits	-	-	5,000	31,908	39,382	29,411	48,113	-	75,197
Current portion of notes payable	102,854	13,844	58,544	-	83,554	125,587	109,021	-	123,930
TOTAL CURRENT LIABILITIES	483,590	2,777,527	69,734	573,924	325,935	169,687	186,731	11,968	1,519,996
NONCURRENT LIABILITIES									
Tenants' FSS escrow	-	-	-	-	-	-	-	-	-
Notes payable, net of discount	1,755,286	228,953	647,374	947,208	3,232,145	756,267	3,346,727	-	2,668,666
TOTAL NONCURRENT LIABILITIES	1,755,286	228,953	647,374	947,208	3,232,145	756,267	3,346,727	-	2,668,666
TOTAL LIABILITIES	2,238,876	3,006,480	717,108	1,521,132	3,558,080	925,954	3,533,458	11,968	4,188,662
NET POSITION									
Net investment in capital assets	1,259,670	3,844,008	42,436	(572,338)	(1,975,788)	2,002,181	1,410,676	7,352	1,928,301
Restricted	46,288	-	25,900	185,593	375,387	171,951	73,525	-	212,930
Unrestricted	7,866,599	17,913,503	180,891	(115,486)	(110,140)	773,442	577,457	171,403	(687,746)
TOTAL NET POSITION	9,172,557	21,757,511	249,227	(502,231)	(1,710,541)	2,947,574	2,061,658	178,755	1,453,485
TOTAL LIABILITIES AND NET POSITION	**$ 11,411,433**	**$ 24,763,991**	**$ 966,335**	**$ 1,018,901**	**$ 1,847,539**	**$ 3,873,528**	**$ 5,595,116**	**$ 190,723**	**$ 5,642,147**

(Continued on page 33)

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
COMBINING STATEMENT OF NET POSITION - Continued
DECEMBER 31, 2025

LIABILITIES AND NET POSITION	HOUSING CHOICE VOUCHERS	EMERGENCY HOUSING VOUCHERS	FSS	HOUSING SERVICE COORDINATOR	SERVICE COORDINATOR	TBRA	HOUSING ADVOCATE	DOORS 2 SUCCESS	ELIMINATING ENTRY	TOTAL
	RENTAL ASSISTANCE AND OTHER SUPPORT SERVICES									
CURRENT LIABILITIES										
Accounts payable	$ 3,607	$ -	$ 1,197	$ 142	$ 46	$ 70	$ 1,572	$ 793	$ -	$ 180,567
Accrued expenses	25,713	-	-	618	1,635	416	7,719	-	(1,159,945)	937,075
Compensated absences	46,836	-	-	448	6,622	-	9,399	-	-	213,569
Unearned revenue	-	42,480	-	-	-	-	-	37,810	-	2,761,373
Due to other programs	6,217	-	-	-	-	-	300	3,264	(217,122)	-
Tenants' security deposits	-	-	-	-	-	-	-	-	-	229,011
Current portion of notes payable	-	-	-	-	-	-	-	-	-	617,334
TOTAL CURRENT LIABILITIES	82,373	42,480	1,197	1,208	8,303	486	18,990	41,867	(1,377,067)	4,938,929
NONCURRENT LIABILITIES										
Tenants' FSS escrow	61,219	-	-	-	-	-	-	-	-	61,219
Notes payable, net of discount	-	-	-	253,514	-	-	-	-	(2,649,750)	11,186,390
TOTAL NONCURRENT LIABILITIES	61,219	-	-	253,514	-	-	-	-	(2,649,750)	11,247,609
TOTAL LIABILITIES	143,592	42,480	1,197	254,722	8,303	486	18,990	41,867	(4,026,817)	16,186,538
NET POSITION										
Net investment in capital assets	61,935	-	-	-	-	-	-	-	-	8,008,433
Restricted	84,122	-	28,356	-	-	-	-	16,874	-	1,220,926
Unrestricted	276,714	48,703	5,815	(254,697)	(8,303)	(5,046)	(18,961)	3,415	-	26,617,563
TOTAL NET POSITION	422,771	48,703	34,171	(254,697)	(8,303)	(5,046)	(18,961)	20,289	-	35,846,922
TOTAL LIABILITIES AND NET POSITION	**$ 566,363**	**$ 91,183**	**$ 35,368**	**$ 25**	**$ -**	**$ (4,560)**	**$ 29**	**$ 62,156**	**$ (4,026,817)**	**$ 52,033,460**

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
COMBINING STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2025

