

Financial Statements
September 30, 2025

**The Housing Authority of the City of
Littleton, Colorado**

The Housing Authority of the City of Littleton, Colorado

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Independent Auditor's Report

The Board of Commissioners
The Housing Authority of the City of Littleton, Colorado
Littleton, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities of The Housing Authority of the City of Littleton, Colorado (the Authority) as of and for the year ended September 30, 2025 and the aggregate discretely presented component units as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of The Housing Authority of the City of Littleton, Colorado as of September 30, 2025 and the aggregate discretely presented component units of The Housing Authority of the City of Littleton, Colorado as of December 31, 2024, 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 Powers Circle Apartments LLLP, a component unit of the Authority, which represents 10.19% of the total assets, -2.27% of the net position, and 2.83% of the total revenues of the primary government and 24.25% of the total assets, 124.26% of net position, and 53.42% of the total revenues of the discretely presented component units. Those statements were audited by another auditor whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Powers Circle Apartments LLLP, is based solely on the report of the other auditor.

Basis for Opinions

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

Adoption of New Accounting Standard

As discussed in Note 1 to the financial statements, the Authority has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*, for the year ended September 30, 2025. As a result, of implementing the standard, there was no effect on the Authority's beginning net position as of October 1, 2024. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority’s basic financial statements. The accompanying combining statements as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the audit 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) and is also not a required part of the financial statements. The Supplementary Information required by HUD is presented for additional analysis as required by the *Consolidated Audits of HUD Programs* issued by the U.S. Department of Housing and Urban Development Office of the Inspector General and is also not a required part of the financial statements. The Financial Data Schedules (FDS) are presented for purposes of additional analysis as required by Housing and Urban Development Real Estate Assessment Center (REAC) and are also not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the accompanying combining statements, Schedule of Expenditures of Federal Awards, Supplementary Information required by HUD, and the FDS are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 21, 2026, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Eide Bailly LLP

Fargo, North Dakota
January 21, 2026

HOUSING AUTHORITY OF THE CITY OF LITTLETON
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
SEPTEMBER 30, 2025

As management of the Housing Authority of the City of Littleton, (the "Authority"), we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended September 30, 2025. The Management's Discussion and Analysis is designed to assist the reader in focusing on significant financial items, to provide an overview of the Authority's financial activity and position, and to identify financial trends and concerns. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements and the additional information that we have furnished in our notes to the financial statements to obtain a full understanding of the Authority's financial position.

Financial Highlights

The Authority continues to have a positive financial outlook.

- Total Net Position was \$23,696,104 on September 30, 2025, and \$21,086,622 on September 30, 2024. The total amount consists of (\$4,925,358) net investment in capital assets, \$281,485 in restricted and \$28,339,977 unrestricted funds. The restricted net position reflects the amount of Housing Assistance Payments received by HUD that is subject to restraints on their use and is strictly to pay out to landlords for Housing Assistance payments whereas the unrestricted portion is not subject to the same restraints and can be used for regular operations.
- Capital Assets in 2025 totaled \$27,077,975 compared to 2024 Capital Assets totaling \$26,404,040.
- Fiscal year 2025 ended with a current ratio of 5.06, allowing the Authority to meet its current obligations 5.06 times. This ratio was 2.93 in 2024.
- Total Unrestricted Cash and Cash Equivalents were \$10,322,626 on September 30, 2025, and \$10,795,313 on September 30, 2024. Restricted Cash and Cash Equivalents were \$1,493,716 on September 30, 2025, and \$1,200,702 on September 30, 2024.

Using the Financial Statements

The Financial Statements consist of Management's Discussion and Analysis (this section) and a series of financial statements and notes to those statements. These statements are organized so that the reader can understand the Authority as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Position – This statement presents information on all the Authority's assets and liabilities and deferred inflows. The difference between a Public Housing Authority's assets and liabilities and deferred inflows is Net Position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

HOUSING AUTHORITY OF THE CITY OF LITTLETON
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
SEPTEMBER 30, 2025

Using the Financial Statements (Continued)

The Statement of Revenues, Expenses and Changes in Net Position – This statement provides the reader operating revenues and expenses and how the Authority's net position changed during the most recent fiscal year. This is reported on a full accrual basis where income is reported when earned and expenses are reported as incurred. This report shows the reader the net operating income/loss.

Operating Revenue consists of resident rents, management fees, operating subsidies and grant revenues, administration fees, developer fees, and other income. Operating expenses are salaries and benefits, office expenses, insurance, utilities, maintenance activities and depreciation. The next section shows Non-Operating Revenues and Expenses to arrive at the Change in Net Position (Profit/Loss) for the year just ended. Non-Operating Revenues/Expenses consist of interest income, mortgage interest expense, and gain on sale of property and equipment.

The Combining Statements of Net Position and of Revenues, Expenses and Changes in Net Position for Discretely Presented Component Units presents the financial information for the Authority's discretely presented component units. The discretely presented component units are described in Note 1 of the financial statements.

The Statement of Cash Flows – This statement provides our third statement which converts accrual accounting to cash to let the reader know if the Authority increased or decreased its cash position this year and the sources and/or uses of the cash.

The Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements and can be found immediately after them in the audit report.

Programs and Services

The following is a brief description of the programs and services that the Authority provides for the residents within the City of Littleton.

Housing Choice Vouchers - Through Annual Contribution Contracts with HUD, the Authority receives funding to subsidize the rent of low-income families in the private market and earns an administrative fee to cover the program's operating costs. In 2025, the Authority was authorized to issue 288 Housing Choice Vouchers and 209 Project-Based Vouchers. The Authority also administers a significant amount of Housing Choice Vouchers on behalf of Arapahoe County, the Colorado Division of Housing, and Port-In Vouchers from other Housing Authorities, the average monthly amount of those vouchers is 198. With the conversion of the 71 Public Housing homes through the Section 22 conversion, there are 71 TPV (Tenant Protection Vouchers) plus 24 Foster Youth to Independence (FYI) vouchers to provide housing assistance to youth under the age of 25 that are aging out of foster care and are at extreme risk of experiencing homelessness. The Authority receives a separate administrative fee to operate this program.

HOUSING AUTHORITY OF THE CITY OF LITTLETON
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
SEPTEMBER 30, 2025

Programs and Services-Continued

Section 8 Project-Based Cluster – Under multi-family contracts with HUD, the Authority receives funding for three project-based housing facilities to provide subsidized rent for 152 low-income households. These three properties are Alyson Court (60 Units), Bradley House (72 Units), and John W. Newey Family Housing (20 Units). The rents of the units in these properties are subsidized by HUD and are “project-based” under the Section 8 Rental Assistance Demonstration program (RAD) and Section 8 New Construction and/or Substantial Rehabilitation Programs. The John W. Newey homes were recently converted to regular market properties and only received subsidy through HUD through January 2024. As of February 2024, all existing tenants were given a Section 8 Tenant Protection Voucher that allowed them to remain in their current unit until they were able to locate other units where they were able to use the Tenant Protection Voucher for continued affordable housing options. Most of the tenants have since moved out of the John Newey units and have utilized their Tenant Protection Voucher for continued subsidy. Six of these homes were sold this year and the rest continue to be renovated and are expected to be sold in the next fiscal year.

Amity Plaza Apartments (Blended component unit) - Similar to the Section 8 project-based cluster listed above, Amity Plaza is also under a multi-family contract with HUD that was refinanced in September 2022 as an FHA insured loan program. It receives funding from HUD to provide subsidized housing for 180 low-income households. It is reported as a blended component unit and combined with the primary government portion of the financials.

Development – The Authority is involved with developing and rehabbing new acquisitions and the construction of low-income housing. This program is used to fund this interest on the housing authority side. This program also reflects the transactions recorded as the General Partner in the LIHTC partnerships the housing authority has with Powers Circle Apartments LLLP, Elati Senior Apartments LLLP and Montview Flats LLLP. It also maintains all management fees related to all management contracts for other programs administered by the authority and is the program that serves as contract administrator to the Low-Income Housing Tax Credit project, Sierra Vista.

Libby Bortz Assisted Living Center (Blended component unit) – The Authority owns and operates a 111-unit elderly assisted living property designed for moderate-income frail elderly tenants. Services provided include three meals a day, weekly housekeeping and laundry service, medication administration and 24-hour protective oversight. Of the 111 units in the property, 10 units are dedicated to Expanded Care Services.

South Metro Property Corporation (Blended component unit) – The authority created a separate entity as a result of converting the Public Housing dwellings to Section 22. It was established as of May 2021 and maintains the renovations and sales of the 59 units currently being rehabilitated and sold through partnering with Habitat for Humanity. As of this year, 51 homes have been sold and the remaining 8 will be sold in the next fiscal year. The Broadway Office Center was purchased in December 2021 and is a commercial property with 38 suites.

HOUSING AUTHORITY OF THE CITY OF LITTLETON
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
SEPTEMBER 30, 2025

Financial Analysis

Condensed Statement of Net Position

	2025	2024
Assets		
Current Assets	\$ 14,022,332	\$ 14,561,504
Restricted Cash	1,493,716	1,200,702
Capital Assets	27,077,975	26,404,040
Other Noncurrent Assets	21,099,376	17,121,414
Total Assets	<u><u>\$ 63,693,399</u></u>	<u><u>\$ 59,287,660</u></u>
Liabilities		
Current Liabilities	2,989,287	5,374,890
Long-Term Liabilities	31,444,124	29,056,810
Total Liabilities	<u><u>\$ 34,433,411</u></u>	<u><u>\$ 34,431,700</u></u>
Deferred Inflows	<u>5,563,884</u>	<u>3,769,338</u>
Net Position		
Net Investment in Capital Assets	(4,925,358)	(6,146,913)
Restricted Net Position	281,485	151,164
Unrestricted Net Position	28,339,977	27,082,371
Total Net Position	<u>23,696,104</u>	<u>21,086,622</u>
Total Liabilities, Deferred Inflows & Net Position	<u><u>\$ 63,693,399</u></u>	<u><u>\$ 59,287,660</u></u>

- Changes in net position may serve as a useful indicator of changes in the financial position of an organization. On September 30, 2025, assets exceeded liabilities and deferred inflows by \$23,696,104. This amount is allocated to (\$4,925,358) Net Investment in Capital Assets, \$281,485 Restricted Net Position, and \$28,339,977, that is Unrestricted.
- Total assets increased by \$4,405,739 from 2024. The biggest increase is in other non-current assets amounting to \$4,377,452. This is due to increases in notes receivable and lease receivable.
- Total liabilities increased by \$1,711 from 2024 to 2025 due to the refinancing and modifications of the Libby Bortz and John Newey Family Housing loans.
- The deferred inflows balance listed as \$5,563,884 in 2025 is a \$1,794,546 increase from 2024 and is due to increased leasing during the year at the commercial properties and an additional tower lease added to Bradley House.
- The \$2,609,482 increase in total net position from 2024 to 2025 is due to changes in net investments in capital assets, restricted net position and unrestricted net position.

HOUSING AUTHORITY OF THE CITY OF LITTLETON
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
SEPTEMBER 30, 2025

Financial Analysis

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

	2025	2024
Total Operating Revenues	\$ 24,795,917	\$ 22,424,974
Total Operating Expenses	23,206,284	21,492,255
Net Operating Income (Loss)	1,589,633	932,719
Net Nonoperating Revenues & Expenses	1,019,849	2,789,707
Change in Net Position	2,609,482	3,722,426
Net Position - Beginning	21,086,622	17,364,196
Net Position - Ending	\$ 23,696,104	\$ 21,086,622

- Operating Revenues increased by \$2,370,943 from 2024 to 2025 due to the following.
 - Decrease in HUD PHA grants received by approximately \$360,000 due to fewer lease ups in Housing Choice Voucher program and John Newey Family Housing.
 - Increase in grants received by approximately \$914,000 due to grants received on behalf of Montview Flats LLLP development and remaining Operating Subsidy grant funds received to close out 2021 Family Public Housing program
 - Increase in Management fees by approximately \$112,000 due to increased leasing at the properties.
 - Increase in tenants and resident services revenue of approximately \$460,000 due to fewer vacancies.
 - Increase in developer fee revenue of approximately \$500,000 due to the Elati Senior Apartments development completing construction and earning the remaining fees. In addition, new fees were also earned for the Montview Flats development.
 - Increase in other revenue by approximately \$752,000 due to an increase in port in housing assistance payments.
- Operating Expenses increased by \$1,714,029 from 2024 to 2025 due to the following.
 - The Operating Expense increase was due to several factors including increased General & Administrative costs, higher regular and extraordinary maintenance costs, higher new development costs, higher property & casualty insurance, increased payroll costs and higher HAP costs.
- Net Nonoperating Revenue & Expense in 2025 decreased by \$1,769,858 from 2024. Most of this change was due to a decrease in the sales of single-family homes of approximately \$1,820,311.

HOUSING AUTHORITY OF THE CITY OF LITTLETON
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
SEPTEMBER 30, 2025

Capital Assets

	2025	2024
Capital Assets	\$ 52,197,583	\$ 50,621,506
Less Accumulated Depreciation	25,119,608	24,217,466
Total Capital Assets, Net of Depreciation	\$ 27,077,975	\$ 26,404,040

Please see Note 5 to Financial Statements for further details.

Significant changes from 2024 to 2025 are due to additions to HVAC improvements and tenant improvements that occurred at the Broadway Office Center. Additionally, there are several home rehabilitations that are listed in building improvements and construction in progress until the sale of the property is recorded. The SMHO home office renovation is currently in construction in progress as well until the completion of the project.

Long-Term Debt

As of September 30, 2025, the Authority had an outstanding long-term debt of \$32,003,333, Scheduled payments due within the next Fiscal year are \$608,160 (Current Debt). Details of the Long-Term Debt are provided in Note 7 to the Financial Statements.

Economic Outlook

Most of the Authority's funding is from the Department of Housing & Urban Development (HUD). This funding consists of Section 8 housing assistant payments and other smaller grants. The Authority is authorized to issue 288 Housing Choice Vouchers, and this number is not expected to change. The Authority also earns administrative fees for the administration of Section 8 Housing Choice Vouchers for Arapahoe County, the Colorado Division of Housing, and Sierra Vista, a Low-Income Housing Tax Credit property where the Authority is a limited partner receiving administrative fees and a percentage of available cash from operations. While the number of Arapahoe County and Colorado Division of Housing vouchers vary due to portability, the average total number of vouchers administered each month is 822.

The Authority expects to offer additional programming and continue its development efforts to preserve and create affordable housing in the community and provide additional revenue. The proceeds from the Section 22 conversion and subsequent sale of the 59 homes will be used by South Metro Property Corporation for additional development and acquisition opportunities, which will be managed by the Authority. In addition to the administration of the associated Tenant Protection Vouchers, the Authority has added 24 Foster Youth to Independence (FYI) vouchers to provide housing assistance to youth under the age of 25 that are aging out of foster care and are at extreme risk of experiencing homelessness. The Authority receives an administrative fee to operate this program.

HOUSING AUTHORITY OF THE CITY OF LITTLETON
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
SEPTEMBER 30, 2025

In addition, the Authority is now in the process of working with Habitat for Humanity to renovate and sell the John W. Newey homes that are no longer receiving subsidy from HUD as of February 2024. The proceeds from the subsequent sale of the 20 homes will be used for additional development and acquisition opportunities, which will be managed by the Authority. The tenants that occupied the units were offered Tenant Protection Vouchers that will allow the tenant to relocate into another private unit utilizing the voucher for continued affordable housing.

