

Financial Statements

December 31, 2024

Boulder County Housing Authority

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 aggregate discretely presented component units of Boulder County Housing Authority (the Authority), a component unit of Boulder County, Colorado, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of the Authority as of December 31, 2024, 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*.

Emphasis of Matter

As discussed in Note 18 to the financial statements, the Authority has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences* for the year ended December 31, 2024. Accordingly, a restatement has been made to the primary government net position as of January 1, 2024 to restate beginning net position. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 12, 2025 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 black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Bismarck, North Dakota
June 12, 2025

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, 2024, 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 seven 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, Coffman Place LLC, formed in 2020; Willoughby Corner Seniors LLLP, formed in 2023 and Willoughby Corner Multifamily LLLP, formed in 2023. All seven 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 1,082 units of affordable rental units that are scattered throughout Boulder County. Of those 1,082 units, 732 are located within our LIHTC entities: Josephine Commons, Aspinwall, Kestrel, Tungsten Village, Coffman Place, Willoughby Corner Senior and Willoughby Corner Multi-family. The remaining 350 units are owned and managed by BCHA. BCHA disposed of 18 units across eight properties.

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, 2024, the Housing Authority had an annual contribution contract for 911 vouchers and had issued and utilized 925 vouchers. BCHA received an "A" rating for 2024, was designated a High Performer and had utilized 104% of its authorized annual funding. BCHA also has 34 Emergency Housing Vouchers (EHV) and 30 Mainstream (Main) vouchers that are outside of the annual contribution. Total vouchers including EHV and Main are 989. 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, 2024, the Housing Authority had utilized 75 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, 2024, the Housing Authority had utilized 80 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, 2024, the Housing Authority had utilized 73 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, 2024, the Housing Authority had 613 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, 2024, the Housing Authority has 31 NED vouchers utilized.

Emergency Housing Voucher (EHV)

The EHV program assists individuals and families who are homeless, at-risk of homelessness, fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, or were recently homeless or have a high risk of housing instability. As of December 31, 2024, the Housing Authority has 34 EHV vouchers utilized.

Mainstream Vouchers (Main)

The Main vouchers assists non-elderly persons with disabilities. Aside from serving a special population, Mains vouchers are administered using the same rules as other housing choice vouchers. As of December 31, 2024, the Housing Authority has 30 Main vouchers utilized.

Other Vouchers

The Housing Authority has 16 other vouchers utilized which in combination include 8 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 2024, the grant support averaged 24 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 2024, the grant support averaged 14 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 portion of developer fees earned for 2024 is \$2,593,651, long-term developer fee receivables total \$7,051,072. Two new LIHTCs (Willoughby Corner Senior and Willoughby Corner Multifamily in Lafayette, CO) closed on project financing in 2024. These two new properties will bring 192 new affordable units to Boulder County. BCHA expended \$74,500 in pre-development expenses for Phases 2 and 3 of the Willoughby Corner neighborhood.

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 2024. 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.

Financial Highlights

Cash, restricted cash, and cash equivalents increased 42% or \$8,033,020 over December 31, 2023, primarily due to transfer-ins, funding for the Willoughby Corner development projects, and the disposition of 18 units. BCHA received \$4,676,000 in American Rescue Plan Act (ARPA) Funds and \$750,000 in Worthy Cause Funds.

Earned Developer Fees Receivables increased 139% or \$5,610,897 over 2023 from the Willoughby Corner development projects.

Capital Assets increased 16%, or \$5,663,165 as of December 31, 2024 versus December 31, 2023. The primary reasons for the increase were the purchase of the Seward Mobile Home Park in Lyons, Colorado, leasing of five new maintenance vans and capital improvement projects spending on BCHA units.

Notes and Interest Receivable increased 21% or \$12,487,391 over December 31, 2023. The primary driver of this increase are notes receivable related to Willoughby Corner, specifically grants from Colorado Department of Local Affairs – Division of Housing (CDOH).

Accounts payable and accrued liabilities increased 69% or \$1,580,252 as of December 31, 2024 versus December 31, 2023. The increase includes year-end accruals for the Willoughby Corner construction pay applications for the senior and multi-family properties.

Due to Boulder County increased 155% or \$2,044,637 over December 31, 2023, primarily from payroll liability.

Notes, Mortgages, Bonds, and Interest Payable decreased 41% or (\$7,423,261) over December 31, 2023 primarily from the disposition of 18 units and loan forgiveness related to Kestrel land.

Other Grants increased \$5,393,492 over 2023 totaling \$11,523,692. The increase included funding from the Colorado Department of Local Affairs – Division of Housing (CDOH) related to Willoughby Corner development.

Direct client spending decreased 39% or (\$2,103,538) in 2024 versus 2023, primarily due to the ending of the Emergency Rental Assistance program (ERAP) COVID relief funding.

BCHA received a \$458,000 sustainability grant from Boulder County in 2024 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 2024 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, 2024. The Balance Sheet begins on page 17.

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 19.

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 20.

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 22.

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 27.

Financial Analysis (Primary Government)

Assets, Liabilities, and Net Position:

Boulder County Housing Authority (Primary Government)
Net Position as of December 31, 2024
(in thousands of dollars)

	2024	2023
Cash, Restricted Cash & Cash Equivalents	\$ 27,376	\$ 19,343
Accounts Receivable	1,989	2,948
Prepaid Expenses	455	55
Inventory	328	361
Developer Fees Receivable	9,645	4,003
Notes & Interest Receivable	73,294	60,807
Other Assets	84	85
Capital Assets (Net)	41,456	35,793
Total Assets	154,627	123,395
Deferred Outflows	2,567	2,875
Total Assets and Deferred Outflows	<u>\$ 157,194</u>	<u>\$ 126,270</u>
Accounts Payable & Accrued Liabilities	\$ 3,869	\$ 2,290
Deferred Revenue	5,419	5,459
Due to Boulder County	3,361	1,316
Tenant Security Deposits Payable	108	108
Notes, Mortgages, Bonds & Interest Payable	10,961	18,118
Net OPEB Liability	335	328
Net Pension Liability	4,375	5,039
Total Liabilities	28,428	32,658
Deferred Inflows	118	190
Net Investment in Capital Assets	30,468	21,751
Restricted	17	-
Unrestricted	98,163	71,670
Total Net Position	128,648	93,421
Total Liabilities, Deferred Inflows and Net Position	<u>\$ 157,194</u>	<u>\$ 126,270</u>

Assets

Total assets of the Housing Authority entity as of December 31, 2024, increased to \$154,626,492, a 25% increase over December 31, 2023.

Cash, restricted cash, and cash equivalents increased 42% or \$8,033,020 over December 31, 2023, primarily due to transfer-ins, funding for the Willoughby Corner development projects, and the disposition of 18 units. BCHA received \$4,676,000 in American Rescue Plan Act (ARPA) Funds and \$750,000 in Worthy Cause Funds. BCHA also received \$1,700,000 from Boulder County for Capital Improvement Projects.

Accounts receivable at December 31, 2024 equal \$1,988,177, a decrease of 32% or (\$928,399) from December 31, 2023. The decrease corresponds to less receivables related to the Willoughby Corner development and receivables from Boulder County.

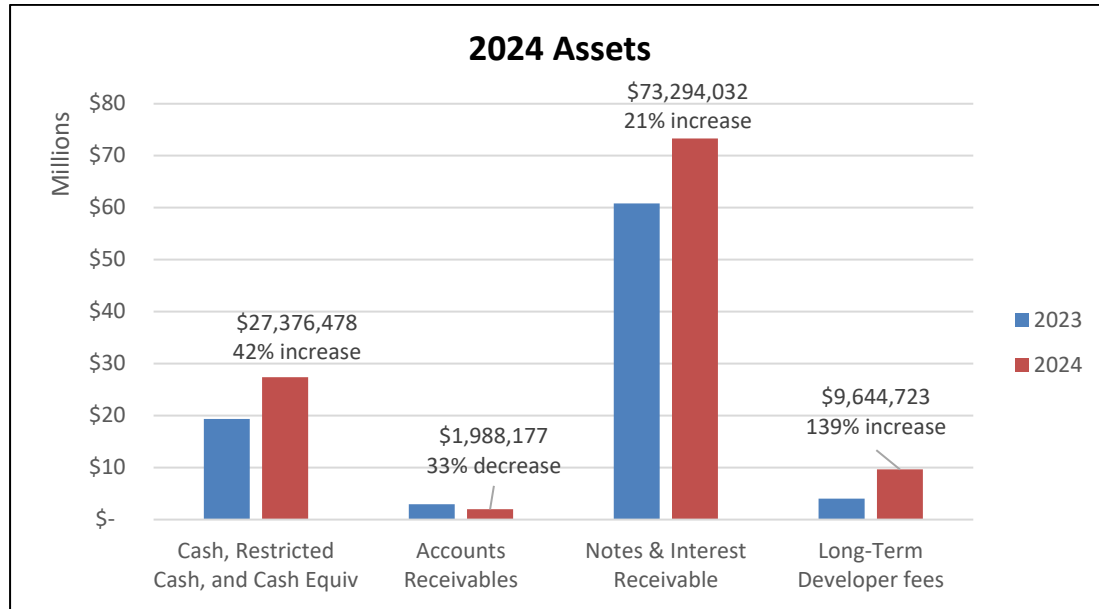
Total long-term developer fees receivable at December 31, 2024 equals \$7,051,072, an increase of 76%, or \$3,048,263 from December 31, 2023. In 2024, BCHA earned developer fees from Kestrel I, LLC, Coffman Place, LLC., Willoughby Corner Senior, LLLP, and Willoughby Corner Multi-Family, LLLP.

Capital assets at December 31, 2024 equal \$41,456,320, an increase of 16%, or \$5,663,165 from December 31, 2023. Capital assets include land, buildings, land and building improvements, and equipment. The primary reasons for the increase were a \$1.7 million escrow deposit towards the purchase of the Seward Mobile Home Park in Lyons, Colorado, which closed on January 2, 2025, leasing of five new maintenance vans and capital improvement project spending on BCHA-owned units. BCHA also disposed of 18 units reducing capital assets by \$3,846,927.

Significant 2024 Capital Asset Additions include the following:

- Escrow deposit of \$1.7 million towards the purchase of the Seward Mobile Home Park
- Continue with Construction in Progress – Willoughby Corner Senior and Multi-Family.
- Major energy efficient upgrades at Beaver Creek, Nederland, CO
- Major plumbing upgrades at Lydia Morgan, Louisville, CO
- HVAC upgrades at Regal Court, Louisville, CO, Wedgewood, and Sunnyside.

Additional information on the Authority's capital assets can be found in Note 5 on page 42 of this report.



Liabilities

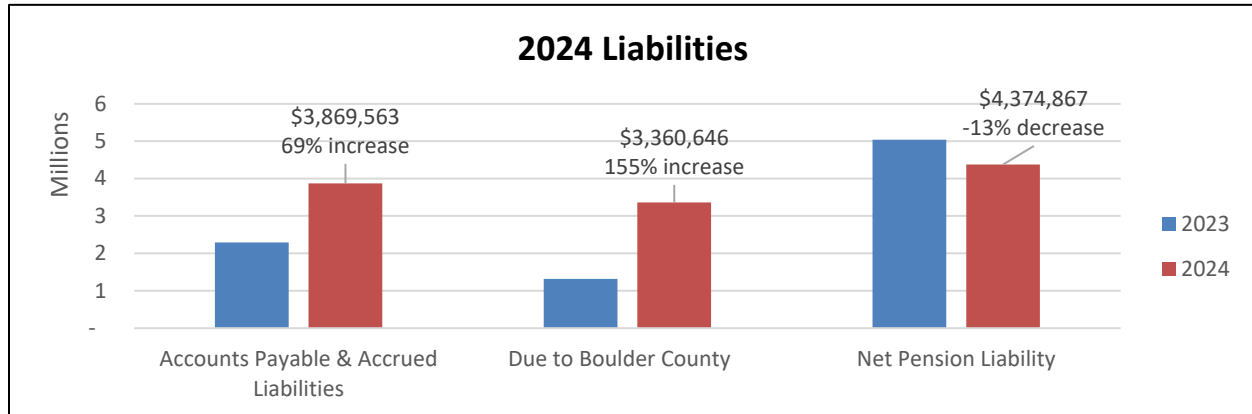
Total liabilities at December 31, 2024, equal \$28,427,655, a decrease of 13%, or (\$4,230,724) from December 31, 2023. Significant drivers of the decrease is the disposal of 18 units reducing notes payable, loan forgiveness of Kestrel land note, and a year-end adjustment to Pension Liability.

Accounts payable and accrued liabilities at December 31, 2024, equals 3,869,563, an increase of 69% or \$1,580,252 from December 31, 2023, the result of year-end accruals for construction in progress payables.

Due to Boulder County at December 31, 2024, equal \$3,360,646, an increase of 155% or \$2,044,637 over December 31, 2023, primarily because of year-end payroll accruals.

