



# Housing Authority

3400 N. Broadway • Boulder, Colorado 80304 • Tel: 303.441.3929 Fax: 720.564.2283

[www.BoulderCountyHHS.org](http://www.BoulderCountyHHS.org)

**Boulder County Department of Housing & Human Services**  
**Housing Authority Board**  
**Monthly Board Meeting Agenda**  
**Tuesday, August 29, 2023** **1:00 p.m. – 2:30 p.m.**  
**Hybrid In-Person/Online via Zoom**

### Agenda

1. Call to Order – Boulder County Housing Authority
2. Matters from Members of the Public - Housing Authority Topics (1:00 - 1:05 p.m.)
3. BCHA Interim Executive Director Update – Susana Lopez-Baker (1:05 - 1:10 p.m.)
4. 2022 Audit Report, Aaron Ness, Eide Bailly LLP (1:10 – 1:40 p.m.)
5. BCHA August presentation – Susana Lopez-Baker (1:40 – 2:00 p.m.)
6. Finance Updates – Finance Manager, Kelly Stapleton (2:00 – 2:20 p.m.)
7. Matters from Members of the Housing Authority Board (2:20 - 2:30 p.m.)
8. Meeting Adjourned – BCHA Board (2:30 p.m.)

### Upcoming Meetings

#### **Boulder County Housing Authority, September 26, 2023, 1:00 p.m. – 2:30 p.m. Hybrid In-Person/Online via Zoom**

Current and past packets for the Boulder County Housing Authority Board, the Boulder County Human Services Board, and the Housing & Human Services Advisory Committee can be accessed at the links below:

[Boulder County Housing Authority Board Packets](#)

[Boulder County Human Services Board Packets](#)

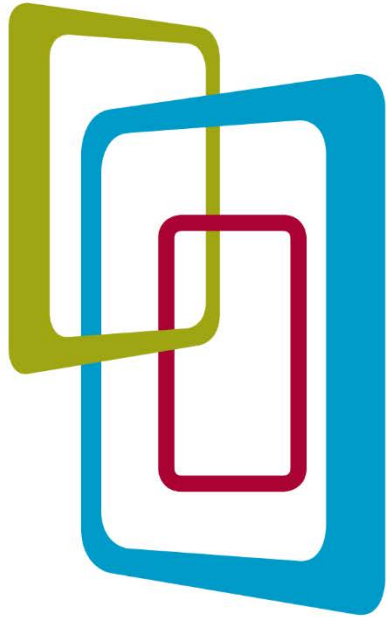
[Housing & Human Services Advisory Committee Packets](#)

Any member of the Public may speak on any subject related to Boulder County Housing and Human Services. It is the policy of the Board to facilitate an orderly and respectful hearing where all points of view may be heard. Please keep comments to a maximum of 3 minutes. For more on addressing the Board, see the County’s guide to public hearings:

<http://www.bouldercounty.org/doc/bocc/guidetopublichearings.pdf>

It is the policy of BCDHHS to make programs, meetings, activities and services accessible to individuals with disabilities. In order to provide special services such as interpreters or provide special materials in special formats such as large print, Braille, or computer disks the county needs to be informed of the individual’s special needs. If you need special assistance contact Julia Larsen, ADA Coordinator, or the Human Resources Division at 303-441-3508 at least 48 hours before the scheduled event.

La política de BCDHHS es hacer que los programas, juntas, actividades y servicios sean accesibles para gente discapacitada. Para poder ofrecer servicios especiales como interpretes o material en algún formato especial, como impresiones mas grandes, Braille, o disco de computadora, él condado requiere que le informen de las necesidades especiales de cada individuo. Si Ud. requiere atención especial, por favor comuníquese con Julia Yager, coordinadora del ADA o a la oficina de Recursos Humanos al 303-441-3508 cuando menos 48 horas antes del evento.



BOULDER COUNTY  
**HOUSING**  
**AUTHORITY**



**Boulder County Housing Authority**  
Monthly Board Meeting  
August 29, 2023

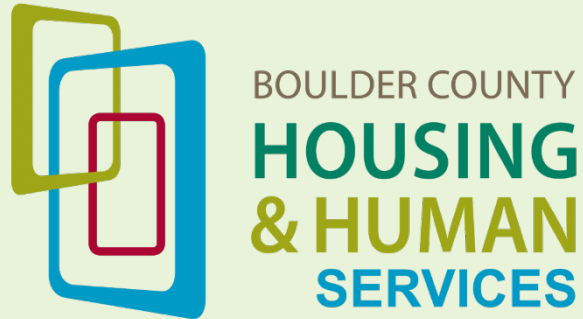


# BCHA Board Meeting Agenda

- 2022 Audit Presentation
- Updates and Overview
- Growth, Identity, and Strategic Future Investment
- Financial Results - June

# BCHA Board Meeting

## August 29, 2023



Hope for the future, help when you need it.

### Overview and Updates



# Updates



Disposition



IGA- Willoughby  
Corner Construction  
Loan Draws 2 and 3



Damage Mitigation  
Fund and Voucher  
Lease Up Assistance



Casa de la Esperanza

# BCHA Development Willoughby Corner Sources and Uses

(updated 8/23/23)

Boulder County Housing Authority Willoughby Corner 1A, 1B, 2 and 3 Summary Sources					
Source/Use at Partnership Level					
8/23/2023	Actual from 5/18/23 closing		Projected		
	1-A Senior	1-B Family	2 Family	3 Homeowner	Est. Total Sources
<b>Sources</b>					
Permanent Financing	5,799,000	13,150,000	21,735,000		40,684,000
LIHTC Equity (LP)	12,958,704	33,534,400	41,648,917		88,142,021
State Credit Equity (LP)	-	4,500,000	4,883,512		9,383,512
Energy Credit Equity	270,943	667,494	167,878		1,106,315
LIHTC Equity (GP)	100	100	100		300
Deferred Developer Fee	1,140,025	2,221,905	5,426,951		8,788,881
Acquisition Carryback	820,000	1,470,000	875,000		3,165,000
HOME Funds	-	-	750,000		750,000
CDOH Supplemental Funds	1,701,000				1,701,000
BCHA Worthy Cause	803,906	1,646,094	1,113,840		3,563,840
ARPA Funds	1,816,756	2,176,680			3,993,436
BCHA Funds - CDOH	3,465,000	8,000,000	7,680,000		19,145,000
BCHA Funds - Sustainability	755,026	1,644,224	-		2,399,250
BCHA Funds - ARPA Infrastructure	1,802,788	412,779	4,652,267	2,021,509	8,889,343
BCHA - Funds (\$3,993,436 from ARPA)	1,564,000	4,067,103			5,631,103
BCHA Funds - Unidentified			6,012,738	10,892,777	16,905,515
Sale of Homes/Sales Proceeds				51,657,144	51,657,144
<b>Total Sources</b>	<b>32,897,248</b>	<b>73,490,779</b>	<b>94,946,203</b>	<b>64,571,430</b>	<b>265,905,659</b>
<b>Uses</b>					
Land	820,000	1,470,000	875,000	875,000	4,040,000
Infrastructure	2,289,788	4,688,613	6,806,114	4,253,821	18,038,336
Water	1,564,000	3,740,000	3,400,000	1,972,000	10,676,000
Construction Hard Costs	21,563,347	48,174,344	63,940,010	51,513,380	185,191,082
Soft Costs	2,764,469	5,229,128	5,180,426	5,932,229	19,106,251
Financing Costs including Interest	1,197,620	3,483,132	5,204,498	25,000	9,910,250
Developer Fee	2,236,024	5,610,562	8,349,155	-	16,195,741
Project Reserves	462,000	1,095,000	1,191,000	-	0062,748,000
<b>Total Uses</b>	<b>32,897,248</b>	<b>73,490,779</b>	<b>94,946,203</b>	<b>64,571,430</b>	<b>265,905,659</b>

# BCHA Board Meeting

## August 29, 2023



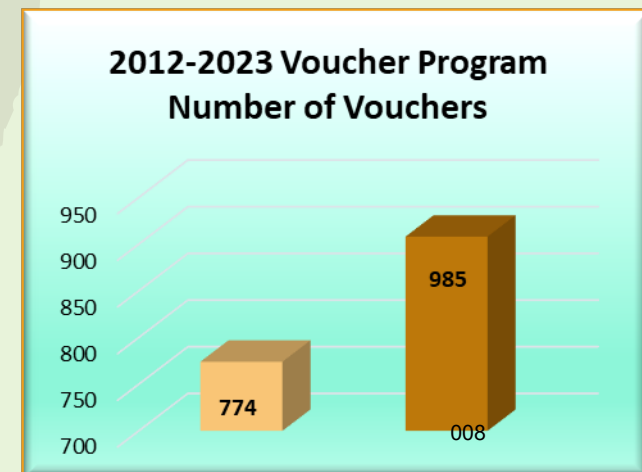
Hope for the future, help when you need it.

### History, Staff Value, and Strategic Future Investment



# Growing!

- Growth and Impact
  - Since 2012, BCHA has increased the number of rental units in the portfolio from 463-908, a **96% increase!**
  - Added 393 New units through partnerships with private developers.
  - **1,228 total**
    - More coming end of 2023 and 2024!
  - Since 2012, BCHA has increased the number of Housing Choice Vouchers from 774-985, with an annual budget authority of \$4,674,883 to \$12,947,591 or a **177% increase!**
    - More coming end of 2023 with 6 new VASH!
    - Pending final decision from HUD on application for 50 new FUP.
  - In 2022 BCHA served 4,038\* individuals through the voucher program and/or in a BCHA owned rental
    - \*duplicated number includes all household members in both programs.
- Challenges
  - Staffing
  - Upgrades needed
  - Increased maintenance and aging portfolio





# Shifting Identity

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Invest in larger developments

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BCHA current position is a cumulation of years of serving the community without a sustainable revenue stream

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Streamlining Operations to reduce cost is critical

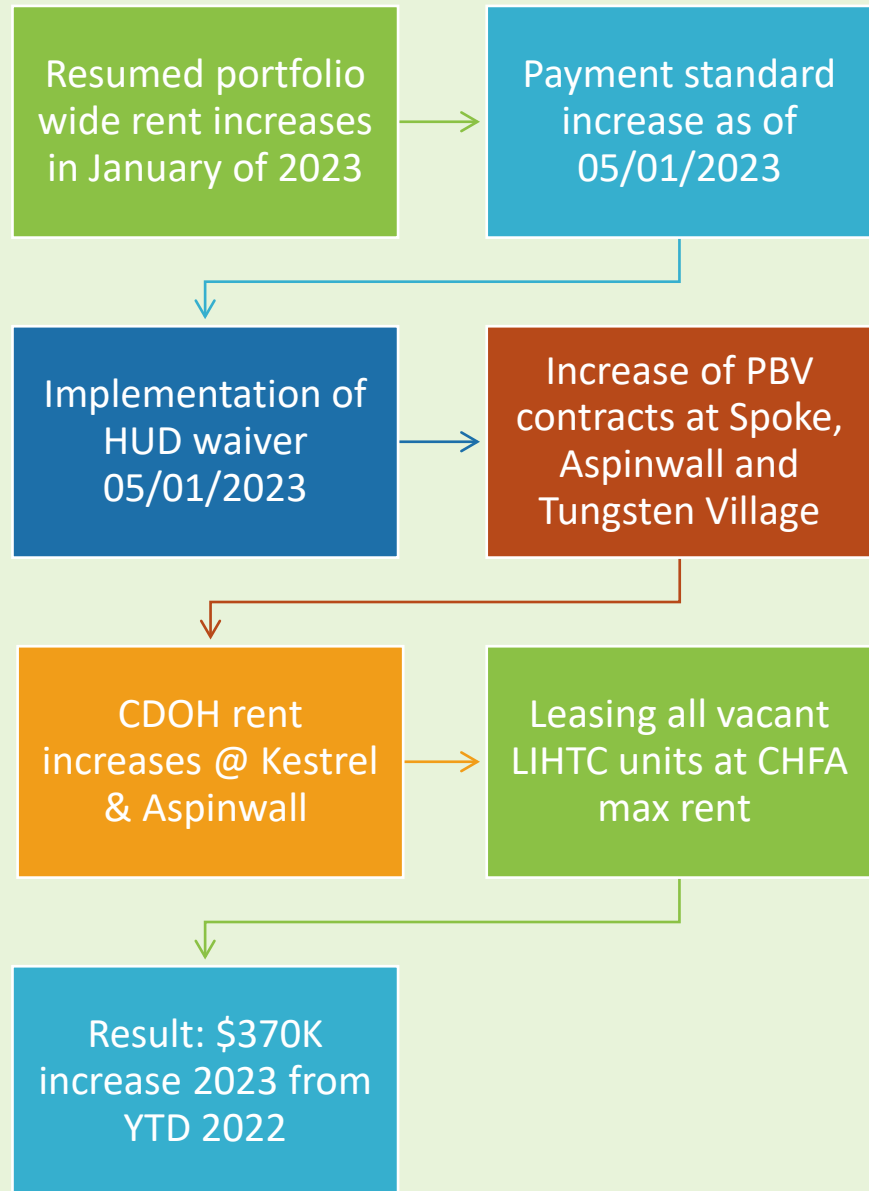
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Redevelopment- green development focus

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Homeownership Opportunities

# 2023 Corrective Action Plan Improvements



# 2024 Rental Income Projections



**2023 Rental income \$14,444,556**



**Scenario 1 – Projected Rental income = \$14,899,826**

1 bedroom - \$25

2 bedroom - \$50

3 bedroom - \$75

4 bedroom - \$100

\$455,270 or 3.2% increase over 2023



**Scenario 2 – Projected Rental Income = \$14,928,366**

1 bedroom - \$30

2 bedroom - \$60

3 bedroom - \$90

4 bedroom - \$120

\$483,810 or 3.3% increase over 2023

Approximately \$28,541 difference between Scenario 1 and 2

# Reducing Costs- Operations

## Maintenance

- Investigating hiring maintenance staff for Nederland-specific properties
- Mowing Kestrel & Twin Lakes field in-house
- Performing more tree trimming in-house due to purchase of scissor lift
- Working closely with Boulder County Fleet to identify opportunities to address aging BCHA vehicle fleet

## Housing Choice Voucher Team

- Beginning in 2024 moving towards biennial inspection model with a goal to reduce contract costs up to 50% of current spending.

## Property Management

- Increased staffing
- Better engaged residents



## Staff Value

### BCHA has invested in hiring staff!

- BCHA has better workflows with increased staffing
- Finance Staff reporting to the Executive Director

### Need to expand capacity in the following areas:

- Finance: Increase staff with specialization in :
  - Chief Financial Officer
  - Construction Account Management
  - LIHTC management
  - Asset management
- Maintenance- The director position is a critical role

# Development

Willoughby Corner Phases  
2 and 3 – Pre-development  
funds needed

Koelbel Special Limited  
Partnership

Exiting Josephine  
Commons

# Strategic investment in future of BCHA:

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- Requires strategic investment to support housing authority growth and to effectively respond to housing shortage with a greater and narrower, more streamlined focus.
- BCHA derive dedicated funding and structure, build reserves, and Capital Improvement Budgets
- Goal: Create a reserve fund for operations in the amount of \$7M
- **Consequences of not proceeding with investments in the following areas:**
  - Capital Needs increase in scope and cost (inflation)
  - Vehicles maintenance costs and replacement costs
  - Further Disposition
  - Staff turnover that could set BCHA back in terms of progress



Hope for the future, help when you need it.

Financial Reports – Year-to-Date June 30, 2023







BOULDER COUNTY  
**HOUSING  
& HUMAN  
SERVICES**

Hope for the future, help when you need it.

KPIs (Key Performance Indicators)

**ALL PROPERTIES**

Year-to-Date June 30, 2023



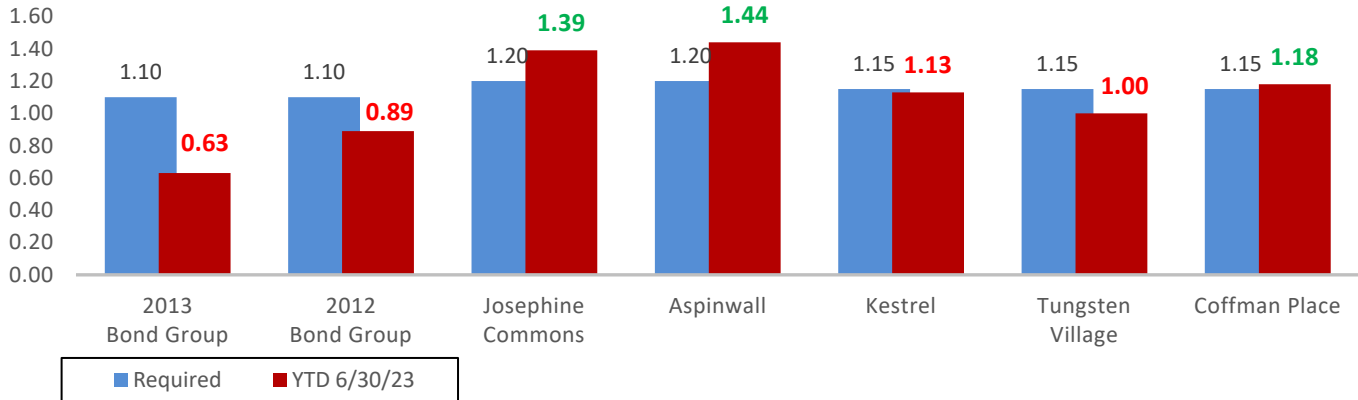
# Low Income Housing Tax Credit Properties

## Key Performance Indicators

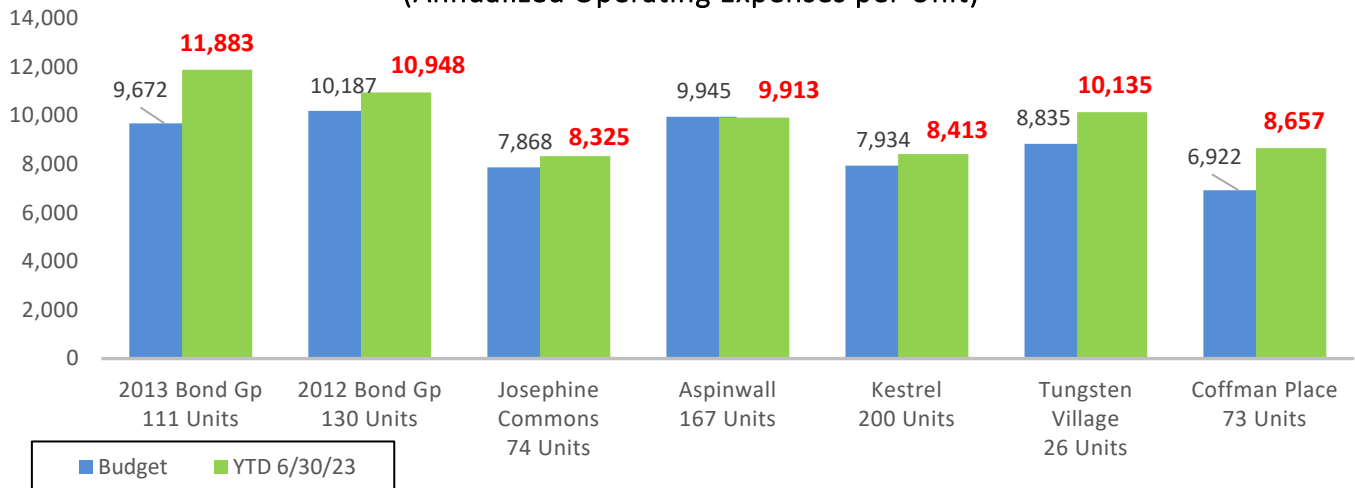
As of June 30, 2023 - Year-to-date



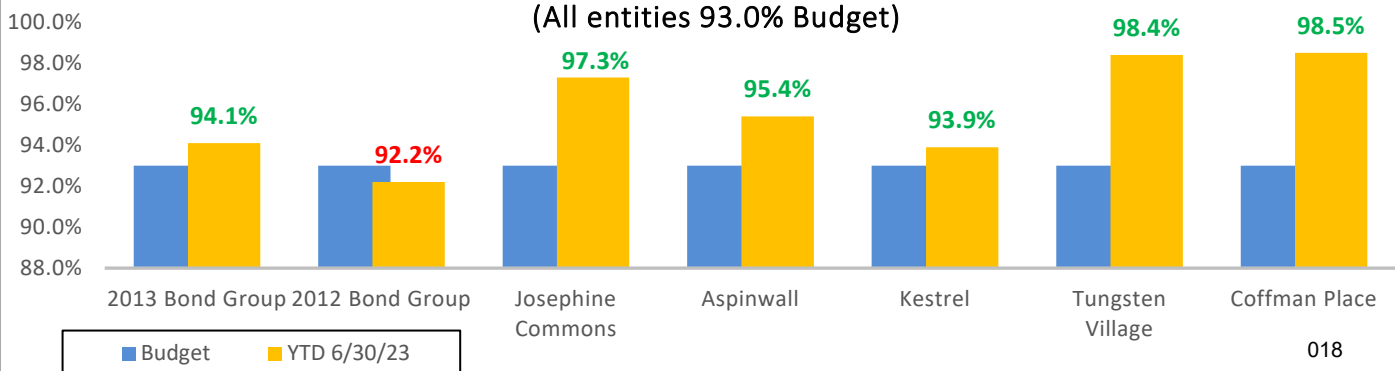
### Debt Service Coverage Ratio (DSCR)



### Per Unit Per Annum (PUPA) (Annualized Operating Expenses per Unit)



### Occupancy Rates (All entities 93.0% Budget)



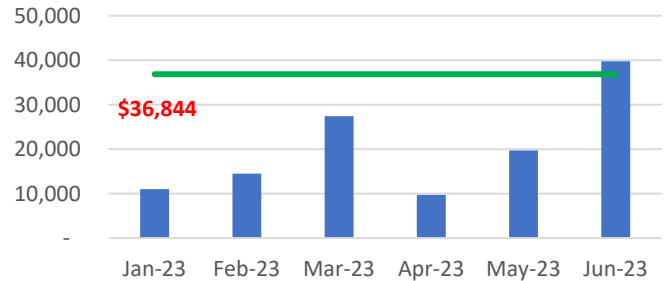
## BCHA 2013 and 2012 Bond Groups Key Performance Indicators June 30, 2023 – Year-to-Date

### 2013 Bond Group – 111 Units

#### Net Operating Income - YTD ■

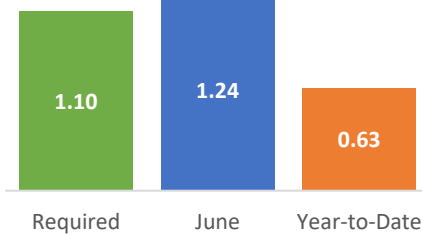
	YTD Actual	YTD Budget	Variance	% Variance
Income	781,565	757,846	23,713	3.1%
Expense	(659,484)	(536,779)	(122,705)	-22.9%
Net Op Inc(Loss)	122,081	221,067	(98,986)	-44.8%

#### Net Operating Income - Monthly ■



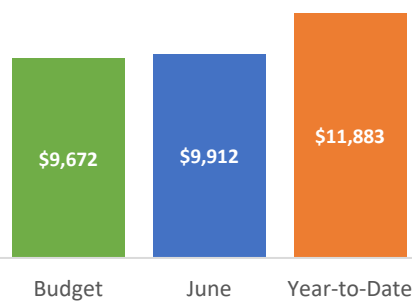
#### Debt Service Coverage Ratio

Net Operating Income/Debt Service Payment ■

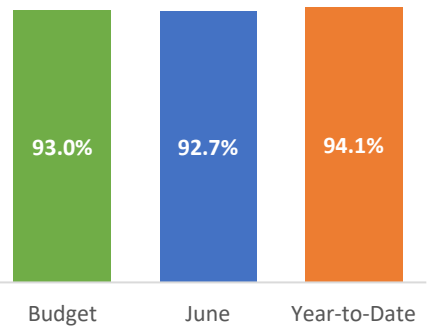


#### Per Unit /Per Annum Operating Expenses (PUPA) ■

111 total units



#### Occupancy Rates ■

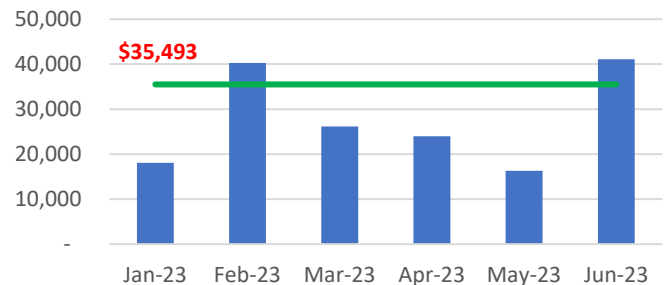


### 2012 Bond Group – 130 Units

#### Net Operating Income - YTD ■

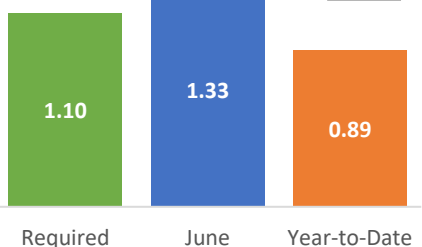
	YTD Actual	YTD Budget	Variance	% Variance
Income	877,540	875,090	2,450	0.3%
Expense	(711,646)	(662,134)	(49,512)	-7.5%
Net Inc (Loss)	165,894	212,956	(47,062)	-22.1%

#### Net Operating Income - Monthly ■



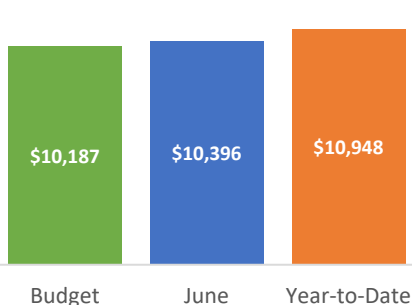
#### Debt Service Coverage Ratio

Net Operating Income/Debt Service Payment ■

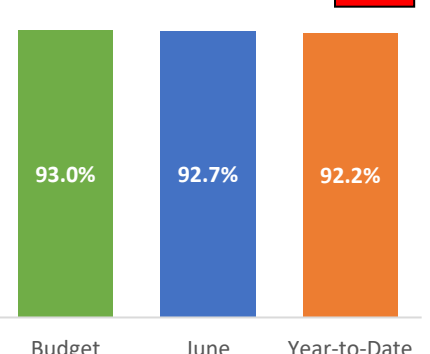


#### Per Unit /Per Annum Operating Expenses (PUPA) ■

130 total units



#### Occupancy Rates ■



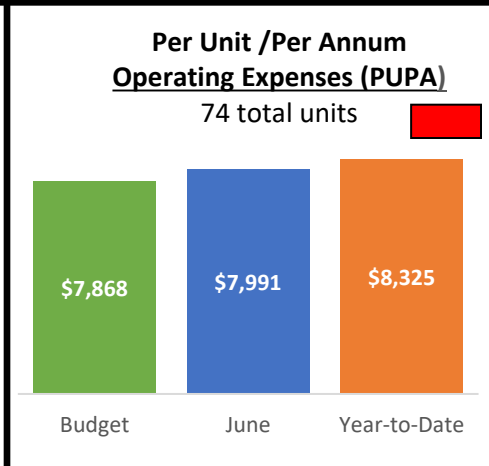
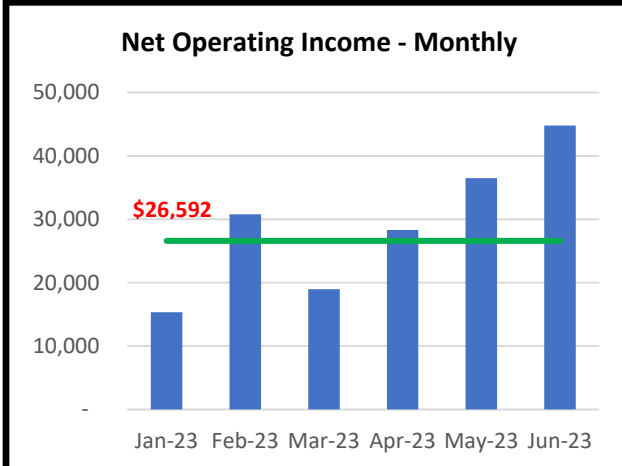
# Josephine Commons, LLC

## Key Performance Indicators

### June 30, 2023 – Year-to-Date



<u>Net Operating Income - YTD</u>				<u>Debt Service Coverage Ratio</u>			<u>Quick Ratio</u>
	YTD Actual	YTD Budget	Variance	Net Operating Income/Debt Service Payment			<b>8.25</b> Unrestricted Cash/Current Liabilities
			% Variance	Required	June 2023	Year-to-Date	
Income	482,699	450,677	32,022	1.20	2.20	1.39	
Expense	(308,033)	(291,124)	(16,909)				
Net Op Inc(Loss)	174,666	159,553	(15,133)				



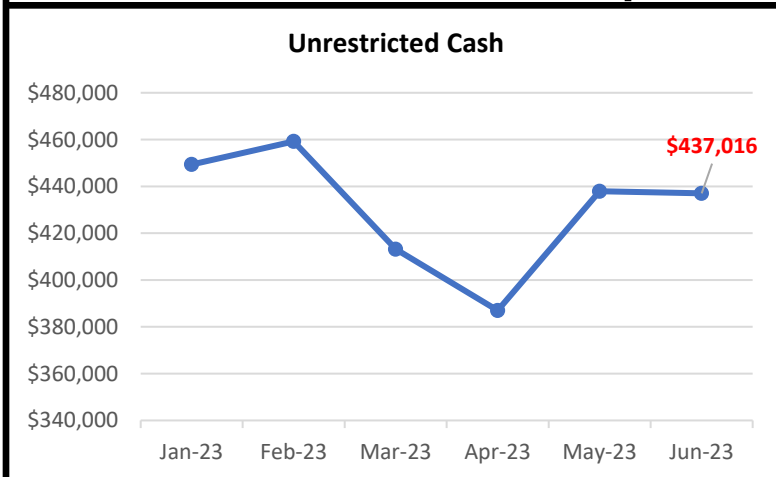
### Operating Reserves

Operating Reserves \$296,384

Operating Expenses (Last 12 Months) \$637,795

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**5.6**  
# Months Operating Expenses Covered by Op Reserves



### Excess Cash on Hand

Unrestricted Cash \$437,016

Accounts Payable \$8,326

Excess Cash on Hand \$428,691

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Excess Cash Ratio **52.49**

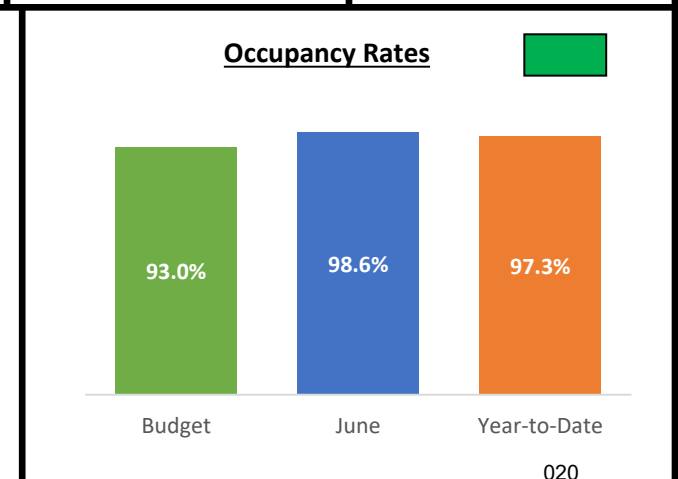
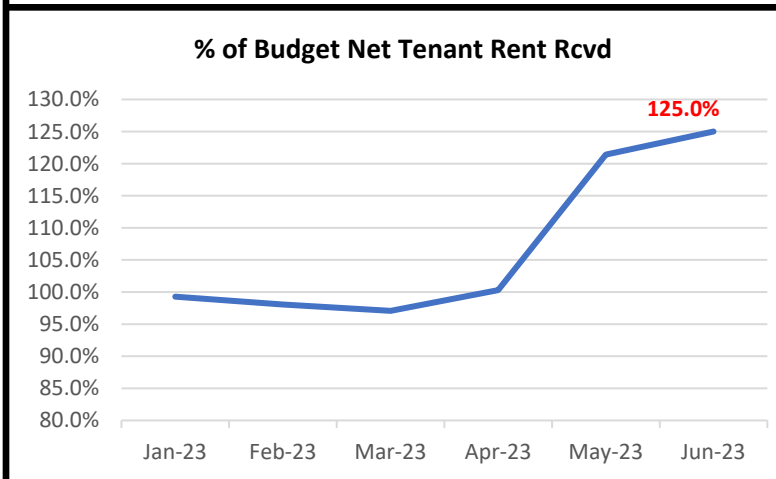
### Days Cash on Hand

Unrestricted Cash \$437,016

Operating Expenses (Last 12 Months) \$637,795

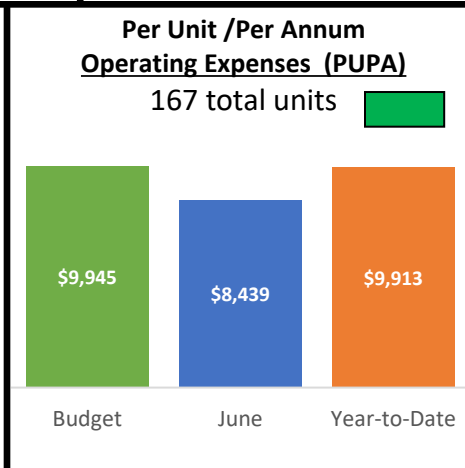
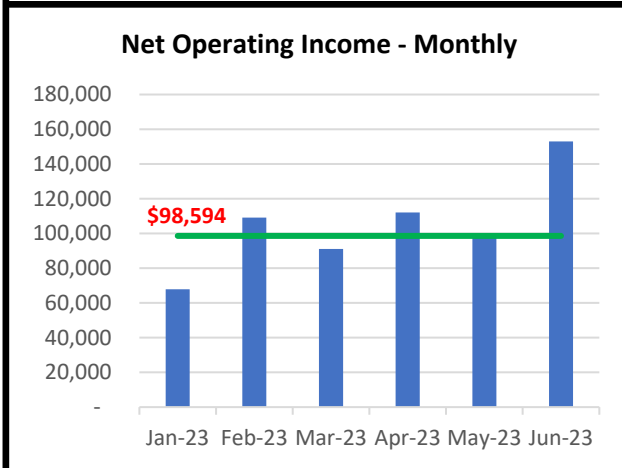
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**250**  
# Days Cash Covers Operating Expenses



**Aspinwall, LLC**  
**Key Performance Indicators**  
**June 30, 2023 – Year-to-Date**

<u>Net Operating Income -YTD</u>					<u>Debt Service Coverage Ratio</u> Net Operating Income/Debt Service Payment			<u>Quick Ratio</u>
	YTD Actual	YTD Budget	Variance	% Variance	Required	Jun 2023	Year-To-Date	3.9
Income	1,460,254	1,421,969	38,285	2.7%	1.20	2.13	1.44	Unrestricted Cash/Current Liabilities
Expense	(827,715)	(830,403)	2,688	-0.3%				
Net Op Inc(Loss)	632,539	591,566	40,973	6.9%				



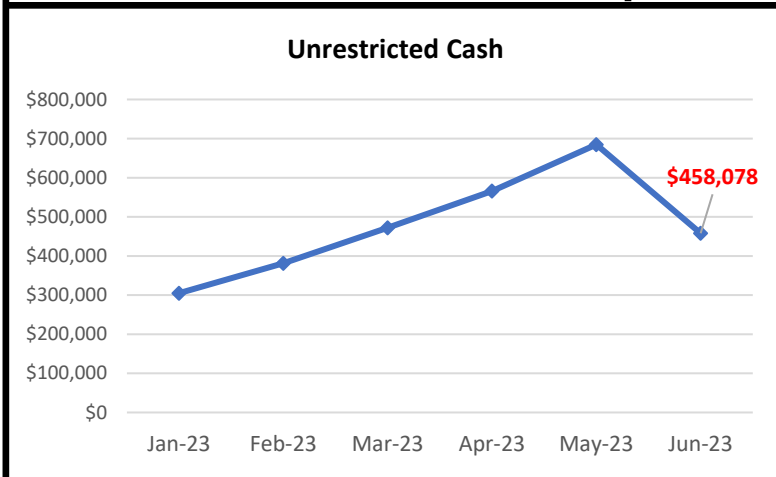
**Operating Reserves**

Operating Reserves \$855,098

Operating Expenses (Last 12 Months) \$1,743,915

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**5.9**  
# Months Operating Expenses Covered by Op Reserves



**Excess Cash Ratio**

Unrestricted Cash \$458,078

Accounts Payable \$8,935

Excess Cash on Hand \$449,143

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**Excess Cash Ratio**  
**51.27**

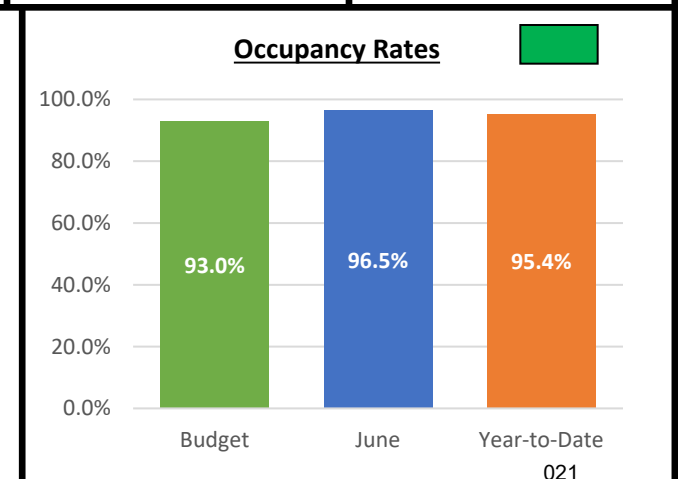
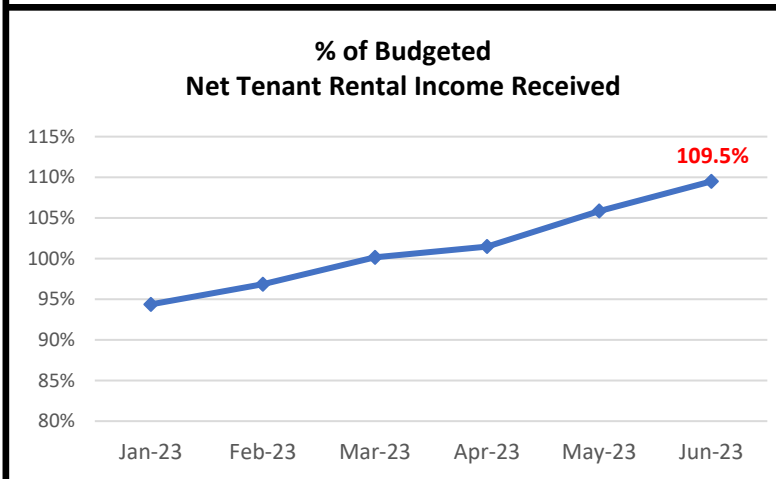
**Days Cash on Hand**

Unrestricted Cash \$458,078

Operating Expenses (Last 12 Months) \$1,743,915

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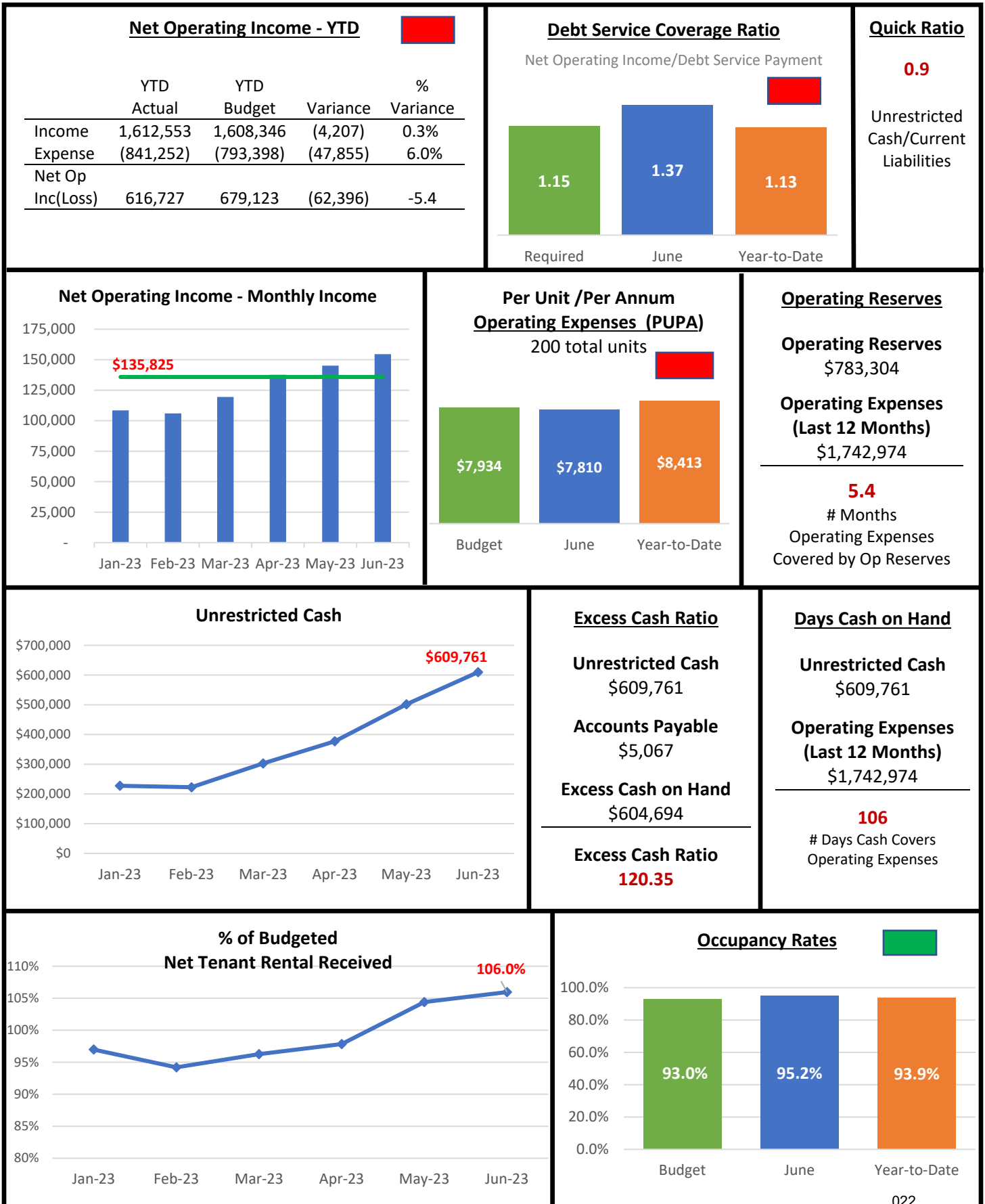
**96**  
# Days Cash Covers Operating Expenses