Requests for Information

This financial report is designed to provide a general overview of the Housing Authority of the City of Littleton'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 addressed to:

Littleton Housing Authority
doing business as
South Metro Housing Options
5601 S. Broadway
Suite 250
Littleton, Colorado 80121

The Housing Authority of the City of Littleton, Colorado

Statement of Net Position

September 30, 2025

	Primary Government	Discretely Presented Component Units 12/31/24
Assets		
Current Assets		
Cash and cash equivalents	\$ 10,322,626	\$ 901,125
Restricted cash and cash equivalents	1,493,716	563,382
Accounts receivable		
Tenants	178,664	68,231
Due from other agencies	353,812	-
Due from related party	1,467,573	6,897
Grants	606,000	-
Prepaid expenses	255,061	4,854
Inventory	298	-
Developer fees receivable	838,298	-
Total Current Assets	<u>15,516,048</u>	<u>1,544,489</u>
Capital Assets		
Non-depreciable	7,097,771	2,676,177
Depreciable, net	18,554,828	22,283,936
Construction in progress	1,425,376	44,050
Total Capital Assets	<u>27,077,975</u>	<u>25,004,163</u>
Other Assets		
Developer fees receivable, net of current portion	637,260	-
Lease receivable	5,563,884	-
Investment in future developments	1,557,366	-
Interest receivable	1,338,400	-
Notes receivable	12,002,466	-
Other assets	-	227,299
Total Other Assets	<u>21,099,376</u>	<u>227,299</u>
Total Assets	<u><u>\$ 63,693,399</u></u>	<u><u>\$ 26,775,951</u></u>

The Housing Authority of the City of Littleton, Colorado

Statement of Net Position

September 30, 2025

	Primary Government	Discretely Presented Component Units 12/31/24
Liabilities, Deferred Inflows of Resources and Net Position		
Current Liabilities		
Accounts payable	\$ 1,375,419	\$ 128,553
Accounts payable - HUD	1,840	-
Accrued payroll	127,641	5,477
Accrued compensated absences	331,578	1,883
Accrued partnership fees	-	36,144
Accrued interest, current portion	128,673	53,190
Unearned revenue	36,769	27,418
Tenant security deposits payable	378,808	101,563
Due to related party	399	1,442,268
Due to other programs	-	229,537
Construction note payable, current portion	-	7,090,049
Notes and mortgages payable, current portion	608,160	71,372
Total Current Liabilities	2,989,287	9,187,454
Long-Term Liabilities		
Developer fee payable	-	1,469,432
Construction bond payable	-	5,580,000
Accrued compensated absences - long-term	48,951	1,848
Notes and mortgages payable, net of current portion	31,395,173	9,865,592
Accrued interest, net of current portion	-	1,105,769
Total Long-Term Liabilities	31,444,124	18,022,641
Total Liabilities	34,433,411	27,210,095
Deferred Inflows	5,563,884	-
Net Position		
Net investment in capital assets	(4,925,358)	9,487,199
Restricted	281,485	-
Unrestricted	28,339,977	(9,921,343)
Total Net Position	23,696,104	(434,144)
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 63,693,399	\$ 26,775,951

The Housing Authority of the City of Littleton, Colorado
Statement of Revenues, Expenses and Changes in Net Position
Year Ended September 30, 2025

	Primary Government	Discretely Presented Component Units 12/31/24
Operating Revenues		
HUD PHA grants	\$ 11,418,630	\$ -
Other grants	2,021,856	-
Rental income	2,483,121	1,288,566
Resident service revenue	3,328,638	-
Administrative	132,717	-
Developer fee income	995,068	-
Other revenue	4,415,887	26,173
Total Operating Revenues	24,795,917	1,314,739
Operating Expenses		
Housing assistance payments	6,992,652	-
Tenant services	1,080,523	12,859
Administrative salaries and benefits	3,174,280	107,307
Other administrative	2,037,664	270,886
Maintenance salaries	1,124,539	57,520
Regular and extraordinary maintenance	1,651,886	215,167
Depreciation and amortization	1,294,369	1,027,476
Utilities	680,654	191,100
Taxes and insurance	835,488	236,213
Other	4,334,229	-
Total Operating Expenses	23,206,284	2,118,528
Operating Income (Loss)	1,589,633	(803,789)
Non-Operating Revenues (Expenses)		
Interest income	615,087	3,763
Partnership fees	-	(1,784)
Gain on sale of property and equipment	1,884,086	-
Organizational costs	-	(93,755)
Interest expense	(1,479,324)	(886,171)
Total Non-Operating Revenues (Expenses)	1,019,849	(977,947)
Income (Loss) Before Changes in Capital	2,609,482	(1,781,736)
Contributions	-	100
Syndication costs	-	(50,000)
Change in Net Position	2,609,482	(1,831,636)
Net Position, Beginning of Year	21,086,622	1,397,492
Net Position, End of Year	\$ 23,696,104	\$ (434,144)

See Notes to Financial Statements

The Housing Authority of the City of Littleton, Colorado

Statement of Cash Flows
Year Ended September 30, 2025

	Primary Government
Operating Activities	
HUD PHA grants	\$ 11,420,470
Other grants	2,466,896
Receipts from tenants	5,699,560
Management fee receipts	132,717
Other income	4,415,887
Developer fee income	483,763
Housing assistance payments	(12,407,404)
Cash paid to vendors	(5,283,283)
Cash paid to employees	(4,109,447)
	<u>2,819,159</u>
Net Cash from Operating Activities	
Capital and Related Financing Activities	
Purchase of capital assets	(2,499,083)
Proceeds from sale of property and equipment	2,977,297
Proceeds from issuance of notes and mortgages	4,063,492
Principal payments on notes and mortgages	(4,611,112)
Interest payments on notes and mortgages	(1,472,914)
	<u>(1,542,320)</u>
Net Cash used for Capital and Related Financing Activities	
Investing Activities	
Investments in future developments	(1,739,105)
Proceeds from closing of future developments	1,761,566
Interest income	320,027
Issuance of notes receivable	(1,799,000)
	<u>(1,456,512)</u>
Net Cash used for Investing Activities	
Net Change in Cash and Restricted Cash	(179,673)
Cash and Restricted Cash, Beginning of Year	<u>11,996,015</u>
Cash and Restricted Cash, End of Year	<u>\$ 11,816,342</u>
Reconciliation of Cash	
Cash	\$ 10,322,626
Restricted cash	1,493,716
Total cash and restricted cash	<u>\$ 11,816,342</u>

The Housing Authority of the City of Littleton, Colorado

Statement of Cash Flows

Year Ended September 30, 2025

	<u>Primary Government</u>
Reconciliation of Change in Net Position to Net	
Cash from Operating Activities	
Operating income	\$ 1,589,633
Adjustments to reconcile operating income to net cash from operating activities	
Depreciation	1,294,369
Changes in operating assets and liabilities	
Accounts receivable	(162,231)
Prepaid expenses	116,901
Accounts payable	(150,423)
Accrued payroll	(7,111)
Accrued compensated absences	196,483
Tenant security deposits payable	4,527
Unearned revenue	(62,989)
Total adjustments	<u>1,229,526</u>
Net Cash from Operating Activities	<u>\$ 2,819,159</u>
Schedule of Noncash Investing Activities and Capital and Related Financing Activities	
Increase in lease receivable from increase in deferred inflows	<u>\$ 1,794,546</u>
Purchase of capital assets included in accounts payable	<u>\$ 562,433</u>
Decrease in investment in future development from issuance of note receivable	<u>\$ 2,030,000</u>

The Housing Authority of the City of Littleton, Colorado
Statement of Net Position – Discretely Presented Component Units
December 31, 2024

	Discretely Presented Component Unit-PCA LLLP	Discretely Presented Component Unit-ESA LLLP	Total
Assets			
Current Assets			
Cash	\$ 90,954	\$ 810,171	\$ 901,125
Restricted cash	450,882	112,500	563,382
Accounts receivable			
Tenants, net	65,472	2,759	68,231
Due from related party	1,498	5,399	6,897
Prepaid expenses	4,222	632	4,854
Total Current Assets	<u>613,028</u>	<u>931,461</u>	<u>1,544,489</u>
Capital Assets			
Non-depreciable	865,000	1,811,177	2,676,177
Depreciable, net	4,948,204	17,335,732	22,283,936
Construction in progress	44,050	-	44,050
Total Capital Assets	<u>5,857,254</u>	<u>19,146,909</u>	<u>25,004,163</u>
Other Assets			
Other assets	22,281	205,018	227,299
Total Other Assets	<u>22,281</u>	<u>205,018</u>	<u>227,299</u>
Total Assets	<u>\$ 6,492,563</u>	<u>\$ 20,283,388</u>	<u>\$ 26,775,951</u>

The Housing Authority of the City of Littleton, Colorado

Statement of Net Position – Discretely Presented Component Units

December 31, 2024

	Discretely Presented Component Unit-PCA LLLP	Discretely Presented Component Unit-ESA LLLP	Total
Liabilities and Net Position			
Current Liabilities			
Accounts payable	\$ 39,029	\$ 89,524	\$ 128,553
Accrued payroll	4,176	1,301	5,477
Accrued compensated absences	581	1,302	1,883
Accrued partnership fees	-	36,144	36,144
Accrued interest	9,662	43,528	53,190
Unearned revenue	3,822	23,596	27,418
Tenant security deposits payable	52,007	49,556	101,563
Due to related party	833,940	608,328	1,442,268
Developer fee payable, current portion	229,537	-	229,537
Construction note payable, current portion	-	7,090,049	7,090,049
Notes and mortgages payable, current portion	71,372	-	71,372
Total Current Liabilities	1,244,126	7,943,328	9,187,454
Long-Term Liabilities			
Developer fee payable	-	1,469,432	1,469,432
Construction note payable	-	5,580,000	5,580,000
Accrued compensated absences - long-term	570	1,278	1,848
Notes and mortgages payable, net of current portion	4,915,592	4,950,000	9,865,592
Accrued interest, net of current portion	871,736	234,033	1,105,769
Total Long-Term Liabilities	5,787,898	12,234,743	18,022,641
Total Liabilities	7,032,024	20,178,071	27,210,095
Net Position			
Net investment in capital assets	870,290	8,616,909	9,487,199
Unrestricted	(1,409,751)	(8,511,592)	(9,921,343)
Total Net Position	(539,461)	105,317	(434,144)
Total Liabilities, Deferred Inflows and Net Position	\$ 6,492,563	\$ 20,283,388	\$ 26,775,951

The Housing Authority of the City of Littleton, Colorado
Statement of Revenues, Expenses and Changes in Net Position – Discretely Presented Component Units
Year Ended December 31, 2024

	Discretely Presented Component Unit-PCA	Discretely Presented Component Unit-ESA	Total
Operating Revenues			
Rental income, net	\$ 689,152	\$ 599,414	\$ 1,288,566
Other revenue	13,171	13,002	26,173
Total Operating Revenues	702,323	612,416	1,314,739
Operating Expenses			
Tenant services	12,859	-	12,859
Administrative salaries and benefits	51,182	56,125	107,307
Other administrative	176,963	93,923	270,886
Maintenance salaries	51,986	5,534	57,520
Regular and extraordinary maintenance	154,215	60,952	215,167
Depreciation and amortization	194,329	833,147	1,027,476
Utilities	76,607	114,493	191,100
Insurance	80,132	156,081	236,213
Total Operating Expenses	798,273	1,320,255	2,118,528
Operating Loss	(95,950)	(707,839)	(803,789)
Non-Operating Revenues (Expenses)			
Interest income	3,649	114	3,763
Partnership fees	-	(1,784)	(1,784)
Organizational costs	-	(93,755)	(93,755)
Interest expense	(205,059)	(681,112)	(886,171)
Total Non-Operating Revenues (Expenses)	(201,410)	(776,537)	(977,947)
Loss before Capital Contributions	(297,360)	(1,484,376)	(1,781,736)
Capital Contributions	-	100	100
Syndication Costs	-	(50,000)	(50,000)
Change in Net Position	(297,360)	(1,534,276)	(1,831,636)
Net Position, Beginning of Year	(242,101)	1,639,593	1,397,492
Net Position, End of Year	\$ (539,461)	\$ 105,317	\$ (434,144)

Note 1 - Nature of Organization and Summary of Significant Accounting Policies

Nature of Organization

The Housing Authority of the City of Littleton, Colorado, dba South Metro Housing Options, (the Authority or SMHO) commenced operations in 1975 to provide affordable housing in the City of Littleton, Colorado (the City). The Authority's mission is to provide housing and related services to low-and moderate-income families, elderly, and disabled households, and to relieve the community of substandard housing. The Authority has ownership in and operates 437 affordable apartments and single-family dwellings, and two blended component properties including one assisted living property and the other specifically for elderly/disabled individuals. The Authority is also working toward creating new affordable housing developments as it continues to work to rehab and sell the existing inventory related to the Section 22 entity. The Authority also administers up to 612 Section 8 Housing Choice Vouchers including Foster Youth Initiative and Tenant Protection Vouchers.

Reporting Entity

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

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

Based on the aforementioned criteria, the Authority is not a component unit within another reporting entity.

Blended Component Units

Included within the financial reporting entity of the Authority as blended component units are Littleton Area Neighborhood Development LLC (LAND), Elati Senior Apartments GP LLC (ESA), and Montview Flats GP Inc. (MFGP). LAND is wholly owned by the Authority and is the general partner of Powers Circle Apartments LLLP, a discretely presented component unit. ESA is wholly owned by the Authority and is the general partner of Elati Senior Apartments LLLP, a discretely presented component unit. MFGP is wholly owned by the Authority and is the general partner of Montview Flats LLLP, a discretely presented component unit. A separate set of financial statements for LAND, ESA, and MFGP are not issued.

The Housing Authority of the City of Littleton, Colorado

Notes to Financial Statements

September 30, 2025

Also included within the reporting entity is South Metro Development LLC (SMD), an entity wholly owned by the Authority to develop Elati Senior Apartments LLLP. South Metro Property Corporation (SMPC) was organized on June 18, 2021, to develop low-income housing. The governing board of SMPC includes the Authority's executive director and the Authority's board chairperson. Littleton Section 8 Housing Corp (dba Libby Bortz Assisted Living Center) is wholly owned by the Authority and is a 111-unit elderly assisted living property designed for moderate-income frail elderly.

Amity Plaza, LLC (Amity) is wholly owned by the Authority and is a 180-unit low-income housing project. Amity is subject to a regulatory agreement with the Department of Housing and Urban Development (HUD) and a housing assistance payment contract (Note 14). Accordingly, Amity is subject to restrictions contained in the regulatory agreement and the housing assistance payments contract regarding rental charges and other operating policies.

Discretely Presented Component Units

The component unit columns in the combined financial statements include the financial data of the Authority's discretely presented component units as of December 31, 2024. These units are reported in a separate column to emphasize that they are legally separate from the Authority.

Powers Circle Apartments LLLP (PCA, LLLP) was formed for the purpose of owning and operating a 69-unit low-income housing project in Littleton, Colorado. As mentioned above, LAND is the general partner of PCA, LLLP. LAND has an ownership percentage of 0.01% in PCA, LLLP.

Elati Senior Apartments LLLP (ESA, LLLP) was formed for the purpose of rehabilitating, owning, and operating a 51-unit low-income housing project in Littleton, Colorado. As mentioned above, ESA is the general partner of ESA, LLLP. ESA has an ownership percentage of 0.01% in ESA, LLLP.

Montview Flats, LLLP (MVF, LLLP) was formed for the purpose of owning and operating a 50-unit low-income housing project in Littleton, Colorado. MFGP is the general partner of MVF, LLLP. MFGP has an ownership percentage of 0.018% in MVF, LLLP. The entity had no activity as of December 31, 2024. MVF, LLLP closed on their construction loan and began construction in June 2025, see Note 4 and Note 10.