			REAL ESTATE						
	GENERAL ADMINISTRATION	ACQUISITIONS AND DEVELOPMENT	MONUMENT BUSINESS CENTER	CRYSTAL BROOK	RATEKIN TOWER	WALNUT PARK	NELLIE BECHTEL	MCMAHON	LINDEN POINTE LLLP
OPERATING REVENUE									
Dwelling rental	$ -	$ -	$ -	$ 396,401	$ 425,867	$ 408,715	$ 784,773	$ -	$ 895,207
Operating grants	-	3,067,184	-	-	672,659	485,672	204,130	-	-
Other operating revenue	2,928,181	10,000	160,676	15,392	19,417	13,626	15,933	213,149	39,655
TOTAL OPERATING REVENUE	2,928,181	3,077,184	160,676	411,793	1,117,943	908,013	1,004,836	213,149	934,862
OPERATING EXPENSES									
Administration	1,450,608	394,444	2,566	100,377	280,098	233,732	224,184	11,956	205,411
Tenant services	276	-	-	4,853	585	23,005	10	-	298
Utilities	15,792	957	-	21,885	137,387	112,601	105,605	25,147	86,864
Maintenance and operations	1,226,422	3,219	12,407	110,565	252,959	197,885	225,524	124,445	275,679
General expenses	-	-	-	72,911	50,659	39,442	12,593	1,577	29,334
Insurance	135,505	(1,269)	253	39,826	108,085	62,612	62,476	-	95,556
Housing assistance payments	-	-	-	-	-	-	-	-	-
Depreciation	199,385	-	37,731	23,778	65,559	184,383	175,652	1,961	225,985
TOTAL OPERATING EXPENSES	3,027,988	397,351	52,957	374,195	895,332	853,660	806,044	165,086	919,127
OPERATING INCOME (LOSS)	(99,807)	2,679,833	107,719	37,598	222,611	54,353	198,792	48,063	15,735
NONOPERATING REVENUE (EXPENSE)									
Interest income	118,439	821,990	5,830	14,258	5,844	42,566	18,438	5,004	5,012
Extraordinary items	-	-	-	-	34,114	-	(1,520)	-	(23,008)
Gain (loss) on sale of capital assets	-	131,801	-	-	-	-	-	-	-
Transfers in (out)	(21,696)	-	-	-	(22,687)	(34,591)	(24,762)	-	(1,250)
Interest expense	(37,142)	(12,902)	(46,858)	(29,532)	(37,605)	(26,083)	(120,534)	-	(155,534)
NET NONOPERATING REVENUE (EXPENSE)	59,601	940,889	(41,028)	(15,274)	(20,334)	(18,108)	(128,378)	5,004	(174,780)
CHANGE IN NET POSITION	(40,206)	3,620,722	66,691	22,324	202,277	36,245	70,414	53,067	(159,045)
NET POSITION AT BEGINNING OF YEAR	9,212,763	18,136,789	182,536	(524,555)	(1,912,818)	2,911,329	1,991,244	125,688	1,612,530
NET POSITION AT END OF YEAR	**$ 9,172,557**	**$ 21,757,511**	**$ 249,227**	**$ (502,231)**	**$ (1,710,541)**	**$ 2,947,574**	**$ 2,061,658**	**$ 178,755**	**$ 1,453,485**

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HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
COMBINING STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION - Continued
YEAR ENDED DECEMBER 31, 2025

	RENTAL ASSISTANCE AND OTHER SUPPORT SERVICES									
	HOUSING CHOICE VOUCHERS	EMERGENCY HOUSING VOUCHERS	FSS	HOUSING SERVICE COORDINATOR	SERVICE COORDINATOR	TBRA	HOUSING ADVOCATE	DOORS 2 SUCCESS	ELIMINATING ENTRY	TOTAL
OPERATING REVENUE										
Dwelling rental	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,910,963
Operating grants	11,257,667	160,773	-	-	47,722	106,987	87,523	64,944	-	16,155,261
Other operating revenue	31,101	-	5,167	-	-	-	50,160	85,896	(1,439,906)	2,148,447
TOTAL OPERATING REVENUE	11,288,768	160,773	5,167	-	47,722	106,987	137,683	150,840	(1,439,906)	21,214,671
OPERATING EXPENSES										
Administration	1,197,374	-	10,399	-	57,307	14,844	78,311	28,768	(648,227)	3,642,152
Tenant services	42	-	33,057	22,936	-	12,772	188,075	40,443	-	326,352
Utilities	9,406	-	180	-	39	-	488	-	-	516,351
Maintenance and operations	31,107	-	674	-	143	-	1,873	-	(791,679)	1,671,223
General expenses	22,190	-	-	-	-	-	-	-	-	228,706
Insurance	38,839	-	411	-	697	147	3,492	-	-	546,630
Housing assistance payments	9,810,426	146,160	-	-	-	125,213	-	-	-	10,081,799
Depreciation	36,439	-	-	-	-	-	-	-	-	950,873
TOTAL OPERATING EXPENSES	11,145,823	146,160	44,721	22,936	58,186	152,976	272,239	69,211	(1,439,906)	17,964,086
OPERATING INCOME (LOSS)	142,945	14,613	(39,554)	(22,936)	(10,464)	(45,989)	(134,556)	81,629	-	3,250,585
NONOPERATING REVENUE (EXPENSE)										
Interest income	5,228	1,595	616	-	-	-	13	417	(151,496)	893,754
Extraordinary items	-	-	-	-	-	-	-	-	-	9,586
Gain on sale of capital assets	-	-	-	-	-	-	-	-	-	131,801
Transfers in (out)	(27,784)	(14,613)	42,397	22,687	9,591	35,471	122,665	(85,428)	-	-
Interest expense	-	-	-	-	-	-	-	-	151,496	(314,694)
NET NONOPERATING REVENUE (EXPENSE)	(22,556)	(13,018)	43,013	22,687	9,591	35,471	122,678	(85,011)	-	720,447
CHANGE IN NET POSITION	120,389	1,595	3,459	(249)	(873)	(10,518)	(11,878)	(3,382)	-	3,971,032
NET POSITION AT BEGINNING OF YEAR	302,382	47,108	30,712	(254,448)	(7,430)	5,472	(7,083)	23,671	-	31,875,890
NET POSITION AT END OF YEAR	**$ 422,771**	**$ 48,703**	**$ 34,171**	**$ (254,697)**	**$ (8,303)**	**$ (5,046)**	**$ (18,961)**	**$ 20,289**	**$ -**	**$ 35,846,922**