# Kestrel I, LLC

## Key Performance Indicators

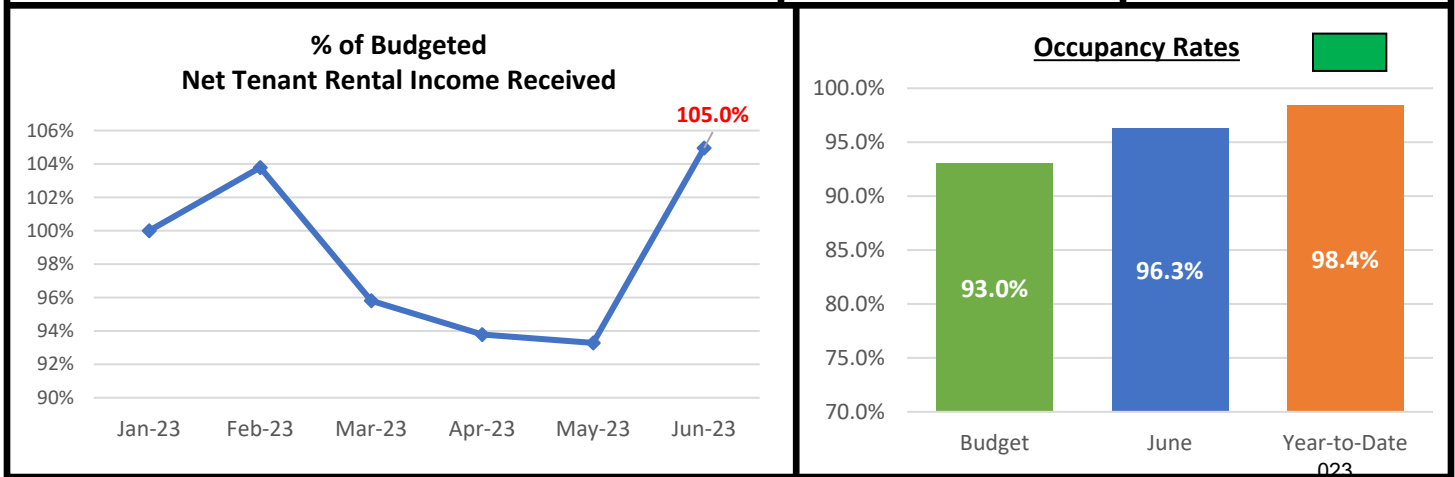
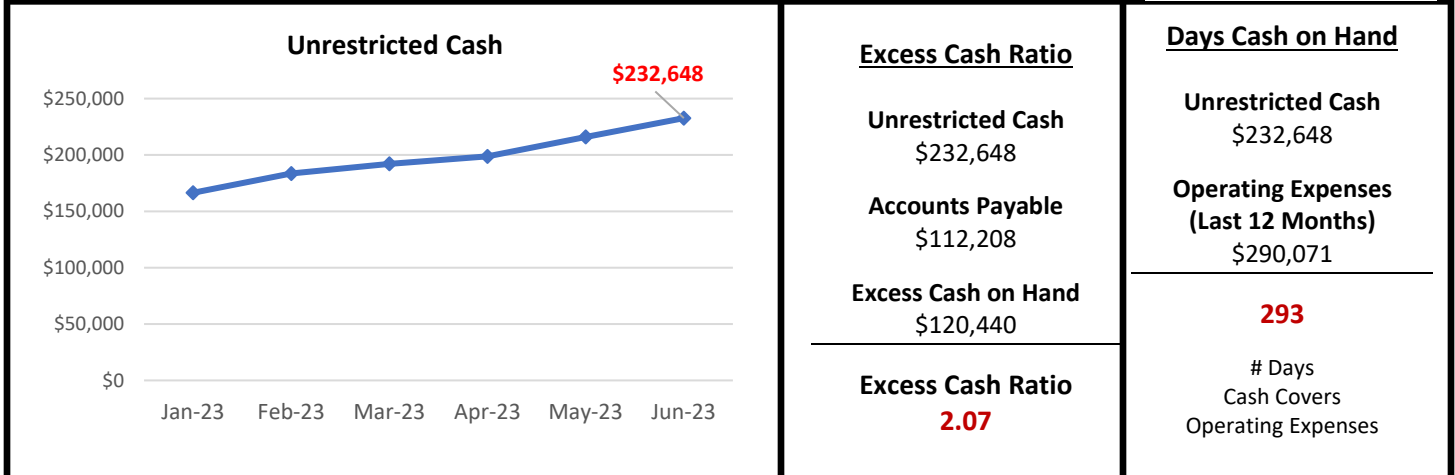
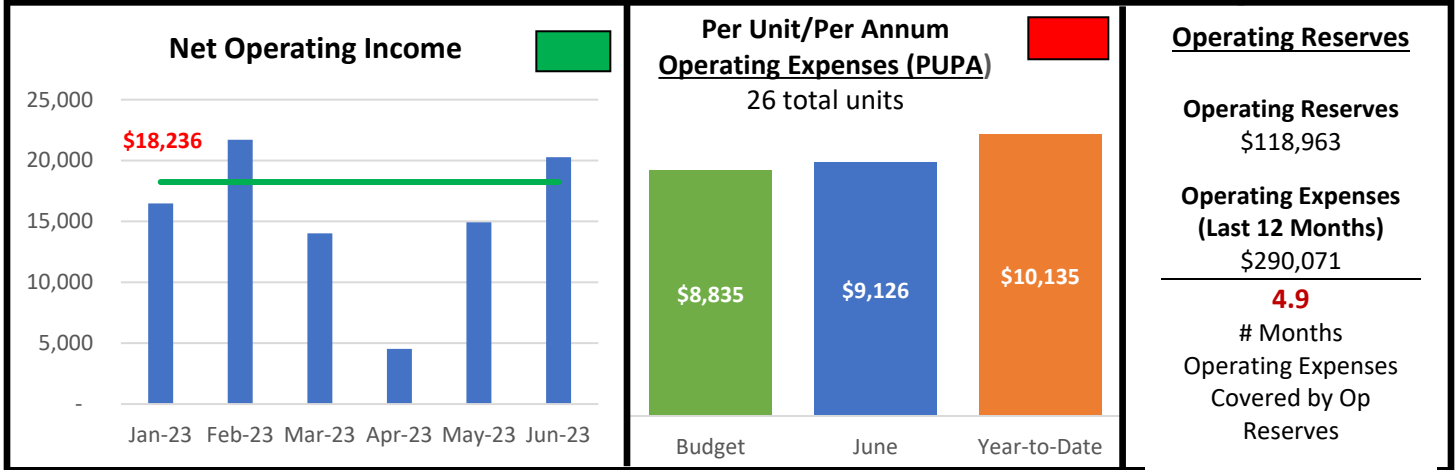
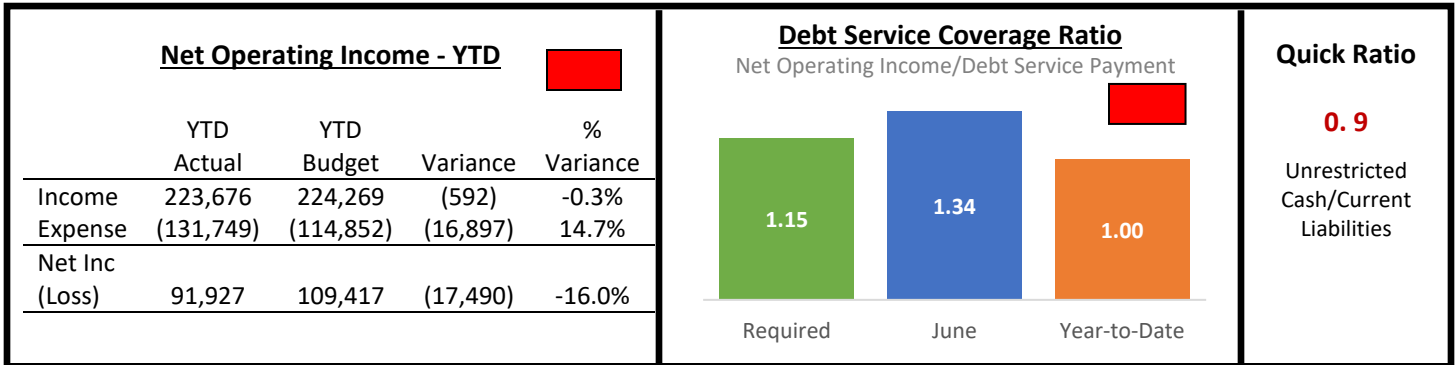
### June 30, 2023 – Year-to-Date



# Tungsten Village, LLC

## Key Performance Indicators

### June 30, 2023 – Year-to-Date



**Coffman Place, LLC**  
**Key Performance Indicators**  
**June 30, 2023 – Year-to-Date**



<b>Net Operating Income - YTD</b>				
	YTD Actual	YTD Budget	Variance	% Variance
Income	603,519	545,516	58,003	10.6%
Expense	(315,987)	(252,671)	(53,316)	25.1%
Net Op Inc(Loss)	287,531	292,844	(5,313)	-1.8%

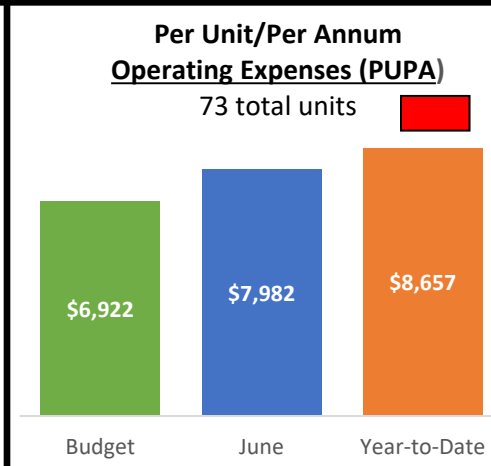
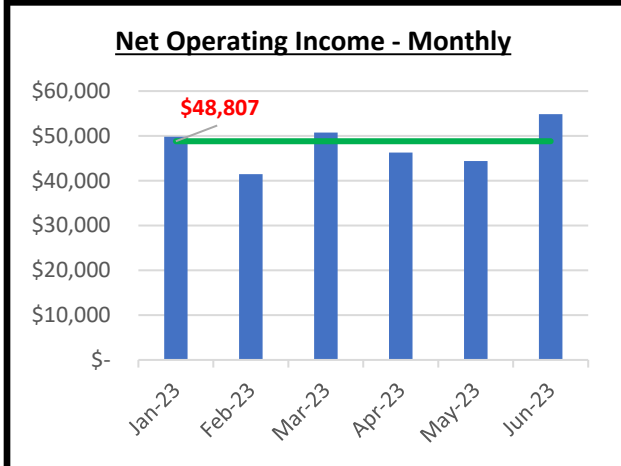
**Debt Service Coverage Ratio**  
Net Operating Income/Debt Service Payment

Required: 1.15, June: 1.35, Year-to-Date: 1.18

**Quick Ratio**

**1.4**

Unrestricted Cash/Current Liabilities



**Operating Reserves**

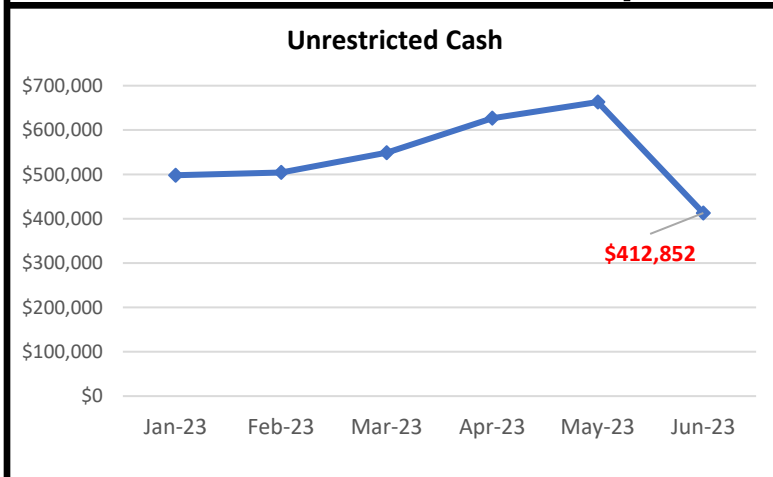
Operating Reserves \$166,676

Operating Expenses (Last 12 Months) \$538,840

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**3.7**

# Months Operating Expenses Covered by Op Reserves



**Excess Cash Ratio**

Unrestricted Cash \$412,852

Accounts Payable \$42,940

Excess Cash on Hand \$369,912

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**Excess Cash Ratio**

**9.61**

**Days Cash on Hand**

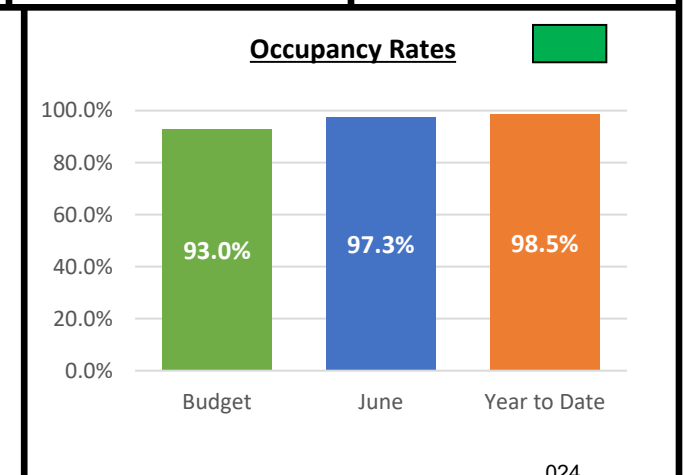
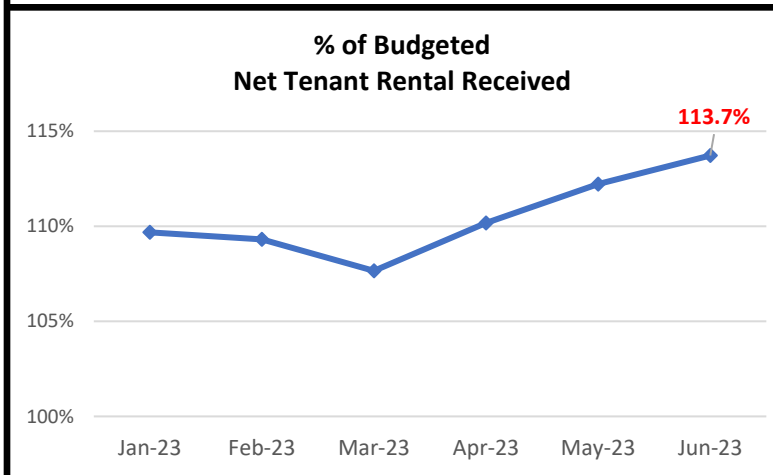
Unrestricted Cash \$412,852

Operating Expenses (Last 12 Months) \$538,840

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**280**

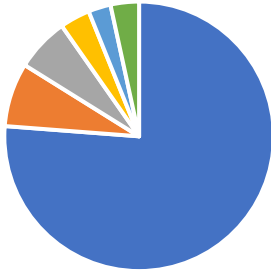
# Days Cash Covers Operating Expenses





**June 30, 2023 - Year-to-Date**

### Vouchers Leased by Type



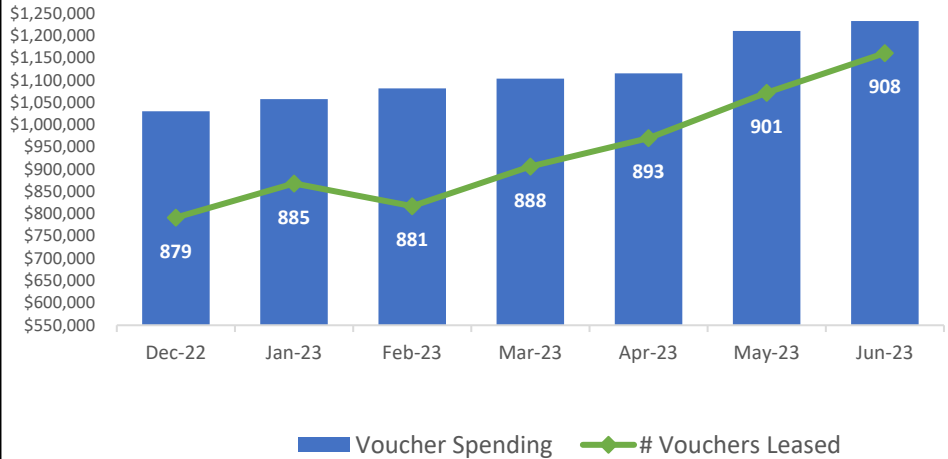
**Total Vouchers Leased: 967**

- HCV, PBV, Homeless, RAD, HO, PO, 737
- Family Unification Program, 74
- Veterans Affairs (VASH), 62
- Non-Elderly Disabled, 35
- EHV, 26
- Mainstream, 33

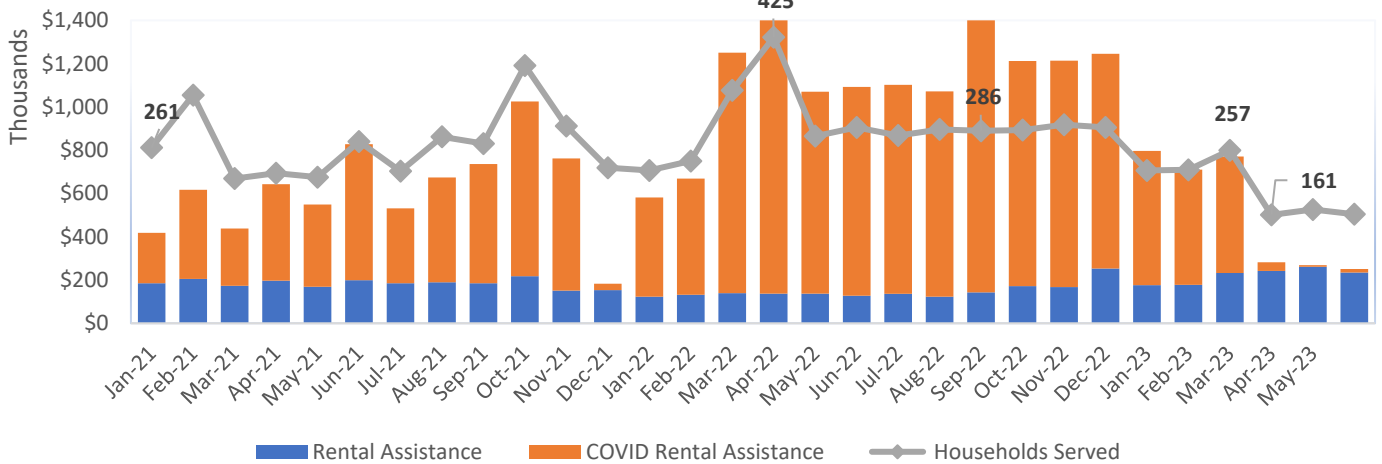
### Housing Choice Voucher Program 2023 Funding: \$13,552,019

**54%**  
of 2023 award spent  
(at 50% of year)  
\$6,801,872 Spent

97% of Vouchers are Utilized

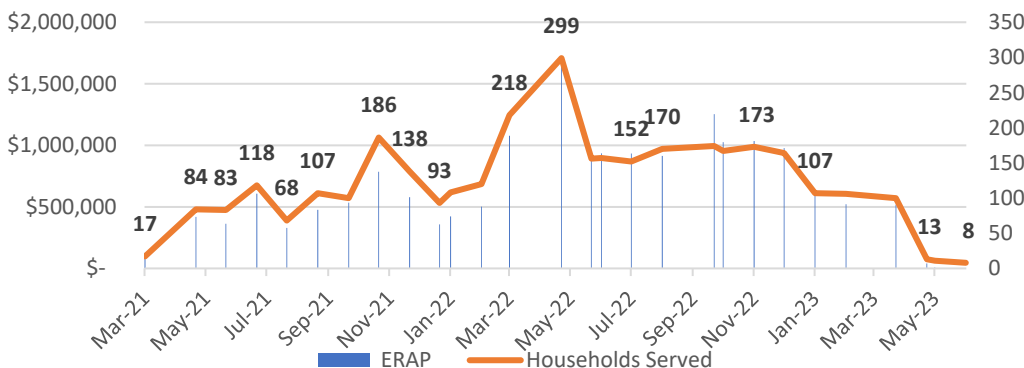


### Housing Stabilization Program (HSP)



**Funding Sources:** Human Services Safety Net (\$1.55M), HUD Continuum of Care (\$175,459), Emergency Solutions Grant (\$82k)  
**COVID-Related:** US Treasury (\$9.8M), CARES (\$1.1M), Human Services Safety Net (\$800k), DOLA (\$500k), Emergency Solutions Grant (\$95,147)

### US Treasury Department Emergency Rental Assistance Program (ERAP)



**Total Payments to-date:**  
\$17,935,166

**Clients Served: 8 households in June**



BOULDER COUNTY  
**HOUSING  
& HUMAN  
SERVICES**

Hope for the future, help when you need it.

Income Statement, DSCR, PUPA

**Total BCHA**

Year-to-Date June 30, 2023



**TOTAL BCHA**  
**Income Statement (After 2022 Year-End GASB 68 Pension Adjustment)**  
**For the Year Ending December 31, 2023**  
**(Year-to-date June 30, 2023)**

Month # 6

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Year-to-Date Actual	Year-To-Date Prior Year	Variance	%	Year-To-Date Budget	Variance	%	Comments
<b>INCOME</b>														
<b>OPERATING INCOME</b>														
<b>REVENUE</b>														
<b>GROSS POTENTIAL RENT</b>														
Tenant Rental Income	\$ 251,858	\$ 249,636	\$ 253,214	\$ 254,564	\$ 257,964	\$ 256,630	\$ 1,523,866	\$ 1,410,889	\$ 112,977	4.0%	\$ 1,463,247	\$ 60,619	4.1%	
Subsidies	149,882	147,248	149,579	165,357	139,800	177,904	929,768	925,768	4,001	0.2%	901,753	28,016	3.1%	
<b>TOTAL GROSS POTENTIAL RENT</b>	401,739	396,883	402,792	419,921	397,764	434,534	2,453,634	2,336,656	116,978	2.5%	2,365,000	88,634	3.7%	
<b>ADJUSTMENT TO RENTAL INCOME</b>														
Vacancy Loss	(35,108)	(34,613)	(37,599)	(40,258)	(32,247)	(43,931)	(223,757)	(163,390)	(60,367)	18.5%	(200,118)	(23,638)	11.8%	
<b>TOTAL ADJUSTMENT TO RENTAL INCOME</b>	(35,108)	(34,613)	(37,599)	(40,258)	(32,247)	(43,931)	(223,757)	(163,390)	(60,367)	18.5%	(200,118)	(23,638)	11.8%	
<b>OTHER INCOME</b>														
Other Revenue	3,971,667	10,641,939	1,339,665	1,163,896	8,760,023	833,251	26,710,441	15,807,926	10,902,515	34.5%	9,485,101	17,225,341	181.6%	\$13.1MM ARPA; \$2.45MM Worthy Cause; and \$458K Sustainability
Tenant Late Fees	818	385	460	764	18,551	600	21,578	16,687	4,891	14.7%	4,296	17,282	402.3%	
Insufficient Fund Fees	105	85	175	110	13,021	170	13,666	9,565	4,100	21.4%	524	13,142	2509.2%	
Work Order Charges	314	1,322	910	7,561	8,200	5,593	23,899	17,242	6,657	19.3%	14,293	9,606	67.2%	
Tenant Nonrefundable Pet Fees	150	150	-	150	300	150	900	1,350	(450)	-16.7%	1,363	(463)	-33.9%	
Other Tenant Misc Revenue	1,013	8,781	1,149	1,091	8,055	1,481	21,570	6,821	14,749	108.1%	6,532	15,038	230.2%	
Interest Income	89,147	88,015	90,048	89,701	91,798	92,538	541,246	595,672	(54,426)	-4.6%	596,796	(55,550)	-9.3%	
<b>TOTAL OTHER INCOME</b>	4,063,212	10,740,677	1,432,407	1,263,272	8,899,948	933,783	27,333,299	16,455,264	10,878,036	33.1%	10,108,903	17,224,396	170.4%	
<b>TOTAL REVENUE</b>	4,429,844	11,102,947	1,797,600	1,642,935	9,265,465	1,324,386	29,563,177	18,628,530	10,934,647	29.3%	12,273,785	17,289,392	140.9%	
<b>OPERATING EXPENSES</b>														
<b>PAYROLL EXPENSES</b>														
Administrative Salaries	212,258	222,534	222,395	232,019	243,853	242,129	1,375,189	1,213,359	161,830	6.7%	1,118,626	256,563	22.9%	
Administrative Benefits	89,792	83,869	82,617	85,192	87,611	89,090	518,172	(133,523)	651,695	-244.0%	469,823	48,349	10.3%	
Maintenance Salaries	91,150	87,947	86,324	92,764	94,026	94,807	547,019	468,513	78,506	8.4%	428,650	118,369	27.6%	
Maintenance Benefits	33,801	30,392	29,878	31,387	31,275	31,767	188,500	(12,885)	201,386	-781.4%	180,033	8,467	4.7%	
<b>TOTAL PAYROLL EXPENSES</b>	427,001	424,742	421,215	441,363	456,766	457,793	2,628,880	1,535,463	1,093,417	35.6%	2,197,133	431,747	19.7%	Need to work on allocations to arrive at actuals closer to budgets Excess costs absorbed by BCHA Administration; must work to reduce or subsidize excesses carried by BCHA
<b>ADMINISTRATIVE EXPENSES</b>														
Legal Expenses	(2,400)	150	2,594	3,308	10	19,842	23,504	13,660	9,843	36.0%	13,690	9,813	71.7%	
Staff Training	2,580	5,131	637	1,119	1,348	245	11,060	18,278	(7,218)	-19.7%	19,825	(8,764)	-44.2%	
Audit Fees	6,150	6,150	10,525	6,150	6,150	6,150	41,275	36,960	4,315	5.8%	37,083	4,192	11.3%	
Office Supplies	2,617	2,480	3,280	3,472	625	1,308	13,782	29,616	(15,834)	-26.7%	28,434	(14,652)	-51.5%	
Advertising and Marketing	-	484	-	-	95	-	579	3,684	(3,105)	-42.1%	3,321	(2,742)	-82.6%	
Phone Expense	5,957	526	8,765	2,247	10,014	1,487	28,995	30,063	(1,069)	-1.8%	30,132	(1,137)	-3.8%	
Bank Fees	2,791	3,345	3,066	3,627	2,948	3,653	19,430	21,094	(1,664)	-3.9%	21,138	(1,708)	-8.1%	
Management Fees	2,347	3,130	4,460	4,819	3,352	5,042	23,149	61,697	(38,548)	-31.2%	-	23,149	0.0%	
HOA Fees	8,408	3,625	3,625	6,625	3,625	3,625	29,533	34,396	(4,863)	-7.1%	34,490	(4,957)	-14.4%	Wedgewood (\$3,000 quarterly); January Cat Court Special Assessment \$1,783; some timing variance here
Admin Contracts	10,322	3,295	10,141	17,679	13,281	14,659	69,376	113,443	(44,067)	-19.4%	113,286	(43,910)	-38.8%	
Other Admin Expense	10,992	29,122	44,814	16,314	54,671	37,151	193,063	258,277	(65,214)	-12.6%	293,855	(100,792)	-34.3%	ie. Office rent, professional fees, marketing, printing, postage, meals, office supplies, training
Insurance	29,695	28,568	26,798	26,920	28,324	30,519	170,825	233,518	(62,694)	-13.4%	245,246	(74,422)	-30.3%	
Bad Debt	(4,416)	(2,786)	3,854	(2,321)	6,573	-	904	21,114	(20,210)	-47.9%	20,249	(19,344)	-95.5%	
Tenant Services	1,909,819	1,858,447	1,953,750	1,477,071	1,555,153	1,622,234	10,376,473	12,978,498	(2,602,025)	-10.0%	8,090,033	2,286,440	28.3%	ie. Program revenue; Properties -- Hotel if unit floods; food stipend; a/c if unit too hot;
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	1,984,862	1,941,668	2,076,307	1,567,029	1,686,168	1,745,914	11,001,948	13,854,300	(2,852,352)	-10.3%	8,950,782	2,051,167	22.9%	
<b>UTILITIES</b>														
Water	7,251	4,522	6,184	8,122	4,999	9,189	40,266	72,341	(32,075)	-22.2%	76,071	(35,805)	-47.1%	Somewhat seasonal - lawn watering increases in summer months
Electricity	6,177	3,095	5,671	5,517	4,848	4,088	29,396	33,622	(4,226)	-6.3%	35,115	(5,719)	-16.3%	
Gas	15,939	4,525	11,460	10,920	5,229	1,746	49,820	38,822	10,998	14.2%	40,710	9,110	22.4%	
Sewer	10,076	5,144	7,760	11,222	3,767	6,321	44,289	51,263	(6,974)	-6.8%	53,914	(9,624)	-17.9%	
Other Utilities	2,923	1,793	3,059	3,021	3,791	2,164	16,750	17,057	(307)	-0.9%	17,826	(1,075)	-6.0%	ie. special assessments; stormwater fees; hookup or transfer fees ...
<b>TOTAL UTILITIES</b>	42,366	19,078	34,134	38,801	22,633	23,508	180,521	213,105	(32,583)	-7.6%	223,635	(43,114)	-19.3%	
<b>MAINTENANCE EXPENSES</b>														
Maint Supplies	27,931	21,854	26,942	6,809	45,150	18,114	146,799	146,701	97	0.0%	146,490	309	0.2%	
Maint Cont Other	9,250	20,589	21,758	19,182	22,501	9,753	103,033	79,951	23,082	14.4%	73,643	29,390	39.9%	ie. fire protection; appliance service; resurface of counter tops; security ...
Maint Cont Cleaning	3,920	2,680	480	2,010	5,095	2,614	16,799	12,113	4,687	19.3%	10,379	6,420	61.9%	
Maint Cont Electrical	-	-	-	197	-	1,616	1,813	3,705	(1,893)	-25.5%	3,240	(1,427)	-44.1%	
Maint Cont Flooring	15,585	24,599	20,360	9,580	4,114	8,748	82,986	65,477	17,509	13.4%	54,379	28,608	52.6%	2023 - 16 unit turns
Maint Cont HVAC	6,542	-	91,267	(79,627)	1,340	1,177	20,699	7,525	13,174	87.5%	5,703	14,996	262.9%	April credit is a reclass of roof expense to balance sheet asset
Maint Cont Grounds	-	-	-	13,287	21,970	26,561	61,818	99,021	(37,203)	-18.8%	78,657	(16,839)	-21.4%	
Maint Cont Painting	1,565	2,755	350	1,565	-	6,235	3,030	3,205	(175)	-5.3%	3,628	3,628	139.2%	
Maint Cont Pest Control	379	379	517	379	379	379	2,411	2,799	(388)	-6.9%	2,501	(90)	-3.6%	
Maint Cont Plumbing	1,041	-	758	535	1,093	1,244	4,671	5,310	(639)	-6.0%	4,484	188	4.2%	
Maint Cont Snow Removal	50,444	50,476	20,248	48,065	30,228	-	199,462	206,604	(7,142)	-1.7%	164,468	34,994	21.3%	Increasing snow removal costs are a concern; working to reduce contracted services costs
Maint Cont Elevator	209	521	-	-	-	1,615	2,345	1,128	1,217	53.9%	930	1,415	152.1%	
Maint Cont Trash Removal	7,562	2,539	7,209	8,166	7,306	8,151	40,933	43,976	(3,043)	-3.5%	39,061	1,873	4.8%	
<b>TOTAL MAINTENANCE EXPENSES</b>	124,428	126,391	189,889	30,148	139,176	79,971	690,004	677,342	12,662	0.9%	586,542	103,462	17.6%	
<b>TOTAL OPERATING EXPENSES</b>	2,578,658	2,511,880	2,721,546	2,077,341	2,304,742	2,307,186	14,501,353	16,280,210	(1,778,857)	-5.5%	11,958,091	2,543,262	21.3%	Overall budget variance is driven by increases in personnel and maintenance contract costs
<b>NET OPERATING INCOME</b>	1,851,186	8,591,067	(923,946)	(434,406)	6,960,722	(982,800)	15,061,823	2,348,320	12,713,504	270.7%	315,694	14,746,130	4671.0%	

**TOTAL BCHA**  
**Income Statement (After 2022 Year-End GASB 68 Pension Adjustment)**  
**For the Year Ending December 31, 2023**  
**(Year-to-date June 30, 2023)**

Month #

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Year-to-Date Actual	Year-To-Date Prior Year	Variance	%	Year-To-Date Budget	Variance	%	Comments
<b>NON-OPERATING REVENUES (EXPENSES)</b>														
Depreciation Expense	(84,341)	(111,141)	(137,462)	(8,359)	(218,048)	(8,393)	(567,744)	(563,166)	(4,578)	0.4%	(553,991)	(13,753)	2.5%	
Amortization Expense	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Interest Expense - Hard Debt	(39,766)	(41,263)	(40,364)	(40,266)	(15,194)	(45,912)	(222,766)	(259,234)	36,468	-7.0%	(259,234)	36,468	-14.1%	
Interest Expense - Soft Debt	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Asset Management Fee Expense	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Investor Service Fee/Admin Service Fee	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Extraordinary Maintenance Expense	-	(1,475)	(7,240)	(49,066)	(16,132)	(0)	(73,913)	(127,901)	53,989	-21.1%	-	(73,913)	0.0%	2023 - 2 units flooded; 2022 - Community room furniture funded by CARES Act
Damage Mitigation Funding	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Other Non-Operating Income (Expense)	-	-	-	-	4,752	(34,231)	(29,479)	(898)	(28,581)	1591.8%	-	(29,479)	0.0%	
<b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b>	(124,107)	(153,879)	(185,067)	(97,691)	(244,622)	(88,535)	(893,901)	(951,199)	57,298	-3.0%	(813,225)	(80,676)	9.9%	
<b>NET INCOME (LOSS)</b>	\$ 1,727,079	\$ 8,437,188	\$ (1,109,012)	\$ (532,098)	\$ 6,716,101	\$ (1,071,335)	\$ 14,167,922	\$ 1,397,121	\$ 12,770,801	457.0%	\$ (497,531)	\$ 14,665,453	-2947.6%	

-	(0.00)	(0.00)	(8,889,342.00)	-	-	1,071,335	-	-	-	-	0.00	0.00	0.00	
0.00	0.00	(0.00)	-	-	-	0.00	0.00	0.00	-	0.00	-	0.00	0.00	



BOULDER COUNTY  
**HOUSING  
& HUMAN  
SERVICES**

Hope for the future, help when you need it.

Income Statement, DSCR, PUPA  
**TOTAL BCHA PROPERTIES**  
Year to Date June 30, 2023



**TOTAL BCHA Properties**  
**Income Statement (After 2022 Year-End GASB 68 Pension Adjustment)**  
**For the Year Ending December 31, 2023**  
**(Year-to-date June 30, 2023)**

Month # 6

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Year-to-Date Actual	Year-To-Date Prior Year	Variance	%	Year-To-Date Budget	Variance	%	Comments
<b>INCOME</b>														
<b>OPERATING INCOME</b>														
<b>REVENUE</b>														
<b>GROSS POTENTIAL RENT</b>														
Tenant Rental Income	\$ 251,858	\$ 249,636	\$ 253,214	\$ 254,564	\$ 257,964	\$ 256,630	\$ 1,523,866	\$ 1,410,889	\$ 112,977	4.0%	\$ 1,463,247	\$ 60,619	4.1%	
Subsidies	149,882	147,248	149,579	151,357	136,300	174,404	908,768	904,768	4,001	0.2%	901,753	7,016	0.8%	
<b>TOTAL GROSS POTENTIAL RENT</b>	401,739	396,883	402,792	405,921	394,264	431,034	2,432,634	2,315,656	116,978	2.5%	2,365,000	67,634	2.9%	
<b>ADJUSTMENT TO RENTAL INCOME</b>														
Vacancy Loss	(35,108)	(34,613)	(37,599)	(40,258)	(32,247)	(43,931)	(223,757)	(163,390)	(60,367)	18.5%	(200,118)	(23,638)	11.8%	
<b>TOTAL ADJUSTMENT TO RENTAL INCOME</b>	(35,108)	(34,613)	(37,599)	(40,258)	(32,247)	(43,931)	(223,757)	(163,390)	(60,367)	18.5%	(200,118)	(23,638)	11.8%	
<b>OTHER INCOME</b>														
Other Revenue	(2)	44	66	242	22	-	372	1,267	(895)	-35.3%	1,267	(895)	-70.6%	
Tenant Late Fees	818	385	460	764	385	600	3,412	4,269	(857)	-10.0%	4,296	(884)	-20.6%	
Insufficient Fund Fees	90	40	145	110	45	170	600	523	78	7.4%	524	76	14.6%	
Work Order Charges	314	1,322	910	7,561	3,122	5,593	18,820	13,778	5,043	18.3%	14,293	4,527	31.7%	
Tenant Nonrefundable Pet Fees	150	150	-	150	300	150	900	1,350	(450)	-16.7%	1,363	(463)	-33.9%	
Other Tenant Misc Revenue	1,013	621	1,149	1,091	982	1,481	6,337	6,076	262	2.2%	6,532	(194)	-3.0%	
Interest Income	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
<b>TOTAL OTHER INCOME</b>	2,382	2,562	2,730	9,918	4,856	7,994	30,442	27,262	3,180	5.8%	28,274	2,168	7.7%	
<b>TOTAL REVENUE</b>	369,014	364,832	367,923	375,581	366,873	395,097	2,239,319	2,179,528	59,791	1.4%	2,193,155	46,163	2.1%	
<b>OPERATING EXPENSES</b>														
<b>PAYROLL EXPENSES</b>														
Administrative Salaries	48,087	49,628	50,914	54,377	54,857	54,360	312,222	271,668	40,554	7.5%	240,608	71,614	29.8%	
Administrative Benefits	19,073	17,641	17,866	18,838	18,792	18,828	111,038	3,605	107,433	1489.9%	101,055	9,983	9.9%	
Maintenance Salaries	63,771	62,739	60,546	64,970	67,641	68,021	387,687	333,622	54,065	8.1%	291,897	95,790	32.8%	
Maintenance Benefits	24,028	21,903	22,486	22,486	22,921	23,232	135,818	(1)	135,819		122,597	13,221	10.8%	
<b>TOTAL PAYROLL EXPENSES</b>	154,958	151,911	150,573	160,671	164,211	164,441	946,764	608,894	337,871	27.7%	756,156	190,608	25.2%	Need to work on allocations to arrive at actuals closer to budgets Excess costs absorbed by BCHA Administration; must work to reduce or subsidize excesses carried by BCHA
<b>ADMINISTRATIVE EXPENSES</b>														
Legal Expenses	-	150	-	-	-	418	568	4,755	(4,187)	-44.0%	4,755	(4,187)	-88.1%	
Staff Training	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Audit Fees	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Office Supplies	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Advertising and Marketing	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Phone Expense	2,181	134	1,257	1,253	1,253	1,333	7,410	6,792	617	4.5%	6,793	617	9.1%	
Bank Fees	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Management Fees	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
HOA Fees	4,783	-	-	3,000	-	-	7,783	6,000	1,783	14.9%	6,000	1,783	29.7%	Wedgewood (\$3,000 quarterly); January Cat Court Special Assessment \$1,783; some timing variance here
Admin Contracts	1,175	-	-	-	-	-	1,175	-	1,175	0.0%	-	1,175	0.0%	
Other Admin Expense	9,745	12,327	30,145	13,473	28,350	16,682	110,722	144,933	(34,211)	-11.8%	119,989	(9,267)	-7.7%	ie. Indirect admin allocation - office rent, professional fees, marketing, printing, postage, meals, office supplies, trainin
Insurance	24,592	23,465	23,465	24,099	23,465	23,465	142,553	131,634	10,919	4.1%	143,086	(533)	-0.4%	
Bad Debt	(4,416)	(2,836)	3,854	(87)	6,633	-	3,148	10,399	(7,251)	-34.9%	9,547	(6,399)	-67.0%	
Tenant Services	-	58	286	487	923	-	1,754	381	1,373	180.2%	358	1,396	390.6%	ie. Hotel if unit floods; food stipend; a/c if unit too hot;
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	38,060	33,299	59,007	42,225	60,624	41,899	275,113	304,893	(29,780)	-4.9%	290,527	(15,413)	-5.3%	
<b>UTILITIES</b>														
Water	7,220	4,481	6,147	8,084	4,800	8,843	39,576	71,193	(31,617)	-22.2%	74,923	(35,348)	-47.2%	Somewhat seasonal - lawn watering increases in summer months
Electricity	5,760	3,095	5,483	5,355	4,669	3,892	28,254	30,154	(1,900)	-3.2%	31,647	(3,393)	-10.7%	
Gas	15,019	4,525	11,108	10,678	5,091	1,652	48,072	37,099	10,974	14.8%	38,987	9,085	23.3%	
Sewer	10,029	5,098	7,714	11,175	3,713	6,268	43,997	50,995	(6,997)	-6.9%	53,645	(9,648)	-18.0%	
Other Utilities	2,900	1,769	3,035	2,997	3,767	2,140	16,929	16,929	(321)	-0.9%	17,698	(1,089)	-6.2%	ie. special assessments; stormwater fees; hookup or transfer fees ...
<b>TOTAL UTILITIES</b>	40,928	18,968	33,486	38,290	22,041	22,795	176,508	206,370	(29,862)	-7.2%	216,901	(40,393)	-18.6%	
<b>MAINTENANCE EXPENSES</b>														
Maint Supplies	21,273	17,328	25,475	6,994	41,225	12,089	124,385	85,240	39,145	23.0%	85,207	39,178	46.0%	For further investigation - Is some of the 2023 increase due to smoke alarm replacement project?
Maint Cont Other	5,101	14,573	13,092	11,555	11,213	7,786	63,321	46,232	17,088	18.5%	39,924	23,397	58.6%	ie. fire protection; appliance service; resurface of counter tops; security ...
Maint Cont Cleaning	2,620	2,030	480	1,360	4,445	1,964	12,899	10,488	2,412	11.5%	8,754	4,145	47.4%	
Maint Cont Electrical	-	-	-	197	-	1,616	3,705	(1,893)	3,705	-25.5%	3,240	(4,427)	-44.1%	
Maint Cont Flooring	15,585	24,599	20,360	9,580	4,114	8,748	82,986	65,477	17,509	13.4%	54,379	28,608	52.6%	2023 - 16 unit turns
Maint Cont HVAC	6,542	-	91,267	(79,627)	1,340	1,177	20,699	7,525	13,174	87.5%	5,703	14,996	262.9%	April credit is a reclass of roof expense to balance sheet asset
Maint Cont Grounds	-	-	-	13,287	21,970	26,176	61,433	99,021	(37,588)	-19.0%	78,657	(17,224)	-21.9%	
Maint Cont Painting	1,565	2,755	350	1,565	-	6,235	3,030	3,030	3,205	52.9%	2,607	3,628	139.2%	
Maint Cont Pest Control	267	267	405	267	267	267	1,740	2,162	(422)	-9.8%	1,864	(124)	-6.6%	
Maint Cont Plumbing	1,041	-	758	535	1,093	1,244	4,671	5,310	(639)	-6.0%	4,484	188	4.2%	
Maint Cont Snow Removal	46,002	46,034	20,248	43,623	25,786	-	181,694	199,941	(18,247)	-4.6%	157,805	23,889	15.1%	Increasing snow removal costs are a concern; working to reduce contracted services costs
Maint Cont Elevator	209	521	-	-	-	547	1,276	1,128	148	6.6%	930	346	37.2%	
Maint Cont Trash Removal	6,992	1,167	6,924	7,804	7,333	7,594	37,814	42,550	(4,735)	-5.6%	37,638	176	0.5%	
<b>TOTAL MAINTENANCE EXPENSES</b>	107,197	109,274	179,360	17,141	118,787	69,207	600,965	571,809	29,156	2.5%	481,191	119,774	24.9%	
<b>TOTAL OPERATING EXPENSES</b>	341,144	313,451	422,427	258,327	365,662	298,342	1,999,351	1,691,966	307,385	9.1%	1,744,774	254,577	14.6%	Overall budget variance is driven by increases in personnel and maintenance contract costs
<b>NET OPERATING INCOME</b>	27,870	51,381	(54,503)	117,254	1,211	96,755	239,968	487,562	(247,594)	-25.4%	448,381	(208,413)	-46.5%	

**TOTAL BCHA Properties**  
**Income Statement (After 2022 Year-End GASB 68 Pension Adjustment)**  
**For the Year Ending December 31, 2023**  
**(Year-to-date June 30, 2023)**

Month # 6

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Year-to-Date Actual	Year-To-Date Prior Year	Variance	%	Year-To-Date Budget	Variance	%	Comments
<b>NON-OPERATING REVENUES (EXPENSES)</b>														
Depreciation Expense	(72,686)	(73,389)	(74,157)	(8,359)	(142,545)	(8,393)	(379,529)	(428,770)	49,241	-5.7%	(428,770)	49,241	-11.5%	
Amortization Expense	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Interest Expense - Hard Debt	(39,766)	(41,263)	(40,364)	(40,266)	(31,810)	(45,912)	(239,381)	(252,338)	12,956	-2.6%	(252,338)	12,957	-5.1%	
Interest Expense - Soft Debt	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Asset Management Fee Expense	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Investor Service Fee/Admin Service Fee	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Extraordinary Maintenance Expense	-	-	(2,240)	(49,066)	(16,132)	-	(67,437)	(57,620)	(9,817)	8.5%	-	(67,437)	0.0%	2023 - flooding at Lydia Morgan and Cleveland properties; plus Sunnyside rehab; 2022 - Community room furniture fu
Damage Mitigation Funding	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Other Non-Operating Income (Expense)	-	-	-	-	4,752	(34,231)	(29,479)	-	(29,479)	0.0%	-	(29,479)	0.0%	
<b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b>	(112,452)	(114,652)	(116,762)	(97,691)	(185,734)	(88,535)	(715,827)	(738,728)	22,901	-1.6%	(681,108)	(34,719)	5.1%	
<b>NET INCOME (LOSS)</b>	\$ (84,582)	\$ (63,271)	\$ (171,265)	\$ 19,563	\$ (184,523)	\$ 8,219	\$ (475,859)	\$ (251,166)	\$ (224,693)	44.7%	\$ (232,727)	\$ (243,132)	104.5%	
	(0.00)	-	(0.00)	-	-	-	-		0.00		(0.52)	0.00		
<b>PUPA (368 Units Total)</b>	\$ 11,124	\$ 10,221	\$ 13,775	\$ 8,424	\$ 11,924	\$ 9,729	\$ 10,866	\$ 9,195	\$ 1,671		\$ 9,482	\$ 1,384		
<b>Occupancy</b>	92.0%	92.0%	91.5%	91.0%	92.4%	90.8%	91.6%	93.4%			91.5%			



BOULDER COUNTY  
**HOUSING  
& HUMAN  
SERVICES**

Hope for the future, help when you need it.