The financial statements of the discretely presented component units are presented in the Authority's basic financial statements. Complete financial statements of individual component units can be obtained from the Accounting Supervisor of The Housing Authority of the City of Littleton, Colorado, 5601 S Broadway, Suite 205, Littleton, CO 80121.

Program Accounting

The accounts of the Authority are organized on the basis of programs, each of which is considered a separate accounting entity. The operations of each program are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred inflows/outflows, net position, revenues, and expenses. The Authority classifies its programs as proprietary.

The Authority accounts for its operations in one fund type, the enterprise fund. Enterprise funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Revenue is recognized when earned and expenses are recorded at the time liabilities are incurred. All assets, deferred outflows, liabilities and deferred inflows associated with the operations of the Authority are included on the statement of net position. All significant interfund transactions have been eliminated.

Basis of Accounting and Measurement Focus

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

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All proprietary funds are accounted for using the economic resources measurement focus. With this measurement focus, all assets, liabilities, and deferred inflows and outflows of resources associated with the operation of these funds are included on the statement of net position. Net position is segregated into invested in capital assets, restricted and unrestricted components. The statement of revenues, expenses and changes in net position presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position. When both restricted and unrestricted net position is available for use, generally it is the Authority's policy to use restricted net position first, and then unrestricted net position as they are needed. The statement of cash flow presents the cash flows for operating activities, investing activities, capital and related financing activities and non-capital financing activities.

The accompanying financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. Revenues are recognized when earned, and expenses are recorded when the liability is incurred.

Cash and Cash Equivalents

The Authority's cash deposits can only be invested in HUD approved investments: direct obligations of the Federal Government backed by the full faith and credit of the United States, obligations of government agencies, securities of government sponsored agencies, demand and savings deposits, time deposits, repurchase agreements, and other securities approved by HUD.

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

Business and Credit Risk

The Authority provides housing on account to tenants which are located primarily in Littleton, Colorado.

Receivables and Credit Policy

Accounts receivable from tenants represents rents and charges currently due from tenants. Payments on accounts receivable are applied to specific months. Management reviews accounts receivable and charges with those considered uncollectable. The Authority estimates an allowance for doubtful accounts based upon an evaluation of the current status of receivables, historical experience, and other factors as necessary. It is reasonably possible that the Authority’s estimate of the allowance for doubtful accounts will change.

Due from Other Agencies and Related Parties

Accounts receivable from other agencies and related parties represents charges due from other entities or from the discretely presented component units for costs incurred on their behalf for managing the project. All accounts receivable from other agencies and related parties are considered collectable.

Grant Receivables

Grant receivables are amounts due from HUD or other agencies for housing assistance payments (HAP) and grants that were earned but not received as of year-end.

Capital Assets

Land, buildings and improvements, and equipment are recorded at cost. The Authority uses a capitalization threshold of \$5,000. Donated fixed assets are valued at their estimated acquisition value on the date donated. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend lives are expensed.

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

Land improvements	5-40 years
Buildings and improvements	50 years
Furniture and equipment	5-10 years

Long-lived assets held and used by an entity are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. No impairment loss has been recognized for the year ended September 30, 2025.

Developer Fees Receivable

Developer fees are uncollateralized obligations due from related entities with payments due based on the development agreements and subject to cash flow of the projects. The Authority evaluates the collectability of the balance based upon specific circumstances of the agreement and an allowance for uncollectible amounts being recorded if necessary. As of September 30, 2025, the Authority considered all developer fees to be fully collectable.

Notes and Interest Receivables

Notes and interest receivables are carried at amounts advanced, net of a reserve for uncollectible accounts, if any, plus any interest incurred and not collected. As of September 30, 2025, the Authority considered all notes and interest receivables to be fully collectible.

Lease Receivables

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

Investment in Future Developments

Investments in future developments represents costs incurred by the Authority for future developments and are recorded at cost until a project is established. If a potential project is no longer deemed to be feasible, the costs are charged to expense in the year the project is abandoned.

Deferred Inflows of Resources

In addition to liabilities, the Statement of Net Position includes a separate section for deferred inflows of resources. This separate element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Authority's deferred inflows for leases where the Authority is the lessor are reported in the statement of net position. The deferred inflows of resources related to leases are recognized as an inflow of resources (revenue) on a straight-line basis over the term of the lease.

Compensated Absences

The Authority accrues unused vacation in the period incurred. Employees earn vacation leave at defined, monthly amounts, depending on length of service, up to a maximum accrual of 240 hours. Upon separation or termination from the Authority, an employee will be compensated for all eligible accrued vacation time at their current rate of pay. In addition, the Authority accrues for sick leave. Full-time employees earn 3.69 hours of paid sick leave each pay period, up to a maximum accrual of 480 hours. Upon separation or termination from the Authority, employees are not paid for any unused sick time.

Unearned Revenue

For tenant funds, unearned revenue represents the amount of prepaid rent received from tenants. That revenue is recorded when a tenant uses those funds towards rent earned. As of September 30, 2025, unearned revenue for the Authority consisted of \$36,769 of prepaid rent from tenants. As of December 31, 2024, unearned revenue for the discretely presented component units represents amounts of prepaid rent in the amount of \$27,418.

Basis of Presentation

The statement of net position displays the Authority's assets, deferred outflows, liabilities, and deferred inflows, with the difference reported as net position. Net position is reported in the following categories/components:

- *Net Investment in Capital Assets* – Consists of capital assets, net of accumulated depreciation and reduced by outstanding balances of debt issued to finance the acquisition, improvement, or construction of those assets.
- *Restricted Net Position* – Consists of assets and deferred outflows less related liabilities and deferred inflows reported in the basic statement of net position that are subject to restraints on their use by HUD.
- *Unrestricted Net Position* – Consists of assets and deferred outflows less related liabilities and deferred inflows reported in the basic statement of net position that are not subject to restraints on their use.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and deferred outflows and liabilities and deferred inflows at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fraud Recovery

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

Operating Revenues and Expenses

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

Resident Service Revenue

The Libby Bortz assisted living center has an agreement with a third-party payor that provides for payments to at established rates based on level of service and rent provided to a tenant. There are two levels of service provided and are billed at the full amount at the beginning of the month. Resident service revenue is reported at the amount that reflects consideration to which the Project is entitled to in exchange for providing services and for rent. These amounts are due from residents.

Restricted and Unrestricted Resources

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

Budgetary

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

Contributions

The Authority may receive contributions from other agencies or entities. Revenue from contributions is recognized when all eligibility requirements, including time requirements are met. The discretely presented component units may receive contributions from partners and are recognized at the time the contributions are received.

Implementation of GASB Statement No. 101

As of October 1, 2024, the Authority adopted GASB Statement No. 101, *Compensated Absences*. This standard updates the previous recognition, measurement, and disclosure guidance for compensated absences. There was not a significant effect on the Authority's financial statements as a result of the implementation of this standard.

Note 2 - Deposits and Credit Risk

Primary Government

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 regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The institution is allowed 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 public deposits as a group. The market value of the collateral must be at equal to 102% of the uninsured deposits. The general depository agreement required by annual contract with HUD has additional collateral requirements, which the Authority met in 2025.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Authority's deposits may not be returned to it. As of September 30, 2025, the Authority's deposits were not exposed to custodial credit risk, as all deposits were insured by the Federal Deposit Insurance Commission (FDIC) and collateralized with securities held by a pledging financial institution in accordance with PDPA.

At September 30, 2025, the Authority's carrying amount of deposits was \$11,815,568 and the bank balance was \$11,945,197. Of the bank balances, \$884,752 was covered by Federal Depository Insurance. Of the remaining balances for 2025, \$10,878,126 was collateralized with securities held by a pledging financial institution's agent in the government's name. As of September 30, 2025, \$395,616 of cash reserves held by the lender for Amity and \$125,000 of undeposited checks were not collateralized.

Investments

The Authority's investment policy allows for investments to be solely in securities approved by HUD. Authorized investment instruments are as follows:

- Obligations of the United States and certain U.S. government agency securities
- Insured Money Market Deposit Accounts
- Municipal Depository Fund
- Super NOW Accounts
- Certificates of Deposit
- Repurchase Agreements
- Sweep Accounts
- Separate Trading of Registered Interest and Principal of Securities (STRIPS)
- Mutual Funds that meet HUD criteria

Discretely Presented Component Units

Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Authority's deposits may not be returned to it.

As of December 31, 2024, PCA LLLP had carrying amounts and bank balances in excess of the federally insured limits of \$250,000 of approximately \$233,000. Partnership management monitors the financial ratings of such financial institutions and does not believe that the deposits are exposed to a significant level of risk.

As of December 31, 2024, ESA, LLLP had carrying amounts and bank balances in excess of the federally insured limits of \$250,000 of approximately \$614,700. Partnership management monitors the financial ratings of such financial institutions and does not believe that the deposits are exposed to a significant level of risk.

Note 3 - Restricted Cash

Primary Government

Restricted cash consists of cash and cash equivalent balances that are restricted for tenant security deposits of \$404,720, restricted for unspent HAP funds of \$281,485, restricted for amounts due to HUD of \$1,840, and reserves for repairs and maintenance, interest, insurance and other escrows, and other escrows held in order to comply with HUD requirements for specific programs of \$805,671.

The Housing Authority of the City of Littleton, Colorado

Notes to Financial Statements

September 30, 2025

Discretely Presented Component Units

Restricted cash consists of cash balances restricted for tenant security deposits, funding of operating deficits, repairs or improvements to the buildings, which extend their useful lives, and annual insurance payments.

Note 4 - Notes Receivable – Primary Government

The following is a summary of the notes receivable for the year ended September 30, 2025.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Powers Circle Apartments LLLP	\$ 2,663,466	\$ 938,943	\$ 3,602,409
Elati Senior Apartments LLLP	5,050,000	349,856	5,399,856
Montview Flats LLLP	<u>4,099,000</u>	<u>49,601</u>	<u>4,148,601</u>
	11,812,466	1,338,400	13,150,866
Non-Related Notes Receivable	<u>190,000</u>	<u>-</u>	<u>190,000</u>
	<u>\$ 12,002,466</u>	<u>\$ 1,338,400</u>	13,340,866
Less current portion			<u>-</u>
			<u>\$ 13,340,866</u>

The Authority provided multiple loans to PCA LLLP in the amounts of \$1,970,456, \$243,010, and \$450,000. Interest accrues on the loans at the rate of 2.8%, 2.8%, and 1%, respectively, per year and compounds annually. Payments are made solely from available excess cash flow. The loans are due in full in December 2052, December 2053, and December 2042, respectively. The notes are secured by a deed of trust on the land and building of the project.

The Authority provided multiple loans to ESA LLLP in the amounts of \$675,000, \$325,000, \$500,000, \$2,040,000, \$200,000 and \$1,310,000. Interest accrues on the loans at the rate of 2.9% or 3.22% per year and compounds annually. Payments are made solely from available excess cash flow. The loans are due in full in July 2052. The notes are secured by a deed of trust on the land and building of the project.

The Authority provided multiple loans to Montview Flats LLLP in the amounts of \$300,000, \$600,000, \$900,000, and \$2,300,000. Interest accrues on the loans at the rate of 0%, 4%, 1%, and 6.25%, respectively, per year and compounds annually. Payments are made solely from available excess cash flow. The loans are due in full in June 2055. The notes are secured by a deed of trust on the land and building of the project.

The Authority has provided 0% interest loans to individuals to purchase or rehabilitate homes. These notes are deferred and will be repaid upon the sale of the homes and are secured by a deed of trust on the properties.

The Housing Authority of the City of Littleton, Colorado

Notes to Financial Statements

September 30, 2025

Note 5 - Capital Assets

Primary Government

The following is a summary of property, structures, and equipment for the year ended September 30, 2025:

	Balance 10/1/24	Additions	Transfers	Deletions	Balance 09/30/25
Non-Depreciable					
Land	\$ 7,173,365	\$ -	\$ -	\$ (75,595)	\$ 7,097,770
Construction in progress	749,763	2,176,074	(482,843)	(1,017,617)	1,425,377
Total non-depreciable capital assets	<u>7,923,128</u>	<u>2,176,074</u>	<u>(482,843)</u>	<u>(1,093,212)</u>	<u>8,523,147</u> <u>1,425,376</u>
Depreciable					
Buildings and improvements	41,614,428	827,574	482,843	(392,227)	42,532,618
Furniture and equipment	1,083,950	57,868	-	-	1,141,818
Total depreciable capital assets	<u>42,698,378</u>	<u>885,442</u>	<u>482,843</u>	<u>(392,227)</u>	<u>43,674,436</u>
Less: Accumulated Depreciation for:					
Buildings and improvements	(23,247,532)	(1,269,048)	-	392,227	(24,124,353)
Furniture and equipment	(969,934)	(25,321)	-	-	(995,255)
Total accumulated depreciation	<u>(24,217,466)</u>	<u>(1,294,369)</u>	<u>-</u>	<u>392,227</u>	<u>(25,119,608)</u>
Net Depreciable Capital Assets	<u>18,480,912</u>	<u>(408,927)</u>	<u>482,843</u>	<u>-</u>	<u>18,554,828</u>
Net capital assets	<u>\$ 26,404,040</u>	<u>\$ 1,767,147</u>	<u>\$ -</u>	<u>\$ (1,093,212)</u>	<u>\$ 27,077,975</u>

Discretely Presented Component Units

The following is a summary of property, structures, and equipment for the year ended December 31, 2024:

	Balance 1/1/24	Additions	Transfers	Deletions	Balance 12/31/24
Non-Depreciable					
Land	\$ 2,175,000	\$ 501,177	\$ -	\$ -	\$ 2,676,177
Construction in progress	17,416,766	788,051	(18,160,767)	-	44,050
Total non-depreciable capital assets	<u>19,591,766</u>	<u>1,289,228</u>	<u>(18,160,767)</u>	<u>-</u>	<u>2,720,227</u>
Depreciable					
Buildings and improvements	6,718,697	8,842	16,324,631	-	23,052,170
Land improvements	92,030	-	1,018,616	-	1,110,646
Furniture and equipment	463,471	21,945	817,520	-	1,302,936
Total depreciable capital assets	<u>7,274,198</u>	<u>30,787</u>	<u>18,160,767</u>	<u>-</u>	<u>25,465,752</u>
Less: Accumulated Depreciation					
	<u>(2,168,423)</u>	<u>(1,013,393)</u>	<u>-</u>	<u>-</u>	<u>(3,181,816)</u>
Net Depreciable Capital Assets	<u>5,105,775</u>	<u>(982,606)</u>	<u>18,160,767</u>	<u>-</u>	<u>22,283,936</u>
Net capital assets	<u>\$ 24,697,541</u>	<u>\$ 306,622</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,004,163</u>

The Housing Authority of the City of Littleton, Colorado

Notes to Financial Statements

September 30, 2025

Note 6 - Lease – Primary Government

The Authority has entered into multiple agreements with multiple third parties to lease commercial units in multiple buildings they own. The lease periods range from 1 to 30 years with payments being received monthly. During the year ended September 30, 2025, the Authority recognized \$868,254 in lease revenue and \$188,280 in interest revenue related to the agreements. At September 30, 2025, the Authority recorded \$5,563,884 in lease receivables and deferred inflows of resources for these arrangements will be recognized as revenue over the lease terms. The Authority used an interest rate of 4.93% based on the rates available to finance real estate over the same time periods.