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2025

			REAL ESTATE						
	GENERAL ADMINISTRATION	ACQUISITIONS AND DEVELOPMENT	MONUMENT BUSINESS CENTER	CRYSTAL BROOK	RATEKIN TOWER	WALNUT PARK	NELLIE BECHTEL	MCMAHON	LINDEN POINTE LLLP
CASH FLOWS FROM OPERATING ACTIVITIES									
Cash received from tenants/participants	$ -	$ (810,000)	$ -	$ 391,097	$ 497,631	$ 416,215	$ 790,775	$ -	$ 875,573
Cash received from operating grants	-	3,067,184	-	-	672,659	485,672	204,130	-	-
Other income received	2,956,845	10,000	160,676	15,392	19,417	13,626	15,933	213,149	39,655
Cash received from (payments for) interprogram services	130,425	-	-	(204)	35,757	1,225	(2,053)	5,132	(165,382)
Cash payments to vendors	(886,051)	(70,922)	(14,613)	(289,872)	(602,963)	(543,673)	(441,648)	(168,758)	(571,291)
Cash payments to employees	(1,912,338)	(298,045)	-	(33,383)	(214,311)	(184,453)	(187,566)	-	1,272
Cash payments for housing assistance	-	-	-	-	-	-	-	-	-
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	288,881	1,898,217	146,063	83,030	408,190	188,612	379,571	49,523	179,827
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES								-	-
Notes receivable	29,003	(4,924,684)	-	-	-	-	-	-	-
Acquisition of capital assets	(52,276)	(834,254)	-	(20,001)	(8,436)	(1,238,751)	(2)	-	-
Proceeds from sale of capital assets	-	2,282,514	-	-	-	-	-	-	-
Principal payments	(98,869)	(11,677)	(50,078)	(18,681)	(82,106)	(122,351)	(125,333)	-	(111,124)
Interest paid	(37,142)	(12,902)	(46,858)	(29,532)	(14,205)	(26,083)	(120,534)	-	(155,534)
NET CASH PROVIDED BY (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES	(159,284)	(3,501,003)	(96,936)	(68,214)	(104,747)	(1,387,185)	(245,869)	-	(266,658)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES									
Extraordinary items	-	-	-	-	34,114	-	(1,520)	-	(23,008)
Transfers in (out)	(21,696)	-	-	-	(22,687)	(34,591)	(24,762)	-	(1,250)
NET CASH PROVIDED BY (USED IN) NONCAPITAL FINANCING ACTIVITIES	(21,696)	-	-	-	11,427	(34,591)	(26,282)	-	(24,258)
CASH FLOWS FROM INVESTING ACTIVITIES									
Interest received	114,152	13,396	5,830	14,259	5,844	42,566	18,438	5,004	5,012
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	222,053	(1,589,390)	54,957	29,075	320,714	(1,190,598)	125,858	54,527	(106,077)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	6,274,862	(1,904,870)	163,024	604,095	390,293	2,177,321	602,565	127,937	990,441
CASH AND CASH EQUIVALENTS AT END OF YEAR	**$ 6,496,915**	**$ (3,494,260)**	**$ 217,981**	**$ 633,170**	**$ 711,007**	**$ 986,723**	**$ 728,423**	**$ 182,464**	**$ 884,364**

(Continued on page 37)

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
COMBINING STATEMENT OF CASH FLOWS - Continued
YEAR ENDED DECEMBER 31, 2025