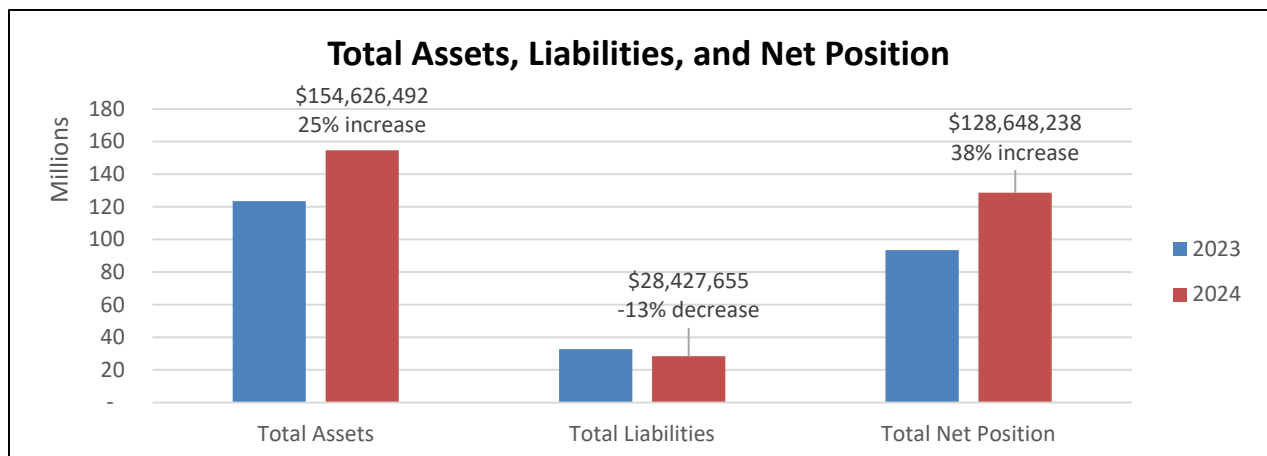
Net Pension Liabilities at December 31, 2024, equal \$4,374,867, a decrease of 13%, or (\$664,458) over December 31, 2023. This is due to year-end Pension Liability adjustment.

Total long-term liabilities at December 31, 2024 equals \$21,423,901, a decrease of 17%, or (\$4,362,470) over December 31, 2023. The decrease was due to the adjustment to pension liability, the disposal of 18 units reducing notes payables and paying off a loan payable for Kestrel land. Long-term liabilities include 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 8 on page 47 of this report.



Net Position

Total net position equals \$128,648,238, an increase of 38% over December 31, 2023.



Revenues, Expenses, and Changes in Net Position:

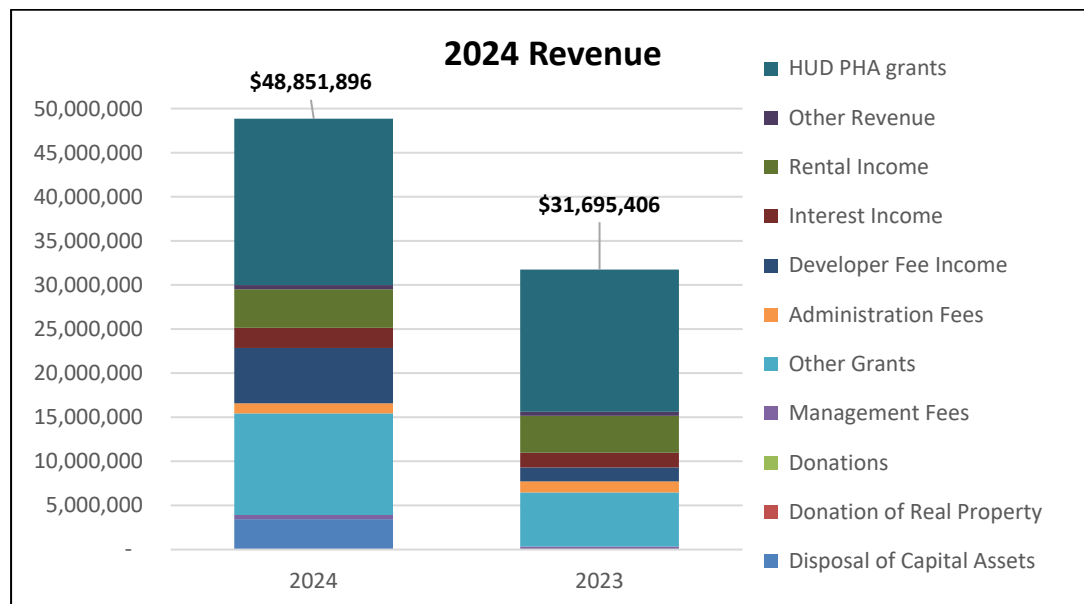
Boulder County Housing Authority (Primary Government)
Change in Net Position for the Year Ended December 31, 2024
(in thousands of dollars)

	2024	2023
Revenues		
HUD PHA grants	\$ 18,860	\$ 16,123
Other Grants	11,524	6,130
Rental Income	4,368	4,206
Administration Fees	1,152	1,259
Management Fees	462	332
Developer Fee Income	6,277	1,569
Interest Income	2,286	1,668
Gain (Loss) on Sale of Capital Assets	3,436	(42)
Other	487	450
Total Revenues	48,852	31,695
Expenses		
Housing Assistance Payments	\$ 17,717	\$ 15,609
Administration	4,790	4,920
Maintenance	2,946	3,091
Direct Client Expense	3,240	5,344
Depreciation & Amortization	1,408	1,361
Utilities	460	407
Insurance	516	486
Interest Expense	483	471
Other Expenses	184	186
Total Expenses	31,744	31,875
Income Before Transfers and HUD Capital Grant Income	17,108	(180)
Transfers from Primary Government	15,820	26,782
Contribution from Boulder County	2,581	-
Change in Net Position	35,509	26,602
Net Position Beginning of Year	93,421	66,819
Adjustment for Adoption of New Standard	(282)	-
Net Position Beginning of Year, As Restated	93,139	66,819
Net Position - End of Year	\$ 128,648	\$ 93,421

Revenue

Total revenue for the year ended December 31, 2024, equals \$48,851,896, an increase of 54%, or \$17,156,490 over 2023. This is primarily due to an increase in Other Grants, specifically BCHA received funding from the Colorado Department of Local Affairs – Division of Housing (CDOH) for Willoughby Corner Senior (\$3,118,500) and Willoughby Corner Multi-Family (\$7,600,000) projects.

Additional drivers to revenue over 2023 include the disposal of 18 units, an increase of \$3,889,291 over 2023 and an increase in developer fees earned in 2024. HUD PHA grants increased 17% or 2,737,124 over December 31, 2023, from an increase in vouchers administered in the Section 8 HCV and EHV programs. BCHA received special administrative funding in 2023 from the EHV program, these one-time funding fees were not provided in 2024, reducing administrative revenue by 9% or (\$107,195) over 2023. Rental income slightly increased at 4%, or \$161,411 over 2023.



Expenses

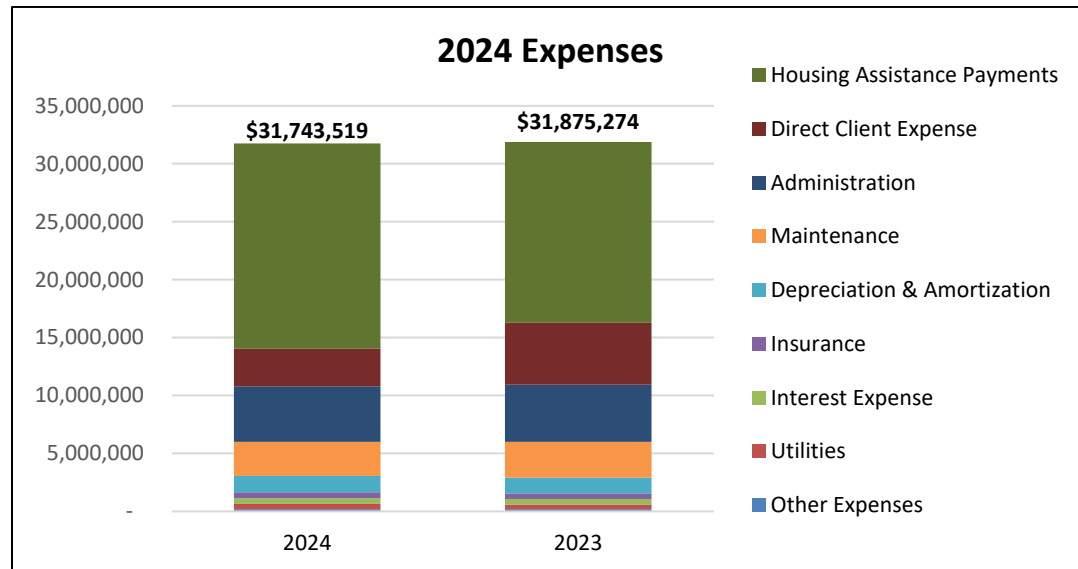
Total expenses for the year ended December 31, 2024 equal \$31,743,519. Expenses remained flat in 2024, decreasing -0.4% or (\$131,755) over 2023.

Housing Assistance Payments for the year ended December 31, 2024 equal \$17,716,729, an increase of 14% or \$2,107,976 over 2023. The increase is primarily due to increased spending in the HCV, EHV and Mainstream voucher programs.

Direct client expense for the year ended December 31, 2024 equal \$3,240,393, a decrease of 39% or (\$2,103,538) over 2023. Decreased spending was primarily due to the conclusion of the USTRA-ERA, the federal funding program for rental assistance related to COVID relief.

Property maintenance expenses for the year ended December 31, 2024 equal \$2,945,961, a decrease of 5% or (\$145,027) over December 31, 2023. Maintenance expense is comprised of maintenance salary and benefits \$1,644,846, a 9% increase over 2023 and regular maintenance \$1,301,115, an 18% decrease over 2023.

Insurance expense increased 6% or \$30,467 and Utilities increased 13% or 52,878 over December 31, 2023.



Conclusion

Not surprisingly, given 2024'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 exceptional property management services to our tenants at each of our existing properties throughout Boulder County. With The Spoke on Coffman fully operational in 2024, BCHA now manages 1,082 affordable housing units across Boulder County.

In 2024, BCHA distributed \$21 million in rental subsidies and housing stabilization supports for County residents. Distributing \$17.7 million in federal HCVs, BCHA served over 989 families/monthly with an average annual housing support of \$17,914. Distributing \$1 million in other federal funds, BCHA served an average of 10 families/monthly. Distributing \$2.1 million in local HSN funds, BCHA served an average of 91 families/monthly.

One of BCHA's goals is to continually deploy all available resources as well as seeks all potential resources in search of opportunities to increase affordable housing in Boulder County. The BCHA development team continues development work on the Willoughby Corner affordable housing neighborhood project in Lafayette, Colorado. In addition to the 192 units constructed in 2024 at the Senior and Multi-Family properties, over the next four years, BCHA is planning the addition of approximately 208 units for a total of 400 units to complete the neighborhood. This project represents a 44% increase in BCHA's affordable housing portfolio.

Contact Information

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

Sean Doherty
Finance Division Director
Boulder County Housing
PO Box 471
Boulder, CO 80306

Boulder County Housing Authority
Statement of Net Position
December 31, 2024

	Primary Government	Discretely Presented Component Units
Assets and Deferred Outflows		
Current Assets		
Cash and cash equivalents	\$ 25,324,523	\$ 4,202,914
Restricted cash and cash equivalents	2,051,955	4,179,146
Accounts receivable		
Tenants	114,871	101,174
Developer fees	2,593,651	-
Other	117,082	24,040
Due from other agencies	570,024	-
Due from component units	1,186,200	-
Interest receivable - current portion	103,777	-
Prepaid expenses	454,969	267,595
Inventory	327,886	-
Total Current Assets	<u>32,844,938</u>	<u>8,774,869</u>
Developer Fee Receivable	<u>7,051,072</u>	<u>-</u>
Notes Receivable	<u>63,023,865</u>	<u>-</u>
Accrued Interest Receivable	<u>10,166,390</u>	<u>-</u>
Other Assets	<u>83,907</u>	<u>1,561,931</u>
Capital Assets		
Non-depreciable	14,905,092	10,544,582
Depreciable, net	26,287,156	212,335,839
Right-to-use leased assets, net	264,072	-
Total Capital Assets	<u>41,456,320</u>	<u>222,880,421</u>
Total Assets	<u>154,626,492</u>	<u>233,217,221</u>
Deferred Outflows		
Pensions	2,458,563	-
Other postemployment benefits	108,468	-
Total Deferred Outflows	<u>2,567,031</u>	<u>-</u>
Total Assets and Deferred Outflows	<u><u>\$ 157,193,523</u></u>	<u><u>\$ 233,217,221</u></u>

Boulder County Housing Authority
Statement of Net Position
December 31, 2024

	Primary Government	Discretely Presented Component Units
Liabilities, Deferred Inflows and Net Position		
Current Liabilities		
Accounts payable	\$ 566,302	\$ 277,072
Accounts payable - construction	1,521,301	5,760,083
Construction note payable	-	46,778,109
Accrued liabilities	645,096	24,005
Accrued compensated absences	220,283	-
Accrued interest payable	1,318	455,748
Unearned revenues	64,408	10,499
Due to Boulder County Housing Authority	-	1,186,200
Due to Boulder County	3,360,646	-
Tenant security deposits payable	107,970	179,674
Developer fee payable	-	2,593,651
Lease liability - current	50,437	-
Notes, mortgages and bonds payable - current portion	465,993	820,496
Total Current Liabilities	<u>7,003,754</u>	<u>58,085,537</u>
Long-Term Liabilities		
Accrued compensated absences	681,090	-
Developer fee payable	-	7,051,072
Accrued interest payable	-	8,742,762
Accrued liabilities - long-term	235,491	-
Unearned revenues - long-term	5,354,132	-
Lease liability - net of current portion	215,738	-
Notes, mortgages and bonds payable - net of current portion	10,227,572	115,598,118
Net postemployment benefits liability	335,011	-
Net pension liability	4,374,867	-
Total Long-Term Liabilities	<u>21,423,901</u>	<u>131,391,952</u>
Total Liabilities	<u>28,427,655</u>	<u>189,477,489</u>
Deferred Inflows		
Pensions	9,248	-
Other postemployment benefits	108,382	-
Total Deferred Inflows	<u>117,630</u>	<u>-</u>
Net Position		
Net investment in capital assets	30,467,982	59,683,698
Restricted	17,069	-
Unrestricted	98,163,187	(15,943,966)
Total Net Position	<u>128,648,238</u>	<u>43,739,732</u>
Total Liabilities, Deferred Inflows and Net Position	<u><u>\$ 157,193,523</u></u>	<u><u>\$ 233,217,221</u></u>