A schedule of future payments of principal and interest is as follows:

<u>Years</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2026	\$ 659,550	\$ 231,005	\$ 890,555
2027	610,141	207,541	817,682
2028	483,463	176,421	659,884
2029	425,749	158,833	584,582
2030	379,795	139,794	519,589
2031-2035	1,782,707	476,753	2,259,460
2036-2040	230,634	406,040	636,674
2041-2045	212,594	212,997	425,591
2046-2050	305,751	161,096	466,847
2051-2055	241,559	84,474	326,033
2056-2060	231,941	25,373	257,314
Total	<u>\$ 5,563,884</u>	<u>\$ 2,280,327</u>	<u>\$ 7,844,211</u>

Note 7 - Long-Term Liabilities

Primary Government

For the year ended September 30, 2025, the following changes occurred in long-term liabilities:

	<u>Balance 10/01/24</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance 09/30/25</u>	<u>Due Within One Year</u>
Compensated absences	<u>\$ 184,046</u>	<u>\$ 400,616</u>	<u>\$ (204,133)</u>	<u>\$ 380,529</u>	<u>\$ 331,578</u>
Notes payable	<u>\$ 32,550,953</u>	<u>\$ 4,063,492</u>	<u>\$ (4,611,112)</u>	<u>\$ 32,003,333</u>	<u>\$ 608,160</u>

The Housing Authority of the City of Littleton, Colorado

Notes to Financial Statements

September 30, 2025

Long-term debt as of September 30, 2025, consists of the following:

5.65%, \$2,606,250 mortgage note payable to FirstBank, due in monthly installments of \$16,340, including interest, due in February 2029, secured by a deed of trust of Rapp St building	\$ 2,227,709
6.47%, \$2,848,492 mortgage note payable to FirstBank, due in monthly installments of \$17,348, including interest, due in June 2040, secured by a deed of trust and a security agreement	2,845,586
3.15%, \$7,552,576 mortgage note payable to the Bank of San Juans, due in monthly installments of \$36,407, including interest, due in full in December 2026, secured by a deed of trust on Broadway Office Center and an assignment of rents	6,761,174
3.92%, \$1,215,000 mortgage note payable to Enterprise Community Loan Funds, Inc., due in monthly payments of interest only, all unpaid interest and principal due in June 2028, secured by a deed of trust	1,215,000
4.80%, \$2,900,000 mortgage note payable to FirstBank, due in monthly installments of \$15,347, including interest, due in July 2029, secured by a deed of trust, of J.W. Newey Family Housing Development	1,461,330
4.59%, \$2,410,947 mortgage note payable to FirstBank, due in monthly installments of \$12,450, including interest, due in August 2032, secured by a deed of trust for Alyson Court	2,050,095
4.75%, \$16,000,000 mortgage note payable to Gershman Investment Corp, due in monthly installments of \$78,217, including interest, due in October 2057, secured by a deed of trust on Amity Plaza Apartments (Note 14)	<u>15,442,439</u>
	<u>32,003,333</u>
Less current portion	<u>(608,160)</u>
	<u><u>\$ 31,395,173</u></u>

The Housing Authority of the City of Littleton, Colorado

Notes to Financial Statements

September 30, 2025

A summary of payments due for the long-term debt is as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 608,160	\$ 1,492,785	\$ 2,100,945
2027	6,942,610	1,313,003	8,255,613
2028	1,644,717	1,228,643	2,873,360
2029	3,706,972	1,089,860	4,796,832
2030	350,994	945,194	1,296,188
2031-2035	3,366,844	4,233,543	7,600,387
2036-2040	4,399,251	3,597,696	7,996,947
2041-2045	2,351,610	2,341,414	4,693,024
2046-2050	2,980,621	1,712,404	4,693,025
2051-2055	3,777,879	915,146	4,693,025
2056-2058	1,873,675	97,134	1,970,809
	<u>\$ 32,003,333</u>	<u>\$ 18,966,822</u>	<u>\$ 50,970,155</u>

Discretely Presented Component Units

Long-term debt as of December 31, 2024, consists of the following:

PCA LLLP

4.99%, \$2,900,000 mortgage note payable to the Bank of the West, due in monthly installments including interest through May 2030, secured by a deed of trust	\$ 2,323,498
2.80%, \$1,970,456 mortgage note payable to the Littleton Housing Authority, due in annual payments from net cash flow, as defined in the partnership agreement, due in full in December 2052, secured by a deed of trust	1,970,456
2.80%, \$243,010 mortgage note payable to the Littleton Housing Authority, due in annual payments from net cash flow, as defined in the partnership agreement, due in full in December 2053, secured by a deed of trust	243,010
1.00%, \$450,000 mortgage note payable to the Littleton Housing Authority, due in annual payments from net cash flow, as defined in the partnership agreement, due in full in December 2042, secured by a deed of trust	<u>450,000</u>
	<u>4,986,964</u>

The Housing Authority of the City of Littleton, Colorado

Notes to Financial Statements

September 30, 2025

ESA LLLP

2.90%, \$325,000 mortgage note payable to the Littleton Housing Authority, due in annual payments from net cash flow, as defined in the partnership agreement, due in full in July 2052, secured by a deed of trust	\$ 325,000
3.22%, \$200,000 mortgage note payable to South Metro Property Corporation, due in annual payments from net cash flow, as defined in the partnership agreement, due in full in July 2052, secured by a deed of trust	200,000
2.90%, \$2,040,000 (HDG funds) mortgage note payable to the Littleton Housing Authority, due in annual payments from net cash flow, as defined in the partnership agreement, due in full in July 2052, secured by a deed of trust	1,940,000
2.90%, \$500,000 (CDBG funds) mortgage note payable to the Littleton Housing Authority, due in annual payments from net cash flow, as defined in the partnership agreement, due in full in July 2052, secured by a deed of trust	500,000
3.22%, \$1,310,000 mortgage note payable to South Metro Property Corporation, due in annual payments from net cash flow, as defined in the partnership agreement, due in full in July 2052, secured by a deed of trust	1,310,000
2.90%, \$675,000 mortgage note payable to the Littleton Housing Authority, due in annual payments from net cash flow, as defined in the partnership agreement, due in full in July 2052, secured by a deed of trust	<u>675,000</u>
	<u>4,950,000</u>
Total long-term debt - DPCU	9,936,964
Less current portion	<u>(71,372)</u>
Long-term debt, less current portion	<u><u>\$ 9,865,592</u></u>

Aggregate maturities of long-term debt are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2025	\$ 71,372
2026	75,016
2027	78,846
2028	82,872
2029	87,103
Thereafter	<u>9,541,755</u>
	<u><u>\$ 9,936,964</u></u>

Note 8 - Construction Note Payable

Discretely Presented Component Units

ESA LLLP has entered into a \$13,346,940 construction note payable with ANB Bank. Interest each month is at a fixed rate of 3.99%. Payment of interest only are due monthly through the date of which the Draw Period expires, as defined in the loan agreement. The construction note is expected to convert into permanent financing in April 2025 in the amount not to exceed \$5,580,000 and will mature in July 2040. The construction note payable is secured by a deed of trust, an assignment of leases and rents, security agreement, and fixture filing and a guarantee by the Authority. As of December 31, 2024, the balance of the construction note payable was \$12,670,049, of which \$7,090,049 is considered current.

Note 9 - Annual Contributions Contract

The Authority has an annual contributions contract for Section 8 HAP and adjustments vary based on requirements. The maximum contract was \$7,539,536 for the year ended September 30, 2025.

Note 10 - Related Party Transactions

Notes Receivable

As disclosed in Note 4, the Authority is owed on various notes receivable from PCA LLP, ESA LLP, and MVF LLP, with various interest rates. During 2025, the Authority earned interest income of \$284,257 on the notes receivable. As of September 30, 2025, the Authority was owed \$1,338,400 for accrued interest on the notes receivable.

Developer Fees

The Authority has entered into a development service agreement with PCA LLLP to earn a fee of \$633,021 in connection with the development and construction of the project. As of September 30, 2025, the Authority is owed \$229,537. The remaining fees are expected to be received during fiscal year 2026.

The Authority has entered into a development service agreement with ESA LLLP to earn a fee of \$1,677,247 in connection with the development and construction of the project, of which the Authority is to earn 50% of the fee and the remaining fee is to be earned by an unrelated entity. Any unpaid developer fees that are considered deferred, as defined in the Developer Agreement, are to bear interest of 3.22% and due to the Authority before the end of the compliance period. As of September 30, 2025, the Authority was owed \$734,716 for unpaid developer fees. The unpaid developer fees will be paid from capital contributions or from available cash.

The Authority has entered into a development service agreement with MVF LLLP to earn a fee of \$2,487,672 in connection with the development and construction of the project. As of September 30, 2025, the Authority earned total developer fees of \$995,068 based on the earning schedule in the agreement. Any unpaid developer fees that are considered deferred, as defined in the Developer Agreement, are to bear interest of 8% and due to the Authority before the end of the compliance period. As of September 30, 2025, the Authority was owed \$511,305 for unpaid developer fees. The unpaid developer fees will be paid from capital contributions or from available cash.

Management Fees

The Authority has entered into a management agreement with PCA LLLP. Terms established under the management agreement calls for the payment of management fees to the Authority in exchange for services provided in managing the project, equal to 6% of gross revenue. For the year ended September 30, 2025, the Authority earned approximately \$46,000 in management fees from PCA LLLP.

The Authority has entered into a management agreement with ESA LLLP. Terms established under the management agreement calls for the payment of management fees to the Authority in exchange for services provided in managing the project, equal to 5% of gross receipts. For the year ended September 30, 2025, the Authority earned approximately \$61,700 in management fees from ESA LLLP.

Reimbursements and Accounts Receivable

The Authority is reimbursed for various office expenses, payroll, benefits, and other expenses associated with the operations of the partnerships. As of September 30, 2025, the Authority was owed from PCA LLLP \$891,176 for unreimbursed expenses and is included in due from related party. As of September 30, 2025, the Authority was owed from ESA LLLP \$509,591, for unreimbursed expenses and is included in due from related party. As of September 30, 2025, the Authority was owed from MVF LLLP \$5,081 for construction costs paid on behalf of the entity and is included in due from related party.

Guarantees

The Authority has certain obligations related to the development of ESA LLLP and to fund any operating deficits on behalf of PCA LLLP and ESA LLLP during the compliance period, as defined in the partnership agreements. As of September 30, 2025, the Authority has not had to fund any operating deficits.

The Authority has certain construction obligations related to the development of MVF, LLLP during the construction period, as defined in the partnership agreements. As of September 30, 2025, the Authority has not had to fund any construction costs.

Partnership Fees

The Authority is a Special Limited Partner in Sierra Vista Housing Options, LLC. Pursuant to the partnership agreement, the Authority is to receive an annual fee of \$15,000, increasing 3% annually, from the project. During the year ended September 30, 2025, the Authority earned partnership fees of \$18,600. As of September 30, 2025, the Authority is owed \$61,725 from the project for partnership fees, and is included in due from related party.

Note 11 - Restricted Net Position

As of September 30, 2025, restricted net position consisted of \$281,485 in Section 8 HAP received but not yet paid to eligible individuals.

Note 12 - Compensated Absences

The Authority accounts for compensated absences in accordance with GASB Statements No. 16 and No. 101 and includes vacation and sick leave. Employees can earn vacation leave and sick leave at defined, bi-weekly amounts depending on length of service. Total leave accrued at September 30, 2025, was \$380,529. A liability for the expected use in 2026 of the 2025 carryforward balance was calculated based on ending balances as of September 30, 2025 and a usage factor from the past three years.

Note 13 - Employee Benefits

The Authority contributes to a multi-employer defined contribution 401(a) pension plan on behalf of all eligible full-time employees. Employees are eligible to participate in the plan upon employment and become fully vested after five years of service. For the year ended September 30, 2025, employees were no longer required to contribute 5% of their compensation to the plan. Under the revised provisions, participants could reduce their deferrals to as low as 2%, while the Authority continued to match contributions up to 5%.

In addition, the Authority plan offers all full-time employees the option to contribute to a 457(b) deferred compensation retirement. If an eligible employee elects to contribute, the Authority will contribute a match to the plan up to 2% of compensation.

For the years ended September 30, 2025, 2024, and 2023 the Authority contributed \$155,022, \$148,332, and \$149,590, respectively, to the plans.

Note 14 - HUD Regulatory Agreement and Rental Assistance Payment Agreement (Amity)

Amity has a mortgage note payable with Gershman Investment Corp., which is insured by HUD under Section 207/223(f). The original amount of the loan was \$16,000,000, incurs interest at 4.75% and calls for monthly payments of \$78,217, including interest through October 2057. Prepayment from November 1, 2023 to October 31, 2032, is subject to a prepayment penalty between 1 and 10 percent. Prepayment thereafter is not subject to a penalty. The loan is secured by a mortgage on all the property along with other things outlined in the Security Instrument agreement.

As of September 30, 2025, the balance of the loan was \$15,442,439. Future maturities of the loan for the next five years and thereafter are as follows: 2026 - \$209,614; 2027 - \$219,790; 2028 - \$230,460; 2029 - \$241,648; 2030 - \$253,380; thereafter \$14,287,547.

In addition, Amity (HUD Project No. 101-11316) has entered into a regulatory agreement with the HUD that contains the following provisions:

- During the term of the regulatory agreement, Amity is obligated to make monthly deposits as required by HUD (initial deposits of \$5,625). Disbursements from the reserve are to be used for the replacement of property and other necessary project expenditures and are to be made only with HUD approval. The funds may also be used as payment on the mortgage in the event of default.
- In the event of a default on the mortgage, all rents, profits, and income of the project are to be assigned to HUD.
- Under the terms of the regulatory agreement, Amity is required to maintain an account to hold security deposits collected from tenants. This account is required to be separate and apart from all other funds of the project in a trust account and the amount shall be at all times equal to or exceed the aggregate of all outstanding obligations under said account. As of September 30, 2025, the security deposits were fully funded.
- Under the terms of the regulatory agreement, Amity shall only make distributions as allowed by HUD from available surplus cash. For the year ending September 30, 2025, distributions in the amount of \$4,462,739 were made to the owner from surplus cash.

Amity is party to a PBRA housing assistance payments contract for all of the units in the Project (Section 8 Project Number CO99H001046), administered by the Colorado Housing and Finance Agency (CHFA). The renewal contract term begins on June 1, 2022, and shall expire after 20 years. The contract contains the following significant provisions:

- All dwelling units subject to the Section 8 Contract must be rented to families eligible to receive the benefit of rental assistance payments. Contract rents are established for each unit, with the tenant paying a portion of the contract rent based on the person's income level and the balance paid by CHFA.

Note 15 - Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority carries commercial insurance for these risks of loss, including worker's compensation and employee accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. Limits of insurance coverage have been adjusted annually. As a political subdivision of the State of Colorado, the Authority has immunity protection under the Colorado governmental immunity act CRS 24 10 101.

Note 16 - Commitments and Contingencies

Claims and Judgments

The Authority participates in a number of federal, state, and local programs that are fully or partially funded by grants received from other governmental units. Expenses financed by grants are subject to audit by the appropriate grantor government. If expenses are disallowed due to noncompliance with grant program regulations, the Authority may be required to reimburse the grantor government. The Authority believes that disallowed expenses, if any, will not have a material effect on the overall financial position of the Authority.

Tabor Amendment

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local government. The amendment is complex and subject to judicial interpretation. Management believes the Authority is exempt from the provisions of the Amendment.

Forgivable Loans

During 2012, the Authority received a loan in the amount of \$450,000 from Vectra Bank under the Federal Home Loan Bank Affordable Housing Program to finance improvements to the Powers Circle Apartments. The loan is non-interest bearing and will be forgiven in its entirety after 15 years if the property is used as very low-income housing, defined as households whose income is 60% or less of area median gross income. The funds were recorded as revenue as there is a remote chance they would need to repay the funds.