	RENTAL ASSISTANCE AND OTHER SUPPORT SERVICES									
	HOUSING CHOICE VOUCHERS	EMERGENCY HOUSING VOUCHERS	FSS	HOUSING SERVICE COORDINATOR	SERVICE COORDINATOR	TBRA	HOUSING ADVOCATE	DOORS 2 SUCCESS	ELIMINATING ENTRY	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES										
Cash received from tenants/participants	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,161,291
Cash received from operating grants	11,367,028	145,429	-	-	48,457	176,760	87,523	64,944	-	16,319,786
Other income (loss) received	31,101	-	5,167	-	-	-	50,160	85,896	(1,439,906)	2,177,111
Cash received from (payments for) interprogram services	5,167	-	(5,167)	-	-	-	-	(4,900)	-	-
Cash payments to vendors	(622,588)	-	(24,595)	(7,312)	(19,796)	(22,811)	(239,450)	(93,108)	1,439,906	(3,179,545)
Cash payments to employees	(734,570)	-	(21,754)	(15,412)	(37,517)	-	(29,839)	-	-	(3,667,916)
Cash payments for housing assistance	(9,810,426)	(146,160)	-	-	-	(125,213)	-	-	-	(10,081,799)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	235,712	(731)	(46,349)	(22,724)	(8,856)	28,736	(131,606)	52,832	-	3,728,928
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES										
Notes receivable	-	-	-	-	-	-	-	-	(151,496)	(5,047,177)
Acquisition of capital assets	-	-	-	-	-	-	-	-	-	(2,153,720)
Proceeds from sale of capital assets	-	-	-	-	-	-	-	-	-	2,282,514
Principal payments	-	-	-	-	-	-	-	-	-	(620,219)
Interest paid	-	-	-	-	-	-	-	-	151,496	(291,294)
NET CASH PROVIDED BY (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES	-	-	-	-	-	-	-	-	-	(5,829,896)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES										
Extraordinary items	-	-	-	-	-	-	-	-	-	9,586
Transfers in (out)	(27,784)	(14,613)	42,397	22,687	9,591	35,471	122,665	(85,428)	-	-
NET CASH PROVIDED BY (USED IN) NONCAPITAL FINANCING ACTIVITIES	(27,784)	(14,613)	42,397	22,687	9,591	35,471	122,665	(85,428)	-	9,586
CASH FLOWS FROM INVESTING ACTIVITIES										
Interest received	5,227	1,595	616	-	-	-	13	417	-	232,369
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	213,155	(13,749)	(3,336)	(37)	735	64,207	(8,928)	(32,179)	-	(1,859,013)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	269,336	55,443	29,175	62	(8,647)	(75,718)	8,928	94,335	-	9,798,582
CASH AND CASH EQUIVALENTS AT END OF YEAR	**$ 482,491**	**$ 41,694**	**$ 25,839**	**$ 25**	**$ (7,912)**	**$ (11,511)**	**$ -**	**$ 62,156**	**$ -**	**$ 7,939,569**

(Continued on page 38)

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
COMBINING STATEMENT OF CASH FLOWS - Continued

YEAR ENDED DECEMBER 31, 2025

			REAL ESTATE						
	GENERAL ADMINISTRATION	ACQUISITIONS AND DEVELOPMENT	MONUMENT BUSINESS CENTER	CRYSTAL BROOK	RATEKIN TOWER	WALNUT PARK	NELLIE BECHTEL	MCMAHON	LINDEN POINTE LLLP
RECONCILIATION OF CASH AND CASH EQUIVALENTS PER STATEMENT OF CASH FLOWS TO THE STATEMENT OF NET POSITION									
Cash and investments	$ 6,450,627	$ (3,494,260)	$ 187,081	$ 415,669	$ 296,238	$ 785,361	$ 605,702	$ 182,464	$ 596,237
Cash and investments - restricted	46,288	-	30,900	217,501	414,769	201,362	122,721	-	288,127
CASH AND CASH EQUIVALENTS PER STATEMENT OF NET POSITION	**$ 6,496,915**	**$ (3,494,260)**	**$ 217,981**	**$ 633,170**	**$ 711,007**	**$ 986,723**	**$ 728,423**	**$ 182,464**	**$ 884,364**
RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES									
Operating income (loss)	$ (99,807)	$ 2,679,833	$ 107,719	$ 37,598	$ 222,611	$ 54,353	$ 198,792	$ 48,063	$ 15,735
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities									
Depreciation	199,385	-	37,731	23,778	65,559	184,383	175,652	1,961	225,985
Changes in assets and liabilities									
Decrease (increase) in assets									
Accounts receivable	28,664	-	-	(4,696)	69,532	7,065	3,716	-	(13,126)
Due from other governments	-	-	-	-	-	-	-	-	-
Due from other programs	135,515	-	-	(204)	-	1,225	(2,053)	-	6,122
Inventory	(12,847)	-	-	-	-	-	-	-	-
Prepaid expenses	(16,892)	-	(1)	-	-	-	-	-	-
Increase (decrease) in liabilities									
Accounts payable - operations	56,407	47,442	614	(2,485)	11,136	(60,140)	1,171	(5,633)	(611)
Accrued expenses	3,546	(19,058)	-	29,647	1,363	1,291	7	-	123,734
Unearned revenue	-	(810,000)	-	-	-	-	1,083	-	-
Due to other programs	(5,090)	-	-	-	35,757	-	-	5,132	(171,504)
Tenants' security deposits	-	-	-	(608)	2,232	435	1,203	-	(6,508)
Tenants' FSS escrow	-	-	-	-	-	-	-	-	-
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	**$ 288,881**	**$ 1,898,217**	**$ 146,063**	**$ 83,030**	**$ 408,190**	**$ 188,612**	**$ 379,571**	**$ 49,523**	**$ 179,827**

(Continued on page 39)

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
COMBINING STATEMENT OF CASH FLOWS - Continued
YEAR ENDED DECEMBER 31, 2025