Income Statement, DSCR, PUPA  
**BCHA PROPERTY COMPLIANCE GROUPS**  
Year-to-Date June 30, 2023





**BCHA Properties - 2013 Bond Group**  
**Income Statement (After 2022 Year-End GASB 68 Pension Adjustment)**  
**For the Year Ending December 31, 2023**  
**(Year-to-date June 30, 2023)**

Month # 6

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Year-to-Date Actual	Year-To-Date Prior Year	Variance	%	Year-To-Date Budget	Variance	%	Comments
<b>INCOME</b>														
<b>OPERATING INCOME</b>														
<b>REVENUE</b>														
<b>GROSS POTENTIAL RENT</b>														
Tenant Rental Income	\$ 75,516	\$ 74,409	\$ 75,077	\$ 72,845	\$ 71,764	\$ 70,357	\$ 439,968	\$ 414,424	\$ 25,544	6.2%	426,333	\$ 13,635	3.2%	
Subsidies	62,485	64,122	63,389	62,930	63,356	65,592	381,874	372,173	9,700	2.6%	382,868	(994)	-0.3%	
<b>TOTAL GROSS POTENTIAL RENT</b>	138,000	138,530	138,467	135,775	135,120	135,949	821,842	786,598	35,244	4.5%	809,201	12,641	1.6%	
<b>ADJUSTMENT TO RENTAL INCOME</b>														
Vacancy Loss	(7,424)	(6,649)	(7,533)	(9,504)	(7,641)	(9,965)	(48,717)	(44,836)	(3,881)	8.7%	(56,644)	7,927	-14.0%	
<b>TOTAL ADJUSTMENT TO RENTAL INCOME</b>	(7,424)	(6,649)	(7,533)	(9,504)	(7,641)	(9,965)	(48,717)	(44,836)	(3,881)	8.7%	(56,644)	7,927	-14.0%	
<b>OTHER INCOME</b>														
Other Revenue	(2)	-	-	-	-	-	(2)	62	(64)	-103.3%	62	(64)	-103.3%	
Tenant Late Fees	200	150	275	250	150	225	1,250	1,338	(88)	-6.5%	1,338	(88)	-6.5%	
Insufficient Fund Fees	-	15	75	35	45	75	245	135	110	81.5%	135	110	81.5%	
Work Order Charges	-	83	-	636	928	5,000	6,647	2,952	3,694	125.1%	2,952	3,695	125.2%	
Tenant Nonrefundable Pet Fees	-	-	-	-	150	150	300	600	(300)	-50.0%	600	(300)	-50.0%	
Other Tenant Misc Revenue	-	-	-	-	-	-	-	203	(203)	-100.0%	203	(203)	-100.0%	
Interest Income	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
<b>TOTAL OTHER INCOME</b>	198	248	350	921	1,273	5,450	8,440	5,289	3,151	59.6%	5,289	3,151	59.6%	
<b>TOTAL REVENUE</b>	130,774	132,129	131,284	127,192	128,752	131,434	781,565	747,050	34,514	4.6%	757,846	23,719	3.1%	
<b>OPERATING EXPENSES</b>														
<b>PAYROLL EXPENSES</b>														
Administrative Salaries	18,106	17,647	18,050	19,297	19,429	19,350	111,880	96,766	15,114	15.6%	75,839	36,041	47.5%	
Administrative Benefits	7,169	6,357	6,424	6,764	6,738	6,774	40,226	6,299	33,928	538.7%	31,853	8,374	26.3%	
Maintenance Salaries	25,638	22,894	21,132	23,405	23,690	23,363	140,121	127,433	12,688	10.0%	95,225	44,896	47.1%	
Maintenance Benefits	9,373	7,752	7,335	7,982	7,948	7,915	48,304	8,017	40,288	502.6%	39,995	8,310	20.8%	
<b>TOTAL PAYROLL EXPENSES</b>	60,286	54,650	52,942	57,448	57,805	57,401	340,532	238,514	102,017	42.8%	242,912	97,620	40.2%	Need to work on allocations to arrive at actuals closer to budgets Excess costs absorbed by BCHA Administration; must work to reduce or subsidize excesses carried by BCHA
<b>ADMINISTRATIVE EXPENSES</b>														
Legal Expenses	-	-	-	-	-	-	-	2,744	(2,744)	-100.0%	2,745	(2,745)	-100.0%	
Staff Training	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Audit Fees	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Office Supplies	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Advertising and Marketing	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Phone Expense	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Bank Fees	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Management Fees	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
HOA Fees	4,783	-	-	3,000	-	-	7,783	6,000	1,783	29.7%	6,000	1,783	29.7%	Wedgewood (\$3,000 quarterly); January Cat Court Special Assessment \$1,783; some timing variance here
Admin Contracts	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Other Admin Expense	3,402	4,303	10,522	4,703	9,899	5,823	38,652	49,654	(11,002)	-22.2%	24,654	13,998	56.8%	ie. Indirect admin allocation - office rent, professional fees, marketing, printing, postage, meals, office supplies, trainin
Insurance	8,166	7,673	7,673	7,673	7,673	7,673	46,530	43,288	3,242	7.5%	47,054	(524)	-1.1%	
Bad Debt	-	-	(172)	(87)	4,413	-	4,154	(566)	4,720	-833.6%	-	4,154	0.0%	
Tenant Services	-	58	286	487	-	-	831	358	473	132.4%	358	473	132.4%	ie. Hotel if unit floods; food stipend; a/c if unit too hot;
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	16,351	12,034	18,309	15,775	21,985	13,496	97,950	101,477	(3,527)	-3.5%	80,810	17,140	21.2%	
<b>UTILITIES</b>														
Water	3,774	1,711	2,321	4,162	355	4,465	16,788	30,688	(13,900)	-45.3%	32,483	(15,696)	-48.3%	Somewhat seasonal - lawn watering increases in summer months
Electricity	1,014	287	1,076	1,143	1,049	436	5,005	6,077	(1,072)	-17.6%	6,432	(1,427)	-22.2%	Move outs can impact this line; we pay if unit is vacant
Gas	3,099	103	2,585	3,115	1,244	149	10,295	8,451	1,844	21.8%	8,945	1,350	15.1%	
Sewer	5,818	1,731	2,618	6,178	(1,397)	2,512	17,460	23,892	(6,432)	-26.9%	25,290	(7,830)	-31.0%	
Other Utilities	408	285	428	461	412	486	2,481	2,484	(3)	-0.1%	2,629	(148)	-5.6%	ie. special assessments; stormwater fees; hookup or transfer fees ...
<b>TOTAL UTILITIES</b>	14,112	4,117	9,028	15,059	1,664	8,048	52,029	71,591	(19,563)	-27.3%	75,780	(23,751)	-31.3%	
<b>MAINTENANCE EXPENSES</b>														
Maint Supplies	5,412	8,861	8,025	2,335	8,359	3,443	36,435	25,277	11,158	44.1%	25,277	11,158	44.1%	For further investigation - Is some of the 2023 increase due to smoke alarm replacement project?
Maint Cont Other	240	4,900	7,261	3,131	2,142	800	18,474	18,455	19	0.1%	13,637	4,836	35.5%	ie. fire protection; appliance service; resurface of counter tops; security ...
Maint Cont Cleaning	630	365	-	680	340	455	2,470	3,053	(583)	-19.1%	2,256	214	9.5%	
Maint Cont Electrical	-	-	-	-	-	-	-	1,561	(1,561)	-100.0%	1,154	(1,154)	-100.0%	
Maint Cont Flooring	2,555	15,576	5,440	543	0	-	24,114	18,208	5,906	32.4%	13,455	10,659	79.2%	February 2023- unit turns - Cat Court 1 unit, Wedgewood 2 units
Maint Cont HVAC	4,184	-	-	5,040	(3,541)	902	6,585	2,079	4,506	216.8%	1,536	5,049	328.7%	
Maint Cont Grounds	-	-	-	637	4,535	4,821	9,994	26,154	(16,160)	-61.8%	18,271	(8,278)	-45.3%	Seasonal - Expect increases in the warmer months
Maint Cont Painting	-	2,755	-	-	-	-	2,755	218	2,538	1166.7%	161	2,594	1614.1%	February 2023- unit turns - Cat Court 1 unit, Wedgewood 2 units
Maint Cont Pest Control	69	69	69	69	69	69	414	400	15	3.6%	295	119	40.2%	
Maint Cont Plumbing	357	-	-	375	933	-	1,665	1,318	347	26.4%	974	691	71.0%	
Maint Cont Snow Removal	13,540	13,572	930	13,929	12,642	-	54,614	73,383	(18,769)	-25.6%	51,266	3,348	6.5%	Increasing snow removal costs are a concern; working to reduce contracted services costs
Maint Cont Elevator	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Maint Cont Trash Removal	2,037	727	1,857	2,477	2,109	2,247	11,454	12,174	(721)	-5.9%	8,997	2,457	27.3%	
<b>TOTAL MAINTENANCE EXPENSES</b>	29,024	46,825	23,581	29,217	27,589	12,737	168,974	182,278	(13,304)	-7.3%	137,278	31,696	23.1%	
<b>TOTAL OPERATING EXPENSES</b>	119,774	117,626	103,860	117,500	109,043	91,682	659,484	593,861	65,623	11.1%	536,779	122,705	22.9%	
<b>NET OPERATING INCOME</b>	11,000	14,503	27,424	9,692	19,709	39,752	122,081	153,189	(31,108)	-20.3%	221,067	(98,986)	-44.8%	Overall budget variance is driven by increases in personnel and maintenance contract services

**BCHA Properties - 2013 Bond Group**  
**Income Statement (After 2022 Year-End GASB 68 Pension Adjustment)**  
**For the Year Ending December 31, 2023**  
**(Year-to-date June 30, 2023)**

Month #

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Year-to-Date Actual	Year-To-Date Prior Year	Variance	%	Year-To-Date Budget	Variance	%	Comments	
<b>NON-OPERATING REVENUES (EXPENSES)</b>															
Depreciation Expense	(21,997)	(21,995)	(21,995)	(3,526)	(37,854)	(3,560)	(110,926)	(126,880)	15,954	-12.6%	(126,880)	15,954	-12.6%	April is an adjustment related to roof replacements; May includes April as well as any true-up for 2023 updates.	
Amortization Expense	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%		
Interest Expense - Hard Debt	(15,188)	(15,146)	(15,099)	(15,054)	(15,012)	(14,965)	(90,464)	(92,843)	2,379	-2.6%	(92,844)	2,379	-2.6%		
Interest Expense - Soft Debt	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%		
Asset Management Fee Expense	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%		
Investor Service Fee/Admin Service Fee	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%		
Extraordinary Maintenance Expense	-	-	-	-	(5,871)	-	(5,871)	(25,703)	19,833	-77.2%	-	(5,871)	0.0%		2022 - Bloomfield and Eagle Place community room furniture expense - funded by CARES Act
Damage Mitigation Funding	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%		
Other Non-Operating Income (Expense)	-	-	-	-	4,752	-	4,752	-	4,752	0.0%	-	4,752	0.0%		
<b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b>	(37,185)	(37,141)	(37,094)	(18,580)	(53,985)	(18,524)	(202,509)	(245,426)	42,918	-17.5%	(219,724)	17,215	-7.8%		
<b>NET INCOME (LOSS)</b>	\$ (26,185)	\$ (22,638)	\$ (9,670)	\$ (8,888)	\$ (34,276)	\$ 21,228	\$ (80,428)	\$ (92,237)	\$ 11,809	-12.8%	\$ 1,343	\$ (81,771)	-6087.1%	Overall budget variance is driven by increases in personnel and maintenance contract costs	
	-	-	(0.00)	(0.00)	(0.00)	-	-	(0)	0.00		(0)	-		Small denominator relative to numerator is driving the high percentage variance	
<b>DEBT SERVICE COVERAGE RATIO (1.10 Required)</b>	<b>0.34</b>	<b>0.45</b>	<b>0.86</b>	<b>0.30</b>	<b>0.61</b>	<b>1.24</b>	<b>0.63</b>	<b>0.80</b>	<b>(0.16)</b>		<b>1.15</b>	<b>(0.51)</b>			
<b>PUPA (111 Units Total)</b>	\$ <b>12,948</b>	\$ <b>12,716</b>	\$ <b>11,228</b>	\$ <b>12,703</b>	\$ <b>11,788</b>	\$ <b>9,912</b>	\$ <b>11,883</b>	\$ <b>10,700</b>	\$ <b>1,182</b>		\$ <b>9,672</b>	\$ <b>2,211</b>			
<b>Occupancy</b>	<b>94.6%</b>	<b>95.2%</b>	<b>94.6%</b>	<b>93.0%</b>	<b>94.3%</b>	<b>92.7%</b>	<b>94.1%</b>	<b>94.3%</b>	<b>-0.2%</b>		<b>93.0%</b>	<b>1.1%</b>			

**BCHA Properties - 2012 Bond Group**  
**Income Statement (After 2022 Year-End GASB 68 Pension Adjustment)**  
**For the Year Ending December 31, 2023**  
**(Year-to-date June 30, 2023)**

Month # 6

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Year-to-Date Actual	Year-To-Date Prior Year	Variance	%	Year-To-Date Budget	Variance	%	Comments
<b>INCOME</b>														
<b>OPERATING INCOME</b>														
<b>REVENUE</b>														
<b>GROSS POTENTIAL RENT</b>														
Tenant Rental Income	\$ 109,723	\$ 108,252	\$ 110,910	\$ 113,908	\$ 116,092	\$ 115,064	\$ 673,950	\$ 611,244	\$ 62,705	5.1%	638,457	\$ 35,492	5.6%	
Subsidies	44,301	41,969	41,957	41,537	46,247	48,799	264,810	277,568	(12,757)	-2.3%	289,925	(25,115)	-8.7%	
<b>TOTAL GROSS POTENTIAL RENT</b>	154,024	150,222	152,868	155,445	162,339	163,863	938,760	888,812	49,948	2.8%	928,383	10,377	1.1%	
<b>ADJUSTMENT TO RENTAL INCOME</b>														
Vacancy Loss	(11,737)	(11,402)	(12,841)	(12,436)	(12,829)	(12,011)	(73,255)	(59,550)	(13,705)	11.5%	(64,987)	(8,268)	12.7%	
<b>TOTAL ADJUSTMENT TO RENTAL INCOME</b>	(11,737)	(11,402)	(12,841)	(12,436)	(12,829)	(12,011)	(73,255)	(59,550)	(13,705)	11.5%	(64,987)	(8,268)	12.7%	
<b>OTHER INCOME</b>														
Other Revenue	-	44	66	242	-	-	352	176	176	50.0%	176	176	100.0%	
Tenant Late Fees	413	25	175	350	175	225	1,363	1,544	(181)	-5.9%	1,544	(181)	-11.7%	
Insufficient Fund Fees	75	10	70	75	-	80	310	298	13	2.1%	298	13	4.2%	
Work Order Charges	-	758	860	1,345	1,713	512	5,187	6,098	(912)	-7.5%	6,099	(912)	-15.0%	
Tenant Nonrefundable Pet Fees	150	150	-	150	150	-	600	675	(75)	-5.6%	675	(75)	-11.1%	
Other Tenant Misc Revenue	592	596	795	603	587	1,050	4,223	2,903	1,320	22.7%	2,903	1,320	45.5%	
Interest Income	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
<b>TOTAL OTHER INCOME</b>	1,230	1,582	1,966	2,765	2,624	1,867	12,035	11,694	340	1.5%	11,694	341	2.9%	
<b>TOTAL REVENUE</b>	143,517	140,402	141,993	145,774	152,134	153,719	877,540	840,956	36,584	2.2%	875,090	2,450	0.3%	
<b>OPERATING EXPENSES</b>														
<b>PAYROLL EXPENSES</b>														
Administrative Salaries	16,096	17,183	17,655	18,992	19,106	19,033	108,064	94,977	13,087	6.9%	97,809	10,255	10.5%	
Administrative Benefits	6,458	6,170	6,249	6,619	6,588	6,624	38,708	(9,646)	48,353	-250.6%	41,080	(2,372)	-5.8%	
Maintenance Salaries	23,811	25,118	23,850	25,232	26,225	26,793	151,029	130,156	20,873	8.0%	133,988	17,041	12.7%	
Maintenance Benefits	9,408	9,020	8,445	8,835	8,964	9,208	53,880	(13,200)	67,080	-254.1%	56,275	(2,395)	-4.3%	Need to work on allocations to arrive at actuals closer to budgets
<b>TOTAL PAYROLL EXPENSES</b>	55,774	57,491	56,198	59,678	60,883	61,657	351,681	202,287	149,394	36.9%	329,152	22,529	6.8%	Excess costs absorbed by BCHA Administration; must work to reduce or subsidize excesses carried by BCHA
<b>ADMINISTRATIVE EXPENSES</b>														
Legal Expenses	-	150	-	-	-	418	568	1,477	(909)	-30.8%	1,478	(910)	-61.6%	
Staff Training	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Audit Fees	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Office Supplies	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Advertising and Marketing	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Phone Expense	565	-	317	316	316	336	1,849	1,343	507	18.9%	1,343	507	37.8%	ie. phone at Lydia Morgan / Community room / internet / elevators
Bank Fees	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Management Fees	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
HOA Fees	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Admin Contracts	750	-	-	-	-	750	750	-	750	0.0%	750	-	0.0%	
Other Admin Expense	3,984	5,039	12,323	5,508	11,562	6,820	45,236	58,153	(12,917)	-11.1%	58,153	(12,917)	-22.2%	ie. Indirect admin allocation - office rent, professional fees, marketing, printing, postage, meals, office supplies, trainin
Insurance	6,796	6,796	6,796	6,796	6,796	6,796	40,778	37,515	3,263	4.3%	40,778	(1)	0.0%	
Bad Debt	-	(809)	-	-	2,220	-	1,411	2,280	(870)	-19.1%	1,876	(465)	-24.8%	
Tenant Services	-	-	-	-	923	-	923	-	923	0.0%	-	923	0.0%	
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	12,095	11,177	19,437	12,620	21,816	14,370	91,515	100,768	(9,253)	-4.6%	103,627	(12,112)	-11.7%	
<b>UTILITIES</b>														
Water	1,816	1,384	1,751	1,605	1,643	1,262	9,462	13,802	(4,340)	-15.7%	14,492	(5,030)	-34.7%	Somewhat seasonal - lawn watering increases in summer months
Electricity	2,155	781	1,879	1,970	1,537	1,575	9,898	9,945	(47)	-0.2%	10,442	(544)	-5.2%	
Gas	5,591	741	4,122	3,905	1,888	491	16,738	13,784	2,954	10.7%	14,473	2,264	15.6%	
Sewer	2,024	1,564	2,055	1,879	1,598	1,375	10,496	10,615	(119)	-0.6%	11,146	(649)	-5.8%	
Other Utilities	1,117	641	1,155	1,147	1,440	781	6,281	6,680	(398)	-3.0%	7,013	(732)	-10.4%	ie. special assessments; stormwater fees; hookup or transfer fees ...
<b>TOTAL UTILITIES</b>	12,704	5,111	10,963	10,507	8,105	5,485	52,875	54,825	(1,950)	-1.8%	57,566	(4,691)	-8.1%	
<b>MAINTENANCE EXPENSES</b>														
Maint Supplies	12,298	5,778	9,102	1,632	14,617	4,546	47,972	41,223	6,749	8.2%	41,224	6,748	16.4%	
Maint Cont Other	2,928	2,993	967	4,577	5,553	5,404	22,421	13,942	8,479	30.4%	11,496	10,925	95.0%	ie. fire protection; appliance service; resurface of counter tops; security ...
Maint Cont Cleaning	1,675	845	480	365	2,670	995	7,030	5,340	1,690	15.8%	4,403	2,627	59.7%	
Maint Cont Electrical	-	-	-	197	-	-	197	330	(133)	-20.2%	272	(75)	-27.6%	
Maint Cont Flooring	9,443	2,687	-	9,037	3,445	7,615	32,228	36,169	(3,942)	-5.4%	29,824	2,404	8.1%	7 unit turns - Cottonwood 5, Sumner 1, Regal I 1
Maint Cont HVAC	2,358	-	5,775	825	4,881	275	14,114	4,726	9,388	99.3%	3,897	10,218	262.2%	Repair at Lydia Morgan
Maint Cont Grounds	-	-	-	6,246	7,497	8,202	21,945	30,276	(8,331)	-13.8%	24,826	(2,881)	-11.6%	Seasonal - Expect increases in the warmer months
Maint Cont Painting	-	-	350	-	-	350	350	2,088	(1,738)	-41.6%	1,721	(1,371)	-79.7%	
Maint Cont Pest Control	89	89	89	89	89	89	534	1,103	(569)	-25.8%	909	(375)	-41.3%	
Maint Cont Plumbing	160	-	358	160	160	1,084	1,922	2,753	(830)	-15.1%	2,270	(347)	-15.3%	
Maint Cont Snow Removal	13,440	13,440	9,757	13,440	3,683	-	53,759	47,048	6,711	7.1%	38,497	15,261	39.6%	Increasing snow removal costs are a concern; working to reduce contracted services costs
Maint Cont Elevator	209	521	-	-	-	547	1,276	1,128	148	6.6%	930	346	37.2%	
Maint Cont Trash Removal	2,252	-	2,355	2,430	2,431	2,360	11,827	13,965	(2,138)	-7.7%	11,520	308	2.7%	
<b>TOTAL MAINTENANCE EXPENSES</b>	44,852	26,353	29,232	38,997	45,026	31,116	215,576	200,091	15,485	3.9%	171,789	43,787	25.5%	
<b>TOTAL OPERATING EXPENSES</b>	125,425	100,132	115,830	121,802	135,830	112,628	711,646	557,971	153,675	13.8%	662,134	49,512	7.5%	
<b>NET OPERATING INCOME</b>	18,092	40,271	26,164	23,972	16,304	41,091	165,894	282,985	(117,092)	-20.7%	212,956	(47,062)	-22.1%	Overall budget variance is driven by increases in personnel and maintenance contract costs

**BCHA Properties - 2012 Bond Group**  
**Income Statement (After 2022 Year-End GASB 68 Pension Adjustment)**  
**For the Year Ending December 31, 2023**  
**(Year-to-date June 30, 2023)**

Month #

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Year-to-Date Actual	Year-To-Date Prior Year	Variance	%	Year-To-Date Budget	Variance	%	Comments
<b>NON-OPERATING REVENUES (EXPENSES)</b>														
Depreciation Expense	(22,796)	(22,796)	(23,564)	-	(47,127)	-	(116,283)	(135,822)	19,540	-7.2%	(135,823)	19,540	-14.4%	May expense includes April as well as any true-up for 2023 updates.  2023 - Lydia Morgan flood. 2022 - Lydia Morgan community room furniture funded by CARES Act
Amortization Expense	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Interest Expense - Hard Debt	(16,207)	(16,170)	(16,128)	(16,089)	(16,052)	(16,009)	(96,654)	(98,755)	2,101	-1.1%	(98,756)	2,101	-2.1%	
Interest Expense - Soft Debt	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Asset Management Fee Expense	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Investor Service Fee/Admin Service Fee	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Extraordinary Maintenance Expense	-	-	(2,240)	(15,656)	-	-	(17,896)	(7,345)	(10,551)	71.8%	-	(17,896)	0.0%	
Damage Mitigation Funding	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Other Non-Operating Income (Expense)	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
<b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b>	<b>(39,002)</b>	<b>(38,966)</b>	<b>(41,932)</b>	<b>(31,744)</b>	<b>(63,179)</b>	<b>(16,009)</b>	<b>(230,833)</b>	<b>(241,922)</b>	<b>11,089</b>	<b>-2.3%</b>	<b>(234,578)</b>	<b>3,745</b>	<b>-1.6%</b>	
<b>NET INCOME (LOSS)</b>	<b>\$ (20,911)</b>	<b>\$ 1,305</b>	<b>\$ (15,768)</b>	<b>\$ (7,773)</b>	<b>\$ (46,875)</b>	<b>\$ 25,082</b>	<b>\$ (64,939)</b>	<b>\$ 41,063</b>	<b>\$ (106,002)</b>	<b>-129.1%</b>	<b>\$ (21,622)</b>	<b>\$ (43,317)</b>	<b>200.3%</b>	
	-	-	-	0.00	-	-	0.00	-	-	-	-	(0.00)	-	
<b>DEBT SERVICE COVERAGE RATIO (1.10 Required)</b>	<b>0.58</b>	<b>1.30</b>	<b>0.84</b>	<b>0.77</b>	<b>0.53</b>	<b>1.33</b>	<b>0.89</b>	<b>1.52</b>	<b>(0.63)</b>		<b>1.15</b>	<b>(0.25)</b>		
<b>PUPA (130 Units Total)</b>	<b>\$ 11,578</b>	<b>\$ 9,243</b>	<b>\$ 10,692</b>	<b>\$ 11,243</b>	<b>\$ 12,538</b>	<b>\$ 10,396</b>	<b>\$ 10,948</b>	<b>\$ 8,584</b>	<b>\$ 2,364</b>		<b>\$ 10,187</b>	<b>\$ 762</b>		
<b>Occupancy</b>	<b>92.4%</b>	<b>92.4%</b>	<b>91.6%</b>	<b>92.0%</b>	<b>92.1%</b>	<b>92.7%</b>	<b>92.2%</b>	<b>93.3%</b>	<b>-1.1%</b>		<b>93.0%</b>	<b>-0.8%</b>		

BCHA Properties - Sunnyside  
Income Statement (After 2022 Year-End GASB 68 Pension Adjustment)  
For the Year Ending December 31, 2023  
(Year-to-date June 30, 2023)

Month # 6

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Year-to-Date Actual	Year-To-Date Prior Year	Variance	%	Year-To-Date Budget	Variance	%	Comments
<b>INCOME</b>														
<b>OPERATING INCOME</b>														
<b>REVENUE</b>														
<b>GROSS POTENTIAL RENT</b>														
Tenant Rental Income	\$ 13,218	\$ 13,218	\$ 13,222	\$ 14,377	\$ 14,953	\$ 15,706	\$ 84,692	\$ 72,776	\$ 11,916	8.2%	\$ 79,601	\$ 5,091	6.4%	
Subsidies	7,540	7,540	8,092	8,836	9,210	9,831	51,049	53,182	(2,133)	-2.0%	58,170	(7,121)	-12.2%	
<b>TOTAL GROSS POTENTIAL RENT</b>	20,758	20,758	21,313	23,213	24,162	25,537	135,741	125,958	9,783	3.9%	137,771	(2,029)	-1.5%	
<b>ADJUSTMENT TO RENTAL INCOME</b>														
Vacancy Loss	(1,223)	(1,223)	(1,255)	(1,370)	(1,424)	(1,195)	(7,689)	(2,015)	(5,674)	140.8%	(9,644)	1,955	-20.3%	
<b>TOTAL ADJUSTMENT TO RENTAL INCOME</b>	(1,223)	(1,223)	(1,255)	(1,370)	(1,424)	(1,195)	(7,689)	(2,015)	(5,674)	140.8%	(9,644)	1,955	-20.3%	
<b>OTHER INCOME</b>														
Other Revenue	-	-	-	-	22	-	22	-	22	0.0%	-	22	0.0%	
Tenant Late Fees	50	50	-	75	25	75	275	400	(125)	-15.6%	400	(125)	-31.3%	
Insufficient Fund Fees	15	15	-	-	-	15	45	45	-	0.0%	45	-	0.0%	
Work Order Charges	-	481	-	-	321	-	802	763	39	2.6%	763	39	5.1%	
Tenant Nonrefundable Pet Fees	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Other Tenant Misc Revenue	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Interest Income	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
<b>TOTAL OTHER INCOME</b>	65	546	-	75	368	90	1,144	1,208	(64)	-2.6%	1,208	(64)	-5.3%	
<b>TOTAL REVENUE</b>	19,600	20,081	20,058	21,919	23,106	24,432	129,196	125,151	4,045	1.6%	129,334	(138)	-0.1%	
<b>OPERATING EXPENSES</b>														
<b>PAYROLL EXPENSES</b>														
Administrative Salaries	1,878	1,957	2,019	2,189	2,194	2,190	12,427	11,434	993	4.3%	11,843	584	4.9%	
Administrative Benefits	756	700	710	758	752	757	4,432	(1,187)	5,619	-236.7%	4,974	(542)	-10.9%	
Maintenance Salaries	2,258	2,722	2,722	3,405	3,785	3,691	18,583	13,883	4,700	16.9%	14,165	4,418	31.2%	
Maintenance Benefits	892	978	972	1,188	1,272	1,251	6,553	(1,360)	7,914	-290.9%	5,949	604	10.2%	
<b>TOTAL PAYROLL EXPENSES</b>	5,784	6,357	6,423	7,540	8,002	7,889	41,995	22,770	19,226	42.2%	36,931	5,064	13.7%	
<b>ADMINISTRATIVE EXPENSES</b>														
Legal Expenses	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Staff Training	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Audit Fees	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Office Supplies	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Advertising and Marketing	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Phone Expense	-	-	-	-	-	-	-	510	(510)	-50.0%	510	(510)	-100.0%	
Bank Fees	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Management Fees	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
HOA Fees	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Admin Contracts	425	-	-	-	-	-	425	-	425	0.0%	-	425	0.0%	
Other Admin Expense	521	659	1,612	720	1,512	892	5,915	9,590	(3,674)	-19.2%	9,590	(3,674)	-38.3%	ie. Indirect admin allocation - office rent, professional fees, marketing, printing, postage, meals, office supplies, trainin
Insurance	2,446	1,812	1,812	2,446	1,812	1,812	12,142	11,271	870	3.9%	12,252	(110)	-0.9%	
Bad Debt	-	(2,027)	(90)	-	-	-	(2,116)	2,385	(4,501)	-94.4%	1,372	(3,488)	-254.3%	
Tenant Services	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	3,392	445	3,334	3,166	3,324	2,704	16,366	23,756	(7,390)	-15.6%	23,723	(7,357)	-31.0%	
<b>UTILITIES</b>														
Water	336	308	275	278	293	305	1,795	1,794	1	0.0%	1,793	2	0.1%	
Electricity	406	141	261	248	280	352	1,686	1,315	371	14.1%	1,314	372	28.3%	
Gas	564	131	326	248	184	124	1,578	764	814	53.2%	764	814	106.6%	
Sewer	375	380	378	377	378	420	2,308	2,036	272	6.7%	2,035	273	13.4%	
Other Utilities	320	320	321	317	324	361	1,964	1,968	(3)	-0.1%	1,967	(3)	-0.1%	ie. special assessments; stormwater fees; hookup or transfer fees ...
<b>TOTAL UTILITIES</b>	2,000	1,280	1,561	1,468	1,460	1,563	9,332	7,877	1,455	9.2%	7,874	1,458	18.5%	
<b>MAINTENANCE EXPENSES</b>														
Maint Supplies	459	729	166	-	6,824	846	9,024	3,511	5,513	78.5%	3,511	5,513	157.0%	
Maint Cont Other	(301)	1,975	301	-	-	301	2,276	2,523	(247)	-4.9%	3,148	(872)	-27.7%	ie. fire protection; appliance service; resurface of counter tops; security ...
Maint Cont Cleaning	-	-	-	-	705	174	879	435	444	51.0%	435	444	102.1%	
Maint Cont Electrical	-	-	-	-	-	-	-	596	(596)	-50.0%	596	(596)	-100.0%	
Maint Cont Flooring	-	6,336	2,163	-	669	-	9,168	-	9,168	0.0%	-	9,168	0.0%	2 unit turns
Maint Cont HVAC	-	-	-	-	-	-	-	120	(120)	-50.0%	-	-	0.0%	
Maint Cont Grounds	-	-	-	917	1,723	917	3,558	3,266	292	4.5%	2,325	1,232	53.0%	Seasonal - Expect increases in the warmer months
Maint Cont Painting	1,565	-	-	-	-	-	1,565	-	1,565	0.0%	-	1,565	0.0%	
Maint Cont Pest Control	-	-	-	-	-	-	-	60	(60)	-50.0%	60	(60)	-100.0%	
Maint Cont Plumbing	-	-	-	-	-	-	-	202	(202)	-50.0%	202	(202)	-100.0%	
Maint Cont Snow Removal	2,539	2,539	2,539	2,539	-	-	10,157	8,888	1,270	7.1%	6,328	3,829	60.5%	Increasing snow removal costs are a concern; working to reduce contracted services costs
Maint Cont Elevator	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Maint Cont Trash Removal	315	-	325	373	299	315	1,627	2,159	(533)	-12.3%	2,159	(532)	-24.7%	
<b>TOTAL MAINTENANCE EXPENSES</b>	4,578	11,579	5,494	3,830	10,220	2,553	38,253	21,759	16,494	37.9%	18,764	19,489	103.9%	
<b>TOTAL OPERATING EXPENSES</b>	15,754	19,660	16,812	16,003	23,006	14,710	105,946	76,161	29,784	19.6%	87,292	18,653	21.4%	
<b>NET OPERATING INCOME</b>	3,846	421	3,246	5,915	100	9,722	23,250	48,989	(25,739)	-26.3%	42,042	(18,792)	-44.7%	Overall budget variance is driven by increases in personnel and maintenance contract costs

**BCHA Properties - Sunnyside**  
**Income Statement (After 2022 Year-End GASB 68 Pension Adjustment)**  
**For the Year Ending December 31, 2023**  
**(Year-to-date June 30, 2023)**

Month #

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Year-to-Date Actual	Year-To-Date Prior Year	Variance	%	Year-To-Date Budget	Variance	%	Comments
<b>NON-OPERATING REVENUES (EXPENSES)</b>														
Depreciation Expense	(12,974)	(12,974)	(12,974)	-	(25,948)	-	(64,871)	(77,845)	12,974	-8.3%	(77,846)	12,974	-16.7%	May expense includes April as well as any true-up for 2023 updates.  2023 - Stonebridge builders. 2022 - community room furniture expense funded by CARES Act
Amortization Expense	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Interest Expense - Hard Debt	(2,521)	(2,511)	(2,501)	(2,490)	40	(2,470)	(12,453)	(15,504)	3,051	-9.8%	(15,504)	3,051	-19.7%	
Interest Expense - Soft Debt	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Asset Management Fee Expense	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Investor Service Fee/Admin Service Fee	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Extraordinary Maintenance Expense	-	-	-	(13,532)	-	-	(13,532)	(1,440)	(12,092)	419.9%	-	(13,532)	0.0%	
Damage Mitigation Funding	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Other Non-Operating Income (Expense)	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
<b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b>	(15,495)	(15,486)	(15,475)	(16,022)	(25,908)	(2,470)	(90,856)	(94,789)	3,933	-2.1%	(93,350)	2,493	-2.7%	
<b>NET INCOME (LOSS)</b>	\$ (11,649)	\$ (15,065)	\$ (12,229)	\$ (10,107)	\$ (25,809)	\$ 7,252	\$ (67,606)	\$ (45,800)	\$ (21,806)	23.8%	\$ (51,308)	\$ (16,299)	31.8%	
	-	-	-	-	-	-	-	-	-	-	-	-	0.00	
<b>DEBT SERVICE COVERAGE RATIO (1.10 Required)</b>	<b>0.63</b>	<b>0.07</b>	<b>0.53</b>	<b>0.97</b>	<b>0.02</b>	<b>1.59</b>	<b>0.63</b>	<b>1.33</b>	<b>(0.70)</b>		<b>1.15</b>	<b>(0.51)</b>		
<b>PUPA (17 Units Total)</b>	<b>\$ 11,120</b>	<b>\$ 13,878</b>	<b>\$ 11,868</b>	<b>\$ 11,297</b>	<b>\$ 16,240</b>	<b>\$ 10,383</b>	<b>\$ 12,464</b>	<b>\$ 8,960</b>	<b>\$ 3,504</b>		<b>\$ 10,270</b>	<b>\$ 2,195</b>		
<b>Occupancy</b>	<b>94.1%</b>	<b>94.1%</b>	<b>94.1%</b>	<b>94.1%</b>	<b>94.1%</b>	<b>95.3%</b>	<b>94.3%</b>	<b>98.4%</b>	<b>-4.1%</b>		<b>93.0%</b>	<b>1.3%</b>		

**BCHA Properties - No Debt**  
**Income Statement (After 2022 Year-End GASB 68 Pension Adjustment)**  
**For the Year Ending December 31, 2023**  
**(Year-to-date June 30, 2023)**

Month #

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Year-to-Date Actual	Year-To-Date Prior Year	Variance	%	Year-To-Date Budget	Variance	%	Comments
<b>INCOME</b>														
<b>OPERATING INCOME</b>														
<b>REVENUE</b>														
<b>GROSS POTENTIAL RENT</b>														
Tenant Rental Income	\$ 31,099	\$ 30,509	\$ 30,670	\$ 30,101	\$ 31,433	\$ 31,117	\$ 184,929	\$ 179,277	\$ 5,652	1.6%	\$ 163,999	\$ 20,930	12.8%	
Subsidies	16,753	16,338	18,588	18,567	17,488	17,227	104,960	99,579	5,382	2.7%	91,093	13,868	15.2%	
<b>TOTAL GROSS POTENTIAL RENT</b>	47,852	46,846	49,259	48,668	48,921	48,344	289,890	278,855	11,034	2.0%	255,092	34,798	13.6%	
<b>ADJUSTMENT TO RENTAL INCOME</b>														
Vacancy Loss	(2,393)	(2,370)	(2,887)	(3,246)	(2,763)	(3,036)	(16,695)	(6,135)	(10,560)	86.1%	(17,856)	1,162	-6.5%	
<b>TOTAL ADJUSTMENT TO RENTAL INCOME</b>	(2,393)	(2,370)	(2,887)	(3,246)	(2,763)	(3,036)	(16,695)	(6,135)	(10,560)	86.1%	(17,856)	1,162	-6.5%	
<b>OTHER INCOME</b>														
Other Revenue	-	-	-	-	-	-	-	1,030	(1,030)	-50.0%	1,030	(1,030)	-100.0%	
Tenant Late Fees	125	150	-	79	25	75	454	825	(371)	-22.5%	825	(371)	-45.0%	
Insufficient Fund Fees	-	-	-	-	-	-	-	38	(38)	-50.0%	38	(38)	-100.0%	
Work Order Charges	314	-	-	5,580	161	81	6,136	864	5,272	305.2%	864	5,272	610.1%	April 23 - Move out repairs charged to tenant - floors, blinds and other repairs
Tenant Nonrefundable Pet Fees	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Other Tenant Misc Revenue	39	26	-	-	-	66	131	223	(92)	-20.6%	223	(92)	-41.2%	
Interest Income	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
<b>TOTAL OTHER INCOME</b>	478	176	-	5,659	186	222	6,721	2,979	3,742	62.8%	2,979	3,742	125.6%	
<b>TOTAL REVENUE</b>	45,937	44,652	46,372	51,081	46,344	45,530	279,916	275,699	4,216	0.8%	240,214	39,702	16.5%	
<b>OPERATING EXPENSES</b>														
<b>PAYROLL EXPENSES</b>														
Administrative Salaries	8,137	7,741	7,949	8,569	8,618	8,587	49,601	45,866	3,735	4.1%	32,162	17,439	54.2%	
Administrative Benefits	3,278	2,769	2,803	2,975	2,960	2,977	17,762	584	17,178	1471.5%	13,508	4,254	31.5%	
Maintenance Salaries	11,093	10,770	10,644	10,564	11,469	11,560	66,099	42,218	23,881	28.3%	27,990	38,110	136.2%	
Maintenance Benefits	4,009	3,720	3,716	3,658	3,888	3,934	22,926	(517)	23,443	-2265.5%	11,756	11,170	95.0%	
<b>TOTAL PAYROLL EXPENSES</b>	26,517	24,999	25,113	25,766	26,935	27,059	156,389	88,151	68,237	38.7%	85,416	70,973	83.1%	Need to work on allocations to arrive at actuals closer to budgets Excess costs absorbed by BCHA Administration; must work to reduce or subsidize excesses carried by BCHA
<b>ADMINISTRATIVE EXPENSES</b>														
Legal Expenses	-	-	-	-	-	-	-	533	(533)	-50.0%	533	(533)	-100.0%	
Staff Training	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Audit Fees	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Office Supplies	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Advertising and Marketing	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Phone Expense	-	-	-	-	-	-	-	390	(390)	-50.0%	390	(390)	-100.0%	
Bank Fees	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Management Fees	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
HOA Fees	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Admin Contracts	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Other Admin Expense	1,839	2,326	5,688	2,542	5,377	3,148	20,919	26,840	(5,921)	-11.0%	26,897	(5,978)	-22.2%	ie. Indirect admin allocation - office rent, professional fees, marketing, printing, postage, meals, office supplies, training
Insurance	3,171	3,171	3,171	3,171	3,171	3,171	19,028	17,410	1,617	4.6%	18,925	103	0.5%	
Bad Debt	(4,416)	-	4,116	-	-	-	(300)	2,072	(2,372)	-57.2%	2,073	(2,373)	-114.5%	
Tenant Services	-	-	-	-	-	-	-	23	(23)	-50.0%	-	-	0.0%	
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	594	5,497	12,975	5,713	8,548	6,319	39,647	47,269	(7,622)	-8.1%	48,818	(9,171)	-18.8%	
<b>UTILITIES</b>														
Water	654	277	708	632	872	343	3,485	11,336	(7,851)	-34.6%	11,903	(8,418)	-70.7%	Somewhat seasonal - lawn watering increases in summer months
Electricity	1,135	1,081	1,106	882	617	752	5,571	7,009	(1,438)	-10.3%	7,360	(1,789)	-24.3%	
Gas	3,049	2,279	2,381	2,045	1,133	714	11,602	7,943	3,658	23.0%	8,340	3,261	39.1%	For further investigation - why is gas up 75%? (Some is likely inflation)are we carrying costs of vacant units?
Sewer	1,018	319	1,125	1,014	1,576	379	5,432	5,362	70	0.7%	5,630	(198)	-3.5%	
Other Utilities	639	88	677	608	1,108	57	3,176	3,404	(228)	-3.3%	3,574	(398)	-11.1%	ie. special assessments; stormwater fees; hookup or transfer fees ...
<b>TOTAL UTILITIES</b>	6,495	4,044	5,996	5,180	5,307	2,244	29,266	35,055	(5,789)	-8.3%	36,807	(7,541)	-20.5%	
<b>MAINTENANCE EXPENSES</b>														
Maint Supplies	2,377	1,718	7,963	2,416	3,497	2,763	20,733	6,428	14,305	111.3%	6,395	14,339	224.2%	For further investigation - Is some of the 2023 increase due to smoke alarm replacement project?
Maint Cont Other	2,124	-	4,139	158	85	400	6,906	5,233	1,673	16.0%	5,233	1,673	32.0%	ie. fire protection; appliance service; resurface of counter tops; security ...
Maint Cont Cleaning	315	455	-	-	730	-	1,500	703	798	56.8%	703	798	113.5%	
Maint Cont Electrical	-	-	-	-	-	-	-	220	(220)	-50.0%	220	(220)	-100.0%	
Maint Cont Flooring	3,587	-	8,742	-	-	1,133	13,461	4,557	8,904	97.7%	4,557	8,904	195.4%	2023 - 3 unit turns - Regal Square 2, Hillside 1
Maint Cont HVAC	-	-	85,492	(85,492)	-	-	-	271	(271)	-50.0%	271	(271)	-100.0%	March expense reclassified to capital asset in April (Roof Repairs)
Maint Cont Grounds	-	-	-	4,979	3,775	7,696	16,450	23,687	(7,237)	-15.3%	17,596	(1,146)	-6.5%	Seasonal - Expect increases in the warmer months
Maint Cont Painting	-	-	-	1,565	-	-	1,565	725	840	57.9%	725	840	115.9%	
Maint Cont Pest Control	109	109	247	109	109	109	792	600	193	16.1%	600	193	32.1%	
Maint Cont Plumbing	524	-	240	-	-	160	924	742	183	12.3%	742	183	24.6%	
Maint Cont Snow Removal	9,899	9,899	7,022	7,130	2,876	-	36,826	34,645	2,181	3.1%	25,736	11,090	43.1%	Increasing snow removal costs are a concern; working to reduce contracted services costs
Maint Cont Elevator	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Maint Cont Trash Removal	1,024	190	1,061	1,094	1,062	1,149	5,581	6,020	(439)	-3.6%	6,321	(740)	-11.7%	
<b>TOTAL MAINTENANCE EXPENSES</b>	19,959	12,371	114,906	(68,040)	12,134	13,409	104,738	83,830	20,908	12.5%	69,097	35,641	51.6%	
<b>TOTAL OPERATING EXPENSES</b>	53,565	46,911	158,989	(31,381)	52,924	49,031	330,040	254,305	75,735	14.9%	240,138	89,902	37.4%	
<b>NET OPERATING INCOME</b>	(7,628)	(2,259)	(112,617)	82,462	(6,580)	(3,501)	(50,124)	21,395	(71,519)	-167.1%	76	(50,200)	-65760.2%	Overall budget variance is driven by increases in personnel and maintenance contract costs Small denominator relative to numerator is driving the high percentage variance
<b>NON-OPERATING REVENUES (EXPENSES)</b>														