The Housing Authority of the City of Littleton, Colorado

Notes to Financial Statements

September 30, 2025

Note 17 - Condensed Component Unit Information

Condensed component unit information for South Metro Property Corporation and Amity Plaza, LLC, the Authority's significant blended component units, as of and for the year ended September 30, 2025 is as follows:

Condensed Statement of Net Position

	<u>South Metro Property</u>	<u>Amity Plaza</u>	<u>Total</u>
Assets			
Current assets	\$ 4,747,826	\$ 1,996,108	\$ 6,743,934
Noncurrent assets	9,082,738	269,474	9,352,212
Capital assets	<u>11,784,897</u>	<u>4,324,871</u>	<u>16,109,768</u>
Total assets	<u>\$ 25,615,461</u>	<u>\$ 6,590,453</u>	<u>\$ 32,205,914</u>
Liabilities and Deferred Inflows			
Current liabilities	\$ 1,778,021	\$ 499,637	\$ 2,277,658
Noncurrent liabilities	7,755,424	15,242,286	22,997,710
Deferred inflows	<u>3,389,773</u>	<u>269,474</u>	<u>3,659,247</u>
Total liabilities and deferred inflows	<u>12,923,218</u>	<u>16,011,397</u>	<u>28,934,615</u>
Net Position	<u>12,692,243</u>	<u>(9,420,944)</u>	<u>3,271,299</u>
Total Liabilities and Net Position	<u>\$ 25,615,461</u>	<u>\$ 6,590,453</u>	<u>\$ 32,205,914</u>

The Housing Authority of the City of Littleton, Colorado

Notes to Financial Statements

September 30, 2025

Condensed Statement of Revenues, Expenses, and Changes in Net Position			
	<u>South Metro Property</u>	<u>Amity Plaza</u>	<u>Total</u>
Operating Revenues			
HUD PHA grants	\$ -	\$ 2,780,442	\$ 2,780,442
Other grants	221,856	-	221,856
Rental income	737,662	815,681	1,553,343
Administrative fees	-	-	-
Developer fees	-	-	-
Other	111,341	49,594	160,935
Total Operating Revenues	<u>1,070,859</u>	<u>3,645,717</u>	<u>4,716,576</u>
Operating Expenses			
Tenant services	-	31,161	31,161
Administrative salaries and benefits	343,844	216,084	559,928
Other administrative	706,141	287,296	993,437
Maintenance salaries	94,576	303,132	397,708
Regular and extraordinary maintenance	462,965	519,174	982,139
Depreciation	238,160	454,571	692,731
Utilities	126,254	205,719	331,973
Taxes and insurance	274,104	253,940	528,044
Other	87,064	47,239	134,303
Total Operating Expenses	<u>2,333,108</u>	<u>2,318,316</u>	<u>4,651,424</u>
Operating Income (Loss)	<u>(1,262,249)</u>	<u>1,327,401</u>	<u>65,152</u>
Non-Operating Revenues (Expenses)			
Interest income	187,660	100,906	288,566
Gain on sale of property and equipment	928,875	-	928,875
Interest expense	(229,548)	(737,905)	(967,453)
Contribution expense	(996,107)	-	(996,107)
Total Non-Operating Revenues (Expenses)	<u>(109,120)</u>	<u>(636,999)</u>	<u>(746,119)</u>
Change in Net Position	(1,371,369)	690,402	(680,967)
Equity Transfers	137,405	(4,442,739)	(4,305,334)
Net Position, Beginning of Year	<u>13,926,207</u>	<u>(5,668,607)</u>	<u>8,257,600</u>
Net Position, End of Year	<u>\$ 12,692,243</u>	<u>\$ (9,420,944)</u>	<u>\$ 3,271,299</u>

The Housing Authority of the City of Littleton, Colorado

Notes to Financial Statements

September 30, 2025

Condensed Statement of Cash Flows

	<u>South Metro Property</u>	<u>Amity Plaza</u>	<u>Total</u>
Net Cash from (used for):			
Operating activities	\$ 549,101	\$ 1,714,885	\$ 2,263,986
Capital and related financing activities	(2,931,579)	(4,761,526)	(7,693,105)
Investing activities	2,213,341	(636,999)	1,576,342
	<u> </u>	<u> </u>	<u> </u>
Net Change in Cash	(169,137)	(3,683,640)	(3,852,777)
Cash, Beginning of Year	<u>3,320,426</u>	<u>5,571,616</u>	<u>8,892,042</u>
Cash, End of Year	<u>\$ 3,151,289</u>	<u>\$ 1,887,976</u>	<u>\$ 5,039,265</u>

Note 18 - Subsequent Events

Subsequent to year-end, the following activities took place within the Organization:

- Sold twelve homes to unrelated parties with sales prices ranging from approximately \$200,000 to \$245,000 per home.
- Purchased a plot of land located at 439 W. Littleton Blvd. from an unrelated party for \$1,550,000.

The Organization has evaluated subsequent events through January 21, 2026, the date which the financial statements were available to be issued.

Supplementary Information
September 30, 2025

The Housing Authority of the City of Littleton, Colorado

The Housing Authority of the City of Littleton, Colorado
Combining Statement of Net Position
September 30, 2025

	Housing Choice Vouchers	Development	South Metro Property	Amity Plaza	Libby Bartz	J.W. Newey	Alyson Court	Bradley House	Eliminations	Total
Cash and cash equivalents	\$ 234,137	\$ 4,628,560	\$ 2,969,025	\$ 1,169,182	\$ 645,772	\$ 478,129	\$ 194,942	\$ 2,879	\$ -	\$ 10,322,626
Restricted cash and cash equivalents	283,325	36,259	182,264	718,794	180,436	6,113	26,145	60,380	-	1,493,716
Accounts receivable										
Accounts receivable - tenants	15,140	7,328	2,808	51,790	88,186	13,412	-	-	-	178,664
Accounts receivable - due from other agencies	352,952	860	-	-	-	-	-	-	-	353,812
Accounts receivable - due from related party	-	967,209	500,364	-	-	-	-	-	-	1,467,573
Accounts receivable - grants	5,000	601,000	-	-	-	-	-	-	-	606,000
Prepaid expenses	9,778	18,937	97,045	33,042	68,201	3,580	11,176	13,302	-	255,061
Inventory	-	-	-	-	298	-	-	-	-	298
Developer fees receivable	-	229,537	608,761	-	-	-	-	-	-	838,298
Due from other programs	-	1,255,986	387,559	23,300	-	-	-	-	(1,666,845)	-
Total current assets	900,332	7,745,676	4,747,826	1,996,108	982,893	501,234	232,263	76,561	(1,666,845)	15,516,048
Land	-	929,850	2,581,250	1,206,552	330,553	176,387	1,288,000	585,179	-	7,097,771
Buildings and improvements	-	4,730,447	8,839,626	11,422,255	7,271,715	1,721,091	3,804,329	4,743,155	-	42,532,618
Furniture and equipment	19,951	199,296	-	310,330	572,218	1,259	3,778	34,986	-	1,141,818
Construction in progress	-	46,909	1,147,808	230,659	-	-	-	-	-	1,425,376
Accumulated depreciation	(7,981)	(1,168,323)	(783,787)	(8,844,925)	(6,263,064)	(1,432,492)	(2,431,829)	(4,187,207)	-	(25,119,608)
Total capital assets, net of accumulated depreciation	11,970	4,738,179	11,784,897	4,324,871	1,911,422	466,245	2,664,278	1,176,113	-	27,077,975
Developer fees receivable, net of current portion	-	511,305	125,955	-	-	-	-	-	-	637,260
Lease receivable	-	1,067,730	3,389,773	269,474	-	-	-	836,907	-	5,563,884
Investment in future projects	-	-	1,557,366	-	-	-	-	-	-	1,557,366
Interest receivable	-	1,138,756	199,644	-	-	-	-	-	-	1,338,400
Notes receivable	-	8,192,466	3,810,000	-	-	-	-	-	-	12,002,466
Total noncurrent assets	11,970	15,648,436	20,867,635	4,594,345	1,911,422	466,245	2,664,278	2,013,020	-	48,177,351
Total Assets	\$ 912,302	\$ 23,394,112	\$ 25,615,461	\$ 6,590,453	\$ 2,894,315	\$ 967,479	\$ 2,896,541	\$ 2,089,581	\$ (1,666,845)	\$ 63,693,399

The Housing Authority of the City of Littleton, Colorado
Combining Statement of Net Position
September 30, 2025

	Housing Choice Vouchers	Development	South Metro Property	Amity Plaza	Libby Bortz	J.W. Newey	Alyson Court	Bradley House	Eliminations	Total
Current Liabilities										
Accounts payable	\$ 64,478	\$ 114,603	\$ 850,777	\$ 72,756	\$ 591	\$ 223,517	\$ 18,417	\$ 30,280	\$ -	\$ 1,375,419
Accounts payable - HUD	1,840	-	-	-	-	-	-	-	-	1,840
Accrued payroll	10,806	40,465	17,951	11,411	33,462	4,037	5,964	3,545	-	127,641
Accrued compensated absences - current portion	20,754	78,231	32,808	34,593	132,084	14,424	12,683	6,001	-	331,578
Accrued interest payable	-	10,489	31,123	61,126	9,502	8,853	7,580	-	-	128,673
Unearned revenue	1,388	2,918	13,729	5,542	1,730	1,927	5,889	3,646	-	36,769
Tenant security deposits payable	4,385	30,983	44,847	65,930	180,436	3,051	24,023	25,153	-	378,808
Due to related party	-	-	399	-	-	-	-	-	-	399
Due to other programs	-	1,046,158	559,222	38,665	90	-	22,710	-	(1,666,845)	-
Notes and mortgages payable, current portion	-	70,305	227,165	209,614	22,187	23,452	55,437	-	-	608,160
Total current liabilities	103,651	1,394,152	1,778,021	499,637	380,082	279,261	152,703	68,625	(1,666,845)	2,989,287
Accrued compensated absences - long-term	6,548	18,410	6,416	9,461	-	3,208	3,190	1,718	-	48,951
Notes and mortgages payable, net of current portion	-	2,157,404	7,749,008	15,232,825	2,823,399	1,437,878	1,994,659	-	-	31,395,173
Total long-term liabilities	6,548	2,175,814	7,755,424	15,242,286	2,823,399	1,441,086	1,997,849	1,718	-	31,444,124
Total Liabilities	110,199	3,569,966	9,533,445	15,741,923	3,203,481	1,720,347	2,150,552	70,343	(1,666,845)	34,433,411
Deferred Inflows	-	1,067,730	3,389,773	269,474	-	-	-	836,907	-	5,563,884
Net Position										
Net investment in capital assets	11,970	2,510,470	3,808,724	(11,117,568)	(934,164)	(995,085)	614,182	1,176,113	-	(4,925,358)
Restricted	281,485	-	-	-	-	-	-	-	-	281,485
Unrestricted	508,648	16,245,946	8,883,519	1,696,624	624,998	242,217	131,807	6,218	-	28,339,977
Total Net Position	802,103	18,756,416	12,692,243	(9,420,944)	(309,166)	(752,868)	745,989	1,182,331	-	23,696,104
Total Liabilities, Deferred Inflows and Net Position	\$ 912,302	\$ 23,394,112	\$ 25,615,461	\$ 6,590,453	\$ 2,894,315	\$ 967,479	\$ 2,896,541	\$ 2,089,581	\$ (1,666,845)	\$ 63,693,399

The Housing Authority of the City of Littleton, Colorado
Combining Statement of Revenues, Expenses and Changes in Net Position
Year Ended September 30, 2025

	Housing Choice Vouchers	Development	South Metro Property	Amity Plaza	Libby Bortz	J.W. Newey	Alyson Court	Bradley House	Eliminations	Total
Operating Revenues										
HUD PHA grants	\$ 7,691,411	\$ -	\$ -	\$ 2,780,442	\$ -	\$ 56,507	\$ 648,070	\$ 242,200	\$ -	\$ 11,418,630
Other grants	-	1,800,000	221,856	-	-	-	-	-	-	2,021,856
Rental income	-	516,456	737,662	815,681	-	28,090	262,549	298,227	(175,544)	2,483,121
Resident service revenue	-	-	-	-	3,328,638	-	-	-	-	3,328,638
Administrative fees	-	550,496	-	-	-	-	-	-	(417,779)	132,717
Developer fees	-	995,068	-	-	-	-	-	-	-	995,068
Other	3,965,353	1,233,191	111,341	49,594	-	148	4,423	47,944	(996,107)	4,415,887
Total Operating Revenues	11,656,764	5,095,211	1,070,859	3,645,717	3,328,638	84,745	915,042	588,371	(1,589,430)	24,795,917
Operating Expenses										
Housing assistance payments	6,992,652	-	-	-	-	-	-	-	-	6,992,652
Tenant services	8,962	3,585	-	31,161	932,376	21,447	39,558	43,434	-	1,080,523
Administrative salaries and benefits	361,423	739,048	343,844	216,084	1,154,394	116,163	157,112	86,212	-	3,174,280
Other administrative	223,888	592,561	706,141	287,296	600,981	31,969	103,058	85,093	(593,323)	2,037,664
Maintenance salaries	95,607	300,759	94,576	303,132	114,861	51,875	95,418	68,311	-	1,124,539
Regular and extraordinary maintenance	11,304	193,849	462,965	519,174	158,657	41,609	128,160	136,168	-	1,651,886
Depreciation	3,990	197,775	238,160	454,571	203,886	15,860	113,295	66,832	-	1,294,369
Utilities	-	40,720	126,254	205,719	139,783	22,623	47,256	98,299	-	680,654
Taxes and insurance	16,199	44,205	274,104	253,940	75,685	25,189	61,832	84,334	-	835,488
Other	3,748,144	387,659	87,064	47,239	51,318	12,170	3,112	(2,477)	-	4,334,229
Total Operating Expenses	11,462,169	2,500,161	2,333,108	2,318,316	3,431,941	338,905	748,801	666,206	(593,323)	23,206,284
Operating Income (Loss)	194,595	2,595,050	(1,262,249)	1,327,401	(103,303)	(254,160)	166,241	(77,835)	(996,107)	1,589,633
Non-Operating Revenues (Expenses)										
Interest income	-	285,669	187,660	100,906	10,190	30,662	-	-	-	615,087
Gain on sale of property and equipment	-	-	928,875	-	-	955,211	-	-	-	1,884,086
Interest expense	-	(129,365)	(229,548)	(737,905)	(118,775)	(167,197)	(96,534)	-	-	(1,479,324)
Contributions expense	-	-	(996,107)	-	-	-	-	-	996,107	-
Total Non-Operating Revenues (Expenses)	-	156,304	(109,120)	(636,999)	(108,585)	818,676	(96,534)	-	996,107	1,019,849
Income (Loss) Before Transfers	194,595	2,751,354	(1,371,369)	690,402	(211,888)	564,516	69,707	(77,835)	-	2,609,482
Equity Transfers	-	4,305,334	137,405	(4,442,739)	-	-	-	-	-	-
Change in Net Position	194,595	7,056,688	(1,233,964)	(3,752,337)	(211,888)	564,516	69,707	(77,835)	-	2,609,482
Net Position, Beginning of Year	607,508	11,699,728	13,926,207	(5,668,607)	(97,278)	(1,317,384)	676,282	1,260,166	-	21,086,622
Net Position, End of Year	\$ 802,103	\$ 18,756,416	\$ 12,692,243	\$ (9,420,944)	\$ (309,166)	\$ (752,868)	\$ 745,989	\$ 1,182,331	\$ -	\$ 23,696,104