	RENTAL ASSISTANCE AND OTHER SUPPORT SERVICES									
	HOUSING CHOICE VOUCHERS	EMERGENCY HOUSING VOUCHERS	FSS	HOUSING SERVICE COORDINATOR	SERVICE COORDINATOR	TBRA	HOUSING ADVOCATE	DOORS 2 SUCCESS	ELIMINATING ENTRY	TOTAL
RECONCILIATION OF CASH AND CASH EQUIVALENTS PER STATEMENT OF CASH FLOWS TO THE STATEMENT OF NET POSITION										
Cash and investments	$ 337,150	$ (786)	$ (2,517)	$ 25	$ (7,912)	$ (11,511)	$ -	$ 7,472	$ -	$ 6,347,040
Cash and investments - restricted	145,341	42,480	28,356	-	-	-	-	54,684	-	1,592,529
CASH AND CASH EQUIVALENTS PER STATEMENT OF NET POSITION	**$ 482,491**	**$ 41,694**	**$ 25,839**	**$ 25**	**$ (7,912)**	**$ (11,511)**	**$ -**	**$ 62,156**	**$ -**	**$ 7,939,569**
RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES										
Operating income (loss)	$ 142,945	$ 14,613	$ (39,554)	$ (22,936)	$ (10,464)	$ (45,989)	$ (134,556)	$ 81,629	$ -	$ 3,250,585
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities										
Depreciation	36,439	-	-	-	-	-	-	-	-	950,873
Changes in assets and liabilities										
Decrease (increase) in assets										
Accounts receivable	(17,219)	-	(1,628)	-	-	4,911	-	-	-	77,219
Due from other governments	109,361	(15,344)	(1,215)	-	735	69,773	-	-	-	163,310
Due from other programs	-	-	(5,167)	-	-	-	-	-	(135,438)	-
Inventory	-	-	-		-	-	-	-	-	(12,847)
Prepaid expenses	-	-	-	-	-	-	-	-	-	(16,893)
Increase (decrease) in liabilities										
Accounts payable - operations	(168)	-	1,215	142	46	70	1,507	793	-	51,506
Accrued expenses	(9,313)	-	-	70	827	(29)	1,443	-	-	133,528
Unearned revenue	-	-	-	-	-	-	-	(24,690)	-	(833,607)
Due to other programs	5,167	-	-	-	-	-	-	(4,900)	135,438	-
Tenants' security deposits	-	-	-	-	-	-	-	-	-	(3,246)
Tenants' FSS escrow	(31,500)	-	-	-	-	-	-	-	-	(31,500)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	**$ 235,712**	**$ (731)**	**$ (46,349)**	**$ (22,724)**	**$ (8,856)**	**$ 28,736**	**$ (131,606)**	**$ 52,832**	**$ -**	**$ 3,728,928**

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
COMBINING STATEMENT OF NET POSITION - COMPONENT UNITS
DECEMBER 31, 2025

ASSETS	ARBOR VISTA LLLP	VILLAGE PARK LLLP	THE HIGHLANDS LLLP	THE HIGHLANDS II LLLP	2814 LLLP	TOTAL
CURRENT ASSETS						
Cash and cash equivalents	$ 186,751	$ 160,222	$ 82,977	$ 104,978	$ 125,117	$ 660,045
Cash and cash equivalents - restricted	557,117	558,121	354,548	339,669	255,113	2,064,568
Receivables						
Tenants	20,243	16,897	9,070	-	1,038	47,248
Prepaid expenses	-	-	-	-	2,689	2,689
TOTAL CURRENT ASSETS	764,111	735,240	446,595	444,647	383,957	2,774,550
NONCURRENT ASSETS						
Other assets, net of accumulated amortization	23,386	10,598	47,555	71,467	89,663	242,669
Land	1,062,457	720,000	390,335	573,120	580,000	3,325,912
Land improvements	1,834,146	1,267,446	1,425,099	762,147	1,538,417	6,827,255
Buildings and improvements	10,771,424	12,013,357	14,551,290	13,699,803	13,796,645	64,832,519
Equipment	160,557	369,240	284,626	735,463	512,974	2,062,860
Less accumulated depreciation	(8,657,003)	(5,079,438)	(4,015,740)	(2,942,358)	(2,286,816)	(22,981,355)
TOTAL NONCURRENT ASSETS	5,194,967	9,301,203	12,683,165	12,899,642	14,230,883	54,309,860
TOTAL ASSETS	**$ 5,959,078**	**$ 10,036,443**	**$ 13,129,760**	**$ 13,344,289**	**$ 14,614,840**	**$ 57,084,410**
LIABILITIES AND NET POSITION						
LIABILITIES						
CURRENT LIABILITIES						
Accounts payable	$ 1,755	$ 2,167	$ 6,800	$ 7,834	$ 5,414	$ 23,970
Accrued expenses	36,665	97,034	36,656	29,779	102,681	302,815
Unearned revenue	-	-	-	4,345	-	4,345
Tenants' security deposits	58,465	61,049	44,511	49,622	47,653	261,300
Current portion of notes payable	67,839	63,278	27,261	21,228	22,529	202,135
TOTAL CURRENT LIABILITIES	164,724	223,528	115,228	112,808	178,277	794,565
NONCURRENT LIABILITIES						
Developer fee payable	-	-	-	75,925	224,912	300,837
Notes payable	3,845,590	2,956,067	2,207,959	3,298,040	3,322,235	15,629,891
Accrued interest payable	3,324,224	867,628	573,921	1,062,888	293,211	6,121,872
TOTAL NONCURRENT LIABILITIES	7,169,814	3,823,695	2,781,880	4,436,853	3,840,358	22,052,600
TOTAL LIABILITIES	7,334,538	4,047,223	2,897,108	4,549,661	4,018,635	22,847,165
NET POSITION						
Net investment in capital assets	1,258,152	6,271,260	10,400,390	9,508,907	10,796,456	38,235,165
Restricted	490,702	489,162	306,700	285,689	205,128	1,777,381
Unrestricted	(3,124,314)	(771,202)	(474,438)	(999,968)	(405,379)	(5,775,301)
TOTAL NET POSITION	(1,375,460)	5,989,220	10,232,652	8,794,628	10,596,205	34,237,245
TOTAL LIABILITIES AND NET POSITION	**$ 5,959,078**	**$ 10,036,443**	**$ 13,129,760**	**$ 13,344,289**	**$ 14,614,840**	**$ 57,084,410**