**BCHA Properties - No Debt**  
**Income Statement (After 2022 Year-End GASB 68 Pension Adjustment)**  
**For the Year Ending December 31, 2023**  
**(Year-to-date June 30, 2023)**

Month #

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Year-to-Date Actual	Year-To-Date Prior Year	Variance	%	Year-To-Date Budget	Variance	%	Comments
Depreciation Expense	(6,081)	(6,787)	(6,787)	(4,833)	(13,939)	(4,833)	(43,261)	(36,146)	(7,114)	9.8%	(36,146)	(7,115)	19.7%	April is an adjustment related to roof replacements; May includes April as well as any true-up for 2023 updates.  2023 - 821 Cleveland Flood; 2022 - Regal Square community room furniture funded by CARES Act
Amortization Expense	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Interest Expense - Hard Debt	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Interest Expense - Soft Debt	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Asset Management Fee Expense	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Investor Service Fee/Admin Service Fee	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Extraordinary Maintenance Expense	-	-	-	(19,258)	(10,261)	-	(29,519)	(3,285)	(26,234)	399.3%	-	(29,519)	0.0%	
Damage Mitigation Funding	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Other Non-Operating Income (Expense)	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
<b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b>	(6,081)	(6,787)	(6,787)	(24,091)	(24,201)	(4,833)	(72,779)	(39,431)	(33,348)	42.3%	(36,146)	(36,633)	101.3%	
<b>NET INCOME (LOSS)</b>	\$ (13,709)	\$ (9,046)	\$ (119,404)	\$ 58,371	\$ (30,780)	\$ (8,334)	\$ (122,903)	\$ (18,037)	\$ (104,867)	290.7%	\$ (36,070)	\$ (86,833)	240.7%	
	-	-	-	0.00	0	-	-	(0)	-	-	-	-	-	
<b>PUPA (60 Units Total)</b>	\$ 10,713	\$ 9,382	\$ 31,798	\$ (6,276)	\$ 10,585	\$ 9,806	\$ 11,001	\$ 8,477	\$ 2,524		\$ 8,005	\$ 2,997		
<b>Occupancy</b>	95.0%	94.9%	94.1%	93.3%	94.4%	93.7%	94.2%	97.8%	-3.6%		93.0%	1.2%		



**BCHA Properties - USDA RD**  
**Income Statement (After 2022 Year-End GASB 68 Pension Adjustment)**  
**For the Year Ending December 31, 2023**  
**(Year-to-date June 30, 2023)**

Month # 6

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Year-to-Date Actual	Year-To-Date Prior Year	Variance	%	Year-To-Date Budget	Variance	%	Comments
<b>INCOME</b>														
<b>OPERATING INCOME</b>														
<b>REVENUE</b>														
<b>GROSS POTENTIAL RENT</b>														
Tenant Rental Income	\$ 22,303	\$ 23,249	\$ 23,334	\$ 23,334	\$ 23,722	\$ 24,386	\$ 140,327	\$ 133,168	\$ 7,159	2.7%	\$ 154,857	\$ (14,531)	-9.4%	
Subsidies	18,803	17,279	17,552	19,486	-	32,955	106,075	102,266	3,809	1.9%	79,697	26,378	33.1%	
<b>TOTAL GROSS POTENTIAL RENT</b>	41,106	40,527	40,886	42,820	23,722	57,341	246,402	235,433	10,968	2.3%	234,555	11,847	5.1%	
<b>ADJUSTMENT TO RENTAL INCOME</b>														
Vacancy Loss	(12,332)	(12,969)	(13,083)	(13,702)	(7,591)	(17,724)	(77,401)	(50,854)	(26,548)	26.1%	(50,987)	(26,414)	51.8%	
<b>TOTAL ADJUSTMENT TO RENTAL INCOME</b>	(12,332)	(12,969)	(13,083)	(13,702)	(7,591)	(17,724)	(77,401)	(50,854)	(26,548)	26.1%	(50,987)	(26,414)	51.8%	
<b>OTHER INCOME</b>														
Other Revenue	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Tenant Late Fees	30	10	10	10	10	-	70	163	(93)	-28.5%	189	(119)	-63.1%	
Insufficient Fund Fees	-	-	-	-	-	-	-	8	(8)	-50.0%	9	(9)	-100.0%	
Work Order Charges	-	-	50	-	-	-	50	3,101	(3,051)	-49.2%	3,616	(3,566)	-98.6%	
Tenant Nonrefundable Pet Fees	-	-	-	-	-	-	-	75	(75)	-50.0%	88	(88)	-100.0%	
Other Tenant Misc Revenue	382	-	354	488	395	365	1,983	2,746	(763)	-13.9%	3,203	(1,219)	-38.1%	
Interest Income	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
<b>TOTAL OTHER INCOME</b>	412	10	414	498	405	365	2,103	6,092	(3,989)	-32.7%	7,104	(5,001)	-70.4%	
<b>TOTAL REVENUE</b>	29,186	27,568	28,216	29,615	16,536	39,981	171,103	190,672	(19,568)	-5.1%	190,672	(19,568)	-10.3%	
<b>OPERATING EXPENSES</b>														
<b>PAYROLL EXPENSES</b>														
Administrative Salaries	3,869	5,100	5,242	5,330	5,509	5,200	30,250	22,625	7,625	16.9%	22,954	7,296	31.8%	Need to work on allocations to arrive at actuals closer to budgets
Administrative Benefits	1,412	1,645	1,679	1,723	1,755	1,696	9,910	7,555	2,354	15.6%	9,641	269	2.8%	Excess costs absorbed by BCHA Administration; must work to reduce or subsidize excesses carried by BCHA
Maintenance Salaries	970	1,236	2,197	2,364	2,473	2,615	11,855	19,932	(8,077)	-20.3%	20,529	(8,674)	-42.3%	
Maintenance Benefits	345	434	780	823	848	924	4,154	7,060	(2,906)	-20.6%	8,622	(4,468)	-51.8%	
<b>TOTAL PAYROLL EXPENSES</b>	6,597	8,414	9,898	10,239	10,585	10,435	56,168	57,172	(1,003)	-0.9%	61,745	(5,577)	-9.0%	
<b>ADMINISTRATIVE EXPENSES</b>														
Legal Expenses	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Staff Training	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Audit Fees	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Office Supplies	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Advertising and Marketing	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Phone Expense	1,615	134	940	937	937	998	5,561	4,550	1,011	11.1%	4,550	1,011	22.2%	
Bank Fees	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Management Fees	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
HOA Fees	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Admin Contracts	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Other Admin Expense	-	-	-	-	-	-	-	697	(697)	-50.0%	696	(696)	-100.0%	ie. Indirect admin allocation - office rent, professional fees, marketing, printing, postage, meals, office supplies, trainin
Insurance	4,013	4,013	4,013	4,013	4,013	4,013	24,076	22,149	1,927	4.3%	24,077	(1)	0.0%	
Bad Debt	-	-	-	-	-	-	-	4,228	(4,228)	-50.0%	4,228	(4,228)	-100.0%	
Tenant Services	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	5,628	4,146	4,952	4,950	4,950	5,010	29,636	31,623	(1,987)	-3.1%	33,550	(3,914)	-11.7%	
<b>UTILITIES</b>														
Water	640	800	1,092	1,408	1,637	2,469	8,046	13,573	(5,527)	-20.4%	14,252	(6,206)	-43.5%	Somewhat seasonal - lawn watering increases in summer months
Electricity	1,050	805	1,160	1,113	1,187	778	6,093	5,808	285	2.5%	6,099	(6)	-0.1%	
Gas	2,716	1,271	1,694	1,364	642	173	7,860	6,156	1,704	13.8%	6,464	1,396	21.6%	
Sewer	795	1,104	1,537	1,727	1,557	1,581	8,301	9,090	(788)	-4.3%	9,544	(1,243)	-13.0%	
Other Utilities	416	436	454	464	482	454	2,706	2,394	312	6.5%	2,514	192	7.6%	ie. special assessments; stormwater fees; hookup or transfer fees ...
<b>TOTAL UTILITIES</b>	5,617	4,416	5,938	6,076	5,505	5,455	33,007	37,022	(4,016)	-5.4%	38,873	(5,867)	-15.1%	
<b>MAINTENANCE EXPENSES</b>														
Maint Supplies	728	242	220	611	7,928	491	10,220	8,801	1,419	8.1%	8,801	1,419	16.1%	
Maint Cont Other	109	4,705	425	3,689	3,434	882	13,244	6,080	7,164	58.9%	6,410	6,834	106.6%	ie. fire protection; appliance service; resurface of counter tops; security ...
Maint Cont Cleaning	-	365	-	315	-	340	1,020	958	63	3.3%	958	63	6.5%	
Maint Cont Electrical	-	-	-	-	-	1,616	1,616	997	618	31.0%	997	618	62.0%	
Maint Cont Flooring	-	-	4,015	-	-	-	4,015	6,542	(2,527)	-19.3%	6,542	(2,527)	-38.6%	March 2023 - 1 unit turn Walt Self
Maint Cont HVAC	-	-	-	-	-	-	-	330	(330)	-50.0%	-	-	0.0%	
Maint Cont Grounds	-	-	-	507	4,440	4,539	9,486	15,638	(6,152)	-19.7%	15,638	(6,152)	-39.3%	Seasonal - Expect increases in the warmer months
Maint Cont Painting	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Maint Cont Pest Control	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Maint Cont Plumbing	-	-	160	-	-	-	160	297	(137)	-23.0%	297	(137)	-46.1%	
Maint Cont Snow Removal	6,585	6,585	-	6,585	6,585	-	26,338	35,977	(9,639)	-13.4%	35,977	(9,639)	-26.8%	Brought snow removal in-house in 2023
Maint Cont Elevator	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Maint Cont Trash Removal	1,364	250	1,327	1,431	1,433	1,524	7,326	8,231	(905)	-5.5%	8,643	(1,316)	-15.2%	
<b>TOTAL MAINTENANCE EXPENSES</b>	8,785	12,146	6,147	13,137	23,819	9,391	73,425	83,851	(10,426)	-6.2%	84,263	(10,838)	-12.9%	
<b>TOTAL OPERATING EXPENSES</b>	26,627	29,122	26,935	34,402	44,859	30,291	192,236	209,669	(17,432)	-4.2%	218,432	(26,195)	-12.0%	
<b>NET OPERATING INCOME</b>	2,559	(1,554)	1,281	(4,787)	(28,322)	9,690	(21,133)	(18,997)	(2,136)	5.6%	(27,760)	6,627	23.9%	Overall budget variance is driven by increases in personnel and maintenance contract costs

**BCHA Properties - USDA RD**  
**Income Statement (After 2022 Year-End GASB 68 Pension Adjustment)**  
**For the Year Ending December 31, 2023**  
**(Year-to-date June 30, 2023)**

Month #

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Year-to-Date Actual	Year-To-Date Prior Year	Variance	%	Year-To-Date Budget	Variance	%	Comments
<b>NON-OPERATING REVENUES (EXPENSES)</b>														Small denominator relative to numerator is driving the high percentage variance
Depreciation Expense	(8,838)	(8,838)	(8,838)	-	(17,676)	-	(44,189)	(52,076)	7,887	-7.6%	(52,076)	7,887	-15.1%	May expense includes April as well as any true-up for 2023 updates.
Amortization Expense	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Interest Expense - Hard Debt	(5,851)	(7,435)	(6,637)	(6,633)	(786)	(12,468)	(39,809)	(45,235)	5,426	-6.0%	(45,235)	5,426	-12.0%	
Interest Expense - Soft Debt	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Asset Management Fee Expense	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Investor Service Fee/Admin Service Fee	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Extraordinary Maintenance Expense	-	-	-	(620)	-	-	(620)	(19,847)	19,227	-48.4%	-	(620)	0.0%	2022 - Walt Self community room furniture funded by CARES Act
Damage Mitigation Funding	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Other Non-Operating Income (Expense)	-	-	-	-	-	(34,231)	(34,231)	-	(34,231)	0.0%	-	(34,231)	0.0%	
<b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b>	(14,688)	(16,273)	(15,475)	(7,253)	(18,461)	(46,699)	(118,850)	(117,158)	(1,691)	0.7%	(97,311)	(21,539)	22.1%	
<b>NET INCOME (LOSS)</b>	\$ (12,129)	\$ (17,827)	\$ (14,194)	\$ (12,040)	\$ (46,784)	\$ (37,008)	\$ (139,983)	\$ (136,155)	\$ (3,827)	1.4%	\$ (125,071)	\$ (14,912)	11.9%	
	-	-	-	-	-	-	-	-	(0.00)		-	-		
	-	-	-	-	-	-	-	-	0.00		-	-		
<b>DEBT SERVICE COVERAGE RATIO (1.10 Required)</b>	(0.06)	(0.40)	(0.16)	(0.68)	(2.67)	0.55	(0.57)	(0.54)	(0.03)		(0.39)	(0.18)		
<b>PUPA (50 Units Total)</b>	\$ 6,390	\$ 6,989	\$ 6,464	\$ 8,257	\$ 10,766	\$ 7,270	\$ 7,689	\$ 8,387	\$ (697)		\$ 8,737	\$ (1,048)		
<b>Occupancy</b>	70.0%	68.0%	68.0%	68.0%	68.0%	69.1%	68.5%	78.4%	-9.9%		78.3%	-9.7%		Actual YTD Occupancy w/o Casa is 94.4%



BOULDER COUNTY  
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Income Statement, DSCR, PUPA  
**BCHA ADMINISTRATIVE, DEVELOPMENT AND PROGRAMS**  
Year-to-Date June 30, 2023



**BCHA Total Administration, Development, and Programs**  
**Income Statement (After 2022 Year-End GASB 68 Pension Adjustment)**  
**For the Year Ending December 31, 2023**  
**(Year-to-date June 30, 2023)**

Month # 6

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Year-to-Date Actual	Year-To-Date Prior Year	Variance	%	Year-To-Date Budget	Variance	%	Comments
<b>INCOME</b>														
<b>OPERATING INCOME</b>														
<b>REVENUE</b>														
<b>GROSS POTENTIAL RENT</b>														
Tenant Rental Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -	0.0%	
Subsidies	-	-	-	14,000	3,500	3,500	21,000	21,000	-	0.0%	-	21,000	0.0%	2023 rent YTD from Head Start program; will reclass to other revenue
<b>TOTAL GROSS POTENTIAL RENT</b>	-	-	-	14,000	3,500	3,500	21,000	21,000	-	0.0%	-	21,000	0.0%	
<b>ADJUSTMENT TO RENTAL INCOME</b>														
Vacancy Loss	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
<b>TOTAL ADJUSTMENT TO RENTAL INCOME</b>	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
<b>OTHER INCOME</b>														
Other Revenue	3,971,669	10,641,895	1,339,599	1,163,654	8,760,001	833,251	26,710,069	15,806,659	10,903,410	34.5%	9,483,834	17,226,236	181.6%	\$2.45MM Worthy Cause and \$458k Sustainability - Jan, \$3,993,436 WC ARPA pre-dev, \$1,521,103.56 ERAP, \$100,000
Tenant Late Fees	-	-	-	-	18,166	-	18,166	12,418	5,748	23.1%	-	18,166	0.0%	Property related fees not expected; will investigate the accounting entries
Insufficient Fund Fees	15	45	30	-	12,976	-	13,066	9,043	4,023	22.2%	-	13,066	0.0%	"
Work Order Charges	-	-	-	-	5,079	-	5,079	3,464	1,614	23.3%	-	5,079	0.0%	"
Tenant Nonrefundable Pet Fees	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	"
Other Tenant Misc Revenue	-	8,159	-	-	7,073	-	15,233	745	14,488	972.0%	-	15,233	0.0%	"
Interest Income	89,147	88,015	90,048	89,701	91,798	92,538	541,246	595,672	(54,426)	-4.6%	596,796	(55,550)	-9.3%	Timing - end of year entries expected to increase 2023 income
<b>TOTAL OTHER INCOME</b>	4,060,830	10,738,115	1,429,677	1,253,354	8,895,092	925,789	27,302,858	16,428,002	10,874,856	33.1%	10,080,630	17,222,228	170.8%	
<b>TOTAL REVENUE</b>	4,060,830	10,738,115	1,429,677	1,267,354	8,898,592	929,289	27,323,858	16,449,002	10,874,856	33.1%	10,080,630	17,243,228	171.1%	
<b>OPERATING EXPENSES</b>														
<b>PAYROLL EXPENSES</b>														
Administrative Salaries	164,171	172,907	171,481	177,642	188,996	187,770	1,062,967	941,691	121,276	6.4%	878,019	184,948	21.1%	
Administrative Benefits	70,719	66,228	64,752	66,355	68,819	70,261	407,134	(137,128)	544,262	-198.4%	368,768	38,366	10.4%	
Maintenance Salaries	27,379	25,208	25,778	27,795	26,385	26,786	159,332	134,891	24,441	9.1%	136,754	22,579	16.5%	
Maintenance Benefits	9,774	8,489	8,630	8,901	8,354	8,354	52,682	(12,885)	65,567	-254.4%	57,437	(4,754)	-8.3%	
<b>TOTAL PAYROLL EXPENSES</b>	272,043	272,832	270,642	280,692	292,555	293,352	1,682,115	926,569	755,546	40.8%	1,440,977	241,138	16.7%	
<b>ADMINISTRATIVE EXPENSES</b>														
Legal Expenses	(2,400)	-	2,594	3,308	10	19,424	22,936	8,906	14,030	78.8%	8,935	14,000	156.7%	
Staff Training	2,580	5,131	637	1,119	1,348	245	11,060	18,278	(7,218)	-19.7%	19,825	(8,764)	-44.2%	
Audit Fees	6,150	6,150	10,525	6,150	6,150	6,150	41,275	36,960	4,315	5.8%	37,083	4,192	11.3%	
Office Supplies	2,617	2,480	3,280	3,472	625	1,308	13,782	29,616	(15,834)	-26.7%	28,434	(14,652)	-51.5%	
Advertising and Marketing	-	484	-	-	95	-	579	3,684	(3,105)	-42.1%	3,321	(2,742)	-82.6%	
Phone Expense	3,776	393	7,508	994	8,761	153	21,585	23,271	(1,686)	-3.6%	23,340	(1,755)	-7.5%	
Bank Fees	2,791	3,345	3,066	3,627	2,948	3,653	19,430	21,094	(1,664)	-3.9%	21,138	(1,708)	-8.1%	
Management Fees	2,347	3,130	4,460	4,819	3,352	5,042	23,149	61,697	(38,548)	-31.2%	-	23,149	0.0%	
HOA Fees	3,625	3,625	3,625	3,625	3,625	3,625	21,750	28,396	(6,646)	-11.7%	28,490	(6,740)	-23.7%	Cimmaron property HOA - Head Start and all 5 vacant lots
Admin Contracts	9,147	3,295	10,141	17,679	13,281	14,659	68,201	113,443	(45,242)	-19.9%	113,286	(45,085)	-39.8%	
Other Admin Expense	1,247	16,795	14,669	2,841	26,321	20,469	82,341	113,345	(31,004)	-13.7%	173,866	(91,525)	-52.6%	ie. Office rent, professional fees, marketing, printing, postage, meals, office supplies, training
Insurance	5,103	5,103	3,333	2,821	4,859	7,054	28,272	101,885	(73,613)	-36.1%	102,161	(73,889)	-72.3%	
Bad Debt	-	50	-	(2,234)	(60)	-	(2,244)	10,715	(12,959)	-60.5%	10,702	(12,945)	-121.0%	
Tenant Services	1,909,819	1,858,389	1,953,464	1,476,584	1,554,230	1,622,234	10,374,719	12,978,118	(2,603,398)	-10.0%	8,089,675	2,285,044	28.2%	
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	1,946,802	1,908,369	2,017,300	1,524,805	1,625,544	1,704,015	10,726,835	13,549,407	(2,822,572)	-10.4%	8,660,255	2,066,580	23.9%	
<b>UTILITIES</b>														
Water	30	41	37	37	199	346	690	1,148	(457)	-19.9%	1,148	(457)	-39.9%	Head Start
Electricity	418	-	188	162	179	195	1,142	3,468	(2,326)	-33.5%	3,468	(2,326)	-67.1%	"
Gas	921	-	353	242	138	94	1,747	1,723	24	0.7%	1,723	24	1.4%	"
Sewer	46	46	46	46	53	53	292	268	24	4.4%	268	24	8.8%	"
Other Utilities	24	24	24	24	24	24	142	128	14	5.5%	128	14	11.1%	ie. special assessments; stormwater fees; hookup or transfer fees ...
<b>TOTAL UTILITIES</b>	1,438	111	648	511	593	713	4,013	6,735	(2,721)	-20.2%	6,735	(2,721)	-40.4%	
<b>MAINTENANCE EXPENSES</b>														
Maint Supplies	6,658	4,526	1,466	(186)	3,924	6,025	22,414	61,461	(39,047)	-31.8%	61,284	(38,869)	-63.4%	
Maint Cont Other	4,149	6,016	8,666	7,627	11,288	1,967	39,712	33,719	5,993	8.9%	33,719	5,993	17.8%	ie. fire protection; appliance service; resurface of counter tops; security ...
Maint Cont Cleaning	1,300	650	-	650	650	650	3,900	1,625	2,275	70.0%	1,625	2,275	140.0%	
Maint Cont Electrical	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Maint Cont Flooring	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Maint Cont HVAC	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Maint Cont Grounds	-	-	-	-	-	385	385	-	385	0.0%	-	385	0.0%	
Maint Cont Painting	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Maint Cont Pest Control	112	112	112	112	112	112	671	638	33	2.6%	638	33	5.2%	
Maint Cont Plumbing	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Maint Cont Snow Removal	4,442	4,442	-	4,442	4,442	-	17,768	6,663	11,105	83.3%	6,663	11,105	166.7%	Increasing snow removal costs are a concern; working to reduce contracted services costs
Maint Cont Elevator	-	-	-	-	-	1,069	1,069	-	1,069	0.0%	-	1,069	0.0%	
Maint Cont Trash Removal	570	1,372	285	362	(27)	557	3,119	1,427	1,692	59.3%	1,423	1,697	119.3%	
<b>TOTAL MAINTENANCE EXPENSES</b>	17,231	17,118	10,529	13,007	20,389	10,764	89,039	105,533	(16,495)	-7.8%	105,351	(16,312)	-15.5%	
<b>TOTAL OPERATING EXPENSES</b>	2,237,514	2,198,430	2,299,119	1,819,015	1,939,081	2,008,844	12,502,002	14,588,244	(2,086,242)	-7.2%	10,213,317	2,288,685	22.4%	
<b>NET OPERATING INCOME</b>	1,823,316	8,539,685	(869,442)	(551,660)	6,959,511	(1,079,555)	14,821,856	1,860,758	12,961,098	348.3%	(132,687)	14,954,543	-11270.5%	Small denominator relative to numerator is driving the high percentage variance

**BCHA Total Administration, Development, and Programs**  
**Income Statement (After 2022 Year-End GASB 68 Pension Adjustment)**  
**For the Year Ending December 31, 2023**  
**(Year-to-date June 30, 2023)**

Month # 6

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Year-to-Date Actual	Year-To-Date Prior Year	Variance	%	Year-To-Date Budget	Variance	%	Comments
<b>NON-OPERATING REVENUES (EXPENSES)</b>														
Depreciation Expense	(11,655)	(37,752)	(63,305)	-	(75,503)	-	(188,215)	(134,396)	(53,818)	20.0%	(125,221)	(62,994)	50.3%	
Amortization Expense	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Interest Expense - Hard Debt	-	-	-	-	16,615	-	16,615	(6,896)	23,511	-170.5%	(6,896)	23,511	-340.9%	Timing - Year-end entries to true-up 2023 expense
Interest Expense - Soft Debt	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Asset Management Fee Expense	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Investor Service Fee/Admin Service Fee	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Extraordinary Maintenance Expense	-	(1,475)	(5,000)	(0)	0	(0)	(6,475)	(70,281)	63,806	-45.4%	-	(6,475)	0.0%	For further investigation - What is booked here and why?
Damage Mitigation Funding	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Other Non-Operating Income (Expense)	-	-	-	-	-	-	-	(898)	898	-50.0%	-	-	0.0%	
<b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b>	(11,655)	(39,227)	(68,305)	(0)	(58,888)	(0)	(178,074)	(212,471)	34,397	-8.1%	(132,117)	(45,957)	34.8%	
<b>NET INCOME (LOSS)</b>	\$ 1,811,661	\$ 8,500,459	\$ (937,748)	\$ (551,660)	\$ 6,900,624	\$ (1,079,555)	\$ 14,643,781	\$ 1,648,287	\$ 12,995,494	394.2%	\$ (264,804)	\$ 14,908,586	-5630.0%	
	-	-	-	-	0.00	(0.00)	-	0.00	-		0.00	-		
	0.00	(0.00)	0.00	0.00			0.00	(0.00)	(0.00)		-	0.00		



BOULDER COUNTY  
**HOUSING  
& HUMAN  
SERVICES**

Hope for the future, help when you need it.

Income Statement, DSCR, PUPA

**LIHTC PROPERTIES**

Year-to-Date June 30, 2023



Josephine Commons, LLC

Income Statement

For the Year Ending December 31, 2023 (Year-to-date Jun 30, 2023)

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Year-to-Date Actual	Year-To-Date Prior Year	Variance	%	Year-To-Date Budget	Variance	%	Comments
<b>INCOME</b>														
<b>OPERATING INCOME</b>														
<b>REVENUE</b>														
<b>GROSS POTENTIAL RENT</b>														
Tenant Rental Income	\$ 45,075	\$ 46,674	\$ 48,872	\$ 47,113	\$ 47,013	\$ 47,671	\$ 282,418	\$ 285,298	\$ (2,880)	-1.0%	\$ 316,953	\$ (34,535)	-10.9%	
Subsidies	30,742	29,910	27,792	29,987	46,429	47,539	212,399	149,277	63,122	42.3%	166,481	45,918	27.6%	
<b>TOTAL GROSS POTENTIAL RENT</b>	<b>75,817</b>	<b>76,584</b>	<b>76,664</b>	<b>77,100</b>	<b>93,442</b>	<b>95,210</b>	<b>494,817</b>	<b>434,575</b>	<b>60,242</b>	<b>13.9%</b>	<b>483,434</b>	<b>11,383</b>	<b>2.4%</b>	
<b>ADJUSTMENT TO RENTAL INCOME</b>														
Vacancy Loss	(1,248)	(2,935)	(3,752)	(1,763)	(2,242)	(1,317)	(13,257)	(9,029)	(4,228)	46.8%	(33,841)	20,584	-60.8%	
<b>TOTAL ADJUSTMENT TO RENTAL INCOME</b>	<b>(1,248)</b>	<b>(2,935)</b>	<b>(3,752)</b>	<b>(1,763)</b>	<b>(2,242)</b>	<b>(1,317)</b>	<b>(13,257)</b>	<b>(9,029)</b>	<b>(4,228)</b>	<b>46.8%</b>	<b>(33,841)</b>	<b>20,584</b>	<b>-60.8%</b>	
<b>OTHER INCOME</b>														
Other Revenue	-	-	11	11	11	22	55	22	33	150.0%	-	55	0.0%	
Tenant Late Fees	50	-	-	25	-	-	75	25	50	200.0%	113	(38)	-33.3%	
Insufficient Fund Fees	-	15	-	-	15	(15)	15	15	-	0.0%	45	(30)	-66.7%	
Work Order Charges	88	-	-	400	-	-	488	220	268	121.6%	573	(86)	-14.9%	
Tenant Nonrefundable Pet Fees	-	-	-	300	-	150	450	300	150	50.0%	300	150	50.0%	
Other Tenant Misc Revenue	-	-	-	-	-	-	-	-	-	0.0%	28	(28)	-100.0%	
Interest Income	8	9	10	9	11	10	57	22	35	159.5%	26	31	122.7%	
<b>TOTAL OTHER INCOME</b>	<b>145</b>	<b>24</b>	<b>21</b>	<b>745</b>	<b>37</b>	<b>167</b>	<b>1,139</b>	<b>604</b>	<b>535</b>	<b>88.7%</b>	<b>1,084</b>	<b>56</b>	<b>5.1%</b>	
<b>TOTAL REVENUE</b>	<b>74,714</b>	<b>73,673</b>	<b>72,933</b>	<b>76,082</b>	<b>91,237</b>	<b>94,060</b>	<b>482,699</b>	<b>426,150</b>	<b>56,549</b>	<b>13.3%</b>	<b>450,677</b>	<b>32,022</b>	<b>7.1%</b>	
<b>OPERATING EXPENSES</b>														
<b>PAYROLL EXPENSES</b>														
Administrative Salaries	7,262	6,200	6,286	6,704	6,775	6,752	39,980	32,045	7,935	24.8%	36,897	3,083	8.4%	
Administrative Benefits	2,957	2,216	2,239	2,371	2,371	2,380	14,535	11,398	3,137	27.5%	15,497	(962)	-6.2%	
Maintenance Salaries	10,799	8,625	9,891	9,067	9,263	10,350	57,995	41,259	16,737	40.6%	44,620	13,375	30.0%	
Maintenance Benefits	4,892	3,131	3,600	3,299	3,267	3,641	21,830	15,315	6,515	42.5%	18,741	3,089	16.5%	
<b>TOTAL PAYROLL EXPENSES</b>	<b>25,911</b>	<b>20,173</b>	<b>22,016</b>	<b>21,440</b>	<b>21,677</b>	<b>23,123</b>	<b>134,340</b>	<b>100,016</b>	<b>34,323</b>	<b>34.3%</b>	<b>115,755</b>	<b>18,585</b>	<b>16.1%</b>	
<b>ADMINISTRATIVE EXPENSES</b>														
Legal Expenses	-	-	-	-	20	-	20	-	20	0.0%	-	20	0.0%	
Staff Training	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Audit Fees	-	-	602	674	674	674	2,625	3,079	(455)	-14.8%	4,851	(2,226)	-45.9%	
Office Supplies	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Advertising and Marketing	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Phone Expense	1,013	964	1,068	961	1,061	960	6,027	5,822	206	3.5%	5,552	475	8.6%	
Bank Fees	2	2	2	2	2	2	12	5	6	121.1%	-	12	0.0%	
Management Fees	2,874	2,874	2,874	2,874	2,874	2,874	17,242	17,242	-	0.0%	17,242	0	0.0%	
HOA Fees	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Admin Contracts	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Other Admin Expense	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Insurance	4,645	4,645	4,648	4,648	4,648	4,648	27,880	26,384	1,495	5.7%	27,913	(33)	-0.1%	
Bad Debt	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Tenant Services	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	<b>8,533</b>	<b>8,484</b>	<b>9,193</b>	<b>9,158</b>	<b>9,279</b>	<b>9,157</b>	<b>53,805</b>	<b>52,533</b>	<b>1,273</b>	<b>2.4%</b>	<b>55,558</b>	<b>(1,752)</b>	<b>-3.2%</b>	
<b>UTILITIES</b>														
Water	669	669	608	652	680	647	3,923	3,896	27	0.7%	4,730	(807)	-17.1%	
Electricity	7,160	-	9,984	(755)	6,558	(1,327)	21,621	21,762	(141)	-0.6%	27,822	(6,201)	-22.3%	
Gas	65	-	112	-	109	-	287	909	(623)	-68.5%	-	287	0.0%	
Sewer	2,499	2,499	2,499	2,499	2,471	2,471	14,940	14,129	811	5.7%	17,161	(2,221)	-12.9%	
Other Utilities	270	270	270	270	270	270	1,622	1,556	66	4.2%	1,879	(258)	-13.7%	
<b>TOTAL UTILITIES</b>	<b>10,664</b>	<b>3,438</b>	<b>13,474</b>	<b>2,667</b>	<b>10,089</b>	<b>2,061</b>	<b>42,393</b>	<b>42,252</b>	<b>141</b>	<b>0.3%</b>	<b>51,593</b>	<b>(9,200)</b>	<b>-17.8%</b>	
<b>MAINTENANCE EXPENSES</b>														
Maint Supplies	2,174	1,063	1,927	2,189	1,321	2,751	11,425	10,495	930	8.9%	11,388	37	0.3%	
Maint Cont Other	1,976	718	1,399	424	2,266	89	6,873	17,507	(10,634)	-60.7%	6,763	110	1.6%	
Maint Cont Cleaning	2,714	2,438	-	3,344	6,300	3,662	18,458	8,050	10,408	129.3%	14,402	4,056	28.2%	
Maint Cont Electrical	741	-	-	-	-	-	741	-	741	0.0%	-	741	0.0%	
Maint Cont Flooring	816	816	-	140	-	1,478	3,249	-	3,249	0.0%	1,903	1,346	70.7%	

Josephine Commons, LLC

Income Statement

For the Year Ending December 31, 2023 (Year-to-date Jun 30, 2023)

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Year-to-Date Actual	Year-To-Date Prior Year	Variance	%	Year-To-Date Budget	Variance	%	Comments
Maint Cont HVAC	-	216	-	529	-	-	745	1,950	(1,205)	-61.8%	2,632	(1,887)	-71.7%	
Maint Cont Grounds	-	-	-	1,812	1,812	5,135	8,759	1,812	6,947	383.4%	6,007	2,752	45.8%	
Maint Cont Painting	-	-	-	-	-	-	-	-	-	0.0%	354	(354)	-100.0%	
Maint Cont Pest Control	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Maint Cont Plumbing	-	-	149	160	240	-	549	450	99	22.0%	257	292	113.7%	
Maint Cont Snow Removal	4,078	4,078	4,078	4,078	-	-	16,311	12,234	4,078	33.3%	14,015	2,296	16.4%	
Maint Cont Elevator	725	1,455	725	725	725	725	5,080	3,480	1,600	46.0%	4,695	386	8.2%	
Maint Cont Trash Removal	1,043	3	1,010	1,101	1,053	1,093	5,304	6,362	(1,057)	-16.6%	5,805	(501)	-8.6%	
<b>TOTAL MAINTENANCE EXPENSES</b>	<b>14,267</b>	<b>10,786</b>	<b>9,288</b>	<b>14,503</b>	<b>13,718</b>	<b>14,933</b>	<b>77,496</b>	<b>62,339</b>	<b>15,156</b>	<b>24.3%</b>	<b>68,220</b>	<b>9,276</b>	<b>13.6%</b>	
<b>TOTAL OPERATING EXPENSES</b>	<b>59,375</b>	<b>42,881</b>	<b>53,971</b>	<b>47,769</b>	<b>54,762</b>	<b>49,275</b>	<b>308,033</b>	<b>257,141</b>	<b>50,893</b>	<b>19.8%</b>	<b>291,124</b>	<b>16,909</b>	<b>5.8%</b>	
<b>NET OPERATING INCOME</b>	<b>15,340</b>	<b>30,792</b>	<b>18,961</b>	<b>28,313</b>	<b>36,475</b>	<b>44,785</b>	<b>174,666</b>	<b>169,009</b>	<b>5,657</b>	<b>3.3%</b>	<b>159,553</b>	<b>15,113</b>	<b>9.5%</b>	
<b>NON-OPERATING REVENUES (EXPENSES)</b>														
Depreciation	(35,741)	(35,741)	(35,741)	(35,741)	(35,741)	(35,741)	(214,448)	(233,379)	18,931	-8.1%	(225,895)	11,447	-5.1%	
Amortization Expense	(943.76)	(943.76)	(943.76)	(943.76)	(943.76)	(943.76)	(5,663)	(5,662.62)	0	0.0%	(5,663)	(0)	0.0%	
Interest Expense - Hard Debt	(16,044)	(16,026)	(16,007)	(15,989)	(15,970)	(15,952)	(95,988)	(97,269)	1,281	-1.3%	(96,955)	967	-1.0%	
Interest Expense - Soft Debt	(6,490)	(6,490)	(6,490)	(6,490)	(6,490)	(6,490)	(38,939)	(37,721)	(1,218)	3.2%	(37,721)	(1,218)	3.2%	
Asset Management Fee	-	-	-	-	-	-	-	-	-	0.0%	(3,462)	3,462	-100.0%	
Investor Service Fee/Admin Service Fee	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Extraordinary Maintenance	-	-	-	-	-	-	-	(22,755)	22,755	-100.0%	-	-	0.0%	
Damage Mitigation	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Other Non-Operating Income (Expense)	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
<b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b>	<b>(59,219)</b>	<b>(59,201)</b>	<b>(59,182)</b>	<b>(59,164)</b>	<b>(59,145)</b>	<b>(59,127)</b>	<b>(355,037)</b>	<b>(396,786)</b>	<b>41,749</b>	<b>-10.5%</b>	<b>(369,694)</b>	<b>14,657</b>	<b>-4.0%</b>	
<b>NET INCOME (LOSS)</b>	<b>\$ (43,879)</b>	<b>\$ (28,409)</b>	<b>\$ (40,221)</b>	<b>\$ (30,851)</b>	<b>\$ (22,670)</b>	<b>\$ (14,341)</b>	<b>\$ (180,371)</b>	<b>\$ (227,777)</b>	<b>\$ 47,406</b>	<b>-20.8%</b>	<b>\$ (210,141)</b>	<b>\$ 29,770</b>	<b>-14.2%</b>	

<b>DEBT SERVICE COVERAGE RATIO (1.20 Required)</b>	<b>0.67</b>	<b>1.47</b>	<b>0.86</b>	<b>1.34</b>	<b>1.77</b>	<b>2.20</b>	<b>1.39</b>	<b>1.29</b>	<b>0.09</b>	<b>1.25</b>	<b>0.13</b>
<b>PUPA (74 Units Total)</b>	<b>\$ 9,628</b>	<b>\$ 6,954</b>	<b>\$ 8,752</b>	<b>\$ 7,746</b>	<b>\$ 8,880</b>	<b>\$ 7,991</b>	<b>\$ 8,325</b>	<b>\$ 6,950</b>	<b>\$ 1,375</b>	<b>\$ 7,868</b>	<b>\$ 457</b>
<b>Occupancy Rate</b>	<b>97.3%</b>	<b>95.9%</b>	<b>95.5%</b>	<b>97.3%</b>	<b>97.6%</b>	<b>98.6%</b>	<b>97.3%</b>	<b>97.9%</b>	<b>-0.6%</b>	<b>93.0%</b>	<b>4.3%</b>



Aspinwall, LLC  
Income Statement

For the Year Ending Dec 31, 2023 (Year-to-date Jun 30, 2023)

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Year-to-Date Actual	Year-To-Date Prior Year	Variance	%	Year-To-Date Budget	Variance	%	Comments
<b>INCOME</b>														
<b>OPERATING INCOME</b>														
<b>REVENUE</b>														
<b>GROSS POTENTIAL RENT</b>														
Tenant Rental Income	\$ 135,207	\$ 135,281	\$ 134,309	\$ 133,092	\$ 130,502	\$ 129,801	\$ 798,192	\$ 740,707	\$ 57,485	7.8%	\$ 832,060	\$ (33,868)	-4.1%	
Subsidies	106,188	108,299	110,382	112,594	132,433	134,122	704,018	568,763	135,255	23.8%	688,008	16,011	2.3%	
<b>TOTAL GROSS POTENTIAL RENT</b>	241,395	243,580	244,691	245,686	262,935	263,923	1,502,210	1,309,470	192,740	14.7%	1,520,068	(17,857)	-1.2%	
<b>ADJUSTMENT TO RENTAL INCOME</b>														
Vacancy Loss	(19,064)	(15,413)	(8,728)	(6,586)	(13,546)	(5,949)	(69,286)	(81,494)	12,208	-15.0%	(106,405)	37,119	-34.9%	
<b>TOTAL ADJUSTMENT TO RENTAL INCOME</b>	(19,064)	(15,413)	(8,728)	(6,586)	(13,546)	(5,949)	(69,286)	(81,494)	12,208	-15.0%	(106,405)	37,119	-34.9%	
<b>OTHER INCOME</b>														
Other Revenue	22	11	56	202	-	22	313	33	280	847.0%	288	25	8.5%	
Tenant Late Fees	500	455	400	326	300	245	2,226	1,925	301	15.6%	2,363	(136)	-5.8%	
Insufficient Fund Fees	15	15	-	15	30	30	105	165	(60)	-36.4%	188	(83)	-44.0%	
Tenant Related Charges/WO	25	2,768	-	-	518	10,000	13,311	7,219	6,091	84.4%	2,794	10,517	376.4%	
Tenant Nonrefundable Pet Fees	150	-	450	-	-	150	750	1,500	(750)	-50.0%	1,125	(375)	-33.3%	
Other Tenant Misc Revenue	-	59	-	50	-	72	181	259	(78)	-30.1%	-	181	0.0%	
Interest Income	1,946	1,524	1,684	1,770	1,624	1,897	10,445	95	10,350	10894.6%	1,549	8,896	574.3%	
<b>TOTAL OTHER INCOME</b>	2,658	4,831	2,589	2,363	2,472	12,416	27,330	11,196	16,134	144.1%	8,306	19,024	229.0%	
<b>TOTAL REVENUE</b>	224,989	232,998	238,552	241,463	251,861	270,390	1,460,254	1,239,172	221,082	17.8%	1,421,969	38,285	2.7%	
<b>OPERATING EXPENSES</b>														
<b>PAYROLL EXPENSES</b>														
Administrative Salaries	7,345	10,788	11,041	11,727	11,670	11,769	64,339	26,196	38,143	145.6%	32,962	31,377	95.2%	
Administrative Benefits	2,980	3,771	3,837	4,077	4,036	4,081	22,783	9,898	12,885	130.2%	13,844	8,939	64.6%	
Maintenance Salaries	22,019	22,947	21,554	20,492	21,025	21,430	129,466	103,161	26,305	25.5%	121,836	7,630	6.3%	
Maintenance Benefits	9,721	8,261	7,736	7,371	7,414	7,618	48,122	36,974	11,148	30.2%	51,171	(3,049)	-6.0%	
<b>TOTAL PAYROLL EXPENSES</b>	42,065	45,768	44,168	43,667	44,145	44,899	264,710	176,229	88,481	50.2%	219,814	44,897	20.4%	
<b>ADMINISTRATIVE EXPENSES</b>														
Legal Expenses	-	-	-	-	10	418	428	(7,409)	7,837	-105.8%	-	428	0.0%	
Staff Training	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Audit Fees	-	-	602	708	708	708	2,725	3,149	(424)	-13.5%	5,011	(2,286)	-45.6%	
Office Supplies	-	-	-	-	-	-	-	15	(15)	-100.0%	-	-	0.0%	
Advertising and Marketing	-	-	-	-	-	-	-	7	(7)	-100.0%	-	-	0.0%	
Phone Expense	815	248	552	248	552	-	2,414	2,669	(255)	-9.5%	2,547	(133)	-5.2%	
Bank Fees	758	725	766	776	686	743	4,454	5,173	(719)	-13.9%	4,749	(295)	-6.2%	
Management Fees	6,680	6,647	6,680	6,680	6,680	6,680	40,047	40,080	(33)	-0.1%	39,673	374	0.9%	
HOA Fees	3,282	3,372	3,372	3,372	3,603	3,603	20,604	20,181	423	2.1%	19,378	1,226	6.3%	
Admin Contracts	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Other Admin Expense	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Insurance	12,971	12,971	12,971	12,971	12,971	12,971	77,828	70,503	7,325	10.4%	75,502	2,326	3.1%	
Bad Debt, Net of Collections	-	-	(361)	(98)	3,328	(65)	2,805	(28)	2,833	-10178.0%	2,222	583	26.2%	
Tenant Services	835	-	-	-	1,314	-	2,149	2,932	(783)	-26.7%	1,616	533	33.0%	
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	25,341	23,963	24,583	24,657	29,851	25,058	153,453	137,272	16,181	11.8%	150,698	2,755	1.8%	
<b>UTILITIES</b>														
Water	4,249	3,108	4,010	4,216	4,257	4,851	24,690	26,390	(1,700)	-6.4%	46,588	(21,898)	-47.0%	
Electricity	20,250	577	24,735	8,274	22,378	2,480	78,695	79,077	(382)	-0.5%	92,642	(13,947)	-15.1%	
Gas	12,035	1,595	7,417	4,848	6,335	-	32,230	25,350	6,880	27.1%	24,811	7,419	29.9%	
Sewer	5,581	4,158	5,584	5,584	5,546	5,546	32,000	30,323	1,676	5.5%	33,381	(1,382)	-4.1%	
Other Utilities	1,801	1,373	1,798	1,798	1,798	1,798	10,365	9,961	404	4.1%	10,887	(522)	-4.8%	
<b>TOTAL UTILITIES</b>	43,916	10,811	43,544	24,720	40,314	14,675	177,980	171,102	6,878	4.0%	208,310	(30,330)	-14.6%	
<b>MAINTENANCE EXPENSES</b>														