Boulder County Housing Authority
Statement of Revenues, Expenses and Changes in Net Position
Year Ended December 31, 2024

	Primary Government	Discretely Presented Component Units
Operating Revenues		
HUD PHA grants	\$ 18,860,503	\$ -
Other grants	11,523,692	-
Rental income	4,367,512	10,427,475
Administration fees	1,151,706	-
Management fees	462,256	-
Developer fee income	6,277,269	-
Other	487,443	85,497
Total operating revenues	<u>43,130,381</u>	<u>10,512,972</u>
Operating Expenses		
Housing assistance payments	17,716,729	-
Administrative salaries and benefits	3,892,837	992,252
Maintenance salaries and benefits	1,644,846	1,525,504
Regular and extraordinary maintenance	1,301,115	1,252,450
Direct client expenses	3,240,393	-
Other administrative	896,704	624,754
Depreciation and amortization	1,408,372	4,579,293
Utilities	459,648	1,122,729
Insurance	516,212	483,928
Other expenses	183,445	350,070
Total operating expenses	<u>31,260,301</u>	<u>10,930,980</u>
Operating Income (Loss)	<u>11,870,080</u>	<u>(418,008)</u>
Non-Operating Revenues (Expenses)		
Interest income	2,285,160	52,361
Interest expense	(483,218)	(3,402,177)
Gain on disposal of capital assets	3,436,355	-
Total Non-Operating Revenues (Expenses)	<u>5,238,297</u>	<u>(3,349,816)</u>
Income (Loss) Before Other Contributions and Transfers	17,108,377	(3,767,824)
Other Contributions and Transfers		
Member contributions, net of syndication costs	-	772,040
Member distributions	-	(14,409)
Contribution from Boulder County	2,581,500	-
Transfers from Boulder County	15,819,587	-
Change in Net Position	<u>35,509,464</u>	<u>(3,010,193)</u>
Net Position - Beginning of Year, as Originally Reported	93,420,929	46,749,925
Adjustment for Adoption of New Standard	<u>(282,155)</u>	<u>-</u>
Net Position - Beginning of Year, as Restated	<u>93,138,774</u>	<u>46,749,925</u>
Net Position - End of Year	<u><u>\$ 128,648,238</u></u>	<u><u>\$ 43,739,732</u></u>

Boulder County Housing Authority

Statement of Cash Flows

Year Ended December 31, 2024

	Primary Government	Discretely Presented Component Units
Operating Activities		
HUD PHA grants	\$ 18,582,211	\$ -
Other grants	11,523,692	-
Receipts from tenants	4,393,951	10,340,862
Administration fees	1,151,706	-
Management fee income	462,256	-
Developer fee income	666,372	-
Other income	458,903	85,497
Housing assistance payments	(17,716,729)	-
Payments to employees	(5,821,666)	(2,518,672)
Payments to suppliers	(6,823,656)	(3,778,296)
Net Cash from Operating Activities	6,877,040	4,129,391
Noncapital Financing Activities		
Advances from related party	1,863,777	133,936
Transfers in from Boulder County	17,168,606	-
Net Cash from Noncapital Financing Activities	19,032,383	133,936
Capital and Related Financing Activities		
Proceeds from construction note payable	-	39,858,318
Payments on lease liability	(30,536)	-
Principal payments on long-term debt	(4,841,761)	(776,160)
Proceeds from long-term debt borrowings	-	12,746,603
Interest paid on long-term debt	(483,218)	(2,683,249)
Payment on developer fee payable	-	(158,073)
Equity contributions	-	802,040
Equity distributions	-	(14,409)
Payment of syndication costs	-	(30,000)
Purchase of capital assets	(13,507,263)	(56,400,735)
Proceeds from sale of capital assets	11,188,606	-
Net Cash used for Capital and Related Financing Activities	(7,674,172)	(7,745,632)
Investing Activities		
Issuance of notes receivable	(11,045,703)	-
Payments received on notes receivable	42,172	-
Interest receipts	801,300	52,361
Net Cash (used for) from Investing Activities	(10,202,231)	52,361
Net Change in Cash and Cash Equivalents	8,033,020	(3,429,944)
Cash and Cash Equivalents, Beginning of Year	19,343,458	11,812,004
Cash and Cash Equivalents, End of Year	\$ 27,376,478	\$ 8,382,060

Boulder County Housing Authority

Statement of Cash Flows

Year Ended December 31, 2024

	Primary Government	Discretely Presented Component Units
Reconciliation of Cash and Cash Equivalents		
Cash	\$ 25,324,523	\$ 4,202,914
Restricted Cash	2,051,955	4,179,146
Total Cash and Cash Equivalents	<u>\$ 27,376,478</u>	<u>\$ 8,382,060</u>
Reconciliation of operating income (loss) to net cash from operating activities		
Operating income (loss)	\$ 11,870,080	\$ (418,008)
Adjustments to reconcile operating income (loss) to net cash from operating activities		
Depreciation and amortization	1,408,372	4,579,293
Bad debt	-	53,466
Change in net other postemployment benefits liability and related deferred inflows and deferred outflows	(22,954)	-
Change in net pension liability and related deferred inflows and deferred outflows	(399,790)	-
Changes in assets and liabilities		
Change in receivables	(5,850,657)	(107,675)
Change in prepaid expenses	(399,511)	(225,705)
Change in inventory	32,621	-
Change in other assets	1,229	
Change in accounts payable	4,330	189,106
Change in accrued expenses	273,953	37,852
Change in unearned revenues	(40,634)	(1,068)
Change in security deposits payable	1	22,130
Net Cash from Operating Activities	<u>\$ 6,877,040</u>	<u>\$ 4,129,391</u>
Supplemental Disclosure of Noncash Investing and Financing Activities		
Right-of-use assets obtained in exchange for new lease liabilities	<u>\$ 296,711</u>	<u>\$ -</u>
Increase in capital assets from accounts payable - construction	<u>\$ 1,521,301</u>	<u>\$ 5,760,083</u>
Decrease in notes, mortgages, and bonds payable from forgiveness of note payable to Boulder County	<u>\$ 2,581,500</u>	<u>\$ -</u>
Increase in capital assets from developer fee payable	<u>\$ -</u>	<u>\$ 5,768,970</u>
Increase in capital assets from accrued interest	<u>\$ -</u>	<u>\$ 1,085,327</u>

Boulder County Housing Authority
Combining Statement of Net Position – Component Units
December 31, 2024

	Josephine Commons, LLC	Aspinwall, LLC	Kestrel I, LLC	Tungsten Village LLC	Coffman Place LLC	Willoughby Corner Seniors LLLP	Willoughby Corner Multifamily LLLP	Total
Assets								
Current Assets								
Cash and cash equivalents	\$ 626,574	\$ 1,167,835	\$ 535,362	\$ 236,896	\$ 1,268,047	\$ 92,197	\$ 276,003	\$ 4,202,914
Restricted cash and cash equivalents	683,464	1,388,791	1,619,505	166,155	321,231	-	-	4,179,146
Accounts receivable								
Tenants	-	8,518	66,445	4,530	20,222	997	462	101,174
Other	-	316	-	-	23,724	-	-	24,040
Prepaid expenses	-	-	149,694	20,458	21,306	57,443	18,694	267,595
Total Current Assets	1,310,038	2,565,460	2,371,006	428,039	1,654,530	150,637	295,159	8,774,869
Other Assets, net of Accumulated Amortization	16,063	34,259	137,759	98,037	185,847	380,531	709,435	1,561,931
Capital Assets								
Non-depreciable	86,500	3,387,965	3,276,533	546,027	805,765	868,592	1,573,200	10,544,582
Depreciable, net	10,177,393	24,180,697	50,078,936	7,245,858	24,429,234	30,114,739	66,108,982	212,335,839
Total Capital Assets	10,263,893	27,568,662	53,355,469	7,791,885	25,234,999	30,983,331	67,682,182	222,880,421
Total Assets	<u>\$ 11,589,994</u>	<u>\$ 30,168,381</u>	<u>\$ 55,864,234</u>	<u>\$ 8,317,961</u>	<u>\$ 27,075,376</u>	<u>\$ 31,514,499</u>	<u>\$ 68,686,776</u>	<u>\$ 233,217,221</u>

Boulder County Housing Authority
Combining Statement of Net Position – Component Units
December 31, 2024

	Josephine Commons, LLC	Aspinwall, LLC	Kestrel I, LLC	Tungsten Village LLC	Coffman Place LLC	Willoughby Corner Seniors LLLP	Willoughby Corner Multifamily LLLP	Total
Liabilities and Net Position								
Current Liabilities								
Accounts payable	\$ 21,009	\$ 64,458	\$ 35,285	\$ 1,102	\$ 13,084	\$ 33,187	\$ 108,947	\$ 277,072
Accounts payable - construction	-	-	-	-	-	1,103,284	4,656,799	5,760,083
Construction note payable	-	-	-	-	-	13,545,519	33,232,590	46,778,109
Accrued liabilities	7,345	6,923	8,866	-	-	446	425	24,005
Accrued interest payable	15,576	38,836	115,355	11,839	76,433	64,344	133,365	455,748
Unearned revenues	-	2,177	8,322	-	-	-	-	10,499
Due to Boulder								
County Housing Authority	30,875	245,870	114,704	198,454	363,685	96,644	135,968	1,186,200
Tenant security deposits payable	20,150	53,875	57,999	6,850	15,800	12,400	12,600	179,674
Developer fee payable	-	-	389,356	-	99,814	434,336	1,670,145	2,593,651
Notes, mortgages and bonds payable - current portion	44,742	346,261	392,392	37,101	-	-	-	820,496
Total Current Liabilities	139,697	758,400	1,122,279	255,346	568,816	15,290,160	39,950,839	58,085,537
Long-Term Liabilities								
Developer fee payable	-	-	301,755	-	1,515,511	1,801,688	3,432,118	7,051,072
Accrued interest payable	764,828	3,633,293	2,420,315	208,833	492,503	428,200	794,790	8,742,762
Notes, mortgages and bonds payable - net of current portion	4,243,136	24,789,540	36,319,108	3,882,359	14,965,119	12,381,976	19,016,880	115,598,118
Total Long-Term Liabilities	5,007,964	28,422,833	39,041,178	4,091,192	16,973,133	14,611,864	23,243,788	131,391,952
Total Liabilities	5,147,661	29,181,233	40,163,457	4,346,538	17,541,949	29,902,024	63,194,627	189,477,489
Net Position								
Net investment in capital assets	5,976,015	2,432,861	16,643,969	3,872,425	10,269,880	5,055,836	15,432,712	59,683,698
Restricted	-	-	-	-	-	-	-	-
Unrestricted	466,318	(1,445,713)	(943,192)	98,998	(736,453)	(3,443,361)	(9,940,563)	(15,943,966)
Total Net Position	6,442,333	987,148	15,700,777	3,971,423	9,533,427	1,612,475	5,492,149	43,739,732
Total Liabilities and Net Position	\$ 11,589,994	\$ 30,168,381	\$ 55,864,234	\$ 8,317,961	\$ 27,075,376	\$ 31,514,499	\$ 68,686,776	\$ 233,217,221

Boulder County Housing Authority
Combining Statement of Revenues, Expenses and Changes in Net Position – Component Units
Year Ended December 31, 2024

	Josephine Commons, LLC	Aspinwall, LLC	Kestrel I, LLC	Tungsten Village LLC	Coffman Place LLC	Willoughby Corner Seniors LLP	Willoughby Corner Multifamily LLP	Total
Operating Revenues								
Rental income	\$ 1,234,530	\$ 3,564,719	\$ 3,830,716	\$ 510,886	\$ 1,229,184	\$ 29,401	\$ 28,039	\$ 10,427,475
Other	2,608	10,585	38,284	3,316	30,031	351	322	85,497
Total operating revenues	<u>1,237,138</u>	<u>3,575,304</u>	<u>3,869,000</u>	<u>514,202</u>	<u>1,259,215</u>	<u>29,752</u>	<u>28,361</u>	<u>10,512,972</u>
Operating Expenses								
Administrative salaries and benefits	83,056	315,713	392,894	95,964	104,625	-	-	992,252
Maintenance salaries and benefits	197,993	458,120	602,928	72,913	192,984	431	135	1,525,504
Regular and extraordinary maintenance	235,397	529,972	367,921	14,600	102,942	916	702	1,252,450
Other administrative	56,555	156,809	248,946	20,285	138,672	1,785	1,702	624,754
Depreciation and amortization	441,062	957,276	1,895,682	312,004	821,468	110,191	41,610	4,579,293
Utilities	88,298	457,693	386,549	85,682	104,507	-	-	1,122,729
Insurance	52,831	153,705	162,378	41,767	64,435	6,702	2,110	483,928
Other expenses	112,002	6,920	8,866	20,284	39,426	86,399	76,173	350,070
Total operating expenses	<u>1,267,194</u>	<u>3,036,208</u>	<u>4,066,164</u>	<u>663,499</u>	<u>1,569,059</u>	<u>206,424</u>	<u>122,432</u>	<u>10,930,980</u>
Operating Income (Loss)	<u>(30,056)</u>	<u>539,096</u>	<u>(197,164)</u>	<u>(149,297)</u>	<u>(309,844)</u>	<u>(176,672)</u>	<u>(94,071)</u>	<u>(418,008)</u>
Non-Operating Revenues (Expenses)								
Interest income	432	48,803	277	2,829	20	-	-	52,361
Interest expense	(275,344)	(939,286)	(1,331,477)	(199,443)	(514,327)	(104,005)	(38,295)	(3,402,177)
Total Non-Operating Revenues (Expenses)	<u>(274,912)</u>	<u>(890,483)</u>	<u>(1,331,200)</u>	<u>(196,614)</u>	<u>(514,307)</u>	<u>(104,005)</u>	<u>(38,295)</u>	<u>(3,349,816)</u>
Loss Before Other Contributions and Distributions	(304,968)	(351,387)	(1,528,364)	(345,911)	(824,151)	(280,677)	(132,366)	(3,767,824)
Other Contributions Member contributions, net of syndication costs	-	-	-	-	293,731	-	478,309	772,040
Distributions	(13,077)	(1,332)	-	-	-	-	-	(14,409)
Change in Net Position	(318,045)	(352,719)	(1,528,364)	(345,911)	(530,420)	(280,677)	345,943	(3,010,193)
Net Position - Beginning of Year	<u>6,760,378</u>	<u>1,339,867</u>	<u>17,229,141</u>	<u>4,317,334</u>	<u>10,063,847</u>	<u>1,893,152</u>	<u>5,146,206</u>	<u>46,749,925</u>
Net Position - End of Year	<u>\$ 6,442,333</u>	<u>\$ 987,148</u>	<u>\$ 15,700,777</u>	<u>\$ 3,971,423</u>	<u>\$ 9,533,427</u>	<u>\$ 1,612,475</u>	<u>\$ 5,492,149</u>	<u>\$ 43,739,732</u>