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
COMBINING STATEMENT OF REVENUE, EXPENSES, AND
CHANGES IN NET POSITION - COMPONENT UNITS
YEAR ENDED DECEMBER 31, 2025

	ARBOR VISTA LLLP	VILLAGE PARK LLLP	THE HIGHLANDS LLLP	THE HIGHLANDS II LLLP	2814 LLLP	TOTAL
OPERATING REVENUE						
Dwelling rental	$ 749,031	$ 770,391	$ 635,142	$ 615,095	$ 604,184	$ 3,373,843
Other operating revenue	36,812	42,677	63,377	48,967	30,139	221,972
TOTAL OPERATING REVENUE	785,843	813,068	698,519	664,062	634,323	3,595,815
OPERATING EXPENSES						
Administration	181,769	190,102	293,824	316,611	165,178	1,147,484
Tenant services	95	-	442	364	119	1,020
Utilities	60,831	62,995	74,303	80,687	91,151	369,967
Maintenance and operations	172,173	182,349	79,827	58,046	84,149	576,544
General expenses	70,415	54,869	39,909	20,899	88,849	274,941
Insurance	73,574	83,543	83,709	83,434	71,318	395,578
Depreciation and amortization	396,704	395,979	471,008	463,082	482,103	2,208,876
TOTAL OPERATING EXPENSES	955,561	969,837	1,043,022	1,023,123	982,867	4,974,410
OPERATING INCOME (LOSS)	(169,718)	(156,769)	(344,503)	(359,061)	(348,544)	(1,378,595)
NONOPERATING REVENUE (EXPENSE)						
Interest income	3,612	13,306	8,252	6,467	5,555	37,192
Interest expense	(353,569)	(197,919)	(136,825)	(215,891)	(103,629)	(1,007,833)
NET NONOPERATING REVENUE (EXPENSE)	(349,957)	(184,613)	(128,573)	(209,424)	(98,074)	(970,641)
CHANGE IN NET POSITION	(519,675)	(341,382)	(473,076)	(568,485)	(446,618)	(2,349,236)
NET POSITION AT BEGINNING OF YEAR	(855,785)	6,330,602	10,705,728	9,363,113	11,042,823	36,586,481
NET POSITION AT END OF YEAR	**$ (1,375,460)**	**$ 5,989,220**	**$ 10,232,652**	**$ 8,794,628**	**$ 10,596,205**	**$ 34,237,245**

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
COMBINING STATEMENT OF CASH FLOWS - COMPONENT UNITS
YEAR ENDED DECEMBER 31, 2025

	ARBOR VISTA LLLP	VILLAGE PARK LLLP	THE HIGHLANDS LLLP	THE HIGHLANDS II LLLP	2814 LLLP	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from tenants/participants	$ 759,813	$ 763,209	$ 641,454	$ 621,216	$ 599,857	$ 3,385,549
Other income received	36,812	(718)	61,742	48,967	30,139	176,942
Cash payments to vendors	(374,729)	(423,250)	(489,071)	(479,826)	(373,254)	(2,140,130)
Cash payments to employees	(176,875)	(151,650)	(79,459)	(89,581)	(108,325)	(605,890)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	245,021	187,591	134,666	100,776	148,417	816,471
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Payment of developer fee	(6,702)	-	-	(22,301)	-	(29,003)
Principal payments	(64,541)	(60,336)	(26,200)	(20,469)	(21,533)	(193,079)
Interest paid	(81,701)	(105,620)	(46,536)	(54,525)	(52,247)	(340,629)
NET CASH PROVIDED BY (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES	(152,944)	(165,956)	(72,736)	(97,295)	(73,780)	(562,711)
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest received	3,612	13,306	8,253	6,468	5,555	37,194
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	95,689	34,941	70,183	9,949	80,192	290,954
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	648,179	683,402	367,342	434,698	300,038	2,433,659
CASH AND CASH EQUIVALENTS AT END OF YEAR	**$ 743,868**	**$ 718,343**	**$ 437,525**	**$ 444,647**	**$ 380,230**	**$ 2,724,613**

(Continued on page 43)

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
COMBINING STATEMENT OF CASH FLOWS - COMPONENT UNITS - Continued
YEAR ENDED DECEMBER 31, 2025