Aspinwall, LLC  
Income Statement

For the Year Ending Dec 31, 2023 (Year-to-date Jun 30, 2023)

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Year-to-Date Actual	Year-To-Date Prior Year	Variance	%	Year-To-Date Budget	Variance	%	Comments
Maint Supplies	6,148	7,202	5,690	6,586	3,790	7,888	37,303	51,596	(14,293)	-27.7%	48,913	(11,610)	-23.7%	
Maint Cont Other	6,025	4,416	2,212	1,457	17,961	4,116	36,187	31,240	4,947	15.8%	40,496	(4,309)	-10.6%	
Maint Cont Cleaning	1,360	1,188	-	-	340	93	2,981	3,939	(958)	-24.3%	6,808	(3,827)	-56.2%	
Maint Cont Electrical	-	-	-	-	-	-	-	535	(535)	-100.0%	737	(737)	-100.0%	
Maint Cont Flooring	8,013	122	-	-	-	-	8,134	13,496	(5,362)	-39.7%	28,157	(20,023)	-71.1%	
Maint Cont HVAC	3,926	-	-	410	-	-	4,336	5,295	(959)	-18.1%	4,250	86	2.0%	
Maint Cont Grounds	-	5,605	5,520	7,076	10,066	15,449	43,716	12,510	31,206	0.0%	35,034	8,683	24.8%	
Maint Cont Painting	1,785	2,740	-	-	-	-	4,525	-	4,525	0.0%	1,905	2,620	137.5%	
Maint Cont Pest Control	70	520	270	70	270	70	1,270	554	716	129.2%	922	349	37.8%	
Maint Cont Plumbing	160	-	667	215	349	-	1,391	4,650	(3,259)	-70.1%	5,644	(4,253)	-75.4%	
Maint Cont Snow Removal	16,043	16,043	16,043	16,043	-	-	64,173	48,130	16,043	33.3%	50,810	13,364	26.3%	
Maint Cont Elevator	-	521	-	-	-	547	1,067	496	571	115.2%	868	199	22.9%	
Maint Cont Trash Removal	2,300	4,957	4,817	4,500	5,266	4,647	26,487	25,158	1,329	5.3%	27,039	(552)	-2.0%	
<b>TOTAL MAINTENANCE EXPENSES</b>	<b>45,830</b>	<b>43,315</b>	<b>35,219</b>	<b>36,356</b>	<b>38,042</b>	<b>32,810</b>	<b>231,571</b>	<b>197,600</b>	<b>33,971</b>	<b>17.2%</b>	<b>251,581</b>	<b>(20,010)</b>	<b>-8.0%</b>	
<b>TOTAL OPERATING EXPENSES</b>	<b>157,152</b>	<b>123,856</b>	<b>147,514</b>	<b>129,399</b>	<b>152,352</b>	<b>117,441</b>	<b>827,715</b>	<b>682,203</b>	<b>145,512</b>	<b>21.3%</b>	<b>830,403</b>	<b>(2,688)</b>	<b>-0.3%</b>	
<b>NET OPERATING INCOME</b>	<b>67,837</b>	<b>109,142</b>	<b>91,039</b>	<b>112,064</b>	<b>99,509</b>	<b>152,948</b>	<b>632,539</b>	<b>556,969</b>	<b>75,571</b>	<b>13.6%</b>	<b>591,566</b>	<b>40,973</b>	<b>6.9%</b>	
<b>NON-OPERATING REVENUES (EXPENSES)</b>														
Depreciation	(80,096)	(80,096)	(80,096)	(80,096)	(80,096)	(80,096)	(480,576)	(476,410)	(4,167)	0.9%	(478,139)	(2,437)	0.5%	
Amortization Expense	(2,157.01)	(2,157.01)	(2,157.01)	(2,157.01)	(2,157.01)	(2,157.01)	(12,942)	(12,942.06)	-	0.0%	(12,942)	(0)	0.0%	
Interest Expense - Hard Debt	(47,223)	(41,846)	(40,432)	(46,919)	(40,262)	(44,099)	(260,780)	(267,236)	6,455	-2.4%	(470,464)	209,684	-44.6%	
Interest Expense - Soft Debt	(34,976)	(34,976)	(34,976)	(34,976)	(34,976)	(34,976)	(209,856)	(198,977)	(10,879)	5.5%	-	(209,856)	0.0%	
Asset Management Fee	-	-	-	-	-	-	-	-	-	0.0%	(3,264)	3,264	-100.0%	
Investor Service Fee/Admin Service Fee	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Extraordinary Maintenance	-	-	-	-	(5,445)	-	(5,445)	(3,614)	(1,831)	50.7%	-	(5,445)	0.0%	
Damage Mitigation	-	-	-	-	-	-	-	(3,173)	3,173	-100.0%	-	-	0.0%	
Other Non-Operating Income (Expense)	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
<b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b>	<b>(164,452)</b>	<b>(159,075)</b>	<b>(157,661)</b>	<b>(164,148)</b>	<b>(162,937)</b>	<b>(161,328)</b>	<b>(969,600)</b>	<b>(962,350)</b>	<b>(7,249)</b>	<b>0.8%</b>	<b>(964,809)</b>	<b>(4,791)</b>	<b>0.5%</b>	
<b>NET INCOME (LOSS)</b>	<b>\$(96,615)</b>	<b>\$(49,932)</b>	<b>\$(66,622)</b>	<b>\$(52,084)</b>	<b>\$(63,428)</b>	<b>\$(8,379)</b>	<b>\$(337,060)</b>	<b>\$(405,382)</b>	<b>68,322</b>	<b>-16.9%</b>	<b>\$(373,243)</b>	<b>36,183</b>	<b>-9.7%</b>	
<b>DEBT SERVICE COVERAGE RATIO (1.20 Required)</b>	<b>0.90</b>	<b>1.50</b>	<b>1.24</b>	<b>1.54</b>	<b>1.36</b>	<b>2.13</b>	<b>1.44</b>	<b>1.26</b>	<b>0.18</b>		<b>1.34</b>	<b>0.10</b>		
<b>PUPA (167 Units Total)</b>	<b>\$ 11,292</b>	<b>\$ 8,900</b>	<b>\$ 10,600</b>	<b>\$ 9,298</b>	<b>\$ 10,947</b>	<b>\$ 8,439</b>	<b>\$ 9,913</b>	<b>\$ 8,170</b>	<b>\$ 1,743</b>		<b>\$ 9,945</b>	<b>\$(32)</b>		
<b>Occupancy Rate</b>	<b>91.5%</b>	<b>93.8%</b>	<b>96.0%</b>	<b>96.8%</b>	<b>95.8%</b>	<b>96.5%</b>	<b>95.4%</b>	<b>93.8%</b>	<b>1.6%</b>		<b>93.0%</b>	<b>2.4%</b>		

Kestrel I, LLC  
Income Statement

For the Year Ending Dec 31, 2023 (Year-to-date Jun 30, 2023)

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Year-to-Date Actual	Year-To-Date Prior Year	Variance	%	Year-To-Date Budget	Variance	%	Comments
<b>INCOME</b>														
<b>OPERATING INCOME</b>														
<b>REVENUE</b>														
<b>GROSS POTENTIAL RENT</b>														
Tenant Rental Income	\$ 185,652	\$ 190,427	\$ 190,902	\$ 190,692	\$ 194,555	\$ 194,813	\$ 1,147,041	\$ 1,113,703	\$ 33,338	3.0%	\$ 1,199,861	\$ (52,820)	-4.4%	
Subsidies	86,915	83,873	85,617	87,898	98,828	103,427	546,558	485,846	60,712	12.5%	522,201	24,358	4.7%	
<b>TOTAL GROSS POTENTIAL RENT</b>	272,567	274,300	276,519	278,590	293,383	298,240	1,693,599	1,599,549	94,050	5.9%	1,722,061	(28,462)	-1.7%	
<b>ADJUSTMENT TO RENTAL INCOME</b>														
Vacancy Loss	(13,720)	(22,873)	(19,581)	(17,469)	(14,722)	(15,423)	(103,788)	(32,391)	(71,397)	220.4%	(120,545)	16,757	-13.9%	
<b>TOTAL ADJUSTMENT TO RENTAL INCOME</b>	(13,720)	(22,873)	(19,581)	(17,469)	(14,722)	(15,423)	(103,788)	(32,391)	(71,397)	220.4%	(120,545)	16,757	-13.9%	
<b>OTHER INCOME</b>														
Other Revenue	252	248	274	13,578	288	268	14,908	1,544	13,365	865.7%	-	14,908	0.0%	
Tenant Late Fees	575	425	425	567	383	550	2,925	2,000	925	46.3%	2,050	875	42.7%	
Insufficient Fund Fees	45	15	30	30	75	90	285	30	255	850.0%	75	210	280.0%	
Work Order Charges	160	294	829	1,386	280	853	3,802	2,898	904	31.2%	3,844	(42)	-1.1%	
Tenant Nonrefundable Pet Fees	300	-	-	-	300	150	750	1,050	(300)	-28.6%	825	(75)	-9.1%	
Other Tenant Misc Revenue	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Interest Income	9	11	12	11	15	14	72	31	41	129.7%	36	36	99.6%	
<b>TOTAL OTHER INCOME</b>	1,342	993	1,571	15,572	1,340	1,924	22,742	7,553	15,189	201.1%	6,830	15,912	233.0%	
<b>TOTAL REVENUE</b>	260,189	252,420	258,509	276,693	280,001	284,741	1,612,553	1,574,711	37,842	2.4%	1,608,346	4,207	0.3%	
<b>OPERATING EXPENSES</b>														
<b>PAYROLL EXPENSES</b>														
Administrative Salaries	20,302	16,995	17,298	18,119	18,133	18,251	109,099	83,587	25,512	30.5%	86,860	22,239	25.6%	
Administrative Benefits	7,429	5,977	6,056	6,344	6,302	6,367	38,475	25,713	12,763	49.6%	36,481	1,994	5.5%	
Maintenance Salaries	28,477	28,756	28,873	25,794	26,674	27,614	166,188	127,681	38,507	30.2%	147,081	19,107	13.0%	
Maintenance Benefits	11,920	10,724	10,687	9,587	9,588	9,985	62,491	49,679	12,812	25.8%	61,774	717	1.2%	
<b>TOTAL PAYROLL EXPENSES</b>	68,127	62,452	62,914	59,844	60,697	62,218	376,253	286,660	89,593	31.3%	332,196	44,057	13.3%	
<b>ADMINISTRATIVE EXPENSES</b>														
Legal Expenses	-	-	-	-	-	-	-	1,934	(1,934)	-100.0%	364	(364)	-100.0%	
Staff Training	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Audit Fees	-	-	602	708	708	708	2,725	3,204	(480)	-15.0%	4,701	(1,976)	-42.0%	
Office Supplies	167	198	192	243	149	305	1,254	1,085	169	15.5%	931	323	34.6%	
Advertising and Marketing	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Phone Expense	259	148	371	147	370	147	1,442	669	773	115.5%	927	515	55.5%	
Bank Fees	118	193	255	221	159	146	1,092	3,942	(2,850)	-72.3%	3,094	(2,002)	-64.7%	
Management Fees	11,648	11,314	11,562	11,750	12,540	12,727	71,542	70,522	1,019	1.4%	70,054	1,487	2.1%	
HOA Fees	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Admin Contracts	-	-	-	-	-	-	-	(77)	77	-100.0%	-	-	0.0%	
Other Admin Expense	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Insurance	14,133	14,133	14,189	14,189	14,189	14,189	85,020	82,057	2,963	3.6%	84,795	225	0.3%	
Bad Debt, Net of Collections	-	-	-	-	-	-	-	14,641	(14,641)	-100.0%	6,000	(6,000)	-100.0%	
Tenant Services	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	26,324	25,986	27,171	27,258	28,115	28,221	163,074	177,977	(14,903)	-8.4%	170,868	(7,793)	-4.6%	
<b>UTILITIES</b>														
Water	2,200	2,253	2,003	1,968	2,074	2,060	12,557	10,943	1,615	14.8%	12,637	(79)	-0.6%	
Electricity	30,177	26,743	17,932	22,276	20,367	17,169	134,665	101,451	33,214	32.7%	119,208	15,456	13.0%	
Gas	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Sewer	2,790	2,790	2,790	2,790	2,790	2,966	16,917	14,039	2,878	20.5%	16,160	757	4.7%	
Other Utilities	1,926	1,926	1,926	1,942	1,926	3,106	12,754	9,609	3,145	32.7%	17,617	(4,863)	-27.6%	
<b>TOTAL UTILITIES</b>	37,094	33,712	24,651	28,977	27,158	25,302	176,893	136,042	40,851	30.0%	165,622	11,271	6.8%	

Kestrel I, LLC  
Income Statement

For the Year Ending Dec 31, 2023 (Year-to-date Jun 30, 2023)

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Year-to-Date Actual	Year-To-Date Prior Year	Variance	%	Year-To-Date Budget	Variance	%	Comments
<b>MAINTENANCE EXPENSES</b>														
Maint Supplies	2,609	9,681	5,419	3,352	3,249	2,465	26,775	16,950	9,824	58.0%	28,797	(2,022)	-7.0%	
Maint Cont Other	6,413	1,635	1,724	4,171	6,783	1,245	21,970	17,506	4,464	25.5%	28,404	(6,433)	-22.7%	
Maint Cont Cleaning	920	1,325	-	842	2,007	3,984	9,078	1,930	7,148	370.4%	6,036	3,043	50.4%	
Maint Cont Electrical	428	-	-	-	-	179	607	-	607	0.0%	1,576	(969)	-61.5%	
Maint Cont Flooring	-	-	3,300	-	876	792	4,968	3,091	1,877	60.7%	2,570	2,398	93.3%	
Maint Cont HVAC	-	3,999	3,328	-	673	-	7,999	-	7,999	0.0%	5,526	2,474	44.8%	
Maint Cont Grounds	-	-	-	4,722	2,384	1,651	8,757	-	8,757	0.0%	10,745	(1,987)	-18.5%	
Maint Cont Painting	-	-	-	-	-	-	-	1,680	(1,680)	-100.0%	862	(862)	-100.0%	
Maint Cont Pest Control	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Maint Cont Plumbing	-	(299)	710	-	210	-	621	-	621	0.0%	542	79	14.6%	
Maint Cont Snow Removal	7,262	7,262	7,262	7,262	-	-	29,049	21,786	7,262	33.3%	19,027	10,022	52.7%	
Maint Cont Elevator Senior	-	678	-	-	-	1,469	2,147	3,070	(923)	-30.1%	5,691	(3,545)	-62.3%	
Maint Cont Trash Removal	2,533	-	2,533	2,615	2,737	2,643	13,061	14,514	(1,453)	-10.0%	14,939	(1,878)	-12.6%	
<b>TOTAL MAINTENANCE EXPENSES</b>	<b>20,165</b>	<b>24,281</b>	<b>24,276</b>	<b>22,964</b>	<b>18,918</b>	<b>14,428</b>	<b>125,032</b>	<b>80,527</b>	<b>44,505</b>	<b>55.3%</b>	<b>124,713</b>	<b>319</b>	<b>0.3%</b>	
<b>TOTAL OPERATING EXPENSES</b>	<b>151,710</b>	<b>146,432</b>	<b>139,011</b>	<b>139,042</b>	<b>134,888</b>	<b>130,168</b>	<b>841,252</b>	<b>681,206</b>	<b>160,046</b>	<b>23.5%</b>	<b>793,398</b>	<b>47,855</b>	<b>6.0%</b>	
<b>NET OPERATING INCOME</b>	<b>108,479</b>	<b>105,988</b>	<b>119,497</b>	<b>137,650</b>	<b>145,113</b>	<b>154,573</b>	<b>771,300</b>	<b>893,505</b>	<b>(122,204)</b>	<b>-13.7%</b>	<b>814,948</b>	<b>(43,648)</b>	<b>-5.4%</b>	
<b>NON-OPERATING REVENUES (EXPENSES)</b>														
Depreciation	(165,066)	(165,066)	(165,066)	(165,066)	(165,066)	(165,066)	(990,393)	(1,351,056)	360,663	-26.7%	(1,197,486)	207,092	-17.3%	
Amortization Expense	(5,459)	(5,459)	(5,459)	(5,459)	(5,459)	(5,459)	(32,757)	(32,756.58)	-	0.0%	(8,560)	(24,197)	282.7%	
Interest Expense - Hard Debt	(78,984)	(78,886)	(78,788)	(78,689)	(78,590)	(78,491)	(472,429)	(479,387)	6,958	-1.5%	(668,292)	195,863	-29.3%	
Interest Expense - Soft Debt	(25,818)	(25,818)	(25,818)	(25,818)	(25,818)	(25,818)	(154,911)	(147,459)	(7,452)	5.1%	-	(154,911)	0.0%	
Asset Management Fee	-	-	-	-	-	-	-	-	-	0.0%	(4,179)	4,179	-100.0%	
Investor Service Fee/Admin Service Fee	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Extraordinary Maintenance	-	(3,173)	(15,605)	(8,237)	(3,862)	(2,273)	(33,149)	(15,605)	(17,544)	112.4%	-	(33,149)	0.0%	
Damage Mitigation Fund	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Other Non-Operating Income (Expense)	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
<b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b>	<b>(275,327)</b>	<b>(278,402)</b>	<b>(290,737)</b>	<b>(283,270)</b>	<b>(278,796)</b>	<b>(277,107)</b>	<b>(1,683,639)</b>	<b>(2,026,263)</b>	<b>342,624</b>	<b>-16.9%</b>	<b>(1,878,516)</b>	<b>194,877</b>	<b>-10.4%</b>	
<b>NET INCOME (LOSS)</b>	<b>\$ (166,849)</b>	<b>\$ (172,414)</b>	<b>\$ (171,239)</b>	<b>\$ (145,619)</b>	<b>\$ (133,683)</b>	<b>\$ (122,534)</b>	<b>\$ (912,338)</b>	<b>\$ (1,132,758)</b>	<b>\$ 220,420</b>	<b>-19.5%</b>	<b>\$ (1,063,567)</b>	<b>\$ 151,229</b>	<b>-14.2%</b>	
<b>DEBT SERVICE COVERAGE RATIO (1.15)</b>	<b>0.95</b>	<b>0.92</b>	<b>1.05</b>	<b>1.21</b>	<b>1.28</b>	<b>1.37</b>	<b>1.13</b>	<b>1.32</b>	<b>(0.19)</b>		<b>1.20</b>	<b>(0.07)</b>		
<b>PUPA (200 Units Total)</b>	<b>\$ 9,103</b>	<b>\$ 8,786</b>	<b>\$ 8,341</b>	<b>\$ 8,343</b>	<b>\$ 8,093</b>	<b>\$ 7,810</b>	<b>\$ 8,413</b>	<b>\$ 6,812</b>	<b>\$ 1,600</b>		<b>\$ 7,934</b>	<b>\$ 479</b>		
<b>Occupancy Rate</b>	<b>94.2%</b>	<b>92.9%</b>	<b>93.0%</b>	<b>93.8%</b>	<b>94.7%</b>	<b>95.2%</b>	<b>93.9%</b>	<b>98.0%</b>	<b>-4.1%</b>		<b>93.0%</b>	<b>0.9%</b>		

Tungsten Village, LLC  
Income Statement

For the Year Ending Dec 31, 2023 (Year-to-date Jun 30, 2023)

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Year-to-Date Actual	Year-To-Date Prior Year	Variance	%	Year-To-Date Budget	Variance	%	Comments
<b>INCOME</b>														
<b>OPERATING INCOME</b>														
<b>REVENUE</b>														
<b>GROSS POTENTIAL RENT</b>														
Tenant Rental Income	\$ 17,136	\$ 15,418	\$ 18,614	\$ 18,815	\$ 19,838	\$ 17,207	\$ 107,028	\$ 118,819	\$ (11,791)	-9.9%	\$ 121,750	\$ (14,722)	-12.1%	
Subsidies	20,395	22,113	18,917	18,341	18,043	21,326	119,135	103,858	15,277	14.7%	117,873	1,263	1.1%	
<b>TOTAL GROSS POTENTIAL RENT</b>	37,531	37,531	37,531	37,156	37,881	38,533	226,163	222,677	3,486	1.6%	239,623	(13,460)	-5.6%	
<b>ADJUSTMENT TO RENTAL INCOME</b>														
Vacancy Loss	76	1,500	(1,500)	(1,887)	(2,800)	938	(3,673)	(17,737)	14,064	-79.3%	(16,774)	13,101	-78.1%	
<b>TOTAL ADJUSTMENT TO RENTAL INCOME</b>	76	1,500	(1,500)	(1,887)	(2,800)	938	(3,673)	(17,737)	14,064	-79.3%	(16,774)	13,101	-78.1%	
<b>OTHER INCOME</b>														
Other Revenue	-	-	-	-	-	-	-	22	(22)	-100.0%	-	-	0.0%	
Tenant Late Fees	75	50	(225)	25	-	100	25	575	(550)	-95.7%	174	(149)	-85.6%	
Insufficient Fund Fees	-	-	-	-	15	15	30	(15)	45	-300.0%	18	12	66.7%	
Work Order Charges	54	-	(75)	-	12	357	348	5,088	(4,739)	-93.2%	1,045	(696)	-66.7%	
Tenant Nonrefundable Pet Fees	-	-	-	-	150	-	150	-	150	0.0%	167	(17)	-10.2%	
Other Tenant Misc Revenue	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Interest Income	130	91	101	91	107	112	633	10	623	6396.6%	17	616	3735.0%	
<b>TOTAL OTHER INCOME</b>	259	141	(199)	116	284	585	1,186	5,679	(4,493)	-79.1%	1,420	(233)	-16.4%	
<b>TOTAL REVENUE</b>	37,866	39,172	35,832	35,385	35,365	40,056	223,676	210,619	13,057	6.2%	224,269	(592)	-0.3%	
<b>OPERATING EXPENSES</b>														
<b>PAYROLL EXPENSES</b>														
Administrative Salaries	3,897	3,792	3,834	3,995	4,007	4,020	23,546	18,391	5,155	28.0%	10,272	13,274	129.2%	
Administrative Benefits	1,442	1,357	1,368	1,417	1,410	1,422	8,417	6,802	1,615	23.7%	4,314	4,103	95.1%	
Maintenance Salaries	3,303	3,668	3,673	3,825	4,019	4,044	22,531	13,036	9,496	72.8%	13,353	9,178	68.7%	
Maintenance Benefits	1,275	1,310	1,319	1,367	1,422	1,444	8,137	4,725	3,412	72.2%	5,608	2,529	45.1%	
<b>TOTAL PAYROLL EXPENSES</b>	9,917	10,127	10,193	10,605	10,858	10,930	62,631	42,953	19,677	45.8%	33,547	29,084	86.7%	
<b>ADMINISTRATIVE EXPENSES</b>														
Legal Expenses	-	-	-	-	20	-	20	-	20	0.0%	-	20	0.0%	
Staff Training	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Audit Fees	-	-	622	672	672	672	2,638	3,079	(441)	-14.3%	5,294	(2,656)	-50.2%	
Office Supplies	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Advertising and Marketing	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Phone Expense	223	223	223	225	221	221	1,337	1,268	68	5.4%	1,506	(170)	-11.3%	
Bank Fees	630	572	599	581	557	590	3,529	3,925	(396)	-10.1%	-	3,529	0.0%	
Management Fee	833	833	833	833	833	833	5,000	5,000	-	0.0%	5,000	(0)	0.0%	
HOA Fees	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Admin Contracts	-	-	-	-	-	-	-	-	-	0.0%	331	(331)	-100.0%	
Other Admin Expense	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Insurance	2,865	2,865	2,865	2,865	2,865	2,865	17,189	14,146	3,043	21.5%	17,189	(0)	0.0%	
Bad Debt, Net of Collections	-	-	-	-	-	-	-	3,368	(3,368)	-100.0%	1,218	(1,218)	-100.0%	
Tenant Services	-	-	-	-	-	-	-	406	(406)	-100.0%	291	(291)	-100.0%	
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	4,552	4,493	5,142	5,176	5,168	5,182	29,713	31,192	(1,480)	-4.7%	30,828	(1,115)	-3.6%	
<b>UTILITIES</b>														
Water	-	-	-	2,964	-	-	2,964	2,687	277	10.3%	6,129	(3,165)	-51.6%	
Electricity	3,443	3,463	3,148	2,656	2,160	2,150	17,019	14,677	2,342	16.0%	14,530	2,489	17.1%	
Gas	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Sewer	-	-	-	5,060	-	-	5,060	4,701	359	7.6%	10,133	(5,073)	-50.1%	
Other Utilities	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
<b>TOTAL UTILITIES</b>	3,443	3,463	3,148	10,679	2,160	2,150	25,043	22,064	2,978	13.5%	30,792	(5,749)	-18.7%	

Tungsten Village, LLC

Income Statement

For the Year Ending Dec 31, 2023 (Year-to-date Jun 30, 2023)

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Year-to-Date Actual	Year-To-Date Prior Year	Variance	%	Year-To-Date Budget	Variance	%	Comments
<b>MAINTENANCE EXPENSES</b>														
Maint Supplies	2,619	(2,491)	1,480	3,336	212	-	5,156	1,161	3,995	344.0%	4,494	662	14.7%	
Maint Cont Other	-	241	1,399	275	691	-	2,606	375	2,231	595.0%	2,978	(372)	-12.5%	
Maint Cont Cleaning	315	-	-	-	630	-	945	-	945	0.0%	1,016	(71)	-6.9%	
Maint Cont Electrical	-	-	-	-	-	-	-	1,121	(1,121)	-100.0%	489	(489)	-100.0%	
Maint Cont Flooring	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Maint Cont HVAC	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Maint Cont Lawn Care	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Maint Cont Painting	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Maint Cont Pest Control	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Maint Cont Plumbing	-	220	220	-	-	-	439	-	439	0.0%	-	439	0.0%	
Maint Cont Snow Removal	-	-	-	-	-	-	-	25,950	(25,950)	-100.0%	5,000	(5,000)	-100.0%	
Maint Cont Elevator Senior	-	693	-	-	-	728	1,421	1,980	(559)	-28.3%	1,467	(46)	-3.2%	
Maint Cont Trash Removal	549	723	235	784	723	784	3,797	3,960	(163)	-4.1%	4,243	(446)	-10.5%	
<b>TOTAL MAINTENANCE EXPENSES</b>	<b>3,483</b>	<b>(615)</b>	<b>3,333</b>	<b>4,395</b>	<b>2,256</b>	<b>1,511</b>	<b>14,363</b>	<b>34,548</b>	<b>(20,184)</b>	<b>-58.4%</b>	<b>19,686</b>	<b>(5,322)</b>	<b>-27.0%</b>	
<b>TOTAL OPERATING EXPENSES</b>	<b>21,395</b>	<b>17,468</b>	<b>21,815</b>	<b>30,855</b>	<b>20,442</b>	<b>19,774</b>	<b>131,749</b>	<b>130,758</b>	<b>992</b>	<b>0.8%</b>	<b>114,852</b>	<b>16,897</b>	<b>14.7%</b>	
<b>NET OPERATING INCOME</b>	<b>16,471</b>	<b>21,704</b>	<b>14,016</b>	<b>4,530</b>	<b>14,923</b>	<b>20,282</b>	<b>91,927</b>	<b>79,862</b>	<b>12,065</b>	<b>15.1%</b>	<b>109,417</b>	<b>(17,490)</b>	<b>-16.0%</b>	
<b>NON-OPERATING REVENUES (EXPENSES)</b>														
Depreciation	(25,222)	(25,222)	(25,222)	(25,222)	(25,222)	(25,222)	(151,334)	(150,931)	(403)	0.3%	(150,998)	(336)	0.2%	
Amortization Expense	(1,832.91)	(1,832.91)	(1,832.91)	(1,832.91)	(1,832.91)	(1,833)	(10,997)	(6,434.10)	(4,563)	70.9%	(10,998)	0	0.0%	
Interest Expense - Hard Debt	(12,917)	(11,344)	(10,940)	(12,876)	(10,919)	(12,072)	(71,068)	(71,886)	819	-1.1%	(102,171)	31,103	-30.4%	
Interest Expense - Soft Debt	(5,622)	(5,622)	(5,622)	(5,622)	(5,622)	(5,622)	(33,735)	(30,291)	(3,443)	11.4%	-	(33,735)	0.0%	
Asset Management Fee	-	-	-	-	-	-	-	-	-	0.0%	(6,034)	6,034	-100.0%	
Investor Service Fee/Admin Service Fee	(1,491)	(1,491)	(1,491)	(1,491)	(1,491)	(1,491)	(8,947)	8,686	(17,633)	-203.0%	(2,653)	(6,294)	237.3%	
Extraordinary Maintenance	-	-	-	-	-	-	-	(5,084)	5,084	-100.0%	-	-	0.0%	
Damage Mitigation	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
Other Non-Operating Income (Expense)	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%	
<b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b>	<b>(47,085)</b>	<b>(45,513)</b>	<b>(45,109)</b>	<b>(47,045)</b>	<b>(45,087)</b>	<b>(46,241)</b>	<b>(276,080)</b>	<b>(255,941)</b>	<b>(20,139)</b>	<b>7.9%</b>	<b>(272,853)</b>	<b>(3,227)</b>	<b>1.2%</b>	
<b>NET INCOME (LOSS)</b>	<b>\$(30,614)</b>	<b>\$(23,809)</b>	<b>\$(31,092)</b>	<b>\$(42,515)</b>	<b>\$(30,164)</b>	<b>\$(25,959)</b>	<b>\$(184,153)</b>	<b>\$(176,079.0)</b>	<b>\$(8,074)</b>	<b>4.6%</b>	<b>\$(163,436)</b>	<b>\$(20,717)</b>	<b>12.7%</b>	
<b>DEBT SERVICE COVERAGE RATIO (1.15 Required)</b>	<b>1.08</b>	<b>1.43</b>	<b>0.91</b>	<b>0.26</b>	<b>0.97</b>	<b>1.34</b>	<b>1.00</b>	<b>0.87</b>	<b>0.13</b>		<b>1.20</b>	<b>(0.20)</b>		
<b>PUPA (26 Units Total)</b>	<b>\$ 9,875</b>	<b>\$ 8,062</b>	<b>\$ 10,069</b>	<b>\$ 14,241</b>	<b>\$ 9,435</b>	<b>\$ 9,126</b>	<b>\$ 10,135</b>	<b>\$ 10,058</b>	<b>\$ 76</b>		<b>\$ 8,835</b>	<b>\$ 1,300</b>		
<b>Occupancy Rate</b>	<b>96.2%</b>	<b>94.7%</b>	<b>94.7%</b>	<b>93.8%</b>	<b>94.4%</b>	<b>96.3%</b>	<b>98.4%</b>	<b>92.0%</b>	<b>6.3%</b>		<b>93.0%</b>	<b>5.4%</b>		

**Coffman Place, LLC**  
**Income Statement**

**For the Year Ending December 31, 2023 (Year-to-date Jun 30, 2023)**

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Year-to-Date Actual	Year-To-Date Budget	Variance	%	Comments
<b>INCOME</b>											
<b>OPERATING INCOME</b>											
<b>REVENUE</b>											
<b>GROSS POTENTIAL RENT</b>											
Tenant Rental Income	\$ 69,144	\$ 69,703	\$ 69,396	\$ 70,614	\$ 70,326	\$ 69,295	\$ 418,478	\$ 411,084	\$ 7,395	1.8%	
Subsidies	30,021	29,462	29,769	31,921	34,250	36,460	191,883	174,178	17,706	10.2%	
<b>TOTAL GROSS POTENTIAL RENT</b>	99,165	99,165	99,165	102,535	104,576	105,755	610,361	585,261	25,100	4.3%	
<b>ADJUSTMENT TO RENTAL INCOME</b>											
Vacancy Loss	335	-	(1,504)	(2,590)	(2,775)	(2,590)	(9,124)	(40,969)	31,845	-77.7%	
<b>TOTAL ADJUSTMENT TO RENTAL INCOME</b>	335	-	(1,504)	(2,590)	(2,775)	(2,590)	(9,124)	(40,969)	31,845	-77.7%	
<b>OTHER INCOME</b>											
Other Revenue	-	-	-	66	22	11	99	219	(120)	-54.9%	
Tenant Late Fees	250	225	225	175	150	150	1,175	206	969	470.2%	
Insufficient Fund Fees	60	30	30	15	30	30	195	67	128	190.6%	
Tenant Related Charges/WO	-	700	-	-	78	35	813	98	715	731.1%	
Tenant Nonrefundable Pet Fees	-	-	-	-	-	-	-	633	(633)	-100.0%	
Other Tenant Misc Revenue	-	-	-	-	-	-	-	-	-	0.0%	
Interest Income	-	-	-	-	-	-	-	-	-	0.0%	
<b>TOTAL OTHER INCOME</b>	310	955	255	256	280	226	2,282	1,223	1,059	86.5%	
<b>TOTAL REVENUE</b>	99,810	100,120	97,916	100,201	102,081	103,391.00	603,519	545,516	58,003	10.6%	
<b>OPERATING EXPENSES</b>											
<b>PAYROLL EXPENSES</b>											
Administrative Salaries	2,909	6,083	6,201	6,555	6,615	6,583	34,946	12,130	22,816	188.1%	
Administrative Benefits	1,179	2,179	2,209	2,326	2,323	2,330	12,547	5,095	7,452	146.3%	
Maintenance Salaries	5,776	8,123	8,927	8,138	7,932	8,210	47,106	16,975	30,131	177.5%	
Maintenance Benefits	2,290	2,876	3,150	2,873	2,738	2,839	16,765	7,129	9,636	135.2%	
<b>TOTAL PAYROLL EXPENSES</b>	12,154	19,261	20,487	19,892	19,608	19,962	111,364	41,329	70,035	169.5%	
<b>ADMINISTRATIVE EXPENSES</b>											
Legal Expenses	-	836	-	78	-	-	914	-	914	0.0%	
Staff Training	-	-	-	-	-	-	-	-	-	0.0%	
Audit Fees	-	-	602	674	674	674	2,625	1,170	1,455	124.4%	
Office Supplies	-	-	-	-	109	64	174	425	(251)	-59.2%	
Advertising and Marketing	-	-	-	-	-	-	-	-	-	0.0%	
Phone Expense	544	544	544	544	544	543	3,265	3,308	(43)	-1.3%	
Bank Fees	338	302	297	302	188	173	1,600	2,771	(1,171)	-42.3%	
Mangement Fees (4.5%)	4,478	4,519	4,406	4,509	4,562	4,710	27,184	23,942	3,242	13.5%	
HOA Fees	-	-	-	-	-	-	-	-	-	0.0%	
Admin Contracts	-	-	-	-	-	-	-	-	-	0.0%	
Other Admin Expense/Garage	-	8,159	-	-	7,073	-	15,233	16,502	(1,269)	-7.7%	
Insurance	5,012	5,012	5,012	5,012	5,199	5,456	30,704	31,478	(774)	-2.5%	

**Coffman Place, LLC**  
**Income Statement**

**For the Year Ending December 31, 2023 (Year-to-date Jun 30, 2023)**

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Year-to-Date Actual	Year-To-Date Budget	Variance	%	Comments
Bad Debt, Net of Collections	-	-	-	-	-	-	-	412	(412)	-100.0%	
Tenant Services	-	-	-	-	-	-	-	-	-	0.0%	
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	10,372	19,373	10,862	11,120	18,350	11,621	81,697	80,008	1,689	2.1%	
<b>UTILITIES</b>											
Water	718	793	731	753	803	713	4,510	7,101	(2,590)	-36.5%	
Electricity	7,331	8,543	7,266	6,723	3,521	5,373	38,756	34,154	4,602	13.5%	
Gas	4,227	3,609	2,163	1,426	825	647	12,897	9,404	3,493	37.1%	
Sewer	690	861	783	810	873	760	4,778	7,178	(2,400)	-33.4%	
Other Utilities	17	19	19	19	19	1,216	1,308	147	1,161	790.5%	
<b>TOTAL UTILITIES</b>	12,983	13,825	10,961	9,731	6,040	8,709	62,250	57,983	4,267	7.4%	
<b>MAINTENANCE EXPENSES</b>											
Maint Supplies	-	-	256	3,621	1,020	1,293	6,190	4,404	1,786	40.6%	
Maint Cont Other	2,199	513	513	-	642	662	4,529	9,684	(5,155)	-53.2%	
Maint Cont Cleaning	7,800	650	3,575	4,530	7,000	4,215	27,770	34,039	(6,269)	-18.4%	
Maint Cont Electrical	-	-	-	-	-	-	-	-	-	0.0%	
Maint Cont Flooring	-	-	-	-	-	-	-	-	-	0.0%	
Maint Cont HVAC	-	-	-	-	-	-	-	-	-	0.0%	
Maint Cont Grounds	-	-	-	-	-	-	-	-	-	0.0%	
Maint Cont Painting	-	-	-	-	-	-	-	-	-	0.0%	
Maint Cont Pest Control	-	-	-	-	-	-	-	582	(582)	-100.0%	
Maint Cont Plumbing	-	-	-	-	-	-	-	-	-	0.0%	
Maint Cont Snow Removal	4,487	4,487	-	4,487	4,487	-	17,949	19,922	(1,973)	-9.9%	
Maint Cont Elevator	-	-	-	-	-	1,529	1,529	-	1,529	0.0%	
Maint Cont Trash Removal	-	534	534	534	542	568	2,711	4,721	(2,011)	-42.6%	
<b>TOTAL MAINTENANCE EXPENSES</b>	14,486	6,184	4,878	13,172	13,691	8,266	60,677	73,352	(12,675)	-17.3%	
<b>TOTAL OPERATING EXPENSES</b>	49,995	58,644	47,187	53,914	57,689	48,558	315,987	252,671	63,316	25.1%	
<b>NET OPERATING INCOME</b>	49,815	41,476	50,729	46,287	44,392	54,833	287,531	292,844	(5,313)	-1.8%	
<b>NON-OPERATING REVENUES (EXPENSES)</b>											
Depreciation	(67,083)	(67,083)	(67,083)	(67,083)	(67,083)	(67,083)	(402,498)	(507,497)	104,999	-20.7%	
Amortization Expense	(1,057)	(1,057)	(1,653)	(3,696)	(3,696)	(3,695.95)	(14,855)	(3,947)	(10,909)	276.4%	
Interest Expense - Hard Debt	(64,142)	(59,753)	22,786	-	(25,400)	(26,247)	(152,755)	(234,605)	81,850	-34.9%	
Interest Expense - Soft Debt	-	-	-	-	-	-	-	-	-	0.0%	
Asset Management Fee	-	-	-	-	-	-	-	-	-	0.0%	
Investor Service Fee/Admin Service Fee	(3,190)	(3,190)	(3,190)	(3,190)	(3,190)	(3,190)	(19,138)	-	(19,138)	0.0%	
Extraordinary Maintenance	-	-	-	-	-	-	-	-	-	0.0%	
Damage Mitigation	-	-	-	-	-	-	-	-	-	0.0%	
Other Non-Operating Income (Expense)	-	-	(21,177)	-	-	576	(20,601)	(12,387)	(8,214)	66.3%	
<b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b>	(135,472)	(131,083)	(70,317)	(73,969)	(99,369)	(99,639)	(609,847)	(758,435)	148,587	-19.6%	
<b>NET INCOME (LOSS)</b>	\$ (85,657)	\$ (89,606)	\$ (19,588)	\$ (27,682)	\$ (54,977)	\$ (44,806)	\$ (322,316)	\$ (465,590)	\$ 143,274	-30.8%	
<b>DEBT SERVICE COVERAGE RATIO (1.15)</b>	1.23	1.01	1.25	1.14	1.09	1.35	1.18	1.20	(0.02)		
<b>PUPA (73 Units total)</b>	\$ 8,218	\$ 9,640	\$ 7,757	\$ 8,863	\$ 9,483	\$ 7,982	\$ 8,657	\$ 6,922	\$ 1,735		
<b>Occupancy Rate</b>	100.0%	100.0%	98.8%	97.3%	97.2%	97.3%	98.5%	93.0%	5.5%		



**BCHA Executed Contracts**  
**July 20, 2023 - August 16, 2023**

Date Executed	Contractor Name	Description	Contract Amount	Term Start Date	Term End Date
8/7/2023	EAP Glass	Continuing services contract for glass and door services	\$ 9,999.00	1/1/2023	12/31/2023
8/7/2023	Professional Elevator Inspections, Inc.	Elevator inspections and testing.	\$ 5,998.00	1/1/2022	12/31/2023
8/1/2023	US Department of Housing and Urban Development	The Continuum of Care Rapid Rehousing program (CoC RRH) supports approximately 42 households with children and/or transitioned aged youth experiencing literal homelessness a year with supportive case management, housing navigation and up to 24 months of rental assistance.	\$ 791,422.00	1/1/2024	12/31/2024
7/26/2023	J&K Roofing, Inc.	SOQ 7373-22 provide as-needed roofing and gutter/downspout installations, repairs and gutter cleaning to buildings owned by Boulder Housing Authority.	\$ 150,000.00	1/1/2023	12/31/2023



June 30, 2023

To the Board of Commissioners  
Boulder County Housing Authority  
Boulder, Colorado

We have audited the financial statements of Boulder County Housing Authority as of and for the year ended December 31, 2022, and have issued our report thereon dated June 30, 2023. Professional standards require that we advise you of the following matters relating to our audit.

**Our Responsibility in Relation to the Financial Statement Audit under Generally Accepted Auditing Standards and *Government Auditing Standards* and our Compliance Audit under the Uniform Guidance**

As communicated in our letter dated December 20, 2022, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America and to express an opinion on whether the Authority complied with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs. Our audit of the financial statements and major program compliance does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Authority solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

Our responsibility, as prescribed by professional standards as it relates to the audit of the Authority's major federal program compliance, is to express an opinion on the compliance for each of the Authority's major federal programs based on our audit of the types of compliance requirements referred to above. An audit of major program compliance includes consideration of internal control over compliance with the types of compliance requirements referred to above as a basis for designing 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 internal control over compliance. Accordingly, as a part of our major program compliance audit, we considered internal control over compliance for these purposes and not to provide any assurance on the effectiveness of the Authority's internal control over compliance.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our comments regarding internal controls during our audit in our 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* dated June 30, 2023. We have also provided our comments regarding compliance with the types of compliance requirements referred to above and internal controls over compliance during our audit in our Independent Auditor's Report on Compliance with Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance dated June 30, 2023.

### **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

### **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, and our firm, have complied with all relevant ethical requirements regarding independence.

### **Qualitative Aspects of the Entity's Significant Accounting Practices**

#### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by Boulder County Housing Authority is included in Note 1 to the financial statements. As described in Note 1, Boulder County Housing Authority changed accounting policies related to accounting for leases to adopt the provisions of GASB Statement No. 87, Leases. Accordingly, the accounting change has been retrospectively applied to the financial statements beginning January 1, 2022. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

### *Significant Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are the estimate of the net pension liability and the OPEB liability.

Management's estimate of the net pension liability and net OPEB liability is based on calculations provided by a third-party plan specialist. We evaluated key factors and assumptions used to develop the net pension liability estimate in determining that it is reasonable in relation to the financial statements taken as a whole and in relation to the applicable opinion units

### *Financial Statement Disclosures*

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting Boulder County Housing Authority's financial statements relate to the net pension liability, net postemployment benefits liability, and related deferred inflows and outflows of resources as described in Notes 11 and 12 to the financial statements.

### **Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

### **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit.

There were no uncorrected misstatements identified as a result of our audit procedures. The following misstatements that we identified as a result of our audit procedures were brought to the attention of, and corrected by, management:

#### Boulder County Housing Authority

- To increase accounts receivable and HAP income - \$199,000

### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the financial statements or the auditor's report. No such disagreements arose during the course of the audit.

### **Representations Requested from Management**

We have requested certain written representations from management which are included in the management representation letter dated June 30, 2023.

### **Circumstances that Affect the Form and Content of the Auditor's Report**

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. We did not identify and circumstances that affect the form and content of the auditor's report.

### **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

### **Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with Boulder County Housing Authority, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as Boulder County Housing Authority's auditors.

This report is intended solely for the information and use of the Board of Commissioners and management of Boulder County Housing Authority and is not intended to be, and should not be, used by anyone other than these specified parties.