See Notes to Financial Statements

Boulder County Housing Authority
Combining Statement of Cash Flows – Component Units
Year Ended December 31, 2024

	Josephine Commons, LLC	Aspinwall, LLC	Kestrel I, LLC	Tungsten Village LLC	Coffman Place LLC	Willoughby Corner Seniors LLLP	Willoughby Corner Multifamily LLLP	Total
Operating Activities								
Receipts from tenants	\$ 1,233,830	\$ 3,586,205	\$ 3,754,907	\$ 508,802	\$ 1,176,137	\$ 40,804	\$ 40,177	\$ 10,340,862
Other income	2,608	10,585	38,284	3,316	30,031	351	322	85,497
Payments to employees	(281,049)	(773,833)	(995,822)	(168,877)	(297,609)	(1,347)	(135)	(2,518,672)
Payments to suppliers	(537,287)	(1,274,928)	(1,286,948)	(175,806)	(394,621)	(118,696)	9,990	(3,778,296)
Net Cash from (used for) Operating Activities	418,102	1,548,029	1,510,421	167,435	513,938	(78,888)	50,354	4,129,391
Noncapital Financing Activity								
Advances from (payments to) related party	(54,575)	97,565	(75,101)	61,106	206,952	92,884	(194,895)	133,936
Capital and Related Financing Activities								
Proceeds from construction note payable	-	-	-	-	-	11,247,707	28,610,611	39,858,318
Principal payments on long-term debt	(41,483)	(322,740)	(377,181)	(34,756)	-	-	-	(776,160)
Proceeds from long-term debt borrowings	-	-	-	-	-	4,819,500	7,927,103	12,746,603
Interest paid on long-term debt	(208,119)	(1,027,859)	(996,270)	(141,121)	(309,880)	-	-	(2,683,249)
Payment on developer fee payable	-	-	(31,017)	-	(127,056)	-	-	(158,073)
Equity contributions	-	-	-	-	293,731	-	508,309	802,040
Equity distributions	(13,077)	(1,332)	-	-	-	-	-	(14,409)
Payment of syndication costs	-	-	-	-	-	-	(30,000)	(30,000)
Purchase of capital assets	(88,440)	(17,743)	-	-	(13,189)	(16,104,386)	(40,176,977)	(56,400,735)
Purchase of other assets	-	-	-	-	-	(380,532)	(709,435)	(1,089,967)
Net Cash used for Capital and Related Financing Activities	(351,119)	(1,369,674)	(1,404,468)	(175,877)	(156,394)	(417,711)	(3,870,389)	(7,745,632)
Investing Activity								
Interest income	432	48,803	277	2,829	20	-	-	52,361
Net Change in Cash and Cash Equivalents	12,840	324,723	31,129	55,493	564,516	(403,715)	(4,014,930)	(3,429,944)
Cash and Cash Equivalents, Beginning of Year	1,297,198	2,231,903	2,123,738	347,558	1,024,762	495,912	4,290,933	11,812,004
Cash and Cash Equivalents, End of Year	\$ 1,310,038	\$ 2,556,626	\$ 2,154,867	\$ 403,051	\$ 1,589,278	\$ 92,197	\$ 276,003	\$ 8,382,060

Boulder County Housing Authority
Combining Statement of Cash Flows – Component Units
Year Ended December 31, 2024

	Josephine Commons, LLC	Aspinwall, LLC	Kestrel I, LLC	Tungsten Village LLC	Coffman Place LLC	Willoughby Corner Seniors LLLP	Willoughby Corner Multifamily LLLP	Total
Reconciliation of Cash and Cash Equivalents								
Cash	\$ 626,574	\$ 1,167,835	\$ 535,362	\$ 236,896	\$ 1,268,047	\$ 92,197	\$ 276,003	\$ 4,202,914
Restricted Cash	683,464	1,388,791	1,619,505	166,155	321,231	-	-	4,179,146
Total Cash and Cash Equivalents	<u>\$ 1,310,038</u>	<u>\$ 2,556,626</u>	<u>\$ 2,154,867</u>	<u>\$ 403,051</u>	<u>\$ 1,589,278</u>	<u>\$ 92,197</u>	<u>\$ 276,003</u>	<u>\$ 8,382,060</u>
Reconciliation of operating loss to net cash from (used for) operating activities								
Operating income (loss)	\$ (30,056)	\$ 539,096	\$ (197,164)	\$ (149,297)	\$ (309,844)	\$ (176,672)	\$ (94,071)	\$ (418,008)
Adjustments to reconcile operating income (loss) to net cash from (used for) operating activities								
Depreciation and amortization	441,062	957,276	1,895,682	312,004	821,468	110,191	41,610	4,579,293
Bad debt	-	285	29,125	-	24,056	-	-	53,466
Changes in assets and liabilities								
Change in receivables	-	23,440	(77,375)	(1,684)	(50,597)	(997)	(462)	(107,675)
Change in prepaid expenses	-	-	(149,694)	(392)	518	(57,443)	(18,694)	(225,705)
Change in accounts payable	7,582	29,687	8,022	(135)	1,816	33,187	108,947	189,106
Change in accrued expenses	214	199	259	7,339	28,971	446	424	37,852
Change in unearned revenues	-	(2,234)	1,166	-	-	-	-	(1,068)
Change in security deposits payable	(700)	280	400	(400)	(2,450)	12,400	12,600	22,130
Net Cash from (used for) Operating Activities	<u>\$ 418,102</u>	<u>\$ 1,548,029</u>	<u>\$ 1,510,421</u>	<u>\$ 167,435</u>	<u>\$ 513,938</u>	<u>\$ (78,888)</u>	<u>\$ 50,354</u>	<u>\$ 4,129,391</u>
Supplemental Disclosure of Noncash Investing and Financing Activities								
Increase in capital assets from accounts payable - construction	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,103,284</u>	<u>\$ 4,656,799</u>	<u>\$ 5,760,083</u>
Increase in capital assets from developer fee payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,788,819</u>	<u>\$ 3,980,151</u>	<u>\$ 5,768,970</u>
Increase in capital assets from accrued interest	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 390,494</u>	<u>\$ 694,833</u>	<u>\$ 1,085,327</u>

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 1082 units of affordable housing in Boulder County and administers up to 33 Emergency Housing Vouchers (EHV), and 957 Section 8 housing choice vouchers which includes 90 family unification program (FUP) vouchers, 80 Section 8 VASH vouchers, 40 Mainstream, and 35 non-elderly disabled (NED) vouchers, as of December 31, 2024. In 2024, the Authority was awarded an additional 10 VASH vouchers with an effective date of March 1, 2025 and 17 Foster Youth to Independence Initiative (FYI) vouchers with an effective date of January 1, 2025.

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

Eight 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 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.
- Willoughby Corner Seniors GP LLC is wholly owned by the Authority and is the managing member of Willoughby Corner Seniors LLLP.
- Willoughby Corner Multifamily GP LLC is wholly owned by the Authority and is the managing member of Willoughby Corner Multifamily LLLP.

The sole member of all eight 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 GP LLC; Coffman Place GP LLC; Willoughby Corner Seniors GP LLC; and Willoughby Corner Multifamily GP LLC are reported within the proprietary funds of the Authority. Josephine Commons Manager, LLC, Aspinwall Manager, LLC, Kestrel Manager, LLC, Tungsten GP LLC; Coffman Place GP LLC; Willoughby Corner Seniors GP LLC; and Willoughby Corner Multifamily GP LLC have little or no activity.

Separate financial statements for the blended component units are not issued. Condensed component unit information for MFPH is disclosed in Note 17.

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, 2024. 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.

Willoughby Corner Seniors LLLP (Willoughby Corner Senior) was formed to acquire, own, develop, construct, rehabilitate, lease, manage, and operate a 63-unit senior affordable housing complex for residents in Lafayette, Colorado. The managing member of the Company, Willoughby Corner Seniors GP LLC, is wholly owned by the Boulder County Housing Authority. Willoughby Corner Seniors GP LLC has an ownership percentage of .01%. As the managing member, the Authority has the day-to-day management responsibilities of the Company.

Willoughby Corner Multifamily LLLP (Willoughby Corner Multifamily) was formed to acquire, own, develop, construct, rehabilitate, lease, manage, and operate a 129-unit multi-family affordable housing complex for residents in Lafayette, Colorado. The managing member of the Company, Willoughby Corner Multifamily GP LLC, is wholly owned by the Boulder County Housing Authority. Willoughby Corner Multifamily 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 statement of net position. 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, 2024, 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, 2024, 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, 2024, 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 acquisition 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, 2024.

Deferred Outflows and Inflows of Resources

In addition to assets, the Statement of Net Position 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, 2023 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 Statement of Net Position includes a separate section for deferred inflows of resources. This separate element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Authority's Deferred Inflows for 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.

Compensated Absences

The Authority follows Boulder County's policy on unpaid vacation and medical leave. The policy allows employees to accumulate unused vacation and medical leave benefits up to certain limits. Upon termination, all unused vacation leave benefits are paid to the employee. Medical leave benefits may be paid to the employee upon termination depending on hire date. Employees hired prior to June 1, 1987, except Human Services Department employees, are paid all unused medical leave benefits upon termination. Employees hired on or after June 1, 1987, are not paid for unused medical leave benefits upon termination.

The liability for compensated absences reported in the financial statements consists of unused leave that is attributable to services already rendered, accumulates, and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that has been used for time off but has not yet been paid in cash or settled through noncash means, and certain other types of leave, such as compensatory time.

Unearned Revenues

As of December 31, 2024, the Authority's unearned revenues consisted of prepaid rents of \$16,604 and Coffman Garage unearned revenue of \$5,401,936.

At December 31, 2024, the discretely presented component units' unearned revenue consisted of prepaid rents of \$6,833 and \$3,666 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 statement of net position that are subject to restraints on their use by HUD.
- Unrestricted Net Position – Consists of assets and deferred outflows less related liabilities and deferred inflows reported in the statement of net position 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. 101

As of January 1, 2024, the Authority adopted GASB Statement No. 101, *Compensated Absences*. This standard updates the previous recognition, measurement, and disclosure guidance for compensated absences in GASB Statement No. 16. The implementation of this standard resulted in a decrease of beginning net position of \$282,155 – Note 18.

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 2024.

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, 2024, 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, 2024, the Authority's carrying amount of deposits was \$27,376,478 and bank balances totaled \$27,564,626. Of the bank balances, \$746,055 was covered by Federal Depository Insurance. Of the remaining balances for 2024, \$26,818,571 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, 2024, investments held by the Authority are held in a local government investment pool totaling \$8,003,976. These funds are classified as cash and cash equivalents on the statement of net position.

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, 2024, the Authority had \$8,003,976 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, 2024, Josephine Commons' carrying amount of deposits was \$1,310,038 and the bank balances totaled \$1,331,544. Of the bank balances, \$500,000 was covered by Federal Depository Insurance. The remaining balance of \$831,544 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, 2024, Aspinwall's carrying amount of deposits was \$2,556,626 and the bank balances totaled \$2,571,674. Of the bank balances, \$500,000 was covered by Federal Depository Insurance. The remaining balance of \$2,071,674 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, 2024, Kestrel's carrying amount of deposits was \$2,154,867 and the bank balances totaled \$2,343,177. Of the bank balances, \$500,000 was covered by Federal Depository Insurance. The remaining balance of \$1,843,177 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, 2024, Tungsten Village's carrying amount of deposits was \$403,051 and the bank balances totaled \$407,690. Of the bank balances, \$407,690 was covered by Federal Depository Insurance.

At December 31, 2024, Coffman Place's carrying amount of deposits was \$1,589,278 and the bank balances totaled \$1,574,705. Of the bank balances, \$500,000 was covered by Federal Depository Insurance. Of the remaining balances for 2024, \$1,074,705 was collateralized with securities held by the pledging financial institution's agent in the government's name.

At December 31, 2024, Willoughby Corner Senior's carrying amount of deposits was \$92,197 and the bank balances totaled \$114,044. Of the bank balances, \$114,044 was covered by Federal Depository Insurance.

At December 31, 2024, Willoughby Corner Multifamily's carrying amount of deposits was \$276,004 and the bank balances totaled \$290,804. Of the bank balances, \$250,000 was covered by Federal Depository Insurance. The remaining balance of \$40,804 was collateralized with securities held by the pledging financial institution's agent in the government's name.