	ARBOR VISTA LLLP	VILLAGE PARK LLLP	THE HIGHLANDS LLLP	THE HIGHLANDS II LLLP	2814 LLLP	TOTAL
RECONCILIATION OF CASH AND CASH EQUIVALENTS STATEMENT OF CASH FLOWS TO THE STATEMENT OF THE STATEMENT OF NET POSITION						
Cash and cash equivalents	$ 186,751	$ 160,222	$ 82,977	$ 104,978	$ 125,117	$ 660,045
Cash and cash equivalents - restricted	557,117	558,121	354,548	339,669	255,113	2,064,568
CASH AND CASH EQUIVALENTS PER STATEMENT OF NET POSITION	**$ 743,868**	**$ 718,343**	**$ 437,525**	**$ 444,647**	**$ 380,230**	**$ 2,724,613**
RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES						
Operating income (loss)	$ (169,718)	$ (156,769)	$ (344,503)	$ (359,061)	$ (348,544)	$ (1,378,595)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities						
Depreciation and amortization	396,704	395,979	471,008	463,082	482,103	2,208,876
Changes in assets and liabilities						
Decrease (increase) in assets						
Accounts receivable	15,447	(2,070)	5,639	-	(1,038)	17,978
Prepaid expenses	-	-	-	-	(1,903)	(1,903)
Increase (decrease) in liabilities						
Accounts payable - operations	426	(1,042)	3,484	2,778	175	5,821
Accrued expenses	6,827	(43,395)	(1,635)	(12,144)	20,913	(29,434)
Unearned revenue	-	-	-	7,492	(1,249)	6,243
Tenants' security deposits	(4,665)	(5,112)	673	(1,371)	(2,040)	(12,515)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	**$ 245,021**	**$ 187,591**	**$ 134,666**	**$ 100,776**	**$ 148,417**	**$ 816,471**

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
SUPPLEMENTARY INFORMATION REQUIRED BY HUD
DECEMBER 31, 2025

Reserve for Replacements

In accordance with the provisions of the regulatory agreement, restricted cash is held in trust with CHFA, to be used for replacement of property with the approval of HUD. Under the agreement, the Housing Authority must deposit $6,874 ($6,674 prior to August 2025) monthly.

	RATEKIN TOWER APARTMENTS
Balance - December 31, 2024	$ 245,444
Deposits	81,088
Transfer	-
Interest earned	1,584
Approved withdrawals	(47,984)
Balance - December 31, 2025	**$ 280,132**

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
RATEKIN TOWER APARTMENTS
HUD PROJECT NO. EH101-35341/35571
SUPPLEMENTARY INFORMATION REQUIRED BY HUD - Continued
DECEMBER 31, 2025

SURPLUS CASH NOTE

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

SCHEDULE OF CHANGES IN FIXED ASSETS

	BALANCE AT DECEMBER 31, 2024	ADDITIONS	DEDUCTIONS	BALANCE AT DECEMBER 31, 2025
Fixed Assets:				
Land	$ 485,530	$ -	$ -	$ 485,530
Building	6,448,605	-	-	6,448,605
Land Improvements	13,300	-	-	13,300
Equipment	474,993	8,436	-	483,429
Total	7,422,428	8,436	-	7,430,864
Less Accumulated Depreciation:				
Accumulated Depreciation	(6,234,008)	(65,559)	-	(6,299,567)
Net Book Value:				
TOTAL	**$ 1,188,420**	**$ (57,123)**	**$ -**	**$ 1,131,297**

Detail of Asset Additions:

Office Furniture	**$ 8,436**

Detail of Asset Deductions: NONE

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
NELLIE BETCHEL APARTMENTS
FHA CONTRACT NO. CO990069004
SUPPLEMENTARY INFORMATION REQUIRED BY HUD - Continued
DECEMBER 31, 2025

SCHEDULE OF CHANGES IN FIXED ASSETS

	BALANCE AT DECEMBER 31, 2024	ADDITIONS	TRANSFERS	BALANCE AT DECEMBER 31, 2025
Fixed Assets:				
Land	$ 290,337	$ -	$ -	$ 290,337
Building	5,546,341	-	-	5,546,341
Land Improvements	423,075	-	-	423,075
Equipment	161,382	-	-	161,382
Total	6,421,135	-	-	6,421,135
Less Accumulated Depreciation:				
Accumulated Depreciation	(1,379,059)	(175,652)	-	(1,554,711)
Net Book Value:				
TOTAL	**$5,042,076**	**$ (175,652)**	**$ -**	**$4,866,424**

Detail of Asset Additions: NONE

Detail of Asset Deductions: NONE

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
HUD PROJECT NO. 101-35341/35571
Grand Junction, Colorado
RATEKIN TOWER APARTMENTS
SUPPLEMENTARY INFORMATION REQUIRED BY HUD
YEAR ENDED DECEMBER 31, 2025

Computation of Surplus Cash, Distributions, and Residual Receipts (Annual)

S1300-010 - Cash and Other Specified Assets	$ 318,721
S1300-040 - Total Cash	318,721
S1300-050 - Accrued Mortgage (or Bond) Interest Payable	2,499
S1300-075 - Accounts Payable - 30 Days	15,232
S1300-100 - Accrued Expenses [not escrowed]	10,320
2191 - Tenant/Patient Deposits Held in Trust (Contra)	39,382
S1300-110 - Other Current Obligations - Principal Payment	6,907
S1300-110 - Other Current Obligations - Due for online rent collection	694
S1300-140 - Total Current Obligations	75,034
S1300-150 - Surplus Cash	**243,687**
S1300-203 - Incentive Performance Fee Payable	64,014
S1300-204 - Percentage Surplus Cash Split	0.75
S1300-205 - Required Payments on Restructuring Note	134,755
S1300-206 - Surplus Cash Available for Distribution	44,918