Bismarck, North Dakota



Financial Statements  
December 31, 2022

# Boulder County Housing Authority

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## Independent Auditor's Report

The Board of Commissioners  
Boulder County Housing Authority  
Boulder, Colorado

### Report on the Audit of the Financial Statements

#### ***Opinions***

We have audited the financial statements of the business-type activities and the discretely presented component units of Boulder County Housing Authority (the Authority) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component units of Boulder County Housing Authority as of December 31, 2022, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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

#### ***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, the schedules of the Authority's proportionate share of the net pension liability and the Authority's pension contributions and the schedules of the Authority's proportionate share of net OPEB liability and the Authority's OPEB contributions, as listed in the table of contents, 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, is presented for purposes of additional analysis and is not a required part of the basic 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2023 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.

The image shows a handwritten signature in cursive script that reads "Eide Bailly LLP". The signature is written in black ink and is positioned above the typed address and date.

Bismarck, North Dakota  
June 30, 2023

The following Management Discussion and Analysis provides an overview of the financial results from activities of the Boulder County Housing Authority (referred to herein as either BCHA or the Housing Authority) for the fiscal year ended December 31, 2022, presented in accordance with the requirements of Governmental Accounting Standards Board Statement No. 34 (GASB No. 34).

The Housing Authority, a blended component unit of Boulder County, Colorado, is a public purpose financial enterprise and, therefore follows standards for enterprise fund accounting. The Housing Authority's financial statements are produced on the accrual basis of accounting; included in the Authority's primary government entity is one blended component unit, MFPH Acquisitions LLC, of which the Housing Authority is the sole owner. In addition to the primary government entity of the Housing Authority, there are five discretely presented component units supporting affordable rental housing properties: Josephine Commons, LLC, formed in 2011; Aspinwall, LLC, formed in 2012; Kestrel I, LLC, formed in 2016; Tungsten Village, LLC, formed in 2019, and Coffman Place LLC, formed in 2020. All five discretely presented component units are low-income housing tax credit (LIHTC) entities organized as Colorado Limited Liability Companies, and legally separate from the Housing Authority. The majority interest in each of the LIHTC entities is owned and controlled by a private investor. The Housing Authority, through an affiliate LLC, is the managing member and management agent of each entity, with powers limited to those specified in each of the respective operating agreements.

The following is a brief description of significant programs and services provided by the Housing Authority for residents within Boulder County.

#### **Affordable Housing Portfolio Overview**

The Housing Authority consists of 908 units of affordable rental units that are scattered throughout Boulder County. Of those 908 units, 514 are located within our LIHTC entities: Josephine Commons, Aspinwall, Kestrel, Tungsten Village and Coffman Place. The remaining 368 units are owned and managed by BCHA.

#### **Housing Choice Voucher (HCV) Program**

The HCV Program is a rent subsidy program funded by the U.S. Department of Housing and Urban Development (HUD). The program assists individuals and families with very-low income, including seniors and people with disabilities. Assistance is provided on behalf of the participants, who secure their own housing within the community, with rent payments split in portions between the Housing Authority and the household. As of December 31, 2022, the Housing Authority had an annual contribution contract for 896 vouchers and had issued and utilized 879 vouchers. BCHA also has 43 Emergency Housing Vouchers and Mainstream vouchers that are outside of the annual contribution. BCHA received an "A" rating for 2022, was designated a High Performer and had utilized 97% of its authorized annual funding. The following details a breakdown of BCHA's vouchers.

#### **HUD-Veterans Affairs Supportive Housing (VASH) Program**

The VASH program combines HCV rental assistance for homeless Veterans with case management and clinical services provided by the Department of Veterans Affairs (VA). The VA provides these services for participating Veterans at VA medical centers and community-based outreach clinics. All participants are referred to the Authority by the VA. As of December 31, 2022, the Housing Authority had utilized 60 VASH vouchers.

### **Family Unification Program (FUP)**

FUP is a supportive housing early intervention program that provides housing with supportive case management services to both families with identified child welfare concerns and youth transitioning out of the foster care system within Boulder County. The objective is to promote family reunification with the result being the prevention of the removal of children from their parents due to housing instability. FUP also addresses the needs of homeless youth that have spent considerable time in the foster care system by offering supportive services, enhancing their opportunity for self-sufficiency and transition into adulthood. As of December 31, 2022, the Housing Authority had utilized 68 FUP vouchers.

### **Project-Based Voucher (PBV) Program**

PBV assistance is tied to the unit, rather than the person. BCHA owns and manages properties throughout the County and offers these units to eligible residents at a cost that is affordable to them. Participants come from BCHA's Family Self-Sufficiency Program, a five-year academic, employment and savings initiative program designed to help families gain job training and education, improve their financial situation, and move toward self-sufficiency. As of December 31, 2022, the Housing Authority had utilized 69 project-based vouchers.

### **Section 8 Voucher (Section 8)**

Under the Section 8 voucher program, individuals or families with a voucher find and lease a unit (either in a specified complex or in the private sector) and pay a portion of the rent. Most households pay 30% of their adjusted income for Section 8 housing. As of December 31, 2022, the Housing Authority had 636 Section 8 vouchers utilized.

### **Non-Elderly Disabled (NED)**

The NED program enables non-elderly disabled families to lease affordable private housing of their choice. As of December 31, 2022, the Housing Authority has 33 NED vouchers utilized.

### **Other Vouchers**

The Housing Authority has 13 other vouchers utilized which in combination include 5 port in/port out, 5 Rental Assistance Demonstration (RAD) vouchers, and 3 homeowners vouchers.

### **Other Housing Assistance Programs**

#### **Housing Stabilization Program (HSP)**

HSP provides short-term rental assistance to residents of Boulder County who are at-risk of homelessness. HSP is funded by the Human Services Safety Net (HSSN), a temporary 0.9 mill levy increase to property taxes, through a ballot initiative approved by the voters of Boulder County extending through the year 2030.

#### **Continuum of Care Program (COC)**

In 2016, BCHA received a federal grant from the US Department of Housing and Urban Development to fund a rapid re-housing program supporting work to strengthen the safety net in Boulder County. In 2022, the grant support averaged 30 households a month for Boulder County citizens who were either homeless or at imminent risk of homelessness.

#### **Emergency Solutions Grant (ESG)**

BCHA receives federal funding through the ESG to engage homeless individuals and families living on the street, improve the number and quality of emergency shelter for homeless individuals and families, provide operational assistance for shelters, and rapidly rehouse homeless individuals and families. In 2022, the grant support averaged 7 households a month for Boulder County citizens who were either homeless or at imminent risk of homelessness.

### **Resident Services**

The Authority's Resident Services offer education, case management and other supports to assist Boulder County residents on their path toward financial stability and self-sufficiency. Some of the programs include the Family Self-Sufficiency program, various services for seniors, and Casa de la Esperanza (House of Hope), a residential program that includes afterschool programs and an academic center.

### **Housing Development**

The Authority supports the development of additional affordable rental housing. Current year revenues include \$1,070,222 in developer fees. Pre-development expenses include \$2,824,888 toward the development of the Willoughby Corner neighborhood in Lafayette, CO and \$177,574 towards community outreach regarding a potential RTD housing development in Superior, CO.

### **Commercial Components**

BCHA owns and manage a 262-space garage which is used for the 73 residential units and the commercial space associated with the Spoke on Coffman development. Construction on the garage was completed in June 2022. Additionally, the Housing Authority owns land at 1135 Cimarron Ave., Lafayette CO. The property includes 5 vacant lots and one commercial building, which currently houses Boulder County Head Start, an early childhood education center.

### **COVID Assistance**

On March 11, 2020, The World Health Organization declared the COVID-19 a global pandemic. Following this declaration, the Housing Authority went into a nation-wide lockdown for several months. BCHA took immediate steps to enforce COVID-19 safety protocols including social distancing, remote work where applicable and a single driver policy in County vehicles. In addition to the nation-wide lockdown, an eviction moratorium went into effect, which prohibited landlords from evicting tenants under almost all circumstances. The effects of the pandemic on the agency and the community have been significant and wide ranging. Initial rental subsidies from the effects of the lockdown and pandemic came from local sources. Between 2020 and 2021, the Housing Authority received \$2.2M COVID-19 related rental funding from county Human Services funds expending approximately \$1,439,752 in 2021 and \$786,226 in 2022.

Primary COVID spending in 2022 was through the distribution of federal Emergency Rental Assistance Program (ERAP) funds. ERAP 1/USTRA expended \$2,237,288 and averaged support of 38 tenants a month. Funds for ERAP 1/USTRA were fully expended in 2022. ERAP 2/USTRA expended \$9,396,510 and average support of 137 tenants a month.

BCHA is continuing our close collaboration with Boulder County Human Services. Together we are finding solutions to keeping rent revenues at our properties stable, as well as sustaining affordable housing for tenants at our properties, as well as for other residents in need of rental assistance throughout the County.

### **Financial Highlights**

Cash, restricted cash, and cash equivalents decreased 34% or (\$6,638,383) at December 31, 2022 versus December 31, 2021, primarily due to spending on pre-development and development projects. BCHA expended \$3,769,505 on Construction in Progress – Coffman Garage. BCHA received \$12,000,000 in USTRA – ERAP Funds.

Capital Assets increased 16%, or \$5,367,475 as of December 31, 2022 versus December 31, 2021. The primary driver for the increase is from the completion of the parking garage at the Spoke on Coffman, a 262-spaces multi-level garage that services the tenants in addition to downtown Longmont parking.

Accounts payable and accrued liabilities decreased 11%, or (\$195,340) as of December 31, 2022 versus December 31, 2021 due to the result of a decrease in construction in progress payable.

The deferred revenue balance of \$5,552,128 at December 31, 2022, includes contributions for future leasing and developer fee revenues paid up front from Boulder County and the Longmont DDA toward the construction of the garage/commercial space at closing.

Direct client spending increased 77%, or \$5,971,110 in 2022 versus 2021, primarily due from Emergency Rental Assistance program (ERAP) COVID relief funding.

BCHA received a \$458,000 sustainability grant from Boulder County in 2022 supported by voter approved sustainability tax revenues. These funds were used to improve energy efficiency at several properties owned by the Housing Authority.

Through the Housing Stabilization Program, the Housing Authority continues to work closely with Boulder County Human Services to ensure at-risk residents of Boulder County receive rental assistance along with case management services. Primary sources of funding for housing stabilization in 2022 are Human Services Safety Net (HSSN), Continuum of Care (CoC) and Emergency Solutions Grant (ESG) funding.

#### **Overview of the Basic Financial Statements**

BCHA's basic financial statements in this report include the Balance Sheet, Statement of Revenues, Expenses and Changes in Net Position, Statement of Cash Flows, corresponding combining financial statements including discretely presented component units, and Notes to the Financial Statements. As required by HUD, this report also includes the Schedule of Federal Expenditures.

The Balance Sheet presents BCHA's balances in assets and liabilities at December 31, 2022. The Balance Sheet begins on page 15.

The Statement of Revenues, Expenses and Changes in Net Position presents information showing how BCHA's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in past or future periods. The Statement of Revenues, Expenses and Changes in Net Position begins on page 17.

The Statement of Cash Flows presents information showing BCHA's inflows and outflows of cash and cash equivalents during the most recent fiscal year. All changes in cash and cash equivalents are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related changes in net position. Thus, cash flows are reported in this statement for some items that will only result in revenue or expenses in past or future periods. This statement provides answers to such questions as where the cash came from, how was cash used and what was the change in the cash balance during the year. The Statement of Cash Flows begins on page 18.

The Combining Balance Sheet - Component Units, the Combining Statement of Revenues, Expenses and Changes in Net Position - Component Units, and the Combining Statement of Cash Flows presents the financial information for BCHA's discretely presented components units. The financial statements for the discretely presented component units begin on page 20.

Notes to the Basic Financial Statements provide financial statement disclosures that are an integral part of the basic financial statements. Such disclosures are essential to a comprehensive understanding of the information provided in the basic financial statements. Notes to the Basic Financial Statements begin on page 25.

**Financial Analysis (Primary Government)**

***Assets, Liabilities, and Net Position:***

Boulder County Housing Authority (Primary Government)		
Net Position as of December 31, 2022		
(in thousands of dollars)		
	2022	2021
Cash, Restricted Cash & Cash Equivalents	\$ 12,883	\$ 19,521
Accounts Receivable	1,725	1,848
Prepaid Expenses	121	46
Inventory	396	84
Developer Fees Receivable	2,399	2,416
Notes & Interest Receivable	40,748	39,829
Other Assets	85	85
Capital Assets (Net)	39,295	33,928
Net Pension Asset	365	-
Total Assets	98,017	97,756
Deferred Outflows	771	1,195
Total Assets and Deferred Outflows	\$ 98,788	\$ 98,951
Accounts Payable & Accrued Liabilities	\$ 1,696	\$ 1,853
Deferred Revenue	5,552	6,039
Due to Discretely Presented Component Units	21	800
Due to Boulder County	2,374	1,835
Tenant Security Deposits Payable	105	108
Notes, Mortgages, Bonds & Interest Payable	18,598	19,117
Net OPEB Liability	284	317
Net Pension Liability	-	2,282
Total Liabilities	28,630	32,351
Deferred Inflows	3,339	2,576
Net Investment in Capital Assets	24,258	18,407
Restricted	339	481
Unrestricted	42,222	45,137
Total Net Position	66,819	64,025
Total Liabilities, Deferred Inflows and Net Position	\$ 98,788	\$ 98,951



**Assets**

Total assets of the Housing Authority entity as of December 31, 2022, remained flat at \$98,788,265, a slight decrease of (\$163,220) over December 31, 2021.

Cash, restricted cash and cash equivalents at December 31, 2022 equals \$12,883,044, a decrease of 34% or (\$6,638,383) from December 31, 2021. The primary driver of this decrease was spending on the construction of the Spoke on Coffman garage, a 262-unit parking lot attached to BCHA’s newest LIHTC project Coffman Place, LLC (\$3,769,505) and pre-development on Willoughby Corner, a 400-unit affordable housing neighborhood in Lafayette, CO (\$2,824,888).

Accounts receivable at December 31, 2022 equals \$1,725,070, a decrease of 7% or (\$122,553) from December 31, 2021, due from less developer fees receivable and Due from Boulder County.

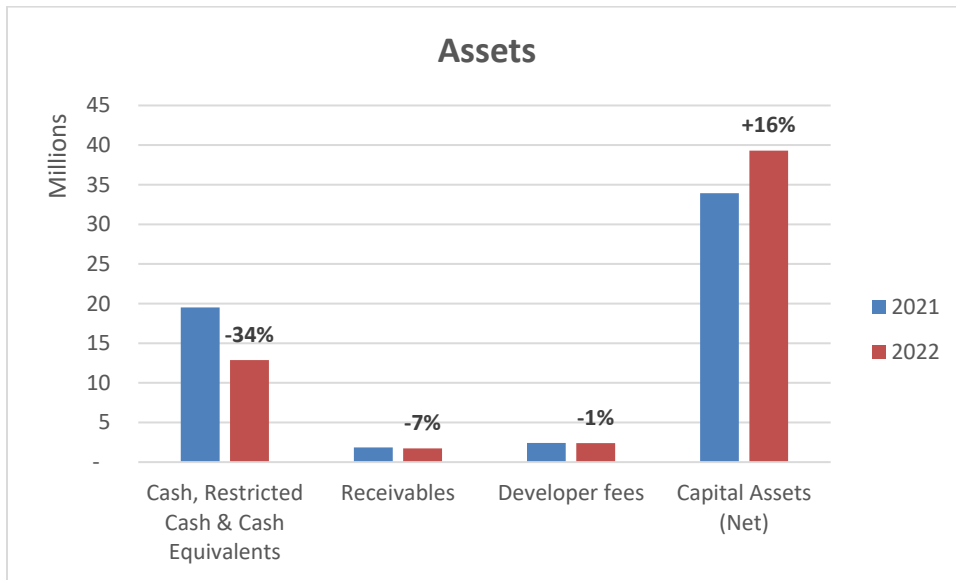
Total long-term developer fees receivable at December 31, 2022 equals \$2,398,686, a decrease of (\$17,356) from December 31, 2021. In 2022, BCHA earned developer fees from Kestrel I, LLC and added Coffman Place, LLC. In 2021, BCHA earned developer fees from only Kestrel, I, LLC.

Capital assets at December 31, 2022 equals \$39,295,123, an increase of 16%, or \$5,367,475 from December 31, 2021. Capital assets include land, buildings, land and building improvements, and equipment. The increase is primarily from the construction of the Spoke on Coffman garage.

Significant 2022 Capital Asset Additions include the following:

- Completion of the development of the Spoke on Coffman garage/commercial space – decreased Construction in Progress and increase Capital Assets.
- HVAC upgrades at Mountain Gate.

Additional information on the Authority’s capital assets can be found in Note 5 on page 37 of this report.



**Liabilities**

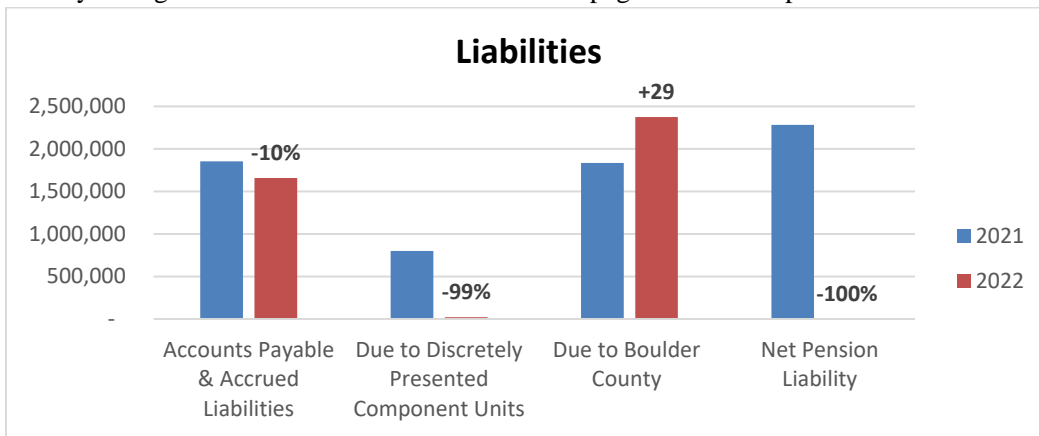
Total liabilities at December 31, 2022 equals \$28,630,649, a decrease of 11%, or (\$3,720,174) from December 31, 2021. A significant driver of the decrease is the year-end adjustment to Pension Liability (\$2,281,824).

Accounts payable and accrued liabilities at December 31, 2022 equals 1,660,099, a decreased of 10%, or (\$193,092) from December 31, 2021, the result of a decrease of construction in progress payables.

Due to Boulder County at December 31, 2022 equals \$2,347,586, an increase of 29% or \$539,820 over December 31, 2021, primarily as a result of end of year payroll accruals.

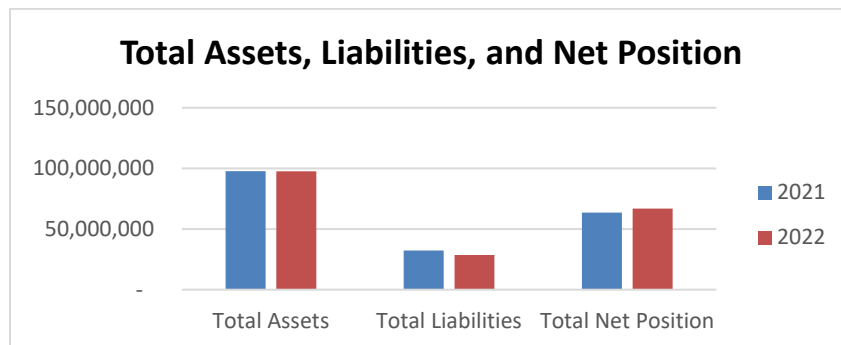
Net Pension Liabilities at December 31, 2022 equals \$0, a decrease of (\$2,281,824) over December 31, 2021. This is due to an adjustment to year-end Pension liability.

Total long-term debt at December 31, 2022 equals \$18,152,073, a decrease of (\$3,565,639) over December 31, 2021. Again the decrease was due to the adjustment to pension liability. Long-term debt includes 9 long-term loans and 3 bonds, as well as post-employment benefit and net pension liabilities. Additional information on the Authority's long-term debt can be found in Note 7 on page 41 of this report.



**Net Position**

Total net position at December 31, 2022 equals \$66,818,882, an increase of 4% over December 31, 2021.



***Revenues, Expenses, and Changes in Net Position:***

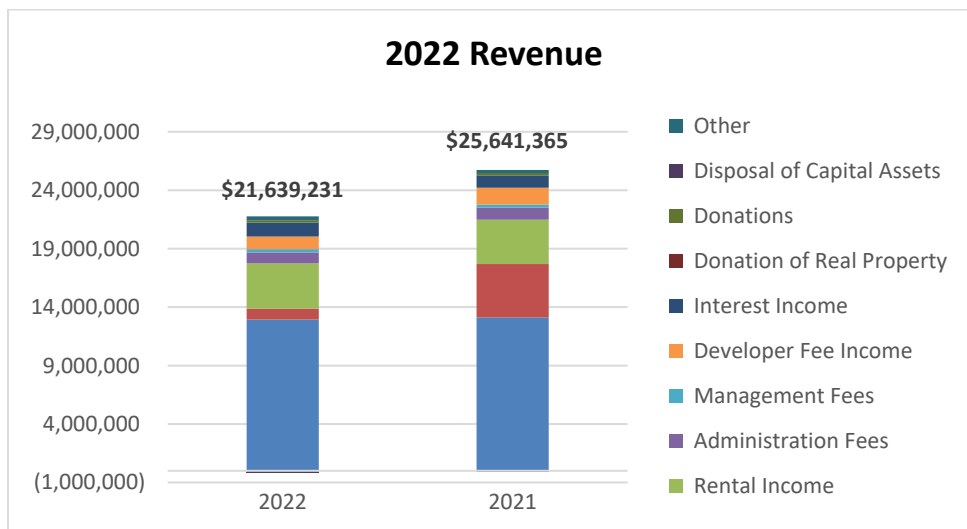
Boulder County Housing Authority (Primary Government)  
Change in Net Position for the Year Ended December 31, 2022  
(in thousands of dollars)

	2022	2021
Revenues		
HUD PHA grants	\$ 12,927	\$ 13,117
Other Grants	941	4,569
Rental Income	3,869	3,795
Administration Fees	931	1,041
Management Fees	296	262
Developer Fee Income	1,076	1,425
Interest Income	1,191	1,060
Donation of Real Property	-123	-92
Donations	200	200
Gain (Loss) on Sale of Capital Assets	-2	-42
Other	333	264
	21,639	25,600
Total Revenues		
Expenses		
Housing Assistance Payments	\$ 12,233	\$ 11,687
Administration	3,352	3,682
Maintenance	2,393	2,483
Direct Client Expense	13,741	7,770
Depreciation & Amortization	1,126	957
Utilities	426	402
Insurance	467	405
Interest Expense	518	538
Other Expenses	136	119
	34,392	28,044
Total Expenses		
Loss Before Transfers and HUD Capital Grant Income	(12,753)	(2,444)
Transfers from Primary Government	15,548	9,789
Change in Net Position	2,794	7,345
Net Position Beginning of Year	64,025	56,680
Net Position - End of Year	\$ 66,819	\$ 64,025

**Revenue**

Total revenue for the year ended December 31, 2022 equals \$21,639,231, a decrease of (\$4,622,493) over 2021. This is primarily due to a reduction in Other Grants, specifically BCHA received a one-time Community Development Block Grant – Disaster Recovery (CBDG-DR) grant in 2021 for the Spoke on Coffman development project in the amount of \$3,730,000.

Additional drivers to decrease revenue over 2021 includes less developer fee received in 2022 than 2021. HUD PHA grants decreased 1% or (\$190,068) over December 31, 2021 and Administrative revenue decreased 11% or (\$109,905) primarily from the conclusion of the Coronavirus Aid, Relief, and Economic Security Act (CARES) program. Rental income remained flat with a slight increase of 2% or \$74,403 over 2021.



**Expenses**

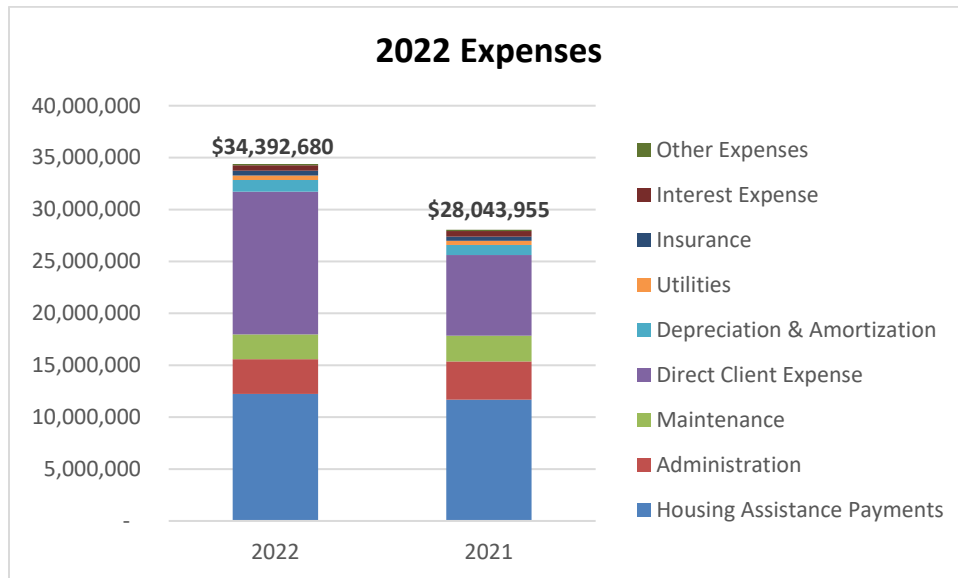
Total expenses for the year ended December 31, 2022 equal \$34,392,680, an increase of 23%, or \$6,348,725 over 2021. Increased spending is related to the continuing impacts of the COVID pandemic and agency's Direct Client Assistance through the Emergency Rental Assistance (ERA) program.

Housing Assistance Payments for the year ended December 31, 2022 equal \$12,232,515, an increase of 5% or \$545,286 over 2021. The increase is primarily due to increased spending in the Emergency Housing voucher (EHV) and Mainstream voucher programs.

Direct client expense for the year ended December 31, 2022 equal \$13,741,379, an increase of 77%, or \$5,971,110 from 2021. Increased spending was primarily due to the expenditure of ERA-2, the second tranche of federal funds for rental assistance related to COVID relief.

Property maintenance expenses for the year ended December 31, 2022 equal \$2,392,694, a decrease of 4% or (\$90,122) from 2021. Decrease in maintenance expense in 2022 was a result of an adjustment made to pension liability. In general, maintenance expenses increased due to inflation and continued staffing capacity issues requiring many projects that would otherwise be addressed by employees inhouse, to be contracted out.

Insurance expense increased 15% or \$62,068 and Utilities increased 6% or \$24,287 over December 31, 2021.



**Conclusion**

Not surprisingly, given 2022's inflationary economic environment, BCHA saw an increasing community need for affordable housing. The organization continues to work to develop affordable housing options while continuing to strive to provide the best in property management services to our tenants at each of our existing properties throughout Boulder County. In April 2022, BCHA completed construction and transitioned to full-lease-up at our newest development, The Spoke on Coffman in Longmont, Colorado. The property provides 73 new affordable rental apartments in the heart of the city's downtown. As of August 2022, The Spoke on Coffman is 100% leased. BCHA now manages 908 affordable housing units across Boulder County. Our development team continues to work on the Willoughby Corner affordable housing neighborhood project in Lafayette, Colorado. As currently planned, completion of this project within five years will increase the portfolio of our affordable housing by 400 units, a 44% increase. In 2022, BCHA distributed \$26 million in rental subsidies and housing stabilization supports for County residents. BCHA served an average of 171 families/monthly with \$11.6 million of federal emergency rental assistance; served over 850 families with \$12.2 million in rental subsidies through the federal Housing Choice Voucher program; and served an average of 68 families/monthly with \$2 million in local funding. As the need for affordable housing continues to grow, BCHA continually works to deploy all available resources as well as seeks all potential resources in search of opportunities to increase affordable housing for Boulder County.

**Contact Information**

Questions concerning any of the information provided in this report or requests for additional financial information may be addressed to:

Julia A. Ozenberger  
 Finance Division Director  
 Boulder County Housing and Human Services  
 PO Box 471  
 Boulder, CO 80306  
[www.BoulderCountyHHS.org](http://www.BoulderCountyHHS.org)

Boulder County Housing Authority  
Balance Sheet  
December 31, 2022

	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>
Assets and Deferred Outflows		
Current Assets		
Cash and cash equivalents	\$ 10,844,339	\$ 1,887,037
Restricted cash and cash equivalents	2,038,705	3,501,475
Accounts receivable		
Tenants	162,526	42,774
Developer fees	571,828	-
Other	24,669	16,674
Due from Boulder County Housing Authority	-	21,150
Due from other agencies	510,408	-
Due from component units	355,479	-
Due from Boulder County	100,160	-
Prepaid expenses	120,900	40,103
Inventory	396,222	-
	<u>15,125,236</u>	<u>5,509,213</u>
Total Current Assets		
Developer Fees	<u>2,398,686</u>	<u>-</u>
Notes Receivable	<u>33,419,712</u>	<u>-</u>
Accrued Interest Receivable	<u>7,328,699</u>	<u>-</u>
Other Assets	<u>84,947</u>	<u>1,053,447</u>
Capital Assets		
Non-depreciable	13,679,906	8,102,790
Depreciable, net	<u>25,615,217</u>	<u>124,783,544</u>
Total Capital Assets	<u>39,295,123</u>	<u>132,886,334</u>
Net Pension Asset	<u>364,947</u>	<u>-</u>
Total Assets	<u>98,017,350</u>	<u>139,448,994</u>
Deferred Outflows		
Pensions	713,627	-
Other postemployment benefits	<u>57,288</u>	<u>-</u>
Total Deferred Outflows	<u>770,915</u>	<u>-</u>
Total Assets and Deferred Outflows	<u>\$ 98,788,265</u>	<u>\$ 139,448,994</u>

See Notes to Financial Statements

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Boulder County Housing Authority  
Balance Sheet  
December 31, 2022

	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>
<b>Liabilities, Deferred Inflows and Net Position</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 765,104	\$ 286,310
Construction note payable	-	11,867,079
Accrued liabilities	244,320	28,529
Accrued compensated absences	26,506	-
Accrued interest payable	35,637	250,886
Unearned revenues	5,552,128	19,482
Due to discretely presented component units	21,150	-
Due to Boulder County Housing Authority	-	355,479
Due to Boulder County	2,374,465	-
Tenant security deposits payable	105,491	156,694
Developer fee payable	-	571,828
Notes, mortgages and bonds payable - current portion	1,353,775	754,371
<b>Total Current Liabilities</b>	<u>10,478,576</u>	<u>14,290,658</u>
<b>Long-Term Liabilities</b>		
Accrued compensated absences	334,104	-
Developer fee payable	-	2,398,686
Accrued interest payable	-	6,109,519
Accrued liabilities - long-term	290,065	-
Notes, mortgages and bonds payable - net of current portion	17,244,268	75,933,659
Net postemployment benefits liability	283,636	-
<b>Total Long-Term Liabilities</b>	<u>18,152,073</u>	<u>84,441,864</u>
<b>Total Liabilities</b>	<u>28,630,649</u>	<u>98,732,522</u>
<b>Deferred Inflows</b>		
Pensions	3,230,394	-
Other postemployment benefits	108,340	-
<b>Total Deferred Inflows</b>	<u>3,338,734</u>	<u>-</u>
<b>Net Position</b>		
Net investment in capital assets	24,257,501	44,331,225
Restricted	339,293	-
Unrestricted	42,222,088	(3,614,753)
<b>Total Net Position</b>	<u>66,818,882</u>	<u>40,716,472</u>
<b>Total Liabilities, Deferred Inflows and Net Position</b>	<u>\$ 98,788,265</u>	<u>\$ 139,448,994</u>

Boulder County Housing Authority  
Statement of Revenues, Expenses and Changes in Net Position  
Year Ended December 31, 2022

	Primary Government	Discretely Presented Component Units
Operating Revenues		
HUD PHA grants	\$ 12,926,625	\$ -
Other grants	940,761	-
Rental income	3,869,087	7,608,499
Administration fees	930,816	-
Management fees	296,300	-
Developer fee income	1,076,486	-
Other	332,949	200,927
Total operating revenues	<u>20,373,024</u>	<u>7,809,426</u>
Operating Expenses		
Housing assistance payments	12,232,515	-
Administrative salaries and benefits	2,203,482	516,820
Maintenance salaries and benefits	867,444	948,791
Regular and extraordinary maintenance	1,525,250	1,192,774
Direct client expenses	13,741,379	-
Other administrative	1,148,372	491,372
Depreciation and amortization	1,126,334	4,696,468
Utilities	426,208	923,973
Insurance	467,036	436,094
Other expenses	136,192	64,173
Total operating expenses	<u>33,874,212</u>	<u>9,270,465</u>
Operating Loss	<u>(13,501,188)</u>	<u>(1,461,039)</u>
Non-Operating Revenues (Expenses)		
Interest income	1,191,344	3,560
Interest expense	(518,468)	(3,309,544)
Donations income	200,000	-
Donations expense	(123,342)	-
Loss on disposal of capital assets	(1,795)	-
Total Non-Operating Revenues (Expenses)	<u>747,739</u>	<u>(3,305,984)</u>
Loss Before Other Contributions and Transfers	(12,753,449)	(4,767,023)
Other Contributions and Transfers		
Member contributions, net of syndication costs	-	7,173,045
Member distributions	-	(26,996)
Transfers from Boulder County	15,547,691	-
Change in Net Position	2,794,242	2,379,026
Net Position - Beginning of Year	<u>64,024,640</u>	<u>38,337,446</u>
Net Position - End of Year	<u>\$ 66,818,882</u>	<u>\$ 40,716,472</u>



Boulder County Housing Authority  
Statement of Cash Flows  
Year Ended December 31, 2022

	Primary Government	Discretely Presented Component Units
Operating Activities		
HUD PHA grants	\$ 12,727,625	\$ -
Other grants	940,761	-
Receipts from tenants	3,854,491	7,685,417
Administration fees	930,816	-
Management fee income	296,300	-
Developer fee income	697,567	-
Other income	291,965	200,927
Housing assistance payments	(12,232,515)	-
Payments to employees	(4,336,596)	(1,465,611)
Payments to suppliers	(17,610,661)	(3,120,832)
Net Cash (used for) from Operating Activities	<u>(14,440,247)</u>	<u>3,299,901</u>
Noncapital Financing Activities		
Advances from (payments to) related party	(279,221)	48,859
Transfers in from Boulder County	15,858,696	-
Net Cash from Noncapital Financing Activities	<u>15,579,475</u>	<u>48,859</u>
Capital and Related Financing Activities		
Principal payments on long-term debt	(482,831)	(790,216)
Principal payments on construction note payable	-	(1,257,881)
Interest paid on long-term debt	(518,573)	(2,264,645)
Payment on developer fee payable	-	(316,348)
Equity contributions	-	7,162,639
Equity distributions	-	(26,996)
Purchase of capital assets	(7,405,161)	(5,053,219)
Proceeds from sale of capital assets	278,201	-
Purchase of other assets	-	(696,936)
Net Cash used for Capital and Related Financing Activities	<u>(8,128,364)</u>	<u>(3,243,602)</u>
Investing Activities		
Donation received	200,000	-
Donation to discretely presented component unit	(123,342)	-
Payments received on notes receivable	61,135	-
Interest income	212,960	3,560
Net Cash from Investing Activities	<u>350,753</u>	<u>3,560</u>
Net Change in Cash and Cash Equivalents	(6,638,383)	108,718
Cash and Cash Equivalents, Beginning of Year	<u>19,521,427</u>	<u>5,279,794</u>
Cash and Cash Equivalents, End of Year	<u>\$ 12,883,044</u>	<u>\$ 5,388,512</u>

See Notes to Financial Statements

Boulder County Housing Authority  
Statement of Cash Flows  
Year Ended December 31, 2022

	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>
Reconciliation of Cash and Cash Equivalents		
Cash	\$ 10,844,339	\$ 1,887,037
Restricted Cash	<u>2,038,705</u>	<u>3,501,475</u>
Total Cash and Cash Equivalents	<u>\$ 12,883,044</u>	<u>\$ 5,388,512</u>
Reconciliation of operating loss to net cash (used for) from operating activities		
Operating loss	\$ (13,501,188)	\$ (1,461,039)
Adjustments to reconcile operating loss to net cash (used for) from operating activities		
Depreciation and amortization	1,126,334	4,696,468
Bad debt	39,861	17,060
Change in net other postemployment benefits liability and related deferred inflows and deferred outflows	(42,683)	-
Change in net pension liability and related deferred inflows and deferred outflows	(1,450,558)	-
Changes in assets and liabilities		
Change in receivables	122,055	54,339
Change in prepaid expenses	(75,222)	(23,600)
Change in inventory	(312,033)	-
Change in accounts payable	214,433	25,979
Change in accrued expenses	221,583	(31,885)
Change in unearned revenues	(486,780)	2,629
Change in due to other agencies	(293,113)	-
Change in security deposits payable	<u>(2,936)</u>	<u>19,950</u>
Net Cash (used for) from Operating Activities	<u>\$ (14,440,247)</u>	<u>\$ 3,299,901</u>

Boulder County Housing Authority  
Combining Balance Sheet – Component Units  
December 31, 2022

	Josephine Commons, LLC	Aspinwall, LLC	Kestrel I, LLC	Tungsten Village, LLC	Coffman Place LLC	Total
<b>Assets</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ 489,626	\$ 401,952	\$ 344,034	\$ 159,551	\$ 491,874	\$ 1,887,037
Restricted cash and cash equivalents	588,874	1,241,299	1,492,965	145,134	33,203	3,501,475
Accounts receivable						
Tenants	-	26,554	8,402	1,470	6,348	42,774
Other	1,718	14,682	-	-	274	16,674
Due from Boulder County Housing Authority	5,545	-	15,605	-	-	21,150
Prepaid expenses	-	-	-	20,054	20,049	40,103
<b>Total Current Assets</b>	<u>1,085,763</u>	<u>1,684,487</u>	<u>1,861,006</u>	<u>326,209</u>	<u>551,748</u>	<u>5,509,213</u>
Other Assets, net of Accumulated Amortization	28,109	49,208	171,999	116,710	687,421	1,053,447
<b>Capital Assets</b>						
Non-depreciable	86,500	3,387,965	3,276,533	546,027	805,765	8,102,790
Depreciable, net	10,940,980	26,048,386	53,915,411	7,851,193	26,027,574	124,783,544
<b>Total Capital Assets</b>	<u>11,027,480</u>	<u>29,436,351</u>	<u>57,191,944</u>	<u>8,397,220</u>	<u>26,833,339</u>	<u>132,886,334</u>
<b>Total Assets</b>	<u>\$12,141,352</u>	<u>\$31,170,046</u>	<u>\$59,224,949</u>	<u>\$ 8,840,139</u>	<u>\$28,072,508</u>	<u>\$ 139,448,994</u>

Boulder County Housing Authority  
Combining Balance Sheet – Component Units  
December 31, 2022

	Josephine Commons, LLC	Aspinwall, LLC	Kestrel I, LLC	Tungsten Village, LLC	Coffman Place LLC	Total
<b>Liabilities and Net Position</b>						
<b>Current Liabilities</b>						
Accounts payable	\$ 32,641	\$ 80,923	\$ 99,801	\$ 9,767	\$ 63,178	\$ 286,310
Accounts payable - construction	-	-	-	-	-	-
Construction note payable	-	-	-	-	11,867,079	11,867,079
Accrued liabilities	13,644	6,528	8,357	-	-	28,529
Accrued interest payable	16,634	47,709	78,984	13,063	94,496	250,886
Unearned revenues	-	6,277	13,205	-	-	19,482
Due to Boulder						
County Housing Authority	30,106	68,084	91,056	76,365	89,868	355,479
Tenant security deposits payable	20,850	51,545	57,849	6,950	19,500	156,694
Developer fee payable	-	-	-	-	571,828	571,828
Notes, mortgages and bonds payable - current portion	38,913	319,348	362,560	33,550	-	754,371
<b>Total Current Liabilities</b>	<b>152,788</b>	<b>580,414</b>	<b>711,812</b>	<b>139,695</b>	<b>12,705,949</b>	<b>14,290,658</b>
<b>Long-Term Liabilities</b>						
Developer fee payable	-	-	722,128	-	1,676,558	2,398,686
Accrued interest payable	623,970	3,311,692	1,825,486	131,446	216,925	6,109,519
Notes, mortgages and bonds payable - net of current portion	4,318,533	25,414,099	36,991,894	3,929,133	5,280,000	75,933,659
<b>Total Long-Term Liabilities</b>	<b>4,942,503</b>	<b>28,725,791</b>	<b>39,539,508</b>	<b>4,060,579</b>	<b>7,173,483</b>	<b>84,441,864</b>
<b>Total Liabilities</b>	<b>5,095,291</b>	<b>29,306,205</b>	<b>40,251,320</b>	<b>4,200,274</b>	<b>19,879,432</b>	<b>98,732,522</b>
<b>Net Position</b>						
Net investment in capital assets	6,670,034	3,702,904	19,837,490	4,434,537	9,686,260	44,331,225
Restricted	-	-	-	-	-	-
Unrestricted	376,027	(1,839,063)	(863,861)	205,328	(1,493,184)	(3,614,753)
<b>Total Net Position</b>	<b>7,046,061</b>	<b>1,863,841</b>	<b>18,973,629</b>	<b>4,639,865</b>	<b>8,193,076</b>	<b>40,716,472</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 12,141,352</b>	<b>\$ 31,170,046</b>	<b>\$ 59,224,949</b>	<b>\$ 8,840,139</b>	<b>\$ 28,072,508</b>	<b>\$ 139,448,994</b>

**Boulder County Housing Authority**  
**Combining Statement of Revenues, Expenses and Changes in Net Position – Component Units**  
**Year Ended December 31, 2022**

	Josephine Commons, LLC	Aspinwall, LLC	Kestrel I, LLC	Tungsten Village, LLC	Coffman Place LLC	Total
<b>Operating Revenues</b>						
Rental income	\$ 853,382	\$ 2,511,736	\$ 3,123,288	\$ 423,845	\$ 696,248	\$ 7,608,499
Other	2,116	81,707	35,273	75,451	6,380	200,927
<b>Total operating revenues</b>	<u>855,498</u>	<u>2,593,443</u>	<u>3,158,561</u>	<u>499,296</u>	<u>702,628</u>	<u>7,809,426</u>
<b>Operating Expenses</b>						
Administrative salaries and benefits	97,025	86,678	256,186	54,789	22,142	516,820
Maintenance salaries and benefits	135,853	320,384	396,028	44,372	52,154	948,791
Regular and extraordinary maintenance	191,367	564,468	320,117	57,039	59,783	1,192,774
Other administrative	55,277	150,248	172,072	29,782	83,993	491,372
Depreciation and amortization	463,113	963,753	2,412,091	311,333	546,178	4,696,468
Utilities	85,413	396,781	315,470	68,384	57,925	923,973
Insurance	53,117	141,005	167,057	38,164	36,751	436,094
Other expenses	6,935	6,528	8,357	17,373	24,980	64,173
<b>Total operating expenses</b>	<u>1,088,100</u>	<u>2,629,845</u>	<u>4,047,378</u>	<u>621,236</u>	<u>883,906</u>	<u>9,270,465</u>
<b>Operating Income (Loss)</b>	<u>(232,602)</u>	<u>(36,402)</u>	<u>(888,817)</u>	<u>(121,940)</u>	<u>(181,278)</u>	<u>(1,461,039)</u>
<b>Non-Operating Revenues (Expenses)</b>						
Interest income	51	3,098	72	338	1	3,560
Interest expense	(269,350)	(959,337)	(1,336,583)	(217,000)	(527,274)	(3,309,544)
<b>Total Non-Operating Revenues (Expenses)</b>	<u>(269,299)</u>	<u>(956,239)</u>	<u>(1,336,511)</u>	<u>(216,662)</u>	<u>(527,273)</u>	<u>(3,305,984)</u>
<b>Loss Before Other</b>						
Contributions and Distributions	(501,901)	(992,641)	(2,225,328)	(338,602)	(708,551)	(4,767,023)
<b>Other Contributions</b>						
Member contributions, net of syndication costs	-	-	-	-	7,173,045	7,173,045
Distributions	(26,996)	-	-	-	-	(26,996)
<b>Change in Net Position</b>	<u>(528,897)</u>	<u>(992,641)</u>	<u>(2,225,328)</u>	<u>(338,602)</u>	<u>6,464,494</u>	<u>2,379,026</u>
<b>Net Position - Beginning of Year</b>	<u>7,574,958</u>	<u>2,856,482</u>	<u>21,198,957</u>	<u>4,978,467</u>	<u>1,728,582</u>	<u>38,337,446</u>
<b>Net Position - End of Year</b>	<u>\$ 7,046,061</u>	<u>\$ 1,863,841</u>	<u>\$ 18,973,629</u>	<u>\$ 4,639,865</u>	<u>\$ 8,193,076</u>	<u>\$ 40,716,472</u>

**Boulder County Housing Authority**  
Combining Statement of Cash Flows – Component Units  
Year Ended December 31, 2022

	Josephine Commons, LLC	Aspinwall, LLC	Kestrel I, LLC	Tungsten Village, LLC	Coffman Place LLC	Total
<b>Operating Activities</b>						
Receipts from tenants	\$ 852,550	\$ 2,532,054	\$ 3,166,813	\$ 424,874	\$ 709,126	\$ 7,685,417
Other income	2,116	81,707	35,273	75,451	6,380	200,927
Payments to employees	(232,878)	(407,062)	(652,214)	(99,161)	(74,296)	(1,465,611)
Payments to suppliers	(368,742)	(1,234,587)	(991,194)	(205,690)	(320,619)	(3,120,832)
<b>Net Cash from Operating Activities</b>	<b>253,046</b>	<b>972,112</b>	<b>1,558,678</b>	<b>195,474</b>	<b>320,591</b>	<b>3,299,901</b>
<b>Noncapital Financing Activity</b>						
Advances from (payments to) related party	(9,958)	6,039	3,479	(18,093)	67,392	48,859
<b>Capital and Related Financing Activities</b>						
Principal payments on long-term debt	(36,079)	(373,510)	(348,507)	(32,120)	-	(790,216)
Principal payments on construction note payable	-	-	-	-	(1,257,881)	(1,257,881)
Interest paid on long-term debt	(193,908)	(607,473)	(1,007,253)	(143,759)	(312,252)	(2,264,645)
Payment on developer fee payable	-	-	(316,348)	-	-	(316,348)
Equity contributions	-	-	-	-	7,162,639	7,162,639
Equity distributions	(26,996)	-	-	-	-	(26,996)
Purchase of capital assets	(122,748)	(105,424)	(47,753)	(12,080)	(4,765,214)	(5,053,219)
Purchase of other assets	-	-	-	-	(696,936)	(696,936)
<b>Net Cash from (used for) Capital and Related Financing Activities</b>	<b>(379,731)</b>	<b>(1,086,407)</b>	<b>(1,719,861)</b>	<b>(187,959)</b>	<b>130,356</b>	<b>(3,243,602)</b>
<b>Investing Activity</b>						
Interest income	51	3,098	72	338	1	3,560
<b>Net Change in Cash and Cash Equivalents</b>	<b>(136,592)</b>	<b>(105,158)</b>	<b>(157,632)</b>	<b>(10,240)</b>	<b>518,340</b>	<b>108,718</b>
Cash and Cash Equivalents, Beginning of Year	1,215,092	1,748,409	1,994,631	314,925	6,737	5,279,794
Cash and Cash Equivalents, End of Year	<u>\$ 1,078,500</u>	<u>\$ 1,643,251</u>	<u>\$ 1,836,999</u>	<u>\$ 304,685</u>	<u>\$ 525,077</u>	<u>\$ 5,388,512</u>

**Boulder County Housing Authority**  
**Combining Statement of Cash Flows – Component Units**  
**Year Ended December 31, 2022**

	Josephine Commons, LLC	Aspinwall, LLC	Kestrel I, LLC	Tungsten Village, LLC	Coffman Place LLC	Total
<b>Reconciliation of Cash and Cash Equivalents</b>						
Cash	\$ 489,626	\$ 401,952	\$ 344,034	\$ 159,551	\$ 491,874	\$ 1,887,037
Restricted Cash	588,874	1,241,299	1,492,965	145,134	33,203	3,501,475
<b>Total Cash and Cash Equivalents</b>	<b><u>\$ 1,078,500</u></b>	<b><u>\$ 1,643,251</u></b>	<b><u>\$ 1,836,999</u></b>	<b><u>\$ 304,685</u></b>	<b><u>\$ 525,077</u></b>	<b><u>\$ 5,388,512</u></b>
<b>Reconciliation of operating loss to net cash from operating activities</b>						
Operating loss	\$ (232,602)	\$ (36,402)	\$ (888,817)	\$ (121,940)	\$ (181,278)	\$ (1,461,039)
Adjustments to reconcile operating loss to net cash from operating activities						
Depreciation and amortization	463,113	963,753	2,412,091	311,333	546,178	4,696,468
Bad debt	-	4,444	12,616	-	-	17,060
Changes in assets and liabilities						
Change in receivables	(1,582)	23,328	38,686	529	(6,622)	54,339
Change in prepaid expenses	-	-	-	(3,551)	(20,049)	(23,600)
Change in accounts payable	16,443	19,803	(20,980)	(3,465)	14,178	25,979
Change in accrued expenses	6,924	196	243	12,068	(51,316)	(31,885)
Change in unearned revenues	-	(910)	3,539	-	-	2,629
Change in security deposits payable	750	(2,100)	1,300	500	19,500	19,950
<b>Net Cash from Operating Activities</b>	<b><u>\$ 253,046</u></b>	<b><u>\$ 972,112</u></b>	<b><u>\$ 1,558,678</u></b>	<b><u>\$ 195,474</u></b>	<b><u>\$ 320,591</u></b>	<b><u>\$ 3,299,901</u></b>

## **Note 1 - Nature of Operations and Significant Accounting Policies**

### **General**

The Boulder County Housing Authority is a corporate body created in 1975 and uses available federal, state and local resources to serve the residents of Boulder County, Colorado, by upgrading and maintaining the existing housing stock, encouraging the construction of new housing affordable to low and moderate income households, and providing low and moderate income families and senior households with decent, safe, and affordable rental housing opportunities. The Authority owns and operates 908 units of affordable housing in Boulder County and administers 661 Section 8 housing choice vouchers, 92 family unification program (FUP) vouchers, 74 Section 8 VASH vouchers, 40 Mainstream, 34 Emergency Housing Vouchers (EHV), and 35 non-elderly disabled (NED) vouchers as of December 31, 2022.