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, 2024, restricted cash and cash equivalents consisted of the following:

HUD Family Self-Sufficiency program escrow	\$ 574,442
HUD Family Self-Sufficiency Forfeiture	3,143
HUD programs	17,069
Rural Development programs	452,814
Community Development Block Grant program	408,600
Bond and other requirements	487,917
Tenant security deposits	107,970
	<u>2,051,955</u>
	<u>\$ 2,051,955</u>

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	\$ 363,745
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	153,099
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	99,345
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	120,421
0.5% note receivable from Josephine Commons, due from cash flow, remaining principal and interest due August 2061, unsecured	443,293	28,218
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	50,285
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	146,073
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	142,096
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	111,199
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	86,556
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	1,617,638

Boulder County Housing Authority

Notes to Financial Statements

December 31, 2024

	Principal	Accrued Interest
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	\$ 997,975
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	2,762,396	481,471
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	500,534
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	192,517
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	67,388
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	176,075
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	111,720
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	1,289,124
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	82,957
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	49,238
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	72,117
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	70,915

Boulder County Housing Authority

Notes to Financial Statements

December 31, 2024

	<u>Principal</u>	<u>Accrued Interest</u>
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	\$ 16,563
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	174,951
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	317,552
4.25% note receivable from Willoughby Corner Senior, payments are to be made from available cash flow, unpaid principal and interest due May 2055, secured by a deed of trust on the property	738,000	51,811
4.25% note receivable from Willoughby Corner Senior, payments are to be made from available cash flow, unpaid principal and interest due May 2065, secured by a deed of trust on the property	803,906	56,437
0% note receivable from Willoughby Corner Senior, payments are to be made from available cash flow, unpaid principal and interest due May 2065, secured by a deed of trust on the property	1,816,756	-
4.25% note receivable from Willoughby Corner Senior, payments are to be made from available cash flow, unpaid principal and interest due May 2065, principal may be drawn to a maximum of \$7,586,814, secured by a deed of trust on the property	7,322,314	315,026
4.25% note receivable from Willoughby Corner Multifamily, payments are to be made from available cash flow, unpaid principal and interest due May 2055, secured by a deed of trust on the property	1,470,000	103,200
4.25% note receivable from Willoughby Corner Multifamily, payments are to be made from available cash flow, unpaid principal and interest due May 2065, secured by a deed of trust on the property	1,646,094	115,562
0% note receivable from Willoughby Corner Multifamily, payments are to be made from available cash flow, unpaid principal and interest due May 2065, secured by a deed of trust on the property	2,176,680	-

Boulder County Housing Authority

Notes to Financial Statements

December 31, 2024

	<u>Principal</u>	<u>Accrued Interest</u>
4.25% note receivable from Willoughby Corner Multifamily, payments are to be made from available cash flow, unpaid principal and interest due May 2065, principal may be drawn to a maximum of \$14,124,106, secured by a deed of trust on the property	\$ 13,724,106	\$ 576,028
Total Notes Receivable from Discretely Presented Component Units	<u>\$ 61,500,150</u>	<u>\$ 8,737,836</u>
<u>Notes Receivable - Other</u>		
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	830,000	1,294,378
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	282,435	148,955
Twenty-five 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	137,697	-
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	<u>175,049</u>	<u>-</u>
Total Notes Receivable - Other	<u>\$ 1,523,715</u>	<u>\$ 1,443,333</u>
Total Notes Receivable	<u><u>\$ 63,023,865</u></u>	<u><u>\$ 10,181,169</u></u>

- (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 2024.
- (B) These notes are issued to low-income residents of Boulder County who receive rehabilitation services on their home.

Boulder County Housing Authority

Notes to Financial Statements

December 31, 2024

In addition to interest on notes receivable, the Authority charges interest on developer fees receivable from Kestrel. At December 31, 2024, the balance of accrued interest receivable consisted of the following:

Accrued interest receivable on notes receivable	\$ 10,181,169
Accrued interest receivable on Kestrel developer fees - Note 16:	38,812
Accrued interest receivable on Coffman developer fees - Note 16:	50,186
	<u> </u>
Total interest receivable	<u>\$ 10,270,167</u>

Note 5 - Capital Assets

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

Primary Government

	Balance January 1	Additions	Disposals	Balance December 31
Nondepreciable assets:				
Land	\$ 7,480,120	\$ -	\$ (238,975)	\$ 7,241,145
Construction in progress	2,873,526	11,477,557	(6,687,136)	7,663,947
Total capital assets not being depreciated	<u>10,353,646</u>	<u>11,477,557</u>	<u>(6,926,111)</u>	<u>14,905,092</u>
Depreciable assets:				
Computer equipment/software	47,819	-	-	47,819
Equipment	154,098	75,263	-	229,361
Furniture and fixtures	64,189	-	-	64,189
Buildings and improvements	44,269,265	2,934,532	(1,962,051)	45,241,746
Land improvements	27,996	39,724	-	67,720
Vehicles	840,941	-	(5,207)	835,734
Total buildings and improvements	<u>45,404,308</u>	<u>3,049,519</u>	<u>(1,967,258)</u>	<u>46,486,569</u>
Accumulated depreciation:				
Computer equipment/software	(47,819)	-	-	(47,819)
Equipment	(9,970)	(55,024)	-	(64,994)
Furniture and fixtures	(57,195)	(1,975)	-	(59,170)
Buildings and improvements	(19,194,072)	(1,225,665)	1,140,164	(19,279,573)
Land improvements	(11,528)	(3,205)	-	(14,733)
Vehicles	(644,215)	(89,864)	955	(733,124)
Total accumulated depreciation	<u>(19,964,799)</u>	<u>(1,375,733)</u>	<u>1,141,119</u>	<u>(20,199,413)</u>
Total capital assets being depreciated	<u>25,439,509</u>	<u>1,673,786</u>	<u>(826,139)</u>	<u>26,287,156</u>
Right-to-use leased assets:				
Right-to-use leased vehicles	-	296,711	-	296,711
Accumulated amortization	-	(32,639)	-	(32,639)
Total right-to-use leased assets	<u>-</u>	<u>264,072</u>	<u>-</u>	<u>264,072</u>
Total capital assets, net	<u>\$ 35,793,155</u>	<u>\$ 13,415,415</u>	<u>\$ (7,752,250)</u>	<u>\$ 41,456,320</u>

Boulder County Housing Authority

Notes to Financial Statements

December 31, 2024

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	609,001	34,800	-	643,801
Buildings and improvements	13,538,591	53,640	-	13,592,231
Total buildings and improvements	15,693,826	88,440	-	15,782,266
Accumulated depreciation:	(5,169,834)	(435,039)	-	(5,604,873)
Total capital assets being depreciated	10,523,992	(346,599)	-	10,177,393
Total capital assets, net	<u>\$ 10,610,492</u>	<u>\$ (346,599)</u>	<u>\$ -</u>	<u>\$ 10,263,893</u>

Aspinwall

	Balance January 1	Additions	Disposals	Balance December 31
Nondepreciable assets:				
Land	\$ 3,387,965	\$ -	\$ -	\$ 3,387,965
Depreciable assets:				
Land improvements	2,857,957	-	-	2,857,957
Geothermal equipment	1,856,997	-	-	1,856,997
Equipment and furnishings	546,280	17,743	-	564,023
Buildings and improvements	30,678,755	-	-	30,678,755
Total buildings and improvements	35,939,989	17,743	-	35,957,732
Accumulated depreciation:	(10,827,234)	(949,801)	-	(11,777,035)
Total capital assets being depreciated	25,112,755	(932,058)	-	24,180,697
Total capital assets, net	<u>\$ 28,500,720</u>	<u>\$ (932,058)</u>	<u>\$ -</u>	<u>\$ 27,568,662</u>

Boulder County Housing Authority

Notes to Financial Statements

December 31, 2024

Kestrel

	Balance January 1	Additions	Disposals	Balance December 31
Nondepreciable assets:				
Land	\$ 3,276,533	\$ -	\$ -	\$ 3,276,533
Depreciable assets:				
Land improvements	5,951,051	-	-	5,951,051
Equipment and furnishings	1,758,707	-	-	1,758,707
Buildings and improvements	63,028,633	-	-	63,028,633
Total buildings and improvements	70,738,391	-	-	70,738,391
Accumulated depreciation:	(18,780,892)	(1,878,563)	-	(20,659,455)
Total capital assets being depreciated	51,957,499	(1,878,563)	-	50,078,936
Total capital assets, net	\$ 55,234,032	\$ (1,878,563)	\$ -	\$ 53,355,469

Tungsten Village

	Balance January 1	Additions	Disposals	Balance December 31
Nondepreciable assets:				
Land	\$ 546,027	\$ -	\$ -	\$ 546,027
Depreciable assets:				
Land improvements	393,899	-	-	393,899
Equipment and furnishings	247,116	-	-	247,116
Buildings and improvements	7,939,813	-	-	7,939,813
Total buildings and improvements	8,580,828	-	-	8,580,828
Accumulated depreciation:	(1,032,302)	(302,668)	-	(1,334,970)
Total capital assets being depreciated	7,548,526	(302,668)	-	7,245,858
Total capital assets, net	\$ 8,094,553	\$ (302,668)	\$ -	\$ 7,791,885

Boulder County Housing Authority

Notes to Financial Statements

December 31, 2024

Coffman Place

	Balance January 1	Additions	Disposals	Balance December 31
Nondepreciable assets:				
Land	\$ 805,765	\$ -	\$ -	\$ 805,765
Depreciable assets:				
Land improvements	734,287	-	-	734,287
Equipment and furnishings	384,052	13,189	-	397,241
Buildings and improvements	25,445,898	-	-	25,445,898
Total buildings and improvements	26,564,237	13,189	-	26,577,426
Accumulated depreciation:	(1,341,658)	(806,534)	-	(2,148,192)
Total capital assets being depreciated	25,222,579	(793,345)	-	24,429,234
Total capital assets, net	\$ 26,028,344	\$ (793,345)	\$ -	\$ 25,234,999

Willoughby Corner Senior

	Balance January 1	Additions	Transfers	Balance December 31
Nondepreciable assets:				
Land	\$ 820,000	\$ 48,592	\$ -	\$ 868,592
Construction in progress	12,169,446	18,053,973	(30,223,419)	-
Total nondepreciable assets	12,989,446	18,102,565	(30,223,419)	868,592
Depreciable assets:				
Land improvements	-	-	4,860,791	4,860,791
Equipment and furnishings	-	-	877,829	877,829
Buildings and improvements	-	-	24,484,799	24,484,799
Total buildings and improvements	-	-	30,223,419	30,223,419
Accumulated depreciation:	-	(108,680)	-	(108,680)
Total capital assets being depreciated	-	(108,680)	30,223,419	30,114,739
Total capital assets, net	\$ 12,989,446	\$ 17,993,885	\$ -	\$ 30,983,331

Boulder County Housing Authority

Notes to Financial Statements

December 31, 2024

Willoughby Corner Multifamily

	Balance January 1	Additions	Transfers	Balance December 31
Nondepreciable assets:				
Land	\$ 1,470,000	\$ 103,200	\$ -	\$ 1,573,200
Construction in progress	18,853,489	47,297,103	(66,150,592)	-
Total nondepreciable assets	20,323,489	47,400,303	(66,150,592)	1,573,200
Depreciable assets:				
Land improvements	-	-	10,084,615	10,084,615
Equipment and furnishings	-	-	1,642,683	1,642,683
Buildings and improvements	-	-	54,423,294	54,423,294
Total buildings and improvements	-	-	66,150,592	66,150,592
Accumulated depreciation:	-	(41,610)	-	(41,610)
Total capital assets being depreciated	-	(41,610)	66,150,592	66,108,982
Total capital assets, net	\$ 20,323,489	\$ 47,358,693	\$ -	\$ 67,682,182

Note 6 - Leases

During the year ended December 31, 2024, the following changes occurred in lease liabilities:

	Balance January 1,	Increases	Decreases	Balance December 31	Due Within One Year
Lease Liability	\$ -	\$ 296,711	\$ (30,536)	\$ 266,175	\$ 50,437

The Authority has entered into multiple lease agreements as lessee for the use of vehicles. The entity is required to make monthly principal and interest payments totaling \$989 per vehicle lease through June 2029. As of December 31, 2024, the value of the lease liability on these vehicles was \$266,175. The lease liability was valued using discount rates ranging from 6.792% to 6.975%.

Note 7 - Construction Notes Payable

Discretely Presented Component Units

Willoughby Corner Senior

Willoughby Corner Senior is financing the construction of the senior project in part with a 6% construction note payable with FirstBank. The construction note payable is expected to be converted to permanent financing upon the earlier of the completion of the conditions specified in the note agreement or March 1, 2025. Capital contributions received by Willoughby Corner Senior may be applied to the principal balance of the note prior to the conversion date. Interest payments are to be made monthly through the date the note is converted to permanent financing. The note may be drawn to a maximum of \$15,600,379. At December 31, 2024, the balance of the construction note payable is \$13,545,519. The note is secured by a deed of trust and an assignment of rents on the Willoughby Corner Senior property.

Willoughby Corner Multifamily

Willoughby Corner Multifamily is financing the construction of the multifamily project in part with a 5.22% construction note payable with FirstBank. The construction note payable is expected to be converted to permanent financing upon the earlier of the completion of the conditions specified in the note agreement or September 1, 2025. Capital contributions received by Willoughby Corner Multifamily may be applied to the principal balance of the note prior to the conversion date. Interest payments are to be made monthly through the date the note is converted to permanent financing. The note may be drawn to a maximum of \$41,817,441. At December 31, 2024, the balance of the construction note payable is \$33,232,590. The note is secured by a deed of trust and an assignment of rents on the Willoughby Corner Multifamily property.