The Housing Authority of the City of Littleton, Colorado

Combining Statement of Net Position - FDS

September 30, 2025

	Business Activities	14.871 Housing Choice Vouchers	14.195 Section 8 Housing Assistance	Blended Component Units	Eliminations	Total
Cash and cash equivalents	\$ 5,274,332	\$ 234,137	\$ 675,950	\$ 4,138,207	\$ -	\$ 10,322,626
Restricted cash and cash equivalents	216,695	283,325	92,638	901,058	-	1,493,716
Accounts receivable						
Accounts receivable - tenants	95,514	15,140	13,412	54,598	-	178,664
Accounts receivable - due from other agencies	860	352,952	-	-	-	353,812
Accounts receivable - due from related party	967,209	-	-	500,364	-	1,467,573
Accounts receivable - grants	601,000	5,000	-	-	-	606,000
Prepaid expenses	87,138	9,778	28,058	130,087	-	255,061
Inventory	298	-	-	-	-	298
Developer fees receivable	229,537	-	-	608,761	-	838,298
Due from other programs	1,255,986	-	-	410,859	(1,666,845)	-
Total current assets	8,728,569	900,332	810,058	6,743,934	(1,666,845)	15,516,048
Land	1,260,403	-	2,049,566	3,787,802	-	7,097,771
Buildings and improvements	12,002,162	-	10,268,575	20,261,881	-	42,532,618
Furniture and equipment	771,514	19,951	40,023	310,330	-	1,141,818
Construction in progress	46,909	-	-	1,378,467	-	1,425,376
Accumulated depreciation	(7,431,387)	(7,981)	(8,051,528)	(9,628,712)	-	(25,119,608)
Total capital assets, net of accumulated depreciation	6,649,601	11,970	4,306,636	16,109,768	-	27,077,975
Developer fees receivable, net of current portion	511,305	-	-	125,955	-	637,260
Lease receivable	1,067,730	-	836,907	3,659,247	-	5,563,884
Investment in future projects	-	-	-	1,557,366	-	1,557,366
Interest receivable	1,138,756	-	-	199,644	-	1,338,400
Notes receivable	8,192,466	-	-	3,810,000	-	12,002,466
Total noncurrent assets	17,559,858	11,970	5,143,543	25,461,980	-	48,177,351
Total Assets	\$ 26,288,427	\$ 912,302	\$ 5,953,601	\$ 32,205,914	\$ (1,666,845)	\$ 63,693,399

The Housing Authority of the City of Littleton, Colorado
Combining Statement of Net Position - FDS
September 30, 2025

	Business Activities	14.871 Housing Choice Vouchers	14.195 Section 8 Housing Assistance	Blended Component Units	Eliminations	Total
Current Liabilities						
Accounts payable	\$ 115,194	\$ 64,478	\$ 272,214	\$ 923,533	\$ -	\$ 1,375,419
Accounts payable - HAP	-	1,840	-	-	-	1,840
Accrued payroll	73,927	10,806	13,546	29,362	-	127,641
Accrued compensated absences - current portion	210,315	20,754	33,108	67,401	-	331,578
Accrued interest payable	19,991	-	16,433	92,249	-	128,673
Unearned revenue	4,648	1,388	11,462	19,271	-	36,769
Tenant security deposits payable	211,419	4,385	52,227	110,777	-	378,808
Due to related party	-	-	-	399	-	399
Due to other programs	1,046,248	-	22,710	597,887	(1,666,845)	-
Notes and mortgages payable, current portion	92,492	-	78,889	436,779	-	608,160
Total current liabilities	<u>1,774,234</u>	<u>103,651</u>	<u>500,589</u>	<u>2,277,658</u>	<u>(1,666,845)</u>	<u>2,989,287</u>
Accrued compensated absences - long-term	18,410	6,548	8,116	15,877	-	48,951
Notes and mortgages payable, net of current portion	4,980,803	-	3,432,537	22,981,833	-	31,395,173
Total long-term liabilities	<u>4,999,213</u>	<u>6,548</u>	<u>3,440,653</u>	<u>22,997,710</u>	<u>-</u>	<u>31,444,124</u>
Total Liabilities	<u>6,773,447</u>	<u>110,199</u>	<u>3,941,242</u>	<u>25,275,368</u>	<u>(1,666,845)</u>	<u>34,433,411</u>
Deferred Inflows	1,067,730	-	836,907	3,659,247	-	5,563,884
Net Position						
Net investment in capital assets	1,576,306	11,970	795,210	(7,308,844)	-	(4,925,358)
Restricted	-	281,485	-	-	-	281,485
Unrestricted	16,870,944	508,648	380,242	10,580,143	-	28,339,977
Total Net Position	<u>18,447,250</u>	<u>802,103</u>	<u>1,175,452</u>	<u>3,271,299</u>	<u>-</u>	<u>23,696,104</u>
Total Liabilities, Deferred Inflows and Net Position	<u>\$ 26,288,427</u>	<u>\$ 912,302</u>	<u>\$ 5,953,601</u>	<u>\$ 32,205,914</u>	<u>\$ (1,666,845)</u>	<u>\$ 63,693,399</u>

The Housing Authority of the City of Littleton, Colorado
Combining Statement of Revenues, Expenses and Changes in Net Position - FDS
Year Ended September 30, 2025

	Business Activities	14.871 Housing Choice Vouchers	14.195 Section 8 Housing Assistance	Blended Component Units	Eliminations	Total
Operating Revenues						
HUD PHA grants	\$ -	\$ 7,691,411	\$ 946,777	\$ 2,780,442	\$ -	\$ 11,418,630
Other grants	1,800,000	-	-	221,856	-	2,021,856
Rental income	516,456	-	588,866	1,553,343	(175,544)	2,483,121
Resident service revenue	3,328,638	-	-	-	-	3,328,638
Administrative fees	550,496	-	-	-	(417,779)	132,717
Developer fees	995,068	-	-	-	-	995,068
Other	1,233,191	3,965,353	52,515	160,935	(996,107)	4,415,887
Total Operating Revenues	8,423,849	11,656,764	1,588,158	4,716,576	(1,589,430)	24,795,917
Operating Expenses						
Housing assistance payments	-	6,992,652	-	-	-	6,992,652
Tenant services	935,961	8,962	104,439	31,161	-	1,080,523
Administrative salaries and benefits	1,893,442	361,423	359,487	559,928	-	3,174,280
Other administrative	1,193,542	223,888	220,120	993,437	(593,323)	2,037,664
Maintenance salaries	415,620	95,607	215,604	397,708	-	1,124,539
Regular and extraordinary maintenance	352,506	11,304	305,937	982,139	-	1,651,886
Depreciation	401,661	3,990	195,987	692,731	-	1,294,369
Utilities	180,503	-	168,178	331,973	-	680,654
Taxes and insurance	119,890	16,199	171,355	528,044	-	835,488
Other	438,977	3,748,144	12,805	134,303	-	4,334,229
Total Operating Expenses	5,932,102	11,462,169	1,753,912	4,651,424	(593,323)	23,206,284
Operating Income (Loss)	2,491,747	194,595	(165,754)	65,152	(996,107)	1,589,633
Non-Operating Revenues (Expenses)						
Interest income	295,859	-	30,662	288,566	-	615,087
Gain on sale of property and equipment	-	-	955,211	928,875	-	1,884,086
Interest expense	(248,140)	-	(263,731)	(967,453)	-	(1,479,324)
Contribution expense	-	-	-	(996,107)	996,107	-
Total Non-Operating Revenues (Expenses)	47,719	-	722,142	(746,119)	996,107	1,019,849
Income (Loss) Before Transfers	2,539,466	194,595	556,388	(680,967)	-	2,609,482
Equity Transfers	4,305,334	-	-	(4,305,334)	-	-
Change in Net Position	6,844,800	194,595	556,388	(4,986,301)	-	2,609,482
Net Position, Beginning of Year	11,602,450	607,508	619,064	8,257,600	-	21,086,622
Net Position, End of Year	\$ 18,447,250	\$ 802,103	\$ 1,175,452	\$ 3,271,299	\$ -	\$ 23,696,104

The Housing Authority of the City of Littleton, Colorado
Schedule of Expenditures of Federal Awards
Year Ended September 30, 2025

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Housing and Urban Development			
<i>Direct Programs:</i>			
Housing Voucher Cluster			
Section 8 Housing Choice Vouchers	14.871	N/A	<u>\$ 11,458,179</u>
Section 8 Project-Based Cluster			
Section 8 Housing Assistance Payments	14.195	N/A	<u>3,727,219</u>
Mortgage Insurance for the Purchase or Refinance of Existing Multifamily Housing Projects	14.155	N/A	<u>15,642,347</u>
Public Housing Operating Fund	14.850	N/A	<u>221,856</u>
<i>Passed through the County of Arapahoe:</i>			
Community Development Block Grant-Entitlement Grants Cluster			
Community Development Block Grant Funds	14.218	ACHS2412	300,000
Community Development Block Grant Funds	14.218	CEHS2409	<u>600,000</u>
Total Community Development Block Grant-Entitlement Grants Cluster			<u>900,000</u>
Total Federal Financial Assistance			<u>\$ 31,949,601</u>

Note 1 – Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of The Housing Authority of the City of Littleton, Colorado under programs of the federal government for the year ended September 30, 2025. The information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of The Housing Authority of the City of Littleton, Colorado, it is not intended to and does not present the financial position, changes in net position, or cash flows of The Housing Authority of the City of Littleton, Colorado.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified 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. No federal financial assistance has been provided to a subrecipient.

Note 3 - Indirect Cost Rate

The Authority has not elected to use the 10% de minimis cost rate and does not draw for indirect administrative expenses.

Note 4 – Federally Funded and Insured Mortgage

The mortgage balance at the beginning of the year and loans made during the year are included in the federal expenditures presented in the Schedule. The balance of the outstanding federally insured mortgage as of September 30, 2025, is \$15,442,439.

Supplementary Information Required by HUD
September 30, 2025

The Housing Authority of the City of Littleton, Colorado

HUD Project Number 101-11316

The Housing Authority of the City of Littleton, Colorado

South Metro Housing Options

HUD Project Number 101-11316

Supplementary Information Required By HUD

Balance Sheet - Assets

September 30, 2025

Current Assets

1120	Cash in bank	\$ 1,169,182
1130	Accounts receivable, tenants	40,254
1135	Accounts receivable - HUD	11,536
1140	Accounts receivable - entity	23,300
1200	Prepaid expenses	33,042
		<u>1,277,314</u>
	1100T Total current assets	<u>1,277,314</u>

Deposits Held in Trust

1191	Tenant security deposits	<u>73,178</u>
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Restricted Deposits and Funded Reserves

1310	Mortgage escrow deposits	135,578
1320	Replacement reserve	510,038
		<u>645,616</u>
	1300T Total deposits	<u>645,616</u>

Property and Equipment, at Cost

1410	Land	1,887,747
1420	Buildings and improvements	10,741,060
1460	Furnishings	310,330
1490	Miscellaneous fixed assets - construction in progress	230,659
		<u>13,169,796</u>

	1400T Total fixed assets	13,169,796
1495	Accumulated depreciation	<u>(8,844,925)</u>

	1400N Net fixed assets	<u>4,324,871</u>
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1590	Miscellaneous other assets - lease receivable	<u>269,474</u>
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	1000T Total assets	<u>\$ 6,590,453</u>
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The Housing Authority of the City of Littleton, Colorado

South Metro Housing Options

HUD Project Number 101-11316

Supplementary Information Required By HUD

Balance Sheet - Liabilities and Member's Equity

September 30, 2025

Liabilities and Member's Equity

Current Liabilities

2110	Accounts payable	\$	72,756
2113	Accounts payable - entity		38,665
2120	Accrued wages payable		55,465
2131	Accrued interest payable - first mortgage		61,126
2170	Mortgage payable - first mortgage		209,614
2210	Prepaid rent		5,542

2122T	Total current liabilities		<u>443,168</u>
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Deposit Liability

2191	Tenant security deposits payable		<u>65,930</u>
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Long-Term Liability

2320	Mortgage payable - first mortgage		15,232,825
2390	Miscellaneous long term liabilities - lease liability		269,474

2300T	Total long term liabilities		<u>15,502,299</u>
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2000T	Total liabilities		<u>16,011,397</u>
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Member's Equity

3131	Net assets without donor restrictions		<u>(9,420,944)</u>
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2033T	Total liabilities and equity/net assets	\$	<u><u>6,590,453</u></u>
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The Housing Authority of the City of Littleton, Colorado

South Metro Housing Options

HUD Project Number 101-11316

Supplementary Information Required By HUD

Statement of Profit and Loss - page 1

Year Ended September 30, 2025

Rental Income		
5120	Rent revenue - gross potential	\$ 815,681
5121	Tenant assistance payments	2,780,442
5190	Miscellaneous rent revenue	153
		<hr/>
5100T	Total rent revenue	3,596,276
		<hr/>
5152N	Net rental revenue (rent revenue less vacancies and concessions)	3,596,276
		<hr/>
Financial Revenue		
5440	Interest income - replacement reserve	17,235
5490	Miscellaneous financial revenue	83,671
		<hr/>
5400T	Total financial revenue	100,906
		<hr/>
Other Revenue		
5910	Laundry and vending	18,903
5920	Tenant charges	4,180
5990	Miscellaneous	26,396
		<hr/>
5900T	Total other revenue	49,479
		<hr/>
5000T	Total Revenue	3,746,661
		<hr/>
Administrative Expenses		
6210	Advertising and marketing	801
6310	Office salaries	212,613
6311	Office supplies	34,273
6312	Office rent	-
6320	Management fees	218,868
6330	Manager/superintendent salaries	25,255
6340	Legal	43,250
6350	Auditing	3,206
6351	Bookkeeping fees	-
6370	Bad debt	28,525
6390	Miscellaneous administrative expenses	4,100
		<hr/>
6263T	Total administrative expenses	570,891
		<hr/>
Utilities Expense		
6450	Electricity	83,031
6451	Water	33,538
6452	Gas	32,073
6453	Sewer	57,077
		<hr/>
6400T	Total utilities expense	205,719
		<hr/>

The Housing Authority of the City of Littleton, Colorado

South Metro Housing Options

HUD Project Number 101-11316

Supplementary Information Required By HUD

Statement of Profit and Loss - page 2

Year Ended September 30, 2025

Operating and Maintenance Expenses	
6510 Payroll	\$ 187,312
6515 Supplies	52,687
6520 Contracts	436,329
6525 Garbage and trash removal	16,738
6546 Heating/cooling repairs	8,055
6548 Snow removal	5,366
6570 Auto and fuel	-
6590 Miscellaneous operating and maintenance expenses	<u>9,445</u>
6500T Total operating and maintenance expenses	<u>715,932</u>
Taxes and Insurance Expenses	
6711 Payroll taxes	32,397
6720 Property and liability insurance	207,073
6722 Workman's compensation	8,072
6723 Health insurance and other benefits	<u>84,904</u>
6700T Total taxes and insurance expense	<u>332,446</u>
Financial Expense	
6830 Interest on notes payable	737,905
6850 Mortgage insurance premium	<u>38,795</u>
6800T Total financial expenses	<u>776,700</u>
6000T Total Cost of Operations Before Depreciation	<u>2,601,688</u>
5060T Profit (Loss) Before Depreciation	1,144,973
6600 Depreciation	<u>454,571</u>
3247 Change in net assets without donor restrictions	<u><u>\$ 690,402</u></u>

The Housing Authority of the City of Littleton, Colorado

South Metro Housing Options

HUD Project Number 101-11316

Supplementary Information Required By HUD

Statement of Profit and Loss - page 3

Year Ended September 30, 2025

S1000-010 Total principal payments required under the mortgage, even if payments under a Workout Agreement are less or more than those required under the mortgage.	<u>\$ 199,908</u>
S1000-020 Replacement Reserve deposits required by the Regulatory Agreement or Amendments thereto, even if payments may be temporarily suspended or waived.	<u>\$ 67,500</u>
S1000-030 Replacement Reserves, or Residual Receipts and Releases which included as expense items on this Profit and Loss Statement.	<u>N/A</u>