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

### **Reporting Entity**

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

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

The Authority is included in Boulder County's reporting entity because of the significance of its operational and financial relationship with the County.

### **Blended Component Units**

Six additional organizations are included in the financial reporting entity of the Authority as blended component units. MFPH Acquisitions LLC (MFPH) was created in April 2008 for the purpose of receiving certain affordable housing units from the Authority and will hold, manage and, at a future time determined by MFPH, sell the units at fair market value. Josephine Commons Manager, LLC is wholly owned by the Authority and is the managing member of Josephine Commons, LLC. Aspinwall Manager, LLC is wholly owned by the Authority and is the managing member of Aspinwall, LLC. Kestrel Manager, LLC is wholly owned by the Authority and is the managing member of Kestrel I, LLC. Tungsten Village GP, LLC is wholly owned by the Authority and is the managing member of Tungsten Village, LLC. Coffman Place GP LLC is wholly owned by the Authority and is the managing member of Coffman Place LLC. The sole member of all six companies is the Boulder County Housing Authority which is able to impose its will on the organizations. Accordingly, the activities and the ending balances of MFPH, Josephine Commons Manager, LLC, Aspinwall Manager, LLC, Kestrel Manager, LLC, Tungsten Village GP, LLC and Coffman Place GP LLC are reported within the proprietary funds of the Authority. Josephine Commons Manager, LLC, Aspinwall Manager, LLC, Kestrel Manager, LLC, Tungsten Village GP, LLC and Coffman Place GP LLC have little or no activity.



Separate financial statements for the blended component units are not issued. Condensed component unit information for MFPH Acquisitions LLC is disclosed in Note 16.

#### Discretely Presented Component Units

The component unit column of the combined financial statements includes the financial data of the Authority's discretely presented component units as of December 31, 2022. These units are reported in a separate column to emphasize that they are legally separate from the Authority.

Josephine Commons, LLC (Josephine Commons) was formed to acquire, own, develop, construct and lease, manage and operate a low-income housing tax credit project with 74 units for low-income and elderly residents in Lafayette, Colorado. The managing member of the Company, Josephine Commons Manager, LLC, is wholly owned by the Boulder County Housing Authority. Josephine Commons Manager, LLC has an ownership percentage of .009%. As the managing member, the Authority has the day-to-day management responsibilities of the Company.

Aspinwall, LLC (Aspinwall) was formed to develop, construct, rehabilitate, own, maintain, and operate a 167-unit multi-family complex for low-income and elderly residents. The project is to include 95 scattered site rehabilitated units and 72 new construction units in Lafayette, Colorado. The managing member of the Company, Aspinwall Manager, LLC, is wholly owned by the Boulder County Housing Authority. Aspinwall Manager, LLC has an ownership percentage of .009%. As the managing member, the Authority has the day-to-day management responsibilities of the Company.

Kestrel I, LLC (Kestrel) was formed to develop, construct, rehabilitate, own, maintain, and operate a 200-unit multi-family complex for low-income and elderly residents in Louisville, Colorado. The managing member of the Company, Kestrel Manager, LLC, is wholly owned by the Boulder County Housing Authority. Kestrel Manager, LLC has an ownership percentage of .009%. As the managing member, the Authority has the day-to-day management responsibilities of the Company.

Tungsten Village, LLC (Tungsten Village) was formed to develop, construct, rehabilitate, own, maintain, and operate a 26-unit multi-family complex for low-income and elderly residents in Nederland, Colorado. The managing member of the Company, Tungsten GP, LLC, is wholly owned by the Boulder County Housing Authority. Tungsten GP, LLC has an ownership percentage of .01%. As the managing member, the Authority has the day-to-day management responsibilities of the Company.

Coffman Place LLC (Coffman Place) was formed to acquire, own, develop, construct, rehabilitate, lease, manage, and operate a 73-unit multi-family affordable housing complex for residents in Longmont, Colorado. The managing member of the Company, Coffman Place GP LLC, is wholly owned by the Boulder County Housing Authority. Coffman Place GP LLC has an ownership percentage of .01%. As the managing member, the Authority has the day-to-day management responsibilities of the Company.

The financial statements of the discretely presented component units are presented in the Authority's basic financial statements. Complete financial statements of the individual component units can be obtained from the Finance Director, Boulder County Housing Authority, PO Box 471, Boulder CO 80306.

### **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, net position, revenues, and expenses. The Authority classifies its programs as proprietary.

### **Basis of Accounting and Measurement Focus**

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

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

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

### **Accounts Receivable**

Revenues are recorded when earned and are reported as accounts receivable until collected. Accounts receivable are expensed as bad debts at the time they are determined to be uncollectible. Management has established an allowance for doubtful accounts for amounts that may not be collectible in the future. As of December 31, 2022, the Authority considered all accounts receivable to be fully collectable.

### **Notes and Interest Receivable**

Notes and interest receivable are carried at amounts advanced, net of reserve for uncollectable accounts, if any. As of December 31, 2022, the Authority considered all notes and interest receivables to be fully collectable.

**Developer Fees Receivable**

Developer fees receivable and related interest receivable are carried at the amounts earned but unpaid in accordance with the development agreements with the various entities. As of December 31, 2022, the Authority considered all developer fees and interest receivable to be fully collectable.

**Inventory**

Inventories are valued at the lower of cost or market using the first-in/first-out method.

**Capital Assets**

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

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

Buildings and improvements	5-45 years
Equipment	10-12 years
Furniture and fixtures	3-15 years
Vehicles	5 years

Long-lived assets held and used by an entity are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. No impairment loss has been recognized for the year ended December 31, 2022.

**Deferred Outflows and Inflows of Resources**

In addition to assets, the Balance Sheet includes a separate section for deferred outflows of resources. This separate element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Authority’s Deferred Outflows for Pensions and OPEB represents the amount of pension and health care trust fund contributions made to the State plans subsequent to the December 31, 2021 measurement date, the deferred variance in expected to actual investment earnings, the deferred experience gains and losses, changes in employer proportion and differences between contributions recognized and proportionate share of contributions and changes in assumptions.

In addition to liabilities, the Balance Sheet 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 Pensions and OPEB represents the change in the Authority’s “proportionate share” developed to distribute the aggregate plan liability and expense among all the employers’ represented by the cost-sharing multiple-employer defined benefit pension plan in which the Authority participates, the deferred experience gains and losses, and the change in pension and health care investments.

### **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 income, interest expense, gain on sale of capital assets, donations of real property, transfers from primary government, HUD capital grant income, member contributions, and member distributions which are considered non-operating for financial reporting purposes.

### **Restricted and Unrestricted Resources**

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

### **Accumulated Unpaid Vacation and Sick Leave**

The Authority follows Boulder County's policy on unpaid vacation and sick leave. The policy allows employees to accumulate unused vacation and medical leave benefits up to certain maximum hours. Upon termination, all unused vacation leave benefits are paid to the employee. Medical leave benefits may be paid to the employee depending on hire date or length of service. Employees hired as full-time employees prior to June 1, 1987, except Social Security Department employees, who have worked for the County for 20 years or who are eligible for retirement at age 62 are paid all unused medical leave benefits. Employees hired as full-time employees prior to June 1, 1987, except Social Security Department employees, and have not worked for the County for 20 years nor are they eligible for retirement at age 62, are paid 50% of their unused medical leave. All other employees not listed in the above two categories, are not paid for unused medical leave.

### **Unearned Revenues**

As of December 31, 2022, the Authority's unearned revenues consisted of prepaid rents of \$37,651 and Coffman Garage unearned revenue of \$5,514,477.

At December 31, 2022, the discretely presented component units' unearned revenue consisted of prepaid rents of \$11,816 and \$7,666 for Kestrel's assumed service agreement with CenturyLink Sales Solutions, Inc. The agreement required a one-time payment from CenturyLink in the amount of \$20,000 for an easement on providing the project with cable services. The contract expires in 2026.

### **Components of Net Position**

Components of net position include the following:

- 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 balance sheet 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 balance sheet that are not subject to restraints on their use.

### **Business and Credit Risk**

The Authority provides housing on account to clients which are located in Boulder County, Colorado.

### **Budgetary**

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

### **Accounting Estimates**

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

### **Pensions**

The Authority participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the LGDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

### **Postemployment Benefits Other Than Pensions (OPEB)**

The Authority participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

### **Implementation of GASB Statement No. 87**

As of January 1, 2022, the Authority adopted GASB Statement No. 87, *Leases*. The implementation of this standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right-to-use an underlying asset. The standard requires recognition of certain right-to-use leased assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The standard also requires lessors to recognize a lease receivable and deferred inflow of resources. Implementation of this standard had no significant impact on the Authority's financial statements.

## **Note 2 - Deposits and Investments**

### **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 regulators. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The PDPA allows the institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. The general depository agreement required by annual contract with HUD has additional collateral requirements, which the Authority met in 2022.

#### **Custodial Credit Risk**

Custodial credit risk is the risk that, in the event of a bank failure, the Authority's deposits may not be returned to it. As of December 31, 2022, the Organization's deposits were not exposed to custodial credit risk, as all deposits were insured by the Federal Deposit Insurance Corporation (FDIC) and collateralized in accordance with PDPA.

At December 31, 2022, the Authority's carrying amount of deposits was \$12,883,044 and bank balances totaled \$13,466,147. Of the bank balances, \$787,849 was covered by Federal Depository Insurance. Of the remaining balances for 2022, \$12,678,298 was collateralized with securities held by the pledging financial institution's agent in the government's name.

### **Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As of December 31, 2022, investments held by the Authority are held in a local government investment pool totaling \$3,033,987. These funds are classified as cash and cash equivalents on the balance sheet.

### **Investments**

#### **Authorized Investments**

Boulder County Housing Authority does not have an investment policy, but is subject to the general provisions of the Colorado Revised Statutes (C.R.S. 24-75-601).

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

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

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

### **Credit Risk**

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The money market mutual fund and the local government investment pool investment owned by the Authority are rated AAA by Standard & Poor's.

At December 31, 2022, the Authority had \$3,033,987 invested in Colorado Surplus Asset Fund Trust (CSAFE), which is an investment vehicle established by State statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust is similar to a money market fund, with each share valued at \$1.00.

**Discretely Presented Component Units**

**Custodial Credit Risk**

Custodial credit risk is the risk that, in the event of a bank failure, Josephine Commons, LLC’s; Aspinwall, LLC’s; and Kestrel I, LLC’s deposits may not be returned to them.

At December 31, 2022, Josephine Commons’ carrying amount of deposits was \$1,078,500 and the bank balances totaled \$1,079,955. Of the bank balances, \$500,000 was covered by Federal Depository Insurance. The remaining balance of \$579,955 was not insured and is exposed to custodial credit risk. Management does not believe that the deposits are exposed to a significant level of risk.

At December 31, 2022, Aspinwall’s carrying amount of deposits was \$1,643,251 and the bank balances totaled \$1,609,875. Of the bank balances, \$500,000 was covered by Federal Depository Insurance. The remaining balance of \$1,109,875 was not insured and is exposed to custodial credit risk. Management does not believe that the deposits are exposed to a significant level of risk.

At December 31, 2022, Kestrel’s carrying amount of deposits was \$1,836,999 and the bank balances totaled \$1,846,188. Of the bank balances, \$500,000 was covered by Federal Depository Insurance. The remaining balance of \$1,346,188 was not insured and is exposed to custodial credit risk. Management does not believe that the deposits are exposed to a significant level of risk.

At December 31, 2022, Tungsten Village’s carrying amount of deposits was \$304,685 and the bank balances totaled \$308,259. Of the bank balances, \$308,259 was covered by Federal Depository Insurance.

At December 31, 2022, Coffman’s carrying amount of deposits was \$525,077 and the bank balances totaled \$538,352. Of the bank balances, \$500,000 was covered by Federal Depository Insurance. The remaining balance of \$38,352 was not insured and is exposed to custodial credit risk. Management does not believe that the deposits are exposed to a significant level of risk.

**Note 3 - Restricted Cash**

Restricted cash consists of cash and cash equivalents balances restricted for use in the Housing Choice Vouchers program; held in escrow to comply with the requirements of HUD programs, Rural Development programs, and the Community Development Block Grant program; held to comply with bond requirements; and held for tenant security deposits.

At December 31, 2022, restricted cash and cash equivalents consisted of the following:

Housing Choice Vouchers program	\$ 339,293
HUD Family Self-Sufficiency program escrow	387,418
Rural Development programs	449,547
Community Development Block Grant program	382,329
Bond and other requirements	374,627
Tenant security deposits	105,491
	\$ 2,038,705
	\$ 2,038,705



**Note 4 - Notes Receivable**

	<u>Principal</u>	<u>Accrued Interest</u>
<u>Notes Receivable from Discretely Presented Component Units</u>		
4.3% mortgage note receivable from Josephine Commons under the HOME funds, up to an amount of \$550,000, payments due from cash flow, remaining principal and interest due August 2061, secured by a second mortgage	\$ 550,000	\$ 291,346
4.3% mortgage note receivable from Josephine Commons under the AHP fund, payments due from cash flow, remaining principal and interest due August 2061, secured by a third mortgage	250,000	124,759
4.3% mortgage note receivable from Josephine Commons under the Worth Cause Funds I program, entire principal balance will be forgiven after a term of 99 years unless canceled earlier, secured by a fourth mortgage	200,000	85,124
4.3% mortgage note receivable from Josephine Commons under the Worthy Cause Funds II program, entire principal balance will be forgiven after a term of 99 years unless canceled earlier, secured by a fifth mortgage	200,000	99,114
0.5% note receivable from Josephine Commons, due from cash flow, remaining principal and interest due August 2061, unsecured	443,293	23,627
1.8% note receivable from Aspinwall, payments are to be made from available cash flow, unpaid principal and interest due July 2063, secured by a deed of trust on the property	270,000	49,231
2.8% note receivable from Aspinwall, payments are to be made from available cash flow, unpaid principal and interest due July 2063, secured by a deed of trust on the property	442,035	130,803
2.8% note receivable from Aspinwall, payments are to be made from available cash flow, unpaid principal and interest due July 2063, secured by a deed of trust on the property	430,000	127,242
1.8% note receivable from Aspinwall, payments are to be made from available cash flow, unpaid principal and interest due July 2063, secured by a deed of trust on the property	623,023	108,935
1.8% note receivable from Aspinwall, payments are to be made from available cash flow, unpaid principal and interest due July 2063, secured by a deed of trust on the property	464,754	84,741
2.8% note receivable from Aspinwall, payments are to be made from available cash flow, unpaid principal and interest due July 2063, secured by a deed of trust on the property	5,289,998	1,441,902

	<u>Principal</u>	<u>Accrued Interest</u>
2.8% note receivable from Aspinwall, payments are to be made from available cash flow, unpaid principal and interest due July 2063, secured by a deed of trust on the property	\$ 3,020,000	\$ 893,647
1.8% note receivable from Aspinwall, payments are to be made from available cash flow, unpaid principal and interest due July 2063, secured by a deed of trust on the property	2,762,296	475,191
2.0% note receivable from Kestrel, payments are to be made from available cash flow, unpaid principal and interest due March 2066, secured by a deed of trust on the property	2,600,000	380,136
2.0% note receivable from Kestrel, payments are to be made from available cash flow, unpaid principal and interest due March 2066, secured by a deed of trust on the property	1,000,000	146,210
2.0% note receivable from Kestrel, payments are to be made from available cash flow, unpaid principal and interest due March 2066, secured by a deed of trust on the property	350,000	51,180
2.0% note receivable from Kestrel, payments are to be made from available cash flow, unpaid principal and interest due March 2066, secured by a deed of trust on the property	1,045,002	128,659
2.0% note receivable from Kestrel, payments are to be made from available cash flow, unpaid principal and interest due March 2066, secured by a deed of trust on the property	580,297	84,848
4.0% note receivable from Kestrel, payments are to be made from available cash flow, unpaid principal and interest due March 2066, secured by a deed of trust on the property	3,226,602	948,440
1.0% note receivable from Kestrel, due in annual interest only payments of \$14,779 until June 2029 when annual principal and interest payments of \$304,511 are due through the maturity date of April 2034, secured by a deed of trust on the property	1,450,000	52,503
6.0% note receivable from Tungsten Village, payments are to be made from available cash flow, unpaid principal and interest due December 2054, secured by a deed of trust on the property	224,894	33,721
3.0% note receivable from Tungsten Village, payments are to be made from available cash flow, unpaid principal and interest due December 2054, secured by a deed of trust on the property	440,000	42,720
3.0% note receivable from Tungsten Village, payments are to be made from available cash flow, unpaid principal and interest due December 2054, secured by a deed of trust on the property	400,000	43,892

Boulder County Housing Authority  
Notes to Financial Statements  
December 31, 2022

	<b>Principal</b>	<b>Accrued Interest</b>
1.0% note receivable from Tungsten Village, payments are to be made from available cash flow, unpaid principal and interest due December 2054, secured by a deed of trust on the property	\$ 260,000	\$ 11,113
2.5% note receivable from Coffman Place, payments are to be made from available cash flow, unpaid principal and interest due December 2075, secured by a deed of trust on the property	1,550,000	91,973
2.5% note receivable from Coffman Place, payments are to be made from available cash flow, unpaid principal and interest due December 2075, secured by a deed of trust on the property	3,730,000	124,952
<b>Total Notes Receivable from Discretely Presented Component Units</b>	<b>\$ 31,802,194</b>	<b>\$ 6,076,009</b>
<b><u>Notes Receivable - Other</u></b>		
Notes receivable on two homes built through the Youthbuild program, interest calculated at below-market rate, principal and accrued interest payable upon sale of the properties by the owners, secured by second mortgages on the properties	\$ 98,534	\$ -
5% note receivable from Eagle Place Partners, LLLP, payment of annual principal and interest subject to cash flow distributions in the partnership agreement through the maturity date of April 2047, secured by a deed of trust on the property - See (A) below	860,000	1,096,397
3% note receivable from Eagle Place Partners, LLLP, payment of annual principal and interest subject to cash flow distributions in the partnership agreement through the maturity date of April 2047, secured by a deed of trust on the property - See (A) below	330,802	122,783
Thirty-one notes receivable for the Boulder County Rehabilitation Program, interest calculated at varying interest rates from 1% to 5%, payments due monthly on twenty-nine notes, payments deferred until maturity on eight notes - See (B) below	153,133	-
Six non-interest-bearing notes receivable for the CDBG-DR Rehab Program, payments deferred for ten years, payments to begin in 2025 in varying monthly increments through maturity	175,049	-
<b>Total Notes Receivable - Other</b>	<b>1,617,518</b>	<b>1,219,180</b>
<b>Total Notes Receivable</b>	<b>\$ 33,419,712</b>	<b>\$ 7,295,189</b>

(A) The covenants of these notes require Eagle Partners, LLC to provide affordable housing units to households whose income is equal to or less than 60% of the listed area median income (AMI). No accrued interest was paid on these notes in 2022.

(B) These notes are issued to low-income residents of Boulder County who receive rehabilitation services on their home.

In addition to interest on notes receivable, the Authority charges interest on developer fees receivable from Kestrel. At December 31, 2022, the balance of accrued interest receivable consisted of the following:

Accrued interest receivable on notes receivable	\$ 7,295,189
Accrued interest receivable on Kestrel developer fees - Note 15:	<u>33,510</u>
 Total interest receivable	 <u><u>\$ 7,328,699</u></u>

### Note 5 - Capital Assets

The following is a summary of property, structures and equipment for the year ended December 31, 2022:

#### Primary Government

	Balance January 1	Additions	Transfers	Disposals	Balance December 31
Nondepreciable assets:					
Land	\$ 9,770,120	\$ -	\$ -	\$ -	\$ 9,770,120
Construction in progress	<u>9,945,541</u>	<u>6,491,506</u>	<u>(12,249,059)</u>	<u>(278,202)</u>	<u>3,909,786</u>
Total capital assets not being depreciated	<u>19,715,661</u>	<u>6,491,506</u>	<u>(12,249,059)</u>	<u>(278,202)</u>	<u>13,679,906</u>
Depreciable assets:					
Computer equipment/software	47,819	-	-	-	47,819
Equipment	103,638	-	-	-	103,638
Furniture and fixtures	64,189	-	-	-	64,189
Buildings and improvements	30,775,364	282,299	12,249,059	-	43,306,722
Land improvements	27,996	-	-	-	27,996
Vehicles	<u>821,051</u>	<u>-</u>	<u>-</u>	<u>(25,884)</u>	<u>795,167</u>
Total buildings and improvements	<u>31,840,057</u>	<u>282,299</u>	<u>12,249,059</u>	<u>(25,884)</u>	<u>44,345,531</u>
Accumulated depreciation:					
Computer equipment/software	(47,819)	-	-	-	(47,819)
Equipment	(34,839)	(9,597)	-	-	(44,436)
Furniture and fixtures	(53,246)	(1,975)	-	-	(55,221)
Buildings and improvements	(17,014,277)	(1,006,062)	-	-	(18,020,339)
Land improvements	(8,234)	(1,647)	-	-	(9,881)
Vehicles	<u>(469,655)</u>	<u>(107,053)</u>	<u>-</u>	<u>24,090</u>	<u>(552,618)</u>
Total accumulated depreciation	<u>(17,628,070)</u>	<u>(1,126,334)</u>	<u>-</u>	<u>24,090</u>	<u>(18,730,314)</u>
Total capital assets being depreciated	<u>14,211,987</u>	<u>(844,035)</u>	<u>12,249,059</u>	<u>(1,794)</u>	<u>25,615,217</u>
Total capital assets, net	<u><u>\$ 33,927,648</u></u>	<u><u>\$ 5,647,471</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (279,996)</u></u>	<u><u>\$ 39,295,123</u></u>

**Discretely Presented Component Units**

*Josephine Commons*

	Balance January 1	Additions	Disposals	Balance December 31
Nondepreciable assets:				
Land	\$ 86,500	\$ -	\$ -	\$ 86,500
Depreciable assets:				
Land improvements	1,546,234	-	-	1,546,234
Furniture and fixtures	473,494	122,749	-	596,243
Buildings and improvements	13,538,591	-	-	13,538,591
Total buildings and improvements	15,558,319	122,749	-	15,681,068
Accumulated depreciation:	(4,288,299)	(451,789)	-	(4,740,088)
Total capital assets being depreciated	11,270,020	(329,040)	-	10,940,980
Total capital assets, net	<u>\$ 11,356,520</u>	<u>\$ (329,040)</u>	<u>\$ -</u>	<u>\$ 11,027,480</u>

*Aspinwall*

	Balance January 1	Additions	Disposals	Balance December 31
Nondepreciable assets:				
Land	\$ 3,387,965	\$ -	\$ -	\$ 3,387,965
Depreciable assets:				
Land improvements	2,764,631	93,326	-	2,857,957
Geothermal equipment	1,856,997	-	-	1,856,997
Equipment and furnishings	508,525	12,098	-	520,623
Buildings and improvements	30,676,325	-	-	30,676,325
Total buildings and improvements	35,806,478	105,424	-	35,911,902
Accumulated depreciation:	(8,907,238)	(956,278)	-	(9,863,516)
Total capital assets being depreciated	26,899,240	(850,854)	-	26,048,386
Total capital assets, net	<u>\$ 30,287,205</u>	<u>\$ (850,854)</u>	<u>\$ -</u>	<u>\$ 29,436,351</u>

*Kestrel*

	Balance January 1	Additions	Disposals	Balance December 31
Nondepreciable assets:				
Land	\$ 3,276,533	\$ -	\$ -	\$ 3,276,533
Depreciable assets:				
Land improvements	5,876,073	74,978	-	5,951,051
Equipment and furnishings	1,704,959	47,753	-	1,752,712
Buildings and improvements	63,028,633	-	-	63,028,633
Total buildings and improvements	70,609,665	122,731	-	70,732,396
Accumulated depreciation:	(14,422,014)	(2,394,971)	-	(16,816,985)
Total capital assets being depreciated	56,187,651	(2,272,240)	-	53,915,411
Total capital assets, net	<u>\$ 59,464,184</u>	<u>\$ (2,272,240)</u>	<u>\$ -</u>	<u>\$ 57,191,944</u>

*Tungsten Village*

	Balance January 1	Additions	Disposals	Balance December 31
Nondepreciable assets:				
Land	\$ 546,027	\$ -	\$ -	\$ 546,027
Depreciable assets:				
Land improvements	381,819	12,081	-	393,900
Equipment and furnishings	247,116	-	-	247,116
Buildings and improvements	7,939,813	-	-	7,939,813
Total buildings and improvements	8,568,748	12,081	-	8,580,829
Accumulated depreciation:	(427,638)	(301,998)	-	(729,636)
Total capital assets being depreciated	8,141,110	(289,917)	-	7,851,193
Total capital assets, net	<u>\$ 8,687,137</u>	<u>\$ (289,917)</u>	<u>\$ -</u>	<u>\$ 8,397,220</u>

*Coffman Place*

	Balance January 1	Additions	Transfers	Disposals	Balance December 31
Nondepreciable assets:					
Land	\$ 790,000	\$ 15,765	\$ -	\$ -	\$ 805,765
Construction in progress	22,843,032	3,721,205	(26,564,237)	-	-
Total capital assets not being depreciated	<u>23,633,032</u>	<u>3,736,970</u>	<u>(26,564,237)</u>	<u>-</u>	<u>805,765</u>
Depreciable assets:					
Land improvements	-	-	734,287	-	734,287
Equipment	-	-	384,052	-	384,052
Buildings and improvements	-	-	25,445,898	-	25,445,898
Total buildings and improvements	<u>-</u>	<u>-</u>	<u>26,564,237</u>	<u>-</u>	<u>26,564,237</u>
Accumulated depreciation:					
Land improvements	-	(32,635)	-	-	(32,635)
Equipment	-	(51,207)	-	-	(51,207)
Buildings and improvements	-	(452,821)	-	-	(452,821)
Total accumulated depreciation	<u>-</u>	<u>(536,663)</u>	<u>-</u>	<u>-</u>	<u>(536,663)</u>
Total capital assets being depreciated	<u>-</u>	<u>(536,663)</u>	<u>26,564,237</u>	<u>-</u>	<u>26,027,574</u>
Total capital assets, net	<u>\$ 23,633,032</u>	<u>\$ 3,200,307</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,833,339</u>

**Note 6 - Construction Note Payable**

**Discretely Presented Component Units**

*Coffman Place*

The Company financed the construction of the project in part with construction notes payable with CitiBank, N.A., in amounts up to \$15,300,000 (Tranche A) and \$4,265,000 (Tranche B). The notes accrue interest at a rate of one-month LIBOR plus 1.9% (6.02% as of December 31, 2022) and one-month LIBOR plus 2.5% (6.62% as of December 31, 2022), respectively. Monthly payments of interest for Tranche A are to be made through the expected conversion date, September 2023. As of December 31, 2022, Tranche B has been fully repaid and the balance of Tranche A is \$11,867,079.

During 2022, the Company incurred interest of \$639,451 on the construction notes, of which \$180,255 was capitalized as part of the buildings costs and \$459,196 was expensed. The note is secured by a deed of trust, assignment of rents, security agreement, and fixture filing and also guaranteed by BCHA.

Subsequent to year-end, Tranche A was paid down with equity contributions from the investor member and converted to a permanent loan in the amount of \$10,160,000. The interest rate on the permanent loan is 3%. Interest only payments are to be made beginning May 2023 until April 2026; followed by monthly payments of principal and interest in the amount of \$39,101 until maturity of September 2053.

**Note 7 - Long-Term Debt**

During the year ended December 31, 2022, the following changes occurred in long-term debt:

**Primary Government**

	Balance January 1	Increases	Decreases	Balance December 31	Due Within One Year
Notes and Mortgages Payable	\$ 5,900,773	\$ -	\$ (67,151)	\$ 5,833,622	\$ 68,125
Bonds Payable	13,180,101	-	(415,680)	12,764,421	1,285,650
Total long-term debt	<u>\$ 19,080,874</u>	<u>\$ -</u>	<u>\$ (482,831)</u>	<u>\$ 18,598,043</u>	<u>\$ 1,353,775</u>

**Discretely Presented Component Units**

*Josephine Commons*

	Balance January 1	Increases	Decreases	Balance December 31	Due Within One Year
Notes and Mortgages Payable	<u>\$ 4,388,223</u>	<u>\$ -</u>	<u>\$ (30,777)</u>	<u>\$ 4,357,446</u>	<u>\$ 38,913</u>

*Aspinwall*

	Balance January 1	Increases	Decreases	Balance December 31	Due Within One Year
Notes and Mortgages Payable	<u>\$ 26,088,547</u>	<u>\$ -</u>	<u>\$ (355,100)</u>	<u>\$ 25,733,447</u>	<u>\$ 319,348</u>

*Kestrel*

	Balance January 1	Increases	Decreases	Balance December 31	Due Within One Year
Notes and Mortgages Payable	<u>\$ 37,654,567</u>	<u>\$ -</u>	<u>\$ (300,113)</u>	<u>\$ 37,354,454</u>	<u>\$ 362,560</u>



*Tungsten Village*

	Balance January 1	Increases	Decreases	Balance December 31	Due Within One Year
Notes and Mortgages Payable	\$ 3,982,145	\$ -	\$ (19,462)	\$ 3,962,683	\$ 33,550

*Coffman Place*

	Balance January 1	Increases	Decreases	Balance December 31	Due Within One Year
Notes and Mortgages Payable	\$ 5,280,000	\$ -	\$ -	\$ 5,280,000	\$ -

Long-term debt as of December 31, 2022, consisted of the following:

**Primary Government**

**Notes and Mortgages Payable**

9% mortgage note payable, due in monthly principal and interest installments of \$1,789 with a maturity date of June 2038, secured by a deed of trust on the property and an assignment of rents	\$ 179,426
6.75% mortgage note payable, due in monthly principal and interest installments of \$1,907 with a maturity date of June 2036, secured by a deed of trust on the property and an assignment of rents	834,430
5.375% mortgage note payable, due in monthly principal and interest installments of \$318 with a maturity date of June 2036, secured by a deed of trust on the property and an assignment of rents	134,317
2% mortgage note payable, due in monthly principal and interest installments of \$2,120 with a maturity date of June 2046, secured by a deed of trust on the property and an assignment of rents	476,636
1% mortgage note payable, due in monthly principal and interest installments of \$1,357 with a maturity date of October 2026, secured by a deed of trust on the property and an assignment of rents	61,217
1% mortgage note payable, due in monthly principal and interest installments of \$297 with a maturity date of October 2026, secured by a deed of trust on the property and an assignment of rents	13,409
1% mortgage note payable, due in monthly principal and interest installments of \$297 with a maturity date of May 2041, secured by a deed of trust on the property and an assignment of rents	59,983

0% note payable to Boulder County, entire principal balance due April 2024, unsecured	\$ 2,581,500
1% mortgage note payable - see (A) below	<u>1,492,704</u>
Total notes and mortgages payable	<u>\$ 5,833,622</u>

**Bonds Payable**

Series 2012 Housing Revenue Bonds - See (B) below	\$ 6,096,545
Series 2013 Housing Revenue Bonds - See (C) below	900,313
Series 2013 Housing Revenue Bonds - See (D) below	<u>5,767,563</u>
Total Bonds Payable	<u>12,764,421</u>

**Total Long-Term Debt** \$ 18,598,043

- (A) – Annual interest payments of \$14,779 began June 1, 2019 and are to continue annually on the first day of June through June 1, 2028. Annual payments of principal and interest of \$304,511 are to begin June 1, 2029 and continue annually on the first day of June through the maturity date of March 1, 2033 at which time all remaining unpaid principal and accrued interest are due. The mortgage note payable is secured by a deed of trust on the Kestrel property.
- (B) – Housing Revenue Bonds, Series 2012 in the amount of \$8,200,000 were authorized for issuance during 2012. Bond proceeds received from the issuance of these bonds totaled \$7,616,499 as of December 31, 2022. The Authority has the ability to issue the remaining bonds of \$583,501 at a future date but has no current plans to issue the remaining bonds. The bonds bear interest at 3.19%. The Authority is required to make monthly payments of \$30,974, including interest, on the bonds through the final maturity date of November 2027. The Authority has covenants related to, among other matters, the maintenance of a debt service coverage ratio. The bonds are secured by a deed of trust on the property and an assignment of rents.
- (C) – The Authority issued \$1,240,000 in Housing Revenue Bonds, Series 2013. The bonds bear interest at 3.36%. The Authority is required to make monthly payments of \$6,117, including interest, on the bonds through the final maturity date of October 2023. The Authority has covenants related to, among other matters, the maintenance of a debt service coverage ratio. The bonds are secured by a deed of trust on the property and an assignment of rents.
- (D) – The Authority issued \$7,450,000 in Housing Revenue Bonds, Series 2013. The bonds bear interest at 3.16%. The Authority is required to make monthly payments of \$32,067, including interest, on the bonds through the final maturity date of April 2028. The Authority has covenants related to, among other matters, the maintenance of a debt service coverage ratio. The bonds are secured by a deed of trust on the property and an assignment of rents. The Authority was not in compliance with its loan covenant related to its debt service coverage ratio. The Authority has received a waiver of this loan covenant violation from the lender through December 31, 2022.

**Discretely Presented Component Units**

*Josephine Commons*

7.0% mortgage note payable to Berkadia Commercial Mortgage, Inc., due in monthly principal and interest payments of \$19,166 through November 2029, secured by a deed of trust and assignment of rents, net of unamortized debt issuance costs of \$36,229, based upon an effective rate of 7.35%	\$ 2,714,153
4.3% mortgage note payable to Boulder County Housing Authority (BCHA) under the HOME funds, payments due from cash flow, remaining principal and interest due August 2061, secured by a second mortgage	550,000
4.3% mortgage note payable to BCHA under the AHP funds, payments due from cash flow, remaining principal and interest due August 2061, secured by a third mortgage	250,000
4.3% mortgage note payable to BCHA under the Worthy Cause Funds I program, entire principal balance will be forgiven after a term of 99 years unless canceled earlier, secured by a fourth mortgage	200,000
4.3% mortgage note payable to BCHA under the Worthy Cause Funds II program, entire principal balance will be forgiven after a term of 99 years unless canceled earlier, secured by a fifth mortgage	200,000
0.5% note payable to BCHA, due from cash flow, remaining principal and interest due August 2061, unsecured	443,293
	\$ 4,357,446

*Aspinwall*

1.8% note payable to BCHA, payments are to be made from available cash flow, unpaid principal and interest due July 2063, secured by a deed of trust on the property	\$ 270,000
2.8% note payable to BCHA, payments are to be made from available cash flow, unpaid principal and interest due July 2063, secured by a deed of trust on the property	442,035

2.8% note payable to BCHA, payments are to be made from available cash flow, unpaid principal and interest due July 2063, secured by a deed of trust on the property	\$ 430,000
1.8% note payable to BCHA, payments are to be made from available cash flow, unpaid principal and interest due July 2063, secured by a deed of trust on the property	623,023
1.8% note payable to BCHA, payments are to be made from available cash flow, unpaid principal and interest due July 2063, secured by a deed of trust on the property	464,754
2.8% note payable to BCHA, payments are to be made from available cash flow, unpaid principal and interest due July 2063, secured by a deed of trust on the property	5,289,998
2.8% note payable to BCHA, payments are to be made from available cash flow, unpaid principal and interest due July 2063, secured by a deed of trust on the property	3,020,000
1.8% note payable to BCHA, payments are to be made from available cash flow, unpaid principal and interest due July 2063, secured by a deed of trust on the property	2,762,296
4.2% note payable to FirstBank, monthly payments of \$65,348, including interest through maturity date of August 2031, secured by a deed of trust, net of unamortized debt issuance costs of \$158,015, based upon an effective interest rate of 4.47% - see (A) below	11,203,265
6.75% note payable to Mile High Community Loan Fund, Inc., monthly payments of principal and interest are to be made through maturity in 2031, secured by a deed of trust on the property	618,995
0% note payable to the State of Colorado, due in annual installments from available cash flow beginning April 2016 in the amount of \$24,584, including interest, through maturity date of August 2045, secured by a deed of trust	<u>609,081</u>
	<u><u>\$25,733,447</u></u>

*Kestrel*

3.96% mortgage note payable to Berkadia Commercial Mortgage, Inc., due in monthly principal and interest payments of \$108,653 through March 2034, secured by a deed of trust, net of unamortized debt issuance costs of \$544,426, based upon an effective rate of 4.30%	\$ 23,390,122
0.0% note payable to the State of Colorado - see (B) below	3,712,431
2.0% note payable to BCHA, payments are to be made from available cash flow, unpaid principal and interest due March 2066, secured by a deed of trust on the property	2,600,000
2.0% note payable to BCHA, payments are to be made from available cash flow, unpaid principal and interest due March 2066, secured by a deed of trust on the property	1,000,000
2.0% note payable to BCHA, payments are to be made from available cash flow, unpaid principal and interest due March 2066, secured by a deed of trust on the property	350,000
2.0% note payable to BCHA, payments are to be made from available cash flow, unpaid principal and interest due March 2066, secured by a deed of trust on the property	1,045,002
2.0% note payable to BCHA, payments are to be made from available cash flow, unpaid principal and interest due March 2066, secured by a deed of trust on the property	580,297
4.0% note payable to BCHA, payments are to be made from available cash flow, unpaid principal and interest due March 2066, secured by a deed of trust on the property	3,226,602
1.0% note payable to BCHA, due in annual interest only payments of \$14,779 until June 2029 when annual principal and interest payments of \$304,511 are due through the maturity date of April 2034, secured by a deed of trust on the property	1,450,000
	\$ 37,354,454

*Tungsten Village*

5.0% mortgage note payable to FirstBank, due in monthly principal and interest payments of \$14,656, through June 2037, secured by a deed of trust, security agreement, fixture filing and assignment of leases and rents, net of unamortized debt issuance costs of \$180,380, based upon an effective rate of 5.94%	\$ 2,637,789
6.0% note payable to BCHA, payments are to be made from available cash flow, unpaid principal and interest due December 2054, secured by a deed of trust on the property	224,894
3.0% note payable to BCHA, payments are to be made from available cash flow, unpaid principal and interest due December 2054, secured by a deed of trust on the property	440,000
1.0% note payable to BCHA, payments are to be made from available cash flow, unpaid principal and interest due December 2054, secured by a deed of trust on the property	260,000
3.0% note payable to BCHA, payments are to be made from available cash flow, unpaid principal and interest due December 2054, secured by a deed of trust on the property	<u>400,000</u>
	<u><u>\$ 3,962,683</u></u>

*Coffman Place*

2.5% note payable to BCHA, payments are to be made from available cash flow, unpaid principal and interest due December 2075, secured by a deed of trust on the property	\$ 1,550,000
2.5% note payable to BCHA, payments are to be made from available cash flow, unpaid principal and interest due December 2075, secured by a deed of trust on the property	<u>3,730,000</u>
	<u><u>\$ 5,280,000</u></u>
	<u><u>\$ 76,688,030</u></u>

- (A) The Company has covenants related to, among other matters, the maintenance of debt coverage ratios and invested in cash balance requirements.
- (B) Principal and interest are to be paid in thirty-three annual installments of \$112,497 beginning June 1, 2019 and continuing the first day of June each subsequent year until the maturity date of March 1, 2051, at which time all remaining principal is due. Annual payments are to be made from 50% of available cash flow as defined by the Amended and Restated Operating Agreement of the Borrower. The note is secured by a deed of trust on the property.