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
FHA Contract No. CO990069004
Grand Junction, Colorado
NELLIE BETCHEL APARTMENTS
SUPPLEMENTARY INFORMATION REQUIRED BY HUD
YEAR ENDED DECEMBER 31, 2025

Computation of Surplus Cash, Distributions, and Residual Receipts (Annual)

S1300-010 - Cash and Other Specified Assets	$ 654,839
S1300-040 - Total Cash	654,839
S1300-050 - Accrued Mortgage (or Bond) Interest Payable	11,605
S1300-075 - Accounts Payable - 30 Days	8,572
S1300-100 - Accrued Expenses [not escrowed]	8,337
2210 - Prepaid Revenue	1,083
2191 - Tenant/Patient Deposits Held in Trust (Contra)	48,113
S1300-110 - Other Current Obligations - Principal Payment	8,587
S1300-140 - Total Current Obligations	86,297
S1300-150 - Surplus Cash	**568,542**
S1300-200 - Amount Available for Distribution During Next Fiscal Period	568,542

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2025

GRANTOR/PASS THROUGH AGENCY/ PROGRAM TITLE AND GRANT NUMBER	ASSISTANCE LISTING NUMBER	PASS-THRU GRANT IDENTIFICATION NUMBER	SUBRECIPIENT PASS-THROUGH EXPENDITURES	FEDERAL EXPENDITURES
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Housing Voucher Cluster				
Section 8 Housing Choice Vouchers	14.871	N/A	-	$ 10,746,448
Emergency Housing Vouchers	14.871	N/A	-	160,773
Mainstream	14.879	N/A	-	480,454
TOTAL Housing Voucher Cluster				11,387,675
Section 8 Project-Based Cluster				
Section 8 Housing Assistance Payments Program	14.195	N/A	-	204,130
Section 8 New Construction	14.182	N/A	-	1,158,331
Service Coordinator for Multifamily Housing	14.191	N/A	-	47,722
Family Self-Sufficiency Program Coordinator	14.896	N/A	-	30,765
Colorado Housing and Finance Authority				
Housing Counseling Assistance Program	14.239	CMS-46791	-	106,987
Mortgage Insurance for the Purchase or Refinancing of Existing Multifamily Housing Projects	14.155	N/A	-	2,340,042
Housing Finance Agency Risk Sharing Loan	14.188	N/A	-	849,149
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				16,124,801
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
477 Cluster				
Mesa County Department of Human Services				
Temporary Assistance for Needy Families	93.558	C177A	-	7,523
TOTAL EXPENDITURES OF FEDERAL AWARDS				**$ 16,132,324**

Notes to the Schedule of Expenditures of Federal Awards

Basis of Presentation

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

Summary of Significant Accounting Policies

Expenditures reported on this schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Housing Authority has elected not to use the 15 percent de minimus indirect cost rate allowed under the Uniform Guidance.

Disclosure of Other Forms of Assistance

The loan listed subsequently is administered by HUD, and the balance of the transactions relating to the program are included in the Authority's basic financial statements. Loans outstanding at the beginning of the period and loans made during the period are included in the federal expenditures presented in the Schedule. The balance of the loan outstanding at December 31, 2025 consisted of:

Assistance Listing Number	Program Name	Outstanding Balance at December 31, 2025
14.155	Mortgage Insurance for the Purchase or Refinancing of Existing Multifamily Projects	$ 2,340,042
14.188	Housing Finance Agencies Risk Sharing	767,043

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

OTHER REPORTS

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Housing Authority of the City of Grand Junction (the "Housing Authority"), as of and for the year ended December 31, 2025, and the related notes to financial statements, which collectively comprise the Housing Authority's basic financial statements, and have issued our report thereon dated May 18, 2026.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Hawkins Ash CPAs, LLP

La Crosse, Wisconsin
May 18, 2026

HAWKINS | ASH
CPAs

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

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Housing Authority of the City of Grand Junction's (the "Housing Authority") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Housing Authority's major federal programs for the year ended December 31, 2025. The Housing Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Housing Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2025.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Housing Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

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

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

Report on Internal Control Over Compliance

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

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

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

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

Hawkins Ash CPAs, LLP

La Crosse, Wisconsin
May 18, 2026

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2025

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? ______ Yes __X__ No

Federal Awards

Internal control over major federal programs:

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

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

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

Identification of major federal programs:

Assistance Listing Numbers	Name of Federal Cluster/Program
14.155	Mortgage Insurance for the Purchase or Refinancing of Existing Multifamily Housing Projects
14.182	Section 8 New Construction

Dollar threshold used to distinguish between Type A and Type B programs: $1,000,000

Auditee qualified as low-risk auditee? __X__ Yes ______ No

Section II - Financial Statement Findings - NONE

Section III - Federal Award Findings and Questioned Costs - NONE

Section IV - Prior Year Findings - NONE

HOUSING AUTHORITY OF THE CITY OF GRAND JUNCTION
Grand Junction, Colorado
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
YEAR ENDED DECEMBER 31, 2025

Section V - Other Issues

1. Does the auditors' report or the notes to the financial statements include a disclosure with regard to substantial doubt as to the auditee's ability to continue as a going concern? No

2. Was a management letter or other document conveying audit comments issued as a result of this audit? Yes

Name and signature of partner

Joseph D. Haas

Joseph D. Haas, Partner