Note 8 - Long-Term Debt

During the year ended December 31, 2024, 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	\$ 5,781,547	\$ -	\$ (2,634,088)	\$ 3,147,459	\$ 55,436
Bonds Payable	12,335,279	-	(4,789,173)	7,546,106	410,557
Total long-term debt	<u>\$ 18,116,826</u>	<u>\$ -</u>	<u>\$ (7,423,261)</u>	<u>\$ 10,693,565</u>	<u>\$ 465,993</u>

Boulder County Housing Authority
Notes to Financial Statements
December 31, 2024

Discretely Presented Component Units

Josephine Commons

	Balance January 1	Increases	Decreases	Balance December 31	Due Within One Year
Notes and Mortgages Payable	<u>\$ 4,324,059</u>	<u>\$ -</u>	<u>\$ (36,181)</u>	<u>\$ 4,287,878</u>	<u>\$ 44,742</u>

Aspinwall

	Balance January 1	Increases	Decreases	Balance December 31	Due Within One Year
Notes and Mortgages Payable	<u>\$ 25,440,131</u>	<u>\$ 100</u>	<u>\$ (304,430)</u>	<u>\$ 25,135,801</u>	<u>\$ 346,261</u>

Kestrel

	Balance January 1	Increases	Decreases	Balance December 31	Due Within One Year
Notes and Mortgages Payable	<u>\$ 37,040,288</u>	<u>\$ -</u>	<u>\$ (328,788)</u>	<u>\$ 36,711,500</u>	<u>\$ 392,392</u>

Tungsten Village

	Balance January 1	Increases	Decreases	Balance December 31	Due Within One Year
Notes and Mortgages Payable	<u>\$ 3,941,559</u>	<u>\$ -</u>	<u>\$ (22,099)</u>	<u>\$ 3,919,460</u>	<u>\$ 37,101</u>

Coffman Place

	Balance January 1	Increases	Decreases	Balance December 31	Due Within One Year
Notes and Mortgages Payable	<u>\$ 14,948,298</u>	<u>\$ 16,821</u>	<u>\$ -</u>	<u>\$ 14,965,119</u>	<u>\$ -</u>

Willoughby Corner Senior

	Balance January 1	Increases	Decreases	Balance December 31	Due Within One Year
Notes and Mortgages Payable	<u>\$ 7,562,476</u>	<u>\$ 4,819,500</u>	<u>\$ -</u>	<u>\$ 12,381,976</u>	<u>\$ -</u>

Boulder County Housing Authority

Notes to Financial Statements

December 31, 2024

Willoughby Corner Multifamily

	Balance January 1	Increases	Decreases	Balance December 31	Due Within One Year
Notes and Mortgages Payable	\$ 11,089,777	\$ 7,927,103	\$ -	\$ 19,016,880	\$ -

Long-term debt as of December 31, 2024, 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	\$ 168,246
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	819,722
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	131,162
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	445,589
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	29,569
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	6,477
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	53,990
1% mortgage note payable - see (A) below	1,492,704
Total notes and mortgages payable	\$ 3,147,459

Boulder County Housing Authority

Notes to Financial Statements

December 31, 2024

Bonds Payable

Series 2012 Housing Revenue Bonds - See (B) below	\$ 5,731,093
Series 2013 Housing Revenue Bonds - See (C) below	<u>1,815,013</u>
Total Bonds Payable	<u>7,546,106</u>

Total Long-Term Debt	<u>\$ 10,693,565</u>
-----------------------------	-----------------------------

- (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, 2024. 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 \$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, 2024.

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 \$25,626, based upon an effective rate of 7.35%	\$ 2,644,585
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
	<u>\$ 4,287,878</u>

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	2,762,396
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 \$121,196, based upon an effective interest rate of 4.47% - see (A) below	10,616,790

6.75% note payable to Mile High Community Loan Fund, Inc., monthly payments of principal and interest are to be made through maturity in July 2031, secured by a deed of trust on the property	\$ 607,724
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>\$ 25,135,801</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 \$447,639, based upon an effective rate of 4.30%	\$ 22,747,168
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

Boulder County Housing Authority

Notes to Financial Statements

December 31, 2024

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	<u>1,450,000</u>
	<u>\$ 36,711,500</u>

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 \$155,063, based upon an effective rate of 5.94%	\$ 2,594,566
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>\$ 3,919,460</u>

Coffman Place

3.0% mortgage note payable to CitiBank, N.A., interest only payments through April 1, 2026 and monthly installments of \$39,101 commencing from May 2026 until maturity on April 1, 2038, secured by a deed of trust, assignment of leases and rents, security agreement, and fixture filing, net of unamortized debt issuance costs of \$474,881, based upon an effective rate of 3.63%	\$ 9,685,119
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>\$ 14,965,119</u>

Willoughby Corner Senior

4.25% note payable to BCHA, payments are to be made from available cash flow, unpaid principal and interest due May 2055, secured by a deed of trust on the property	\$ 738,000
4.25% note payable to BCHA, payments are to be made from available cash flow, unpaid principal and interest due May 2065, secured by a deed of trust on the property	803,906
0% note payable to BCHA, payments are to be made from available cash flow, unpaid principal and interest due May 2065, secured by a deed of trust on the property	1,816,756
4.25% note payable to BCHA, payments are to be made from available cash flow, unpaid principal and interest due May 2065, principal may be drawn to a maximum of \$7,586,814, secured by a deed of trust on the property	7,322,314
1% note payable to the State of Colorado, due in annual installments from available cash flow in an amount equal to fifty percent of Net Cash Flow as defined by the loan agreement, including interest, beginning July 2025 through the maturity date of July 2055, secured by a deed of trust on the property	<u>1,701,000</u>
	<u>\$ 12,381,976</u>

Willoughby Corner Multifamily

4.25% note payable to BCHA, payments are to be made from available cash flow, unpaid principal and interest due May 2055, secured by a deed of trust on the property	\$ 1,470,000
4.25% note payable to BCHA, payments are to be made from available cash flow, unpaid principal and interest due May 2065, secured by a deed of trust on the property	1,646,094
0% note payable to BCHA, payments are to be made from available cash flow, unpaid principal and interest due May 2065, secured by a deed of trust on the property	2,176,680
4.25% note payable to BCHA, payments are to be made from available cash flow, unpaid principal and interest due May 2065, principal may be drawn to a maximum of \$14,124,106, secured by a deed of trust on the property	<u>13,724,106</u>
	<u><u>\$ 19,016,880</u></u>
Total Notes and Mortgages Payable	<u><u>\$ 116,418,614</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.

Boulder County Housing Authority

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December 31, 2024

The estimated debt requirements to maturity for the year ending December 31, 2024 are as follows:

Primary Government

	Principal	Interest	Total
2025	\$ 465,993	\$ 447,224	\$ 913,217
2026	477,728	432,180	909,908
2027	5,613,951	403,018	6,016,969
2028	1,178,098	144,697	1,322,795
2029	348,701	93,819	442,520
2030-2034	1,438,308	402,996	1,841,304
2035-2039	1,010,841	112,407	1,123,248
2040-2044	122,383	9,857	132,240
2045-2046	37,562	596	38,158
Total	<u>\$ 10,693,565</u>	<u>\$ 2,046,794</u>	<u>\$ 12,740,359</u>

Discretely Presented Component Units

Josephine Commons

	Principal	Interest	Total
2025	\$ 44,742	\$ 185,246	\$ 229,988
2026	47,977	182,011	229,988
2027	51,445	178,543	229,988
2028	55,164	174,824	229,988
2029	2,470,883	170,837	2,641,720
2030-2060	-	-	-
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	(25,626)	-	(25,626)
Total	<u>\$ 4,287,878</u>	<u>\$ 32,717,287</u>	<u>\$ 37,005,165</u>

Boulder County Housing Authority

Notes to Financial Statements

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Aspinwall

	Principal	Interest	Total
2025	\$ 346,261	\$ 484,983	\$ 831,244
2026	361,253	469,991	831,244
2027	376,899	454,345	831,244
2028	393,227	438,017	831,244
2029	410,268	420,976	831,244
2030-2034	9,457,802	658,959	10,116,761
2035-2044	-	-	-
2045	609,081	-	609,081
2046-2062	-	-	-
2063	13,302,206	40,158,527	53,460,733
Unamortized debt issuance costs	(121,196)	-	(121,196)
Total	<u>\$ 25,135,801</u>	<u>\$ 43,085,798</u>	<u>\$ 68,221,599</u>

Kestrel

	Principal	Interest	Total
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	441,803	876,811	1,318,614
2029	749,352	858,994	1,608,346
2030-2034	22,228,368	3,441,107	25,669,475
2035-2050	-	-	-
2051	3,712,431	-	3,712,431
2052-2065	-	-	-
2066	8,801,901	26,315,338	35,117,239
Unamortized debt issuance costs	(447,639)	-	(447,639)
Total	<u>\$ 36,711,500</u>	<u>\$ 34,222,806</u>	<u>\$ 70,934,306</u>

Boulder County Housing Authority

Notes to Financial Statements

December 31, 2024

Tungsten Village

	Principal	Interest	Total
2025	\$ 37,101	\$ 138,778	\$ 175,879
2026	39,027	136,852	175,879
2027	41,052	134,827	175,879
2028	42,802	133,077	175,879
2029	45,703	130,476	176,179
2030-2034	251,456	614,892	866,348
2035-2039	2,292,488	280,135	2,572,623
2040-2053	-	-	-
2054	1,324,894	2,592,780	3,917,674
Unamortized debt issuance costs	(155,063)	-	(155,063)
Total	<u>\$ 3,919,460</u>	<u>\$ 4,161,817</u>	<u>\$ 8,081,277</u>

Coffman Place

	Principal	Interest	Total
2025	\$ -	\$ 309,033	\$ 309,033
2026	107,169	308,054	415,223
2027	165,742	303,467	469,209
2028	170,014	299,196	469,210
2029	176,098	293,111	469,209
2030-2034	964,567	1,381,480	2,346,047
2035-2039	8,576,410	834,376	9,410,786
2040-2074	-	-	-
2075	5,280,000	11,256,594	16,536,594
Unamortized debt issuance costs	(474,881)	-	(474,881)
Total	<u>\$ 14,965,119</u>	<u>\$ 14,985,311</u>	<u>\$ 29,950,430</u>

Boulder County Housing Authority

Notes to Financial Statements

December 31, 2024

Willoughby Corner Senior

	Principal	Interest	Total
2025	\$ -	\$ -	\$ -
2026	-	-	-
2027	-	-	-
2028	-	-	-
2029	-	-	-
2030-2054	-	-	-
2055	2,439,000	6,231,081	8,670,081
2056-2064	-	-	-
2065	9,942,976	36,645,851	46,588,827
Total	<u>\$ 12,381,976</u>	<u>\$ 42,876,932</u>	<u>\$ 55,258,908</u>

Willoughby Corner Multifamily

	Principal	Interest	Total
2025	\$ -	\$ -	\$ -
2026	-	-	-
2027	-	-	-
2028	-	-	-
2029	-	-	-
2030-2054	-	-	-
2055	1,470,000	3,653,883	5,123,883
2056-2064	-	-	-
2065	17,546,880	69,313,169	86,860,049
Total	<u>\$ 19,016,880</u>	<u>\$ 72,967,052</u>	<u>\$ 91,983,932</u>

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, March 2066 for Kestrel, December 2054 for Tungsten Village, December 2075 for Coffman Place, and March 2055 and March 2065 for Willoughby Corner Senior and Willoughby Corner Multifamily.

Note 9 - 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, 2024, the outstanding principal balance of the bonds was \$2,300,972.

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, 2024, the outstanding principal balance of the bonds was \$23,194,807.

Note 10 - Compensated Absences

A summary of the activity in the Authority's compensated absences for the year ended December 31, 2024 is as follows:

	Balance January 1, as Restated	Increases	Decreases	Balance December 31	Due Within One Year
Compensated absences	\$ 762,612	\$ 138,761	\$ -	\$ 901,373	\$ 220,283

Note 11 - 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 \$16,137,736 for the year ended December 31, 2024.

Note 12 - Defined Benefit Pension Plan Description**Plan Description**

Eligible employees of the Authority are provided with pensions through the 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.

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, 2023 through December 31, 2023 are summarized in the table below:

	January 1, 2024 Through December 31, 2024
Employee contribution	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, 2024 Through December 31, 2024
Employer Contribution Rate	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%
Amount Apportioned to the LGDTF	9.98%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	2.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	1.50%
Defined Contribution Supplement as specified in C.R.S. § 24-51-415	0.08%
Total Employer Contribution Rate to the LGDTF	13.76%

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 \$814,720 for the year ended December 31, 2024.

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

The net pension liability for the LGDTF was measured as of December 31, 2023, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022. Standard update procedures were used to roll forward the TPL to December 31, 2023. The Authority's proportion of the net pension liability was based on the Authority's contributions to the LGDTF for the calendar year 2023 relative to the total contributions of participating employers.

At December 31, 2024, the Authority reported a net pension liability of \$4,374,867 for its proportionate share of the net pension liability.

At December 31, 2023, the Authority's proportion was .596%, which was an increase of .093% from its proportion measured as of December 31, 2022.

Boulder County Housing Authority

Notes to Financial Statements

December 31, 2024

For the year ended December 31, 2024, the Authority recognized pension expense of \$414,931. At December 31, 2024, 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	\$ 236,753	\$ 4,493
Changes of assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	1,277,479	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	129,611	4,755
Contributions subsequent to the measurement date	814,720	-
Total	\$ 2,458,563	\$ 9,248

\$814,720 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, 2025. 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:

Year ended December 31,	
2025	\$ 368,035
2026	\$ 541,035
2027	\$ 1,077,420
2028	\$ (351,895)
2029	\$ -
Thereafter	\$ -

Actuarial assumptions

The TPL in the December 31, 2022 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 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, 2022, valuation were based on the results of the 2020 experience analysis, dated October 28, 2020, for the period January 1, 2016, through December 31, 2019. Revised economic and demographic assumptions were adopted by the PERA Board on November 20, 2020.

The long-term expected return on plan assets is reviewed as part of regularly scheduled experience studies performed at least every five years and asset/liability studies performed every three to five years for PERA. 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 and 2020 AAP assessments. 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 and 2020 AAP assessments. 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.
- Benefit payments and contributions were assumed to be made at the middle of the year.

- Beginning with the December 31, 2023, measurement date and thereafter, the FNP as of the current measurement date is used as a starting point for the GASB 67 projection test.
- As of the December 31, 2023, measurement date, the FNP and related disclosure components for the Local Government Division reflect payments related to the disaffiliation of Tri-County Health Department as a PERA-affiliated employer, effective December 31, 2022. As of the December 31, 2023, year-end, PERA recognized two additions for accounting and financial reporting purposes: a \$24 million payment received on December 4, 2023 and a \$2 million receivable. The employer disaffiliation payment and receivable allocations to the Local Government Division Trust Fund and HCTF were \$24.967 million and \$1.033 million, respectively.

Based on the above assumptions and methods, the 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	\$ 8,575,227	\$ 4,374,867	\$ 856,383

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.

Note 13 - 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.

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, 2024, program members contributed \$35,499 for the Voluntary Investment Program.

Defined Contribution Retirement Plan (PERA DC Plan)

Plan Description – Eligible employees of the LGDTF hired on or after January 1, 2019, have the option to participate in the LGDTF, a cost-sharing multiple-employer defined benefit pension plan, 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 ACRF 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 are summarized in the tables below:

	January 1, 2024 Through December 31, 2024
Employee contribution rate	9.00%
Employer contribution rate (on behalf of participating employees)	10.00%

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

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

	January 1, 2024 Through December 31, 2024
Amortization Equalization Disbursement (AED) as in C.R.S. § 24-51-411*	2.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411*	1.50%
Automatic Adjustment Provision (AAP), as specified in C.R.S. § 24-51-413*	1.00%
Additional Contribution Supplement as specified in C.R.S. § 24-51-401 and § 24-51-415	8.00%
Total Employer Contribution Rate to the LGDTF	4.78%

Contribution rates 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 2024.

Note 14 - 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.

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 the PERACare health benefits program 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 \$59,991 for the year ended December 31, 2024.

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

At December 31, 2024, the Authority reported a liability of \$335,011 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2023, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2022. Standard update procedures were used to roll forward the TOL to December 31, 2023. The Authority's proportion of the net OPEB liability was based on the Authority's contributions to the HCTF for the calendar year 2023 relative to the total contributions of participating employers to the HCTF.

At December 31, 2023, the Authority's proportion was .047%, which was an increase of .007 from its proportion measured as of December 31, 2022.

Boulder County Housing Authority

Notes to Financial Statements

December 31, 2024

For the year ended December 31, 2024, the Authority recognized OPEB expense of \$37,039. At December 31, 2024, 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	\$ -	\$ 68,664
Changes of assumptions or other inputs	3,940	35,522
Net difference between projected and actual earnings on OPEB plan investments	10,361	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	34,176	4,196
Contributions subsequent to the measurement date	59,991	-
Total	\$ 108,468	\$ 108,382

The \$59,991 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, 2025. 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:

Year ended December 31,	
2025	\$ (34,804)
2026	(14,673)
2027	(2,449)
2028	(9,230)
2029	254
Thereafter	997

Actuarial assumptions

The TOL in the December 31, 2022 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	
PERA benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare Plans*	7.00% in 2023, gradually decreasing to 4.50% in 2033
Medicare Part A Premiums	3.50% in 2023, gradually increasing to 4.50% in 2035

* UnitedHealthcare MAPD PPO plans are 0% for 2023.

Each year the per capita health care costs are developed by plan option; based on 2023 premium rates for the UnitedHealthcare Medicare Advantage Prescription Drug (MAPD) PPO plan #1, the UnitedHealthcare MAPD PPO plan #2, and the Kaiser Permanente MAPD HMO plan. Actuarial morbidity factors are then applied to estimate individual retiree and spouse costs by age, gender, and health care cost trend. This approach applies for all members and is adjusted accordingly for those not eligible for premium-free Medicare Part A for the PERA benefit structure.

Age-Related Morbidity Assumptions

Participant	Annual Increase	Annual Increase
Age	(Male)	(Female)
65-68	2.2%	2.3%
69	2.8%	2.2%
70	2.7%	1.6%
71	3.1%	0.5%
72	2.3%	0.7%
73	1.2%	0.8%
74	0.9%	1.5%
75-85	0.9%	1.3%
86 and Older	0.0%	0.0%

Sample Age	MAPD PPO #1 with Medicare Part A		MAPD PPO #2 with Medicare Part A		MAPD HMO (Kaiser) with Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	\$1,692	\$1,406	\$579	\$481	\$1,913	\$1,589
70	\$1,901	\$1,573	\$650	\$538	\$2,149	\$1,778
75	\$2,100	\$1,653	\$718	\$566	\$2,374	\$1,896

Sample Age	MAPD PPO #1 without Medicare Part A		MAPD PPO #2 without Medicare Part A		MAPD HMO (Kaiser) without Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	\$6,469	\$5,373	\$4,198	\$3,487	\$6,719	\$5,581
70	\$7,266	\$6,011	\$4,715	\$3,900	\$7,546	\$6,243
75	\$8,026	\$6,319	\$5,208	\$4,101	\$8,336	\$6,563

The 2023 Medicare Part A premium is \$506 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, 2022, 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	Medicare Part A
	Plans	Premiums
2023	7.00%	3.50%
2024	6.75%	3.50%
2025	6.50%	3.75%
2026	6.25%	3.75%
2027	6.00%	4.00%
2028	5.75%	4.00%
2029	5.50%	4.00%
2030	5.25%	4.25%
2031	5.00%	4.25%
2032	4.75%	4.25%
2033	4.50%	4.25%
2034	4.50%	4.25%
2035+	4.50%	4.50%

Mortality assumptions used in the December 31, 2022, 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:

- Per capita health care costs in effect as of the December 31, 2022, valuation date for those PERACare enrollees under the PERA benefit structure who are expected to be age 65 and older and are not eligible for premium-free Medicare Part A benefits have been updated to reflect costs for the 2023 plan year.
- The morbidity rates used to estimate individual retiree and spouse costs by age and by gender were updated effective for the December 31, 2022, actuarial valuation. The revised morbidity rate factors are based on a review of historical claims experience by age, gender, and status (active versus retired) from actuary's claims data warehouse.
- The health care cost trend rates applicable to health care premiums were revised to reflect the then current expectation of future increases in those 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, 2022, valuations were based on the 2020 experience analysis, dated October 28, 2020, and November 4, 2020, for the period January 1, 2016, through December 31, 2019. Revised economic and demographic assumptions were adopted by PERA's Board on November 20, 2020.

The long-term expected return on plan assets is reviewed as part of regularly scheduled experience studies performed at least every five years, and asset/liability studies, performed every three to five years for PERA. 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 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*	5.75%	6.75%	7.75%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	2.50%	3.50%	4.50%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	\$ 325,396	\$ 335,011	\$ 345,471

* For the January 1, 2024, plan year.

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, 2023, 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 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.
- Beginning with the December 31, 2023, measurement date and thereafter, the FNP as of the current measurement date is used as a starting point for the GASB 74 projection test.
- As of the December 31, 2023, measurement date, the FNP and related disclosure components for the HCTF reflect payments related to the disaffiliation of Tri-County Health Department as a PERA-affiliated employer, effective December 31, 2022. As of the December 31, 2023, year-end, PERA recognized two additions for accounting and financial reporting purposes: a \$24 million payment received on December 4, 2023, and a \$2 million receivable. The employer disaffiliation payment and receivable allocations to the HCTF and Local Government Division Trust Fund were \$1.033 million and \$24.967 million, respectively.

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	\$ 395,691	\$ 335,011	\$ 283,100

OPEB Plan Fiduciary Net Position

Detailed information about the HCTF's FNP is available PERA's CAFR which can be obtained at www.copera.org/investments/pera-financial-reports.

Note 15 - Commitments and Contingencies

As of December 31, 2024, the Authority has entered into multiple contracts totaling approximately \$10,400,000 in connection with the development of Willoughby Corner. The Willoughby Corner development is planned to provide 195 units of affordable housing upon final completion in 2025.

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 2024, 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 2024, 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, 2024 are as follows:

	Boulder County			Longmont Downtown Development Authority		
	Principal	Interest	Total	Principal	Interest	Total
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
2028	75	1,101	1,176	54	786	840
2029	78	1,098	1,176	55	785	840
Thereafter	36,539	70,477	107,016	26,099	50,341	76,440
Total	<u>\$ 36,905</u>	<u>\$ 75,991</u>	<u>\$ 112,896</u>	<u>\$ 26,360</u>	<u>\$ 54,280</u>	<u>\$ 80,640</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 16 - Related Party Transactions**Developer Fees***Kestrel*

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 \$31,017 to the Authority in 2024. As of December 31, 2024, Kestrel owed the Authority \$691,111 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 2024, Kestrel incurred interest of \$38,812 on the unpaid developer fees. As of December 31, 2024, Kestrel owes the Authority \$38,212 for accrued interest on developer fees.

Coffman Place

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 2024, Coffman Place paid developer fees of \$127,056 to the Authority. As of December 31, 2024, Coffman Place owed the Authority \$1,615,325 for developer 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 fifth capital contribution. Any amount unpaid shall be paid no later than December 31, 2036. During 2024, Coffman Place incurred interest of \$50,186 on the deferred developer fee. As of December 31, 2024, Coffman Place owes the Authority \$50,186 for accrued interest on the deferred developer fee.

Willoughby Corner Senior

Willoughby Corner Senior 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 Willoughby Corner Senior. Developer fees paid to the Authority under this agreement are expected to total \$2,236,024 upon completion. During 2024, Willoughby Corner Senior incurred developer fees of \$1,788,819 to the Authority, which have been capitalized as part of project construction costs. As of December 31, 2024, Willoughby Corner Senior owed the Authority \$2,236,024 for developer fees. Unpaid developer fees are to be paid from available cash flow. No interest is to accrue on unpaid fees. Any remaining unpaid amounts shall be paid no later than fifteen years after the date of the second capital contribution.

Willoughby Corner Multifamily

Willoughby Corner Multifamily 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 Willoughby Corner Multifamily. Developer fees paid to the Authority under this agreement are expected to total \$5,610,562 upon completion. During 2024, Willoughby Corner Multifamily incurred developer fees of \$4,488,450 to the Authority, which have been capitalized as part of project construction costs. As of December 31, 2024, Willoughby Corner Multifamily owed the Authority \$5,102,263 for developer fees. Unpaid developer fees are to be paid from available cash flow. No interest is to accrue on unpaid fees. Any remaining unpaid amounts shall be paid no later than fifteen years after the date of the second capital contribution.

Mortgage Notes and Accrued Interest*Josephine Commons*

Josephine Commons has entered into multiple loan agreements with the Authority – see Note 8. During 2024, Josephine Commons incurred interest expense of \$82,595 in relation to these mortgage notes payable. As of December 31, 2024, Josephine Commons owes the Authority \$764,827 for accrued interest.

Aspinwall

Aspinwall has entered into multiple loan agreements with the Authority – see Note 8. During 2024, Aspinwall incurred interest expense of \$421,345 in relation to these mortgage notes payable. During 2024, Aspinwall made payments on accrued interest of \$519,355 to the Authority from surplus cash. As of December 31, 2024, Aspinwall owes the Authority \$3,633,293 for accrued interest.

Kestrel

Kestrel has entered into multiple loan agreements with the Authority – see Note 8. During 2024, Kestrel incurred interest of \$318,863 to the Authority on these mortgage notes payable. As of December 31, 2024, Kestrel owes the Authority \$2,420,315 for accrued interest.

Tungsten Village

Tungsten Village has entered into multiple loan agreements with the Authority – see Note 8. During 2024, Tungsten Village incurred interest of \$46,887 on these mortgage notes payable. As of December 31, 2024, Tungsten Village owes the Authority \$208,832 for accrued interest.

Coffman Place

Coffman Place has entered into two loan agreements with the Authority – see Note 8. During 2024, Coffman Place incurred interest of \$137,440 on the mortgage notes payable. As of December 31, 2024, Coffman Place owes the Authority \$492,503 for accrued interest.

Willoughby Corner Senior

Willoughby Corner Senior has entered into multiple loan agreements with the Authority – see Note 8. During 2024, Willoughby Corner Senior incurred interest of \$321,224 on these mortgage notes payable. As of December 31, 2024, Willoughby Corner Senior owes the Authority \$423,274 for accrued interest.

Willoughby Corner Multifamily

Willoughby Corner Multifamily has entered into multiple loan agreements with the Authority – see Note 8. During 2024, Willoughby Corner Multifamily incurred interest of \$561,468 on these mortgage notes payable. As of December 31, 2024, Willoughby Corner Multifamily owes the Authority \$794,790 for accrued interest.

Due from Related Party*Josephine Commons*

As of December 31, 2024, Josephine Commons owed the Authority \$30,875 for costs related to operations.

Aspinwall

As of December 31, 2024, Aspinwall owed the Authority \$245,870 for costs paid on behalf of the project by the Authority, including construction costs, accrued wages and benefits.

Kestrel

As of December 31, 2024, Kestrel owed the Authority \$114,704 for costs paid on behalf of the project by the Authority, including construction costs, accrued wages and benefits.

Tungsten Village

As of December 31, 2024, Tungsten Village owed the Authority \$144,699 for costs paid on behalf of the project by the Authority.

Coffman Place

As of December 31, 2024, Coffman Place owed the Authority \$274,996 for various costs paid on behalf of the project by the Authority.

Willoughby Corner Senior

As of December 31, 2024, Willoughby Corner Senior owed the Authority \$96,644 for various costs during construction paid on behalf of the project by the Authority.

Willoughby Corner Multifamily

As of December 31, 2024, Willoughby Corner Multifamily owed the Authority \$135,968 for various costs during construction paid on behalf of the project by the Authority.

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 2024, 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 2024, 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 gross collected rent. During 2024, Kestrel incurred management fees of \$172,382 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 2024, 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 total gross income. During 2024, Coffman Place incurred management fees of \$56,649 to the Authority.

Reimbursement of Expenses

Josephine Commons

During 2024, Josephine Commons reimbursed the Authority approximately \$385,500 for payroll and other expenses.