The estimated debt requirements to maturity for the year ending December 31, 2022 are as follows:

**Primary Government**

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 1,353,775	\$ 500,542	\$ 1,854,317
2024	3,032,961	461,755	3,494,716
2025	465,992	447,224	913,216
2026	477,729	432,180	909,909
2027	5,613,940	403,018	6,016,958
2028-2032	6,116,572	489,617	6,606,189
2033-2037	1,331,961	256,716	1,588,677
2038-2042	135,250	14,906	150,156
2043-2046	69,863	3,113	72,976
Total	<u>\$ 18,598,043</u>	<u>\$ 3,009,071</u>	<u>\$ 21,607,114</u>

**Discretely Presented Component Units**

*Josephine Commons*

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 38,913	\$ 191,075	\$ 229,988
2024	41,726	188,262	229,988
2025	44,742	185,246	229,988
2026	47,977	182,011	229,988
2027	51,445	178,543	229,988
2028-2032	2,525,579	345,661	2,871,240
2033-2060	-	-	-
2061	1,243,293	5,542,579	6,785,872
2062-2111	-	-	-
2112	400,000	26,283,247	26,683,247
Unamortized debt issuance costs	(36,229)	-	(36,229)
Total	<u>\$ 4,357,446</u>	<u>\$ 33,096,624</u>	<u>\$ 37,454,070</u>

*Aspinwall*

	Principal	Interest	Total
2023	\$ 319,348	\$ 511,896	\$ 831,244
2024	333,167	498,077	831,244
2025	347,587	483,656	831,243
2026	362,637	468,607	831,244
2027	378,342	452,902	831,244
2028-2032	10,239,194	1,514,878	11,754,072
2033-2044	-	-	-
2045	609,081	-	609,081
2046-2062	-	-	-
2063	13,302,106	42,608,533	55,910,639
Unamortized debt issuance costs	(158,015)	-	(158,015)
 Total	 \$ 25,733,447	 \$ 46,538,549	 \$ 72,271,996

*Kestrel*

	Principal	Interest	Total
2023	\$ 362,560	\$ 956,054	\$ 1,318,614
2024	377,181	941,433	1,318,614
2025	392,392	926,222	1,318,614
2026	408,215	910,398	1,318,613
2027	424,677	893,936	1,318,613
2028-2032	3,553,439	4,198,558	7,751,997
2033-2037	19,866,084	972,791	20,838,875
2038-2050	-	-	-
2051	3,712,431	-	3,712,431
2052-2065	-	-	-
2066	8,801,901	26,315,338	35,117,239
Unamortized debt issuance costs	(544,426)	-	(544,426)
 Total	 \$ 37,354,454	 \$ 36,114,730	 \$ 73,469,184



*Tungsten Village*

	Principal	Interest	Total
2023	\$ 33,550	\$ 142,329	\$ 175,879
2024	34,889	140,990	175,879
2025	37,101	138,778	175,879
2026	39,027	136,853	175,880
2027	41,052	134,828	175,880
2028-2032	238,691	640,705	879,396
2033-2037	2,427,602	517,876	2,945,478
2038-2053	-	-	-
2054	1,291,151	2,592,780	3,883,931
Unamortized debt issuance costs	(180,380)	-	(180,380)
<b>Total</b>	<b>\$ 3,962,683</b>	<b>\$ 4,445,139</b>	<b>\$ 8,407,822</b>

*Coffman Place*

	Principal	Interest	Total
2023	\$ -	\$ -	\$ -
2024	-	-	-
2025	-	-	-
2026	-	-	-
2027	-	-	-
2028-2074	-	-	-
2075	5,280,000	14,751,924	20,031,924
Unamortized debt issuance costs	-	-	-
<b>Total</b>	<b>\$ 5,280,000</b>	<b>\$ 14,751,924</b>	<b>\$ 20,031,924</b>

No principal payments are due on the forgivable loans. Payments on the remaining notes are due from available cash flow with all remaining principal and accrued interest due August 2061 for Josephine Commons, July 2063 for Aspinwall, and March 2066 for Kestrel.

**Note 8 - Conduit Debt**

Trinity Commons

The Authority is authorized by state statutes to issue private activity bonds to private parties for projects that serve certain specified public purposes, such as affordable housing. In 2016, the Authority issued Multifamily Housing Revenue Bonds in the amount of \$2,600,000 to finance the acquisition and rehabilitation of a 16-unit multifamily housing project known as Trinity Commons in Boulder, Colorado. Repayment of the bonds is secured by the revenues from the Trinity Commons project. The Authority, as the conduit issuer of the bonds, is not financially obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. At December 31, 2022, the outstanding principal balance of the bonds was \$2,426,729.

Kestrel

The Authority is authorized by state statutes to issue private activity bonds to private parties for projects that serve certain specified public purposes, such as affordable housing. In 2016, the Authority issued Multifamily Housing Revenue Bonds to finance the acquisition and rehabilitation of a 200-unit multifamily housing project known as Kestrel in Louisville, Colorado. Repayment of the bonds is secured by the revenues from the Kestrel project. The Authority, as the conduit issuer of the bonds, is not financially obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The original bond issuance was \$53,500,000. At December 31, 2022, the outstanding principal balance of the bonds was \$23,934,548.

**Note 9 - Compensated Absences**

A summary of the activity in the Authority’s compensated absences for the year ended December 31, 2022 is as follows:

	Balance January 1	Increases	Decreases	Balance December 31	Due Within One Year
Compensated absences	\$ 299,139	\$ 310,301	\$ (248,830)	\$ 360,610	\$ 26,506

**Note 10 - Annual Contributions Contract**

The Authority has an annual contributions contract for the Section 8 Housing Choice Voucher program and adjustments vary based on requirements. The maximum contract was \$12,001,195 for the year ended December 31, 2022.

## Note 11 - Defined Benefit Pension Plan Description

### Plan Description

Eligible employees of the Authority are provided with pensions through the Local Government Division Trust Fund (LGDTF)—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

### Benefits Provided

PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

The lifetime retirement benefit for all eligible retiring employees under the PERA benefit structure is the greater of the:

- Highest average salary multiplied by 2.5% and then multiplied by years of service credit.
- The value of the retiring employee's member contribution account plus a 100% match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

In all cases, the service retirement benefit is limited to 100% of highest average salary and also cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers, waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50% or 100% on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

Upon meeting certain criteria, benefit recipients who elect to receive a lifetime retirement benefit generally receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S. Subject to the automatic adjustment provision (AAP) under C.R.S. § 24-51-413, eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007, and all eligible benefit recipients of the DPS benefit structure will receive the maximum annual increase (AI) or AI cap of 1.00% unless adjusted by the AAP. Eligible benefit recipients under the PERA benefit structure who began membership on or after January 1, 2007, will receive the lesser of an annual increase of the 1.00% AI cap or the average increase of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed a determined increase that would exhaust 10% of PERA's Annual Increase Reserve (AIR) for the LGDTF. The AAP may raise or lower the aforementioned AI cap by up to 0.25% based on the parameters specified in C.R.S. § 24-51-413.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the lifetime retirement benefit formula(s) shown above considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

**Contributions**

Eligible employees of the Authority are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Employee contribution rates for the period January 1, 2022 through December 31, 2022 are summarized in the table below:

	January 1, 2022 Through June 30, 2022	July 1, 2022 Through December 31, 2022
Employee contribution	8.50%	9.00%

Contribution rates for the LGDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

The employer contribution requirements for all employees are summarized in the table below:

	January 1, 2022 Through June 30, 2022	July 1, 2022 Through December 31, 2022
Employer Contribution Rate	10.50%	11.00%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	-1.02%	-1.02%
Amount Apportioned to the LGDTF	9.48%	9.98%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	2.20%	2.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	1.50%	1.50%
Defined Contribution Supplement as specified in C.R.S. § 24-51-415	0.03%	0.03%
<b>Total Employer Contribution Rate to the LGDTF</b>	<b>13.21%</b>	<b>13.71%</b>

Contribution rates for the LGDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the Authority is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from the Authority were \$557,196 for the year ended December 31, 2022.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At December 31, 2022, the Authority reported a net pension asset of \$364,947 for its proportionate share of the net pension asset. The net pension asset for the LGDTF was measured as of December 31, 2021, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020. Standard update procedures were used to roll forward the TPL to December 31, 2021. The Authority's proportion of the net pension asset was based on the Authority's contributions to the LGDTF for the calendar year 2021 relative to the total contributions of participating employers.

At December 31, 2021, the Authority's proportion was .426%, which was a decrease of .012% from its proportion measured as of December 31, 2020.

For the year ended December 31, 2022, the Authority recognized pension expense offset of (\$943,721). At December 31, 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 17,835	\$ 6,095
Changes of assumptions or other inputs	123,709	-
Net difference between projected and actual earnings on pension plan investments	-	3,156,860
Changes in proportion and differences between contributions recognized and proportionate share of contributions	14,887	67,439
Contributions subsequent to the measurement date	557,196	-
<b>Total</b>	<b>\$ 713,627</b>	<b>\$ 3,230,394</b>

\$557,196 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense offset as follows:

<b>Year ended December 31,</b>	
2023	\$ (718,713)
2024	\$ (1,210,493)
2025	\$ (761,681)
2026	\$ (383,076)
2027	\$ -
Thereafter	\$ -

**Actuarial assumptions**

The TPL in the December 31, 2020 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry Age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.20% - 11.30%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07	1.00%
PERA benefit structure hired after 12/31/06*	Financed by the AIR

\*Post-retirement benefit increases are provided by the AIR, accounted separately within each Division Trust Fund, and subject to moneys being available; therefore, liabilities related to increases for members of these benefit tiers can never exceed available assets.

The TPL as of December 31, 2021, includes the anticipated adjustments to contribution rates and the AI cap, resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022.

The mortality tables described below are generational mortality tables developed on a benefit-weighted basis. Pre-retirement mortality assumptions were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- **Males:** 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- **Males:** 97% of the rates for all ages, with generational projection using scale MP-2019.
- **Females:** 105% of the rates for all ages, with generational projection using scale MP-2019.

Disabled mortality assumptions were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.

The actuarial assumptions used in the December 31, 2020, valuation were based on the results of the 2020 experience analysis for the period January 1, 2016, through December 31, 2019, and were reviewed and adopted by the PERA Board at their November 20, 2020, meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation, and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives	6.00%	4.70%
Total	100.00%	

Note: In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25%.

### Discount Rate

The discount rate used to measure the TPL was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.

- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the required adjustments resulting from the 2018 AAP assessment, and the additional 0.50% resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the required adjustments resulting from the 2018 AAP assessment, and the additional 0.50% resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.
- The projected benefit payments reflect the lowered AI cap, from 1.25% to 1.00%, resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, LGDTF's FNP was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.



**Sensitivity of the Authority’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	\$ 2,502,288	\$ (364,947)	\$ (2,763,263)

**Pension Plan Fiduciary Net Position**

Detailed information about the LGDTF’s FNP is available in PERA’s ACFR which can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

**Note 12 - Defined Contribution Pension Plans**

**Voluntary Investment Program**

*Plan Description* - Employees of the Authority that are also members of the LGDTF may voluntarily contribute to the Voluntary Investment Program, an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of the C.R.S., as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available Annual Report which includes additional information on the Voluntary Investment Program. That report can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

*Funding Policy* - The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. The Authority does not match employee contributions. Employees are immediately vested in their own contributions, employer contributions and investment earnings. For the year ended December 31, 2022, program members contributed \$21,268 for the Voluntary Investment Program.

**Defined Contribution Retirement Plan (PERA DC Plan)**

*Plan Description* – Employees of the LGDTF that were hired on or after January 1, 2019 which were eligible to participate in the LGDTF, a cost-sharing multiple-employer defined benefit pension plan, have the option to participate in the LGDTF or the Defined Contribution Retirement Plan (PERA DC Plan).

The PERA DC Plan is an Internal Revenue Code Section 401(a) governmental profit-sharing defined contribution plan. Title 24, Article 51, Part 15 of the C.R.S., as amended, assigns the authority to establish Plan provisions to the PERA Board of Trustees. The DC Plan is also included in PERA’s Annual Report as referred to above.

*Funding Policy* – All participating employees in the PERA DC Plan and the Authority are required to contribute a percentage of the participating employees’ PERA-includable salary to the PERA DC Plan. The employee and employer contribution rates for the year ended December 31, 2021 is summarized in the tables below:

	January 1, 2022 Through June 30, 2022	July 1, 2022 Through December 31, 2022
Employee contribution rates	8.50%	9.00%
Employer contribution rates (on behalf of participating employees)	10.00%	10.00%

\*Contribution rates for the DC Plan are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

Additionally, the employers are required to contribute AED, SAED, and other statutory amounts as follows:

	January 1, 2022 Through June 30, 2022	July 1, 2022 Through December 31, 2022
Amortization Equalization Disbursement (AED) as in C.R.S. § 24-51-411*	2.20%	2.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411*	1.50%	1.50%
Automatic Adjustment Provision (AAP), as specified in C.R.S. § 24-51-413*	0.50%	1.00%
Defined Contribution Supplement as specified in C.R.S. § 24-51-415	0.03%	0.03%
<b>Total Employer Contribution Rate to the LGDTF</b>	<b>4.23%</b>	<b>4.73%</b>

\*Contribution rates for the DC Plan are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

Contribution requirements are established under Title 24, Article 51, Section 1505 of the C.R.S., as amended. Participating employees of the PERA DC Plan are immediately vested in their own contributions and investment earnings and are immediately 50% vested in the amount of employer contributions made on their behalf. For each full year of participation, vesting of employer contributions increases by 10%. Forfeitures are used to pay expenses of the PERA DC Plan in accordance with PERA Rule 16.80 as adopted by the PERA Board of Trustees in accordance with Title 24, Article 51, Section 204 of the C.R.S. As a result, forfeitures do not reduce pension expense. The Authority had no employees participating in the PERA DC Plan during 2022.

## **Note 13 - Postemployment Benefits Other Than Pensions**

### **Plan Description**

Eligible employees of the Authority are provided with OPEB through the HCTF - a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. Title 24, Article 51, Part 12 of the C.R.S., as amended, sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report (ACFR) that can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

### **Benefits Provided**

The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. For members who retire having service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four divisions (State, School, Local Government and Judicial), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

C.R.S. § 24-51-1202 et seq. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

Enrollment in PERACare is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

### **PERA Benefit Structure**

The maximum service-based premium subsidy is \$230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5% reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. § 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

### **Contributions**

Pursuant to Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School, Local Government, and Judicial Divisions are required to contribute at a rate of 1.02% of PERA-includable salary into the HCTF.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the Authority is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the Authority were \$42,052 for the year ended December 31, 2022.

### **OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

At December 31, 2022, the Authority reported a liability of \$283,636 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2021, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2020. Standard update procedures were used to roll forward the TOL to December 31, 2021. The Authority's proportion of the net OPEB liability was based on the Authority's contributions to the HCTF for the calendar year 2021 relative to the total contributions of participating employers to the HCTF.

At December 31, 2021, the Authority's proportion was .033%, which was unchanged from its proportion of .033% measured as of December 31, 2020.

For the year ended December 31, 2022, the Authority recognized OPEB expense offset of (\$631). At December 31, 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 432	\$ 67,254
Changes of assumptions or other inputs	5,872	15,386
Net difference between projected and actual earnings on OPEB plan investments	-	17,557
Changes in proportion and differences between contributions recognized and proportionate share of contributions	8,932	8,143
Contributions subsequent to the measurement date	42,052	-
<b>Total</b>	<b>\$ 57,288</b>	<b>\$ 108,340</b>

The \$42,052 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction in the net OPEB liability in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense offset as follows:

<b>Year ended December 31,</b>	
2023	\$ (23,891)
2024	(28,193)
2025	(25,796)
2026	(11,597)
2027	(3,138)
Thereafter	(489)

**Actuarial assumptions**

The TOL in the December 31, 2020 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial Cost Method	Entry Age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.20% - 11.30%
Long-term investment Rate of Return, net of OPEB plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Health care cost trend rates	
Service-based premium subsidy	0.00%
PERACare Medicare Plans	4.50% in 2021, 6.00% in 2022, gradually decreasing to 4.50% in 2029
Medicare Part A Premiums	3.75% in 2021, gradually increasing to 4.50% in 2029

Calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each actuarial valuation and on the pattern of sharing of costs between employers of each fund to that point.

In determining the additional liability for PERACare enrollees who are age 65 or older and who are not eligible for premium-free Medicare Part A in the December 31, 2020, valuation, the following monthly costs/premiums (actual dollars) are assumed for 2021 for the PERA Benefit Structure:

<b>Initial Costs for Members without Medicare Part A</b>			
<b>Medicare Plan</b>	<b>Monthly Cost</b>	<b>Monthly Premium</b>	<b>Monthly Cost Adjusted to Age 65</b>
Medicare Advantage/Self-Insured Prescription	\$633	\$230	\$591
Kaiser Permanente Medicare Advantage HMO	\$596	\$199	\$562

The 2021 Medicare Part A premium is \$471 (actual dollars) per month.

All costs are subject to the health care cost trend rates, as discussed below.

Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. Effective December 31, 2020, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

The PERA benefit structure health care cost trend rates that were used to measure the TOL are summarized in the table below:

Year	PERACare Medicare Plans	Medicare Part A Premiums
2021	4.50%	3.75%
2022	6.00%	3.75%
2023	5.80%	4.00%
2024	5.60%	4.00%
2025	5.40%	4.00%
2026	5.10%	4.25%
2027	4.90%	4.25%
2028	4.70%	4.25%
2029+	4.50%	4.50%

Mortality assumptions used in the December 31, 2020, valuation for the determination of the total pension liability for each of the Division Trust Funds as shown below, reflect generational mortality and were applied, as applicable, in the determination of the TOL for the HCTF, but developed using a headcount-weighted basis. Affiliated employers of the State, School, Local Government and Judicial Divisions participate in the HCTF.

Pre-retirement mortality assumptions for the State and Local Government Divisions were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the State and Local Government Divisions were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- **Males:** 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- **Males:** 97% of the rates for all ages, with generational projection using scale MP-2019.
- **Females:** 105% of the rates for all ages, with generational projection using scale MP-2019.

Disabled mortality assumptions for members were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.

The following health care costs assumptions were updated and used in the roll forward calculation for the Trust Fund:

- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2021 plan year.
- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

Actuarial assumptions pertaining to per capita health care costs and their related trend rates are analyzed and updated annually by PERA Board’s actuary, as discussed above.

The actuarial assumptions used in the December 31, 2020, valuation were based on the results of the 2020 experience analysis for the period January 1, 2016, through December 31, 2019, and were reviewed and adopted by the PERA Board at their November 20, 2020, meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives	6.00%	4.70%
Total	100.00%	



Note: In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected nominal rate of return assumption of 7.25%.

**Sensitivity of the Authority’s Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates**

The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate	3.50%	4.50%	5.50%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	2.75%	3.75%	4.75%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	\$ 275,491	\$ 283,636	\$ 293,072

**Discount Rate**

The discount rate used to measure the TOL was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2021, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the HCTF’s FNP was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on OPEB plan investments was applied to all periods of projected benefit payments to determine the TOL. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

**Sensitivity of the Authority’s Proportionate Share of the Net OPEB liability to Changes in the Discount Rate**

The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$ 329,414	\$ 283,636	\$ 244,534

**OPEB Plan Fiduciary Net Position**

Detailed information about the HCTF plan’s fiduciary net position is available PERA’s CAFR which can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

**Note 14 - Commitments and Contingencies**

As of December 31, 2022, the Authority has entered into multiple contracts totaling \$5,517,400 in connection with the development of Willoughby Corner. The Willoughby Corner development is planned to be completed in phases and is expected to provide 400 units of affordable housing upon final completion in 2027.

The Authority has entered into lease agreements with Boulder County and Longmont Downtown Development Authority. The lease agreement with Boulder County requires an upfront lease payment of \$3,682,807, plus monthly payments of \$1 per parking space leased for 99 years. Boulder County is also responsible for its share of the common area maintenance. The Authority previously received \$3,682,807 from Boulder County, which was initially recorded as unearned revenue. The Authority is recognizing the \$3,682,807 in income over the 99-year term of the lease, beginning in 2022. During 2022, the Authority recognized lease revenue of \$37,200 on this lease.

The lease agreement with Longmont Downtown Development Authority required an upfront lease payment of \$1,887,940, plus monthly payments of \$1 per parking space leased for 99 years. Longmont Downtown Development Authority is also responsible for its share of the common area maintenance. The Authority previously received \$1,887,940 from Longmont Downtown Development Authority, which was initially recorded as unearned revenue. The Authority is recognizing the \$1,887,940 in income over the 99-year term of the lease, beginning in 2022. During 2022, the Authority recognized lease revenue of \$19,070 on this lease.

Future lease payments to be received on these leases for the year ending December 31, 2022 are as follows:

	Boulder County			Longmont Downtown Development Authority		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 65	\$ 1,111	\$ 1,176	\$ 46	\$ 794	\$ 840
2024	67	1,109	1,176	48	792	840
2025	69	1,107	1,176	49	791	840
2026	71	1,105	1,176	51	789	840
2027	73	1,103	1,176	52	788	840
Thereafter	<u>36,692</u>	<u>72,676</u>	<u>109,368</u>	<u>26,208</u>	<u>51,912</u>	<u>78,120</u>
Total	<u>\$ 37,037</u>	<u>\$ 78,211</u>	<u>\$ 115,248</u>	<u>\$ 26,454</u>	<u>\$ 55,866</u>	<u>\$ 82,320</u>

In addition to the contracts disclosed above, the Authority regularly enters into contracts for design and development for both current and new projects and general recurring contracts for the operation and maintenance of its properties.

## Note 15 - Related Party Transactions

### Developer Fees

#### *Kestrel*

Kestrel I, LLC (Kestrel) has entered into a development agreement with the Authority in which the Authority is to provide services in connection with the development and construction of the project owned by Kestrel. Total developer fees of \$6,091,976 have been earned and capitalized as part of the building. The remaining developer fees are expected to be paid from net cash flow. The fee is to be paid in full by the thirteenth year. Kestrel paid developer fees of \$316,348 to the Authority in 2022. As of December 31, 2022, Kestrel owed the Authority \$722,128 for developer fees.

The unpaid developer fees are to bear interest at a rate of 5%, compounding annually, commencing at the time of the fourth capital contribution. During 2022, Kestrel incurred interest of \$33,510 on the unpaid developer fees. As of December 31, 2022, Kestrel owes the Authority \$33,510 for accrued interest on developer fees.

#### *Coffman Place*

Coffman Place LLC (Coffman Place) has entered into a development agreement with the Authority in which the Authority is to provide services in connection with the development and construction of the residential building owned by Coffman Place. Total developer fees of \$2,947,288 have been earned and capitalized as part of the building. During 2022, Coffman Place paid developer fees of \$381,219 to the Authority. As of December 31, 2022, Coffman Place owed the Authority \$2,248,386 for developer fees. No interest has been incurred on the unpaid fees. The unpaid developer fees are to be paid from available cash flow and bear interest at a rate of 7%, compounding annually, commencing at the time of the fourth capital contribution. Any amount unpaid shall be paid no later than December 31, 2036.

### **Mortgage Notes and Accrued Interest**

#### *Josephine Commons*

Josephine Commons has entered into multiple loan agreements with the Authority – see Note 7. During 2022, Josephine Commons incurred interest expense of \$75,441 in relation to these mortgage notes payable. As of December 31, 2022, Josephine Commons owes the Authority \$623,970 for accrued interest.

#### *Aspinwall*

Aspinwall has entered into multiple loan agreements with the Authority – see Note 7. During 2022, Aspinwall incurred interest expense of \$408,323 in relation to these mortgage notes payable. As of December 31, 2022, Aspinwall owes the Authority \$3,311,692 for accrued interest.

#### *Kestrel*

Kestrel has entered into multiple loan agreements with the Authority – see Note 7. During 2022, Kestrel incurred interest of \$302,669 to the Authority on these mortgage notes payable. As of December 31, 2022, Kestrel owes the Authority \$1,791,976 for accrued interest.

#### *Tungsten Village*

Tungsten Village has entered into multiple loan agreements with the Authority – see Note 7. During 2022, Tungsten Village incurred interest of \$60,583 on these mortgage notes payable. As of December 31, 2022, Tungsten Village owes the Authority \$131,446 for accrued interest.

#### *Coffman Place*

Coffman Place has entered into two loan agreements with the Authority – see Note 7. During 2022, Coffman Place incurred interest of \$134,088 on the mortgage notes payable, which has been capitalized to property and equipment. As of December 31, 2022, Coffman Place owes the Authority \$216,925 for accrued interest.

### **Due from Related Party**

#### *Josephine Commons*

As of December 31, 2022, Josephine Commons owed the Authority \$30,106 for costs related to operations.

#### *Aspinwall*

As of December 31, 2022, Aspinwall owed the Authority \$68,084 for costs paid on behalf of the project by the Authority, including construction costs, accrued wages and benefits.

#### *Kestrel*

As of December 31, 2022, Kestrel owed the Authority \$91,056 for costs paid on behalf of the project by the Authority, including construction costs, accrued wages and benefits.

*Tungsten Village*

As of December 31, 2022, Tungsten Village owed the Authority \$47,842 for costs paid on behalf of the project by the Authority.

*Coffman Place*

As of December 31, 2022, Coffman Place owed the Authority \$68,427 for various costs paid on behalf of the project by the Authority.

**Due to Related Party**

*Josephine Commons*

As of December 31, 2022, the Authority owed Josephine Commons \$5,545 for reimbursement of operating costs of the Authority paid by Josephine Commons.

*Kestrel*

As of December 31, 2022, the Authority owed Kestrel \$15,605 for reimbursement of damage mitigation expenses paid by Kestrel.

**Management Fees**

*Josephine Commons*

Josephine Commons has entered into a management agreement with the Authority under which the Authority is to provide management services for the project. Under the terms of the agreement, Josephine Commons is to pay management fees equal to the lesser of \$466 per unit or 5.5% of effective gross income. During 2022, Josephine Commons incurred management fees of \$34,484 to the Authority.

*Aspinwall*

Aspinwall has entered into a management agreement with the Authority under which the Authority is to provide management services for the project. Under the terms of the agreement, Aspinwall is to pay management fees equal to the lesser of \$480 per unit or 5.5% of effective gross income. During 2022, Aspinwall incurred management fees of \$80,160 to the Authority.

*Kestrel*

Kestrel has entered into a management agreement with the Authority under which the Authority is to provide management services for the project. Under the terms of the agreement, Kestrel is to pay management fees equal to 4.5% of effective gross income. During 2022, Kestrel incurred management fees of \$140,548 to the Authority.

*Tungsten Village*

Tungsten Village has entered into a management agreement with the Authority under which the Authority is to provide management services for the project. Under the terms of the agreement, Tungsten Village is to pay management fees equal to \$10,000 annually. During 2022, Tungsten Village incurred management fees of \$10,000 to the Authority.

*Coffman Place*

Coffman Place has entered into a management agreement with the Authority under which the Authority is to provide management services for the project. Under the terms of the agreement, Coffman Place is to pay management fees equal to 4.5% of effective gross income. During 2022, Coffman Place incurred management fees of \$31,108 to the Authority.

**Reimbursement of Expenses**

*Josephine Commons*

During 2022, Josephine Commons reimbursed the Authority approximately \$269,400 for payroll and other expenses.

*Aspinwall*

During 2022, Aspinwall reimbursed the Authority approximately \$472,500 for payroll and other expenses.

*Kestrel*

During 2022, Kestrel reimbursed the Authority approximately \$698,900 for payroll and other expenses.

*Tungsten Village*

During 2022, Tungsten Village reimbursed the Authority approximately \$8,000 for payroll and other expenses.

**Incentive Management Fee**

Pursuant to the operating agreement, Josephine Commons is to pay the Authority for their services in managing the business of Josephine Commons, a non-cumulative fee equal to 80% of cash flow remaining after other required payments. At no time is the fee to exceed 10% of gross revenues in any year. During 2022, Josephine Commons incurred no incentive management fees to the Authority.

## **Company Administration Fee**

### *Tungsten Village*

Pursuant to the operating agreement, Tungsten Village is to pay the Authority a cumulative fee equal to \$11,375 annually. The fee is for services provided in the administration of the Tungsten Village project and shall be payable from cash flow. The fee is to increase by 3% annually. During 2022, Tungsten Village incurred \$12,068 to the Authority for company administration fees. As of December 31, 2022, Tungsten Village owed the Authority \$28,523 for accrued company administration fees.

### *Coffman Place*

Pursuant to the operating agreement, Coffman Place is to pay the Authority a cumulative fee equal to \$32,162 annually, commencing on the later of the year 2022 or the first calendar year the Company receives rental income. The fee is for services provided in the administration of the Coffman Place project and shall be payable from cash flow. The fee is to increase by 3% annually. During 2022, Coffman Place incurred \$21,441 to the Authority for company administration fees. As of December 31, 2022, Coffman Place owed the Authority \$21,441 for accrued company administration fees.

## **Operating Deficit Guaranty**

### *Josephine Commons*

Pursuant to the operating agreement, the Authority is required to fund operating deficits during the period beginning upon the date that stabilized operations is achieved and for five years thereafter as defined in the agreement. The Authority shall be obligated to provide funds in the form of a loan, not to exceed \$350,000, shall bear no interest and shall be repayable solely from net cash flow as allowed in the operating agreement.

### *Aspinwall*

Pursuant to the operating agreement, the Authority is required to fund operating deficits during the period beginning upon the date that stabilized operations is achieved and for five years thereafter as defined in the agreement. The Authority shall be obligated to provide funds in the form of a loan, not to exceed \$910,000, shall bear no interest and shall be repayable solely from net cash flow as allowed in the operating agreement.

### *Kestrel*

Pursuant to the operating agreement, the Authority is required to fund operating deficits during the period beginning upon the date that stabilized operations is achieved and for five years thereafter as defined in the agreement. The Authority shall be obligated to provide funds in the form of a loan, not to exceed \$1,200,000, shall bear no interest and shall be repayable solely from net cash flow as allowed in the operating agreement.

*Tungsten Village*

Pursuant to the operating agreement, the Authority is required to fund operating deficits during the period beginning upon the date that stabilized operations is achieved and for five years thereafter as defined in the agreement. The Authority shall be obligated to provide funds in the form of a loan, not to exceed \$234,000, shall bear no interest, and shall be repayable solely from net cash flow as allowed in the operating agreement.

*Coffman Place*

Pursuant to the operating agreement, the Authority is required to fund operating deficits during the period beginning upon the date that stabilized operations is achieved and for five years thereafter as defined in the agreement. The Authority shall be obligated to provide funds in the form of a loan, not to exceed \$665,000, shall bear no interest, and shall be repayable solely from net cash flow as allowed in the operating agreement.

**Donations**

*Aspinwall*

During 2022, the Authority donated \$68,342 to Aspinwall to be used for damage mitigation expenses.

*Tungsten Village*

During 2022, the Authority donated \$55,000 to Tungsten Village to cover operating costs and meet the debt coverage ratio.

**Due from Boulder County**

At December 31, 2022, the Authority was owed \$100,160 from Boulder County for client assistance and operating expenses.

**Note Payable to Boulder County**

At December 31, 2022, the Authority owed \$2,581,500 to Boulder County on a 0% note. Additional terms for the note are included in Note 7 to the financial statements.

**Due to Boulder County**

At December 31, 2022, the Authority owed Boulder County \$2,374,465 for payroll and other operating expenses paid by the County.

**Transfers to/from Primary Government**

During 2022, the Authority received transfers of \$15,547,691 from Boulder County consisting of \$14,163,946 for the Housing Stabilization Program; \$77,586 for operating subsidy; \$458,000 to support low-income energy services; \$846,878 to support the construction of the Spoke on Coffman Garage; and \$1,281 for the Family Self Sufficiency Program.



**Coffman Parking Garage**

The Authority has entered into a lease agreement with Boulder County to provide parking spaces in the Coffman Parking Garage – Note 14. In connection with this lease agreement, Boulder County made an upfront lease payment of \$3,682,807 in a previous year, which had been recorded as unearned revenue. During 2022, the Authority recognized lease revenue of \$37,200 on this lease. At December 31, 2022, unearned revenue on this lease totaled \$3,645,607.

In addition to lease revenue, Boulder County paid a total developer fee of \$417,193 to the Authority in connection with the construction of the Coffman Parking Garage. Of this amount, \$312,895 was recognized by the Authority in 2022 and \$104,298 was recognized in a prior year.

**Office Space**

During 2022, the Authority incurred \$178,621 to Boulder County for the use of office space.

**Note 16 - Condensed Component Unit Information**

Condensed component unit information for MFPH Acquisitions LLC, the Authority’s blended component unit, for the year ended December 31, 2022, is as follows:

**Condensed Balance Sheet**

Assets	
Current Assets	\$ 262,298
Notes Receivable	3,020,000
Accrued Interest	889,227
Capital Assets	<u>1,582,668</u>
Total Assets	<u><u>\$ 5,754,193</u></u>
Liabilities	
Current Liabilities	\$ 58,782
Net Position	<u>5,695,411</u>
Total Liabilities and Net Position	<u><u>\$ 5,754,193</u></u>

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

Operating Revenues	
Tenant rent	\$ 430,205
Other	2,932
Total Operating Revenues	<u>433,137</u>
Operating Expenses	
Administrative salaries and benefits	83,679
Maintenance salaries and benefits	69,385
Regular and extraordinary maintenance	120,014
Direct client expenses	89
Other administrative	32,183
Depreciation and amortization	68,257
Utilities	38,264
Insurance	29,964
Total Operating Expenses	<u>441,835</u>
Operating Loss	<u>(8,698)</u>
Nonoperating Income (Expense)	
Interest income	103,233
Interest expense	(40,061)
Total Nonoperating Income (Expense)	<u>63,172</u>
Change in net position	54,474
Net Position, Beginning of year	<u>5,640,937</u>
Net Position, End of year	<u><u>\$ 5,695,411</u></u>

**Condensed Statement of Cash Flows**

Net Cash from Operating Activities	\$ 22,087
Net Cash Used for Capital and Related Financing Activities	(93,531)
Net Cash from Investing Activities	<u>19</u>
Net Change in Cash and Cash Equivalents	(71,425)
Cash and Cash Equivalents, Beginning of year	<u>319,320</u>
Cash and Cash Equivalents, End of year	<u><u>\$ 247,895</u></u>



Required Supplementary Information  
December 31, 2022

# Boulder County Housing Authority

Boulder County Housing Authority  
Schedule of the Authority's Proportionate Share of the Net Pension Liability  
Local Government Division Trust Fund of Colorado Public Employees' Retirement Association  
December 31, 2022

	Last 10 Fiscal Years*							
	2021	2020	2019	Measurement date as of December 31, 2018      2017		2016	2015	2014
Authority's proportion of the net pension liability	0.4256582908%	0.4378633760%	0.4095742151%	0.4643868621%	0.4694183739%	0.5021573565%	0.5303999056%	0.5692100296%
Authority's proportionate share of the net pension liability (asset)	\$ (364,947)	\$ 2,281,824	\$ 2,995,589	\$ 5,838,332	\$ 5,226,645	\$ 6,780,837	\$ 5,842,785	\$ 5,072,729
Authority's covered payroll	\$ 3,201,575	\$ 2,949,207	\$ 2,812,786	\$ 3,043,125	\$ 3,034,944	\$ 3,193,175	\$ 2,778,550	\$ 2,673,518
Authority's proportionate share of the net pension liability as a percentage of its covered payroll	-11.40%	77.37%	106.50%	191.85%	172.22%	212.35%	210.28%	189.74%
Plan fiduciary net position as a percentage of the total pension liability	101.49%	90.88%	86.26%	75.96%	79.37%	73.65%	76.87%	80.72%

\* Fiscal year 2015 was the first year of implementation, therefore only eight years are shown

Boulder County Housing Authority  
Schedule of the Authority's Pension Contributions  
Local Government Division Trust Fund of Colorado Public Employees' Retirement Association  
December 31, 2022

	Last 10 Fiscal Years*							
	2022	2021	2020	Fiscal year-end as of December 31,		2017	2016	2015
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually required contribution	\$ 557,196	\$ 420,114	\$ 400,591	\$ 356,662	\$ 385,868	\$ 409,439	\$ 405,002	\$ 381,694
Contributions in relation to the contractually required contribution	<u>(557,196)</u>	<u>(420,114)</u>	<u>(400,591)</u>	<u>(356,662)</u>	<u>(385,868)</u>	<u>(409,439)</u>	<u>(405,002)</u>	<u>(381,694)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority's covered payroll	\$ 3,866,301	\$ 3,201,575	\$ 2,949,207	\$ 2,812,786	\$ 3,043,125	\$ 3,034,944	\$ 3,193,175	\$ 2,778,550
Contributions as a percentage of covered payroll	14.41%	13.12%	13.58%	12.68%	12.68%	13.49%	12.68%	13.74%

\* Fiscal year 2015 was the first year of implementation, therefore only eight years are shown

Boulder County Housing Authority  
Schedule of the Authority's Proportionate Share of the Net OPEB Liability  
Colorado Public Employees' Retirement Association – Healthcare Trust Fund  
December 31, 2022

	Last 10 Fiscal Years*				
	2021	Measurement date as of December 31,			2017
	2020	2019	2018		
Authority's proportion of the net OPEB liability	0.0328927700%	0.0333510484%	0.0313521021%	0.0359809546%	0.0364759926%
Authority's proportionate share of the net OPEB liability	\$ 283,636	\$ 316,910	\$ 352,397	\$ 489,536	\$ 474,042
Authority's covered-employee payroll	\$ 3,201,575	\$ 2,949,207	\$ 2,812,786	\$ 3,043,125	\$ 3,034,944
Authority's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	8.86%	10.75%	12.53%	16.09%	15.62%
Plan fiduciary net position as a percentage of the total OPEB liability	39.40%	32.78%	24.49%	17.03%	17.53%

\* Fiscal year 2018 was the first year of implementation, therefore only five years are shown

Boulder County Housing Authority  
Schedule of the Authority's OPEB Contributions  
Colorado Public Employees' Retirement Association – Healthcare Trust Fund  
December 31, 2022

	Last 10 Fiscal Years*				
	Fiscal year-end as of December 31,				
	2022	2021	2020	2019	2018
Contractually required contribution	\$ 42,052	\$ 32,382	\$ 31,568	\$ 28,690	\$ 31,040
Contributions in relation to the contractually required contribution	<u>(42,052)</u>	<u>(32,382)</u>	<u>(31,568)</u>	<u>(28,690)</u>	<u>(31,040)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority's covered payroll	\$ 3,866,301	\$ 3,201,575	\$ 2,949,207	\$ 2,812,786	\$ 3,043,125
Contributions as a percentage of covered payroll	1.09%	1.01%	1.07%	1.02%	1.02%

\* Fiscal year 2018 was the first year of implementation, therefore only five years are shown

*Changes of benefit terms*

There have been no changes in benefit terms since the last valuation.

*Changes of assumptions*

There have been no changes in actuarial assumptions or methods since the last valuation.





Supplementary Information  
December 31, 2022

# Boulder County Housing Authority

Boulder County Housing Authority  
Schedule of Federal Expenditures  
Year Ended December 31, 2022

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Federal Financial Assistance/ Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Expenditures</u>
U.S. Department of Agriculture (USDA)			
<i>Direct Programs</i>			
Rural Rental Assistance Payments - Casa Esperanza (Section 514)	10.427		\$ 543
Rural Rental Assistance Payments - Prime Haven (Section 515)	10.427		40,577
Rural Rental Assistance Payments - Walter Self (Section 515)	10.427		<u>119,232</u>
			160,352
Farm Labor Housing Loan and Grants	10.405		156,691
Rural Rental Housing Loans	10.415		<u>1,162,728</u>
Total U.S. Department of Agriculture (USDA)			<u>1,479,771</u>
U.S. Department of Housing and Urban Development			
<i>Direct Programs</i>			
Housing Choice Voucher Cluster			
Housing Choice Voucher Program	14.871		12,818,988
Emergency Housing Vouchers	14.871		224,476
Mainstream Vouchers	14.879		<u>119,867</u>
Total Housing Choice Voucher Cluster			<u>13,163,331</u>
Family Self-Sufficiency Coordinator	14.896		<u>253,499</u>
Continuum of Care Program	14.267		<u>645,489</u>
<i>Passed Through Colorado Housing and Finance Authority</i>			
Section 8 Project-Based Cluster			
Section 8 Housing Assistance Payments	14.195	CO0990036010 / CO99R000007	<u>173,645</u>
<i>Passed Through Colorado Coalition for the Homeless</i>			
ESG - Emergency Solutions Grant Cluster			
Homelessness Prevention and Rapid Re-Housing	14.231	Subgrantee	57,831
COVID-19 Homelessness	14.231	Subgrantee	29,258
COVID-19 Next Step	14.231	Subgrantee	<u>356,960</u>
Total ESG-Emergency Solutions Grant Cluster			<u>444,049</u>
Total U.S. Department of Housing and Urban Development			<u>14,680,013</u>
Total Federal Financial Assistance			<u>\$ 16,159,784</u>

**Note A – Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of Boulder County Housing Authority under programs of the federal government for the year ended December 31, 2022. The information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of Boulder County Housing Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of Boulder County Housing Authority.

**Note B – Summary of Significant Accounting Policies**

Expenditures reported on the schedule are reported on the accrual basis of accounting. When applicable, such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. No federal financial assistance has been provided to a subrecipient.

**Note C – Indirect Cost Rate**

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

**Note D – Farm Labor Housing Loan Program**

The balances and transactions related to the Farm Labor Housing Loan Program, CFDA Number 10.405, are included in Boulder County Housing Authority's basic financial statements. The total balance of the loans outstanding as of December 31, 2022 is \$134,609.

**Note E – Rural Rental Housing Loan Program**

The balances and transactions related to the Rural Rental Housing Loan Program, CFDA Number 10.415, are included in Boulder County Housing Authority's basic financial statements. The total balance of the loans outstanding as of December 31, 2022 is \$1,148,173.



**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***

Board of Commissioners  
Boulder County Housing Authority  
Boulder, Colorado

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the business-type activities, and the discretely presented component units of Boulder County Housing Authority (the Authority), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Authority’s basic financial statements and have issued our report thereon dated June 30, 2023. The financial statements of the discretely presented component units were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the discretely presented component units.

**Report on Internal Control over Financial Reporting**

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2022-001 that we consider to be a significant deficiency.

### **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*.

### **Boulder County Housing Authority's Response to Finding**

*Government Auditing Standards* requires the auditor to perform limited procedures on Boulder County Housing Authority's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. Boulder County Housing Authority's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Bismarck, North Dakota  
June 30, 2023



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

Board of Commissioners  
Boulder County Housing Authority  
Boulder, Colorado

### **Report on Compliance for the Major Federal Program**

#### ***Opinion on the Major Federal Program***

We have audited Boulder County Housing Authority’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 the Authority’s major federal program for the year ended December 31, 2022. The Authority’s major federal program is identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

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 its major federal program for the year ended December 31, 2022.

#### ***Basis for Opinion on the 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 the 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 the major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

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

## 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.



Bismarck, North Dakota  
June 30, 2023



**Section I – Summary of Auditor’s Results**

**FINANCIAL STATEMENTS**

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	Yes
Noncompliance material to financial statements noted?	No

**FEDERAL AWARDS**

Internal control over major program:	
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:**

Name of Federal Program	Federal Financial Assistance Listing
Housing Choice Voucher Cluster	14.871 / 14.879
Dollar threshold used to distinguish between type A and type B programs	\$750,000
Auditee qualified as low-risk auditee?	No

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**Section II – Financial Statement Findings**

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**Finding 2022-001**

**Audit Adjustments  
Significant Deficiency**

*Criteria* – A good system of internal control contemplates an adequate system for timely identification, recording, and processing of entries to the financial statements within the Housing Authority’s financial reporting system.

*Condition* – During the course of our engagement, we proposed significant audit adjustments that were not identified by management prior to providing the trial balance and supporting schedules to the audit team.

*Cause* – Boulder County Housing Authority (BCHA)’s internal control system did not identify all of the necessary adjustments prior to providing trial balances and supporting schedules to the audit team.

*Effect* – This deficiency resulted in significant misstatements to the financial statements that were not prevented or detected and corrected by management.

*Recommendation* – We recommend a thorough review and reconciliation of the accounts, using accrual-based accounting, should take place as part of the financial closing process. This review should be done at both the accounting staff and supervisory levels.

*Views of Responsible Officials* – Management agrees with the finding.

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**Section III – Federal Award Findings and Questioned Costs**

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**None**