The Housing Authority of the City of Littleton, Colorado

South Metro Housing Options

HUD Project Number 101-11316

Supplementary Information Required by HUD

Attachment to Statement of Profit and Loss

Year Ended September 30, 2025

Account No. 5190 Miscellaneous rent revenue	
Other miscellaneous tenant income	\$ 153
	<u> </u>
Account No. 5490 Miscellaneous Financial Revenue	
Investment income	\$ 83,671
	<u> </u>
Account No. 5990 Miscellaneous Other Revenue	
Cell phone tower rent	\$ 25,128
Miscellaneous other revenue	1,268
	<u> </u>
	<u> </u>
	\$ 26,396
	<u> </u>
Account No. 6390 Miscellaneous administrative expenses	
Travel & meals	\$ 143
Membership dues and fees	38
Late fees	1,074
Bank fees	44
Other miscellaneous administrative expenses	2,801
	<u> </u>
	<u> </u>
	\$ 4,100
	<u> </u>
Account No. 6590 Miscellaneous Operating and Maintenance Expenses	
Resident screening	\$ 2,041
Resident services - recreation & publications	3,865
Tenant relocation	3,539
	<u> </u>
	<u> </u>
	\$ 9,445
	<u> </u>

The Housing Authority of the City of Littleton, Colorado

South Metro Housing Options

HUD Project Number 101-11316

Supplementary Information Required by HUD

Statement of Member's Equity

Year Ended September 30, 2025

S1100-060	Previous year net assets without donor restrictions	\$ (5,668,607)
3247	Net income	690,402
S1100-065	Other changes, allowed distributions	<u>(4,442,739)</u>
3130	End of year	<u><u>\$ (9,420,944)</u></u>

The Housing Authority of the City of Littleton, Colorado

South Metro Housing Options
 HUD Project Number 101-11316
 Supplementary Information Required By HUD
 Statement of Cash Flows - page 1
 Year Ended September 30, 2025

Operating Activities

Receipts

S1200-010 Rental receipts	\$ 3,522,353
S1200-020 Interest receipts	100,906
S1200-030 Other operating receipts	49,479

S1200-040 Total receipts	3,672,738
--------------------------	-----------

Expenses

S1200-050 Administrative	(371,047)
S1200-070 Management fee	(218,868)
S1200-090 Utilities	(207,282)
S1200-100 Salaries and wages	(205,318)
S1200-110 Operating and maintenance	(508,182)
S1200-140 Property insurance	(152,892)
S1200-150 Miscellaneous taxes and insurance	(125,373)
S1200-160 Tenant security deposits, net	(6,916)
S1200-180 Interest payments, first mortgage	(738,697)
S1200-210 Mortgage insurance premium	(38,795)
S1200-225 Entity disbursements	(32,926)

S1200-230 Total disbursements	(2,606,296)
-------------------------------	-------------

S1200-240 Net Cash from Operating Activities	1,066,442
--	-----------

Investing Activities

S1200-245 Net withdrawals from the mortgage escrow	(1,549)
S1200-250 Net withdrawals from the replacement reserve	109,670
S1200-330 Net purchase of fixed assets	(118,879)

S1200-350 Net Cash used for Investing Activities	(10,758)
--	----------

Financing Activities

S1200-360 Principal payments on the first mortgage	(199,908)
S1200-420 Distributions	(4,442,739)

S1200-460 Net Cash used for Financing Activities	(4,642,647)
--	-------------

S1200-470 Net Change in Cash	(3,586,963)
------------------------------	-------------

S1200-480 Cash, Beginning of Period	4,756,145
-------------------------------------	-----------

S1200T Cash, End of Period	\$ 1,169,182
----------------------------	--------------

The Housing Authority of the City of Littleton, Colorado

South Metro Housing Options

HUD Project Number 101-11316

Supplementary Information Required By HUD

Statement of Cash Flows - page 2

Year Ended September 30, 2025

Reconciliation of Net Income to	
Net Cash from Operating Activities	
3250 Net income	\$ 690,402
Adjustments to reconcile net income to net cash	
from operating activities	
6600 Depreciation	454,571
6370 Bad debt	28,525
Changes in assets and liabilities	
S1200-490 Accounts receivable - tenants	(39,362)
S1200-500 Accounts receivable - other	(32,926)
S1200-520 Prepaid expenses	54,181
S1200-530 Tenant security deposits	(11,444)
S1200-540 Accounts payable	(53,929)
S1200-560 Accrued expenses	7,249
S1200-570 Accrued interest	(792)
S1200-580 Tenant security deposit liability	4,528
S1200-590 Prepaid rent	(34,561)
	<u> </u>
S1200-610 Net Cash from Operating Activities	<u><u>\$ 1,066,442</u></u>

The Housing Authority of the City of Littleton, Colorado

South Metro Housing Options

HUD Project Number 101-11316

Additional Supplementary Information Required by HUD - page 1

Year Ended September 30, 2025

Reserve Funds

1320P Balance, October 1, 2024	\$ 619,708
1320DT Total monthly deposits	67,500
1320ODT Other deposits	-
1320INT Interest on replacement reserve	17,235
1320WT Approved withdrawals	<u>(194,405)</u>
 1320 Balance, September 30, 2025	 <u><u>\$ 510,038</u></u>
 1320R Deposits suspended or waived indicator	 No

Changes in Fixed Asset Accounts

	<u>Balance 10/1/24</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 9/30/25</u>
1410 Land	\$ 1,887,747	\$ -	\$ -	\$ 1,887,747
1420 Buildings and improvements	10,702,752	38,308	-	10,741,060
1460 Furnishings	253,791	56,539	-	310,330
1490 Miscellaneous fixed assets	<u>206,627</u>	<u>24,032</u>	<u>-</u>	<u>230,659</u>
 Total	 13,050,917	 118,879	 -	 13,169,796
 1495 Accumulated depreciation	 <u>(8,390,354)</u>	 <u>(454,571)</u>	 <u>-</u>	 <u>(8,844,925)</u>
 Net property and equipment	 <u><u>\$ 4,660,563</u></u>	 <u><u>\$ (335,692)</u></u>	 <u><u>\$ -</u></u>	 <u><u>\$ 4,324,871</u></u>

Additions

Buildings and improvements	
Elevator upgrades	\$ 38,308
 Furnishings	
Furniture	56,539
 Miscellaneous fixed assets	
Construction in progress	<u>24,032</u>
	<u><u>\$ 118,879</u></u>

The Housing Authority of the City of Littleton, Colorado
 South Metro Housing Options
 HUD Project Number 101-11316
 Supplementary Information Required by HUD
 Computation of Surplus Cash, Distributions, and Residual Receipts - Year Ended
 September 30, 2025

Part A - Computation of Surplus Cash

Cash

S1300-010 Cash (Accounts 1120, 1170, and 1191)	\$ 1,242,360
1135 Accounts receivable - HUD	11,536
S1300-030 Other	-

S1300-040 Total Cash	1,253,896
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Current Obligations

S1300-050 Accrued mortgage interest payable	61,126
S1300-060 Delinquent mortgage principal payments	-
S1300-070 Delinquent deposits to reserve for replacements	-
S1300-075 Accounts payable (due within 30 days)	72,756
S1300-080 Loans and notes payable (due within 30 days)	-
S1300-090 Deficient Tax Insurance or MIP Escrow deposits	-
S1300-100 Accrued expenses (not escrowed)	94,130
2210 Prepaid rents	5,542
2191 Tenant security deposits liability	65,930
S1300-110 Other current obligations (October loan payment plus reserves)	37,608

S1300-140 Less Total Current Obligations	337,092
--	---------

S1300-150 Surplus Cash (Deficiency)	\$ 916,804
-------------------------------------	------------

The Housing Authority of the City of Littleton, Colorado

South Metro Housing Options

HUD Project Number 101-11316

Member's Certification

Year Ended September 30, 2025

I hereby certify that I have examined the accompanying financial statements and supplemental data of The Housing Authority of the City of Littleton, Colorado and, to the best of my knowledge and belief, the same is complete and accurate.

Amity Plaza LLC

By: _____
Amity Plaza LLC

Date: _____

The Housing Authority of the City of Littleton, Colorado

South Metro Housing Options

HUD Project Number 101-11316

Managing Agent's Certification

Year Ended September 30, 2025

I hereby certify that I have examined the accompanying financial statements and supplemental data of The Housing Authority of the City of Littleton, Colorado and, to the best of my knowledge and belief, the same is complete and accurate.

The Housing Authority of the City of Littleton, Colorado

By: _____
The Housing Authority of the City of Littleton, Colorado

Date: _____

Employer Identification Number: 84-1300668

The Housing Authority of the City of Littleton, Colorado

South Metro Housing Options

HUD Project Number 101-11316

Auditor Information

Year Ended September 30, 2025

Eide Bailly LLP
Certified Public Accountants
4310 17th Ave. S
PO Box 2545
Fargo, ND 58103
(701) 239-8500

Alexis Odden

Federal Employer ID Number: 45-0250958



Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

The Board of Commissioners
The Housing Authority of the City of Littleton, Colorado
Littleton, Colorado

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the business-type activities, of The Housing Authority of the City of Littleton, Colorado (the Authority), as of and for the year ended September 30, 2025, and the aggregate discretely presented component units as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated January 21, 2026. The financial statements of the aggregate discretely presented component units were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the aggregate discretely presented component units.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

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

Fargo, North Dakota
January 21, 2026



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

The Board of Commissioners
The Housing Authority of the City of Littleton, Colorado
Longmont, 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 Littleton, Colorado's (the Authority) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Authority's major programs for the year ended September 30, 2025. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 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 Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of 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 Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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



Fargo, North Dakota
January 21, 2026

Section I – Summary of Auditor’s Results

FINANCIAL STATEMENTS

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

FEDERAL AWARDS

Internal control over major programs:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516 (a):	No

Identification of major programs:

<u>Name of Federal Program</u>	<u>Federal Financial Assistance Listing</u>
Section 8 Housing Project Based Vouchers	14.195
Mortgage Insurance for the Purchase or Refinance of Existing Multifamily Housing Projects	14.155
Dollar threshold used to distinguish between Type A and Type B programs:	\$1,000,000
Auditee qualified as low-risk auditee?	No

Section II – Financial Statement Findings

None

Section III – Federal Award Findings and Questioned Costs

None

Financial Data Schedules
September 30, 2025

The Housing Authority of the City of Littleton, Colorado

Littleton Housing Authority (CO036)

Littleton, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2025

	Project Total	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	1 Business Activities	14.195 SECTION 8 Housing Assistance Payments Program_Special Allocations	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
111 Cash - Unrestricted			\$901,125	\$4,138,207	\$5,274,332	\$675,950	\$234,137	\$11,223,751		\$11,223,751
112 Cash - Restricted - Modernization and Development										
113 Cash - Other Restricted			\$450,648	\$773,266		\$32,405	\$283,325	\$1,539,644		\$1,539,644
114 Cash - Tenant Security Deposits			\$112,734	\$127,792	\$216,695	\$60,233		\$517,454		\$517,454
115 Cash - Restricted for Payment of Current Liabilities										
100 Total Cash	\$0	\$0	\$1,464,507	\$5,039,265	\$5,491,027	\$768,588	\$517,462	\$13,280,849	\$0	\$13,280,849
121 Accounts Receivable - PHA Projects							\$5,000	\$5,000		\$5,000
122 Accounts Receivable - HUD Other Projects					\$601,000		\$352,952	\$953,952		\$953,952
124 Accounts Receivable - Other Government										
125 Accounts Receivable - Miscellaneous			\$6,897	\$1,110,594	\$1,197,606		\$0	\$2,315,097		\$2,315,097
126 Accounts Receivable - Tenants			\$68,231	\$53,129	\$95,514	\$13,412	\$15,140	\$245,426		\$245,426
126.1 Allowance for Doubtful Accounts - Tenants			\$0	\$0	\$0	\$0	\$0	\$0		\$0
126.2 Allowance for Doubtful Accounts - Other			\$0	\$0	\$0		\$0	\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current										
128 Fraud Recovery										
128.1 Allowance for Doubtful Accounts - Fraud										
129 Accrued Interest Receivable										
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$0	\$75,128	\$1,163,723	\$1,894,120	\$13,412	\$373,092	\$3,519,475	\$0	\$3,519,475
131 Investments - Unrestricted										
132 Investments - Restricted										
135 Investments - Restricted for Payment of Current Liability										
142 Prepaid Expenses and Other Assets			\$4,854	\$130,087	\$87,139	\$28,058	\$9,778	\$259,916		\$259,916
143 Inventories					\$298			\$298		\$298
143.1 Allowance for Obsolete Inventories					\$0		\$0	\$0		\$0
144 Inter Program Due From				\$410,860	\$1,255,985			\$1,666,845	(\$1,666,845)	\$0
145 Assets Held for Sale										
150 Total Current Assets	\$0	\$0	\$1,544,489	\$6,743,935	\$8,728,569	\$810,058	\$900,332	\$18,727,383	(\$1,666,845)	\$17,060,538
161 Land			\$3,786,823	\$3,787,802	\$1,260,403	\$2,049,566		\$10,884,594		\$10,884,594
162 Buildings			\$23,052,170	\$20,261,881	\$12,002,162	\$10,268,574		\$65,584,787		\$65,584,787
163 Furniture, Equipment & Machinery - Dwellings			\$1,302,936	\$253,791	\$677,632	\$40,024		\$2,274,383		\$2,274,383
164 Furniture, Equipment & Machinery - Administration				\$56,539	\$93,882		\$19,951	\$170,372		\$170,372
165 Leasehold Improvements										
166 Accumulated Depreciation			(\$3,181,816)	(\$9,628,712)	(\$7,431,387)	(\$8,051,528)	(\$7,981)	(\$28,301,424)		(\$28,301,424)
167 Construction in Progress			\$44,050	\$1,378,467	\$46,909			\$1,469,426		\$1,469,426
168 Infrastructure										
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$25,004,163	\$16,109,768	\$6,649,601	\$4,306,636	\$11,970	\$52,082,138	\$0	\$52,082,138