Aspinwall

During 2024, Aspinwall reimbursed the Authority approximately \$779,200 for payroll and other expenses.

Kestrel

During 2024, Kestrel reimbursed the Authority approximately \$1,171,000 for payroll, reimbursement of construction costs, and other operating expenses.

Tungsten Village

During 2024, Tungsten Village reimbursed the Authority approximately \$51,000 for payroll and other expenses.

Coffman Place

During 2024, Coffman reimbursed the Authority approximately \$176,400 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 2024, Josephine Commons incurred and paid \$104,613 to the Authority for incentive management fees.

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 2024, Tungsten Village incurred \$14,656 to the Authority for company administration fees. As of December 31, 2024, Tungsten Village owed the Authority \$53,755 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 2024, Coffman Place incurred \$34,121 to the Authority for company administration fees. As of December 31, 2024, Coffman Place owed the Authority \$88,689 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.

Willoughby Corner Senior

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 \$411,338, shall bear no interest, and shall be repayable solely from net cash flow as allowed in the operating agreement.

Willoughby Corner Multifamily

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 \$913,318, shall bear no interest, and shall be repayable solely from net cash flow as allowed in the operating agreement.

Housing Assistance Payments

Coffman Place has entered into a Project Based Voucher Program contract with the Authority. Under this agreement, Coffman Place is to receive housing assistance payments based from the Authority in relation to tenant rent, as calculated as part of the tenant recertification process. During 2024, Coffman Place received \$204,813 in assistance from the Authority under the contract.

Note Payable to Boulder County

During 2024, Boulder County forgave the 0% note payable of \$2,581,500 which was previously owed to Boulder County from the Authority.

Due to Boulder County

At December 31, 2024, the Authority owed Boulder County \$3,360,646 for payroll and other operating expenses paid by the County.

Transfers to/from Primary Government

During 2024, the Authority received transfers of \$15,819,587 from Boulder County consisting of \$2,301,500 for the Housing Stabilization Program; \$5,520,198 for operating subsidy; \$458,000 to support low-income energy services; \$2,926,000 to support the construction of Willoughby Corner; \$1,200,000 to support rehab at Casa Esperanza; \$1,700,000 to support rehab for BCHA properties; \$1,670,970 for the purchase of affordable housing; and \$42,919 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 15. 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 2024, the Authority recognized lease revenue of \$37,200 on this lease. At December 31, 2024, unearned revenue on this lease totaled \$3,571,207.

Office Space

During 2024, the Authority incurred \$126,422 to Boulder County for the use of office space.

Note 17 - Condensed Component Unit Information

Condensed component unit information for MFPH Acquisitions LLC, the Authority's blended component unit, for the year ended December 31, 2024, is as follows:

Condensed Statement of Net Position

Assets	
Current Assets	\$ 234,519
Notes Receivable	3,020,000
Accrued Interest	998,685
Capital Assets	<u>1,255,113</u>
Total Assets	<u><u>\$ 5,508,317</u></u>
Liabilities	
Current Liabilities	\$ 53,833
Net Position	<u>5,454,484</u>
Total Liabilities and Net Position	<u><u>\$ 5,508,317</u></u>

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

Operating Revenues	
Tenant rent	\$ 421,466
Other	5,794
Total Operating Revenues	<u>427,260</u>
Operating Expenses	
Administrative salaries and benefits	108,231
Maintenance salaries and benefits	112,648
Regular and extraordinary maintenance	89,230
Direct client expenses	109
Other administrative	36,129
Depreciation and amortization	102,251
Utilities	42,919
Insurance	30,594
Total Operating Expenses	<u>522,111</u>
Operating Loss	<u>(94,851)</u>
Nonoperating Income (Expense)	
Interest income	112,630
Interest expense	(21,892)
Gain on disposal of capital assets	1,376,685
Total Nonoperating Income (Expense)	<u>1,467,423</u>
Income before Transfers	1,372,572
Transfers	<u>(1,772,788)</u>
Change in net position	<u>(400,216)</u>
Net Position, Beginning of year	<u>5,854,700</u>
Net Position, End of year	<u>\$ 5,454,484</u>

Condensed Statement of Cash Flows

Net Cash used for Operating Activities	\$ (27,001)
Net Cash used for Noncapital Financing Activities	(1,772,788)
Net Cash from Capital and Related Financing Activities	1,738,088
Net Cash from Investing Activities	<u>112,630</u>
Net Change in Cash and Cash Equivalents	50,929
Cash and Cash Equivalents, Beginning of year	<u>280,018</u>
Cash and Cash Equivalents, End of year	<u><u>\$ 330,947</u></u>

Note 18 - Change in Accounting Principle

As of January 1, 2024, the Authority implemented the provisions of GASB Statement No. 101, *Compensated Absences*. This statement updated the recognition and measurement guidance for compensated absences and associated salary-related payments and amended certain previously required disclosures. As a result of implementation of this standard, the compensated absences liability as of January 1, 2024 was restated by \$282,155.

The effect of the implementation of this standard on beginning net position is shown in the table below:

Net position at December 31, 2023, as previously reported	\$ 93,420,929
Net decrease in net position resulting from increase in accrued compensated absences	<u>(282,155)</u>
Net position at December 31, 2023, as restated	<u><u>\$ 93,138,774</u></u>

Note 19 - Subsequent Events

Principal Paydown

In 2025, the Authority made an unscheduled principal paydown of \$441,642 on its Series 2013 Bond obligation as a result of sale of one residential property serving as collateral for the debt. The Authority anticipates extinguishment of this debt obligation in 2025 as additional sales of collateral properties are completed.

Capital Asset Purchase

The Authority purchased the Seward Mobile Homes on January 2, 2025, for a total purchase price of \$1,800,523. This site is expected to be used for affordable housing in the future.

Sale of Property

In February, 2025, the Authority sold a commercial property, 1135 Cimmaron Drive and adjacent vacant land lots at a sales price of \$1,950,000.

Required Supplementary Information
December 31, 2024

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, 2024

	Last 10 Fiscal Years*									
	2023	2022	2021	2020	Measurement date as of December 31,		2017	2016	2015	2014
					2019	2018				
Authority's proportion of the net pension liability	0.5959976350%	0.5026442229%	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)	\$ 4,374,867	\$ 5,039,325	\$ (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	\$ 5,645,415	\$ 3,866,301	\$ 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	77.49%	130.34%	-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	88.03%	82.99%	101.49%	90.88%	86.26%	75.96%	79.37%	73.65%	76.87%	80.72%

Boulder County Housing Authority
Schedule of the Authority's Pension Contributions
Local Government Division Trust Fund of Colorado Public Employees' Retirement Association
December 31, 2024

	Last 10 Fiscal Years*									
	2024	2023	2022	2021	Fiscal year-end as of December 31,		2018	2017	2016	2015
					2020	2019				
Contractually required contribution	\$ 814,720	\$ 724,553	\$ 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>(814,720)</u>	<u>(724,553)</u>	<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>	<u>\$ -</u>	<u>\$ -</u>
Authority's covered payroll	\$ 6,415,729	\$ 5,645,415	\$ 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	12.70%	12.83%	14.41%	13.12%	13.58%	12.68%	12.68%	13.49%	12.68%	13.74%

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, 2024

Last 10 Fiscal Years*

	Measurement date as of December 31,						
	2023	2022	2021	2020	2019	2018	2017
Authority's proportion of the net OPEB liability	0.0469383209%	0.0402272441%	0.0328927700%	0.0333510484%	0.0313521021%	0.0359809546%	0.0364759926%
Authority's proportionate share of the net OPEB liability	\$ 335,011	\$ 328,447	\$ 283,636	\$ 316,910	\$ 352,397	\$ 489,536	\$ 474,042
Authority's covered-employee payroll	\$ 5,645,415	\$ 3,866,301	\$ 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	5.93%	8.50%	8.86%	10.75%	12.53%	16.09%	15.62%
Plan fiduciary net position as a percentage of the total OPEB liability	46.16%	38.57%	39.40%	32.78%	24.49%	17.03%	17.53%

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

Boulder County Housing Authority
Schedule of the Authority's OPEB Contributions
Colorado Public Employees' Retirement Association – Healthcare Trust Fund
December 31, 2024

Last 10 Fiscal Years*

	Fiscal year-end as of December 31,						
	2024	2023	2022	2021	2020	2019	2018
Contractually required contribution	\$ 59,991	\$ 53,524	\$ 42,052	\$ 32,382	\$ 31,568	\$ 28,690	\$ 31,040
Contributions in relation to the contractually required contribution	(59,991)	(53,524)	(42,052)	(32,382)	(31,568)	(28,690)	(31,040)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Authority's covered payroll	\$ 6,415,729	\$ 5,645,415	\$ 3,866,301	\$ 3,201,575	\$ 2,949,207	\$ 2,812,786	\$ 3,043,125
Contributions as a percentage of covered payroll	0.94%	0.95%	1.09%	1.01%	1.07%	1.02%	1.02%

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

2023 Changes in Plan Provisions Since 2022

As of the December 31, 2023, measurement date, the fiduciary net position (FNP) and related disclosure components for the Local Government Division and the Health Care Trust Fund (HCTF) reflect payments related to the disaffiliation of Tri-County Health Department (Tri-County Health) as a PERA-affiliated employer, effective December 31, 2022. As of the December 31, 2023, year-end, PERA recognized two additions for accounting and financial reporting purposes: a \$24 million payment received on December 4, 2023 and a \$2 million receivable. The employer disaffiliation payment and receivable allocations to the Local Government Division Trust Fund and Health Care Trust Fund (HCTF) were \$24.967 million and \$1.033 million, respectively.

As of the December 31, 2023, measurement date, the total pension liability (TPL) recognizes the change in the default method applied for granting service accruals for certain members, from a "12-pay" method to a "non-12-pay" method. The default service accrual method for positions with an employment pattern of at least eight months but fewer than 12 months (including, but not limited to positions in the School and DPS Divisions) receive a higher ratio of service credit for each month worked, up to a maximum of 12 months of service credit per year.

2023 Changes of Assumptions or Other Inputs Since 2022

There were no changes made to the actuarial methods or assumptions.

Supplementary Information
December 31, 2024

Boulder County Housing Authority

Boulder County Housing Authority
Schedule of Federal Expenditures
Year Ended December 31, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture (USDA)			
<i>Direct Programs</i>			
Rural Rental Assistance Payments - Prime Haven (Section 515)	10.427		\$ 48,082
Rural Rental Assistance Payments - Walter Self (Section 515)	10.427		<u>129,122</u>
			177,204
Farm Labor Housing Loan and Grants	10.405		112,435
Rural Rental Housing Loans	10.415		<u>1,134,312</u>
Total U.S. Department of Agriculture (USDA)			<u>1,423,951</u>
U.S. Department of Treasury			
<i>Passed Through Boulder County</i>			
Coronavirus State and Local Fiscal Recovery Funds (American Rescue Plan Act)			
Casa Esperanza	21.027	Subgrantee	233,040
Willoughby Corner	21.027	Subgrantee	<u>13,873,092</u>
Total U.S. Department of Treasury			<u>14,106,132</u>
U.S. Department of Housing and Urban Development			
<i>Direct Programs</i>			
Housing Choice Voucher Cluster			
Housing Choice Voucher Program	14.871		17,565,632
Emergency Housing Vouchers	14.871		658,385
Mainstream Vouchers	14.879		<u>630,483</u>
Total Housing Choice Voucher Cluster			<u>18,854,500</u>
Family Self-Sufficiency Coordinator	14.896		<u>266,173</u>
Continuum of Care Program	14.267		<u>720,031</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>208,712</u>
<i>Passed Through Colorado Coalition for the Homeless</i>			
ESG - Emergency Solutions Grant Cluster			
Homelessness Prevention and Rapid Re-Housing	14.231	Subgrantee	72,133
COVID-19 Next Step	14.231	Subgrantee	<u>324,593</u>
Total ESG-Emergency Solutions Grant Cluster			<u>396,726</u>
Total U.S. Department of Housing and Urban Development			<u>20,446,142</u>
Total Federal Financial Assistance			<u>\$ 35,976,225</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, 2024. 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, 2024 is \$90,036.

Note E – Rural Rental Housing Loan Program

The balances and transactions related to the Rural Rental Housing Loan Program, Assistance Listing 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, 2024 is \$1,119,130.



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 (*Government Auditing Standards*), the financial statements of the business-type activities and the aggregate discretely presented component units of Boulder County Housing Authority (the Authority), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated June 12, 2025. The financial statements of the discretely presented component units were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the discretely presented component units.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies 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 2024-001 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*.

The Authority's Response to the Finding

Government Auditing Standards requires the auditor to perform limited procedures on the Authority's response to the finding identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The Authority's response was not subjected to the other auditing procedures applied in the audit of 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 Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Bismarck, North Dakota
June 12, 2025



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, 2024. 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, 2024.

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 each major federal program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

Bismarck, North Dakota
June 12, 2025

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:

<u>Name of Federal Program</u>	<u>Federal Financial Assistance Listing</u>
Coronavirus State and Local Recovery Funds	21.027
Dollar threshold used to distinguish between type A and type B programs	\$ 1,079,287
Auditee qualified as low-risk auditee?	Yes

Section II – Financial Statement Findings

**2024-001 Preparation of the Schedule of Expenditures of Federal Awards and Adjusting Journal Entries
Significant Deficiency**

Criteria – A sound internal control system includes formal procedures to ensure accurate and complete preparation of the Schedule of Expenditures of Federal Awards (SEFA), including awards received both directly and indirectly through other governmental entities. In addition, a sound system of internal control contemplates an adequate system for timely identification, recording, and processing of entries to the financial statements within the Authority’s financial reporting system.

Condition – While the Authority has practices in place to capture directly received federal awards, the existing internal control system did not fully account for all subrecipient (pass-through) federal awards received through intergovernmental transfers. As a result, certain adjustments to the SEFA were necessary during the audit to reflect these subawards. In