	Project Total	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	1 Business Activities	14.195 Section 8 Housing Assistance Payments Program Special Allocations	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
171 Notes, Loans and Mortgages Receivable - Non-Current				\$7,668,891	\$10,398,952	\$836,907		\$18,904,750		\$18,904,750
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due										
173 Grants Receivable - Non Current										
174 Other Assets			\$227,299	\$1,683,321	\$511,305			\$2,421,925		\$2,421,925
176 Investments in Joint Ventures										
180 Total Non-Current Assets	\$0	\$0	\$25,231,462	\$25,461,980	\$17,559,858	\$5,143,543	\$11,970	\$73,408,813	\$0	\$73,408,813
200 Deferred Outflow of Resources										
290 Total Assets and Deferred Outflow of Resources	\$0	\$0	\$26,775,951	\$32,205,915	\$26,288,427	\$5,953,601	\$912,302	\$92,136,196	(\$1,666,845)	\$90,469,351
311 Bank Overdraft										
312 Accounts Payable <= 90 Days			\$128,552	\$923,534	\$115,194	\$272,214	\$64,478	\$1,503,972		\$1,503,972
313 Accounts Payable >90 Days Past Due										
321 Accrued Wage/Payroll Taxes Payable			\$5,478	\$29,362	\$73,927	\$13,546	\$10,806	\$133,119		\$133,119
322 Accrued Compensated Absences - Current Portion			\$1,883	\$67,401	\$210,315	\$33,108	\$20,754	\$333,461		\$333,461
324 Accrued Contingency Liability										
325 Accrued Interest Payable			\$53,190	\$92,249	\$19,991	\$16,433		\$181,863		\$181,863
331 Accounts Payable - HUD PHA Programs							\$1,840	\$1,840		\$1,840
332 Account Payable - PHA Projects										
333 Accounts Payable - Other Government										
341 Tenant Security Deposits			\$101,563	\$110,777	\$211,419	\$52,227		\$475,986		\$475,986
342 Unearned Revenue			\$27,418	\$19,670	\$4,648	\$11,462	\$5,773	\$68,971		\$68,971
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue			\$71,372	\$436,779	\$92,492	\$78,889		\$679,532		\$679,532
344 Current Portion of Long-term Debt - Operating Borrowings										
345 Other Current Liabilities			\$1,671,805					\$1,671,805		\$1,671,805
346 Accrued Liabilities - Other			\$36,144					\$36,144		\$36,144
347 Inter Program - Due To				\$597,887	\$1,046,248	\$22,710		\$1,666,845	(\$1,666,845)	\$0
348 Loan Liability - Current			\$7,090,049					\$7,090,049		\$7,090,049
310 Total Current Liabilities	\$0	\$0	\$9,187,454	\$2,277,659	\$1,774,234	\$500,589	\$103,651	\$13,843,587	(\$1,666,845)	\$12,176,742
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue			\$9,865,592	\$21,766,833	\$4,980,803	\$3,432,537		\$40,045,765		\$40,045,765
352 Long-term Debt, Net of Current - Operating Borrowings										
353 Non-current Liabilities - Other			\$1,469,432					\$1,469,432		\$1,469,432
354 Accrued Compensated Absences - Non Current			\$1,848	\$15,877	\$18,410	\$8,116	\$6,548	\$50,799		\$50,799
355 Loan Liability - Non Current			\$6,685,769	\$1,215,000				\$7,900,769		\$7,900,769
356 FASB 5 Liabilities										
357 Accrued Pension and OPEB Liabilities										
350 Total Non-Current Liabilities	\$0	\$0	\$18,022,641	\$22,997,710	\$4,999,213	\$3,440,653	\$6,548	\$49,466,765	\$0	\$49,466,765
300 Total Liabilities	\$0	\$0	\$27,210,095	\$25,275,369	\$6,773,447	\$3,941,242	\$110,199	\$63,310,352	(\$1,666,845)	\$61,643,507
400 Deferred Inflow of Resources				\$3,659,247	\$1,067,730	\$836,907		\$5,563,884		\$5,563,884

	Project Total	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	1 Business Activities	14.195 Section 8 Housing Assistance Payments Program_Special Allocations	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
508.4 Net Investment in Capital Assets			\$9,487,199	(\$7,308,844)	\$1,576,306	\$795,210	\$11,970	\$4,561,841		\$4,561,841
511.4 Restricted Net Position				\$0	\$0	\$0	\$281,485	\$281,485		\$281,485
512.4 Unrestricted Net Position	\$0	\$0	(\$9,921,343)	\$10,580,143	\$16,870,944	\$380,242	\$508,648	\$18,418,634		\$18,418,634
513 Total Equity - Net Assets / Position	\$0	\$0	(\$434,144)	\$3,271,299	\$18,447,250	\$1,175,452	\$802,103	\$23,261,960	\$0	\$23,261,960
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$0	\$0	\$26,775,951	\$32,205,915	\$26,288,427	\$5,953,601	\$912,302	\$92,136,196	(\$1,666,845)	\$90,469,351

Littleton Housing Authority (CO036)
Littleton, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2025

	Project Total	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	1 Business Activities	14.195 SECTION 8 Housing Assistance Payments Program_Special Allocations	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue			\$1,288,566	\$1,553,343	\$516,456	\$588,866		\$3,947,231	(\$175,544)	\$3,771,687
70400 Tenant Revenue - Other			\$16,168		\$3,328,638			\$3,344,806		\$3,344,806
70500 Total Tenant Revenue	\$0	\$0	\$1,304,734	\$1,553,343	\$3,845,094	\$588,866	\$0	\$7,292,037	(\$175,544)	\$7,116,493
70600 HUD PHA Operating Grants				\$2,780,442		\$946,777	\$7,691,411	\$11,418,630		\$11,418,630
70610 Capital Grants										
70710 Management Fee										
70720 Asset Management Fee										
70730 Book Keeping Fee										
70740 Front Line Service Fee										
70750 Other Fees										
70700 Total Fee Revenue								\$0	\$0	\$0
70800 Other Government Grants	\$221,856	\$900,000			\$900,000			\$2,021,856		\$2,021,856
71100 Investment Income - Unrestricted			\$3,763	\$288,566	\$92,996	\$30,662		\$415,987		\$415,987
71200 Mortgage Interest Income					\$202,862			\$202,862		\$202,862
71300 Proceeds from Disposition of Assets Held for Sale										
71310 Cost of Sale of Assets										
71400 Fraud Recovery							\$8,516	\$8,516		\$8,516
71500 Other Revenue			\$10,005	\$160,935	\$1,782,648	\$52,515	\$3,956,837	\$5,962,940	(\$417,779)	\$5,545,161
71600 Gain or Loss on Sale of Capital Assets				\$928,875		\$955,211		\$1,884,086		\$1,884,086
72000 Investment Income - Restricted										
70000 Total Revenue	\$221,856	\$900,000	\$1,318,502	\$5,712,161	\$6,823,600	\$2,574,031	\$11,656,764	\$29,206,914	(\$593,323)	\$28,613,591
91100 Administrative Salaries			\$109,052	\$558,446	\$1,162,691	\$359,487	\$361,423	\$2,551,099		\$2,551,099
91200 Auditing Fees			\$20,597	\$4,981	\$15,445	\$10,955	\$25,154	\$77,132		\$77,132
91300 Management Fee										
91310 Book-keeping Fee										
91400 Advertising and Marketing			\$22,792	\$1,583	\$18,377	\$4,511	\$4,940	\$52,203		\$52,203
91500 Employee Benefit contributions - Administrative			\$12,567	\$154,876	\$274,813	\$112,897	\$95,607	\$650,760		\$650,760
91600 Office Expenses			\$61,823	\$69,035	\$343,513	\$100,886	\$123,295	\$698,552		\$698,552
91700 Legal Expense			\$8,138	\$161,941	\$11,034	\$10,366	\$5,204	\$196,683		\$196,683
91800 Travel			\$6,310	\$1,370	\$29,729	\$18,602	\$15,685	\$71,696		\$71,696
91810 Allocated Overhead										
91900 Other			\$133,640	\$743,232	\$628,539	\$74,026	\$47,960	\$1,627,397	(\$593,323)	\$1,034,074
91000 Total Operating - Administrative	\$0	\$0	\$374,919	\$1,695,464	\$2,484,141	\$691,730	\$679,268	\$5,925,522	(\$593,323)	\$5,332,199
92000 Asset Management Fee										
92100 Tenant Services - Salaries			\$5,525	\$25,255	\$1,214,972	\$74,675		\$1,320,427		\$1,320,427

	Project Total	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	1 Business Activities	14.195 Section 8 Housing Assistance Payments Program Special Allocations	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
92200 Relocation Costs				\$3,539	\$2,704	\$20,511	\$1,650	\$28,404		\$28,404
92300 Employee Benefit Contributions - Tenant Services			\$1,312	\$6,847	\$147,583	\$23,725		\$179,467		\$179,467
92400 Tenant Services - Other			\$7,334	\$5,906	\$672,601	\$10,862	\$8,962	\$705,665		\$705,665
92500 Total Tenant Services	\$0	\$0	\$14,171	\$41,547	\$2,037,860	\$129,773	\$10,612	\$2,233,963	\$0	\$2,233,963
93100 Water			\$23,770	\$41,686	\$23,746	\$23,632		\$112,834		\$112,834
93200 Electricity			\$73,912	\$139,220	\$104,142	\$61,441		\$378,715		\$378,715
93300 Gas			\$25,886	\$85,672	\$39,454	\$32,418		\$183,430		\$183,430
93400 Fuel										
93500 Labor										
93600 Sewer			\$61,378	\$65,396	\$13,160	\$50,686		\$190,620		\$190,620
93700 Employee Benefit Contributions - Utilities										
93800 Other Utilities Expense										
93000 Total Utilities	\$0	\$0	\$184,946	\$331,974	\$180,502	\$168,177	\$0	\$865,599	\$0	\$865,599
94100 Ordinary Maintenance and Operations - Labor			\$36,329	\$187,312	\$161,855	\$59,339		\$444,835		\$444,835
94200 Ordinary Maintenance and Operations - Materials and Other			\$56,562	\$57,334	\$39,198	\$35,989	\$122	\$189,205		\$189,205
94300 Ordinary Maintenance and Operations Contracts			\$150,720	\$737,526	\$312,247	\$240,139	\$11,183	\$1,451,815		\$1,451,815
94500 Employee Benefit Contributions - Ordinary Maintenance			\$7,312	\$50,787	\$26,387	\$18,908		\$103,394		\$103,394
94000 Total Maintenance	\$0	\$0	\$250,923	\$1,032,959	\$539,687	\$354,375	\$11,305	\$2,189,249	\$0	\$2,189,249
95100 Protective Services - Labor										
95200 Protective Services - Other Contract Costs										
95300 Protective Services - Other										
95500 Employee Benefit Contributions - Protective Services										
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance			\$233,484	\$326,215	\$102,273	\$163,533		\$825,505		\$825,505
96120 Liability Insurance							\$10,005	\$10,005		\$10,005
96130 Workmen's Compensation			\$2,729	\$10,163	\$29,737	\$7,822	\$6,194	\$56,645		\$56,645
96140 All Other Insurance				\$193,757				\$193,757		\$193,757
96100 Total insurance Premiums	\$0	\$0	\$236,213	\$530,135	\$132,010	\$171,355	\$16,199	\$1,085,912	\$0	\$1,085,912
96200 Other General Expenses			\$145,539	\$62,752	\$67,111		\$43,029	\$318,431		\$318,431
96210 Compensated Absences			(\$1,745)	\$51,071	\$86,099	\$12,624	\$577	\$148,626		\$148,626
96300 Payments in Lieu of Taxes										
96400 Bad debt - Tenant Rents			\$19,303	\$28,155		\$78	\$39,111	\$86,647		\$86,647
96500 Bad debt - Mortgages										
96600 Bad debt - Other			\$1,623	\$333				\$1,956		\$1,956
96800 Severance Expense										
96000 Total Other General Expenses	\$0	\$0	\$164,720	\$142,311	\$153,210	\$12,702	\$82,717	\$555,660	\$0	\$555,660
96710 Interest of Mortgage (or Bonds) Payable			\$287,521	\$953,482	\$248,140	\$263,731		\$1,752,874		\$1,752,874
96720 Interest on Notes Payable (Short and Long Term)			\$598,650	\$13,971				\$612,621		\$612,621
96730 Amortization of Bond Issue Costs			\$14,082					\$14,082		\$14,082

	Project Total	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	1 Business Activities	14.195 Section 8 Housing Assistance Payments Program_Special Allocations	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$900,253	\$967,453	\$248,140	\$263,731	\$0	\$2,379,577	\$0	\$2,379,577
96900 Total Operating Expenses	\$0	\$0	\$2,126,145	\$4,741,843	\$5,775,550	\$1,791,843	\$800,101	\$15,235,482	(\$593,323)	\$14,642,159
97000 Excess of Operating Revenue over Operating Expenses	\$221,856	\$900,000	(\$807,643)	\$970,318	\$1,048,050	\$782,188	\$10,856,663	\$13,971,432	\$0	\$13,971,432
97100 Extraordinary Maintenance			\$14,144	\$172,622	\$3,030	\$29,813		\$219,609		\$219,609
97200 Casualty Losses - Non-capitalized				\$8,435				\$8,435		\$8,435
97300 Housing Assistance Payments							\$6,992,652	\$6,992,652		\$6,992,652
97350 HAP Portability-In							\$3,665,426	\$3,665,426		\$3,665,426
97400 Depreciation Expense			\$1,013,394	\$695,978	\$401,660	\$195,987	\$3,990	\$2,311,009		\$2,311,009
97500 Fraud Losses										
97600 Capital Outlays - Governmental Funds										
97700 Debt Principal Payment - Governmental Funds										
97800 Dwelling Units Rent Expense										
90000 Total Expenses	\$0	\$0	\$3,153,683	\$5,618,878	\$6,180,240	\$2,017,643	\$11,462,169	\$28,432,613	(\$593,323)	\$27,839,290
10010 Operating Transfer In				\$1,309,262	\$6,207,624			\$7,516,886	(\$7,516,886)	\$0
10020 Operating transfer Out	-\$221,856	-\$900,000		(\$5,392,739)	(\$1,002,291)			(\$7,516,886)	\$7,516,886	\$0
10030 Operating Transfers from/to Primary Government										
10040 Operating Transfers from/to Component Unit										
10050 Proceeds from Notes, Loans and Bonds										
10060 Proceeds from Property Sales										
10070 Extraordinary Items, Net Gain/Loss										
10080 Special Items (Net Gain/Loss)										
10091 Inter Project Excess Cash Transfer In										
10092 Inter Project Excess Cash Transfer Out										
10093 Transfers between Program and Project - In					\$996,107			\$996,107	(\$996,107)	\$0
10094 Transfers between Project and Program - Out				(\$996,107)				(\$996,107)	\$996,107	\$0
10100 Total Other financing Sources (Uses)	-\$221,856	-\$900,000	\$0	(\$5,079,584)	\$6,201,440	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$0	\$0	(\$1,835,181)	(\$4,986,301)	\$6,844,800	\$556,388	\$194,595	\$774,301	\$0	\$774,301
11020 Required Annual Debt Principal Payments	\$0	\$0	\$67,905	\$420,038	\$2,956,985	\$117,120	\$0	\$3,562,048		\$3,562,048
11030 Beginning Equity	\$0	\$0	\$1,397,492	\$8,257,600	\$11,602,450	\$619,064	\$607,508	\$22,484,114		\$22,484,114
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors			\$3,545					\$3,545		\$3,545
11050 Changes in Compensated Absence Balance										
11060 Changes in Contingent Liability Balance										
11070 Changes in Unrecognized Pension Transition Liability										
11080 Changes in Special Term/Severance Benefits Liability										
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents										
11100 Changes in Allowance for Doubtful Accounts - Other										
11170 Administrative Fee Equity							\$531,449	\$531,449		\$531,449
11180 Housing Assistance Payments Equity							\$270,654	\$270,654		\$270,654

	Project Total	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	1 Business Activities	14.195 Section 8 Housing Assistance Payments Program Special Allocations	14.871 Housing Choice Vouchers	Subtotal	ELIM	Total
11190 Unit Months Available	0		1440	2616	1632	1584	7344	14616		14616
11210 Number of Unit Months Leased	0		1274	2322	1224	1513	5897	12230		12230
11270 Excess Cash	\$0							\$0		\$0
11610 Land Purchases	\$0							\$0		\$0
11620 Building Purchases	\$0							\$0		\$0
11630 Furniture & Equipment - Dwelling Purchases	\$0							\$0		\$0
11640 Furniture & Equipment - Administrative Purchases	\$0							\$0		\$0
11650 Leasehold Improvements Purchases	\$0							\$0		\$0
11660 Infrastructure Purchases	\$0							\$0		\$0
13510 CFFP Debt Service Payments	\$0							\$0		\$0
13901 Replacement Housing Factor Funds	\$0							\$0		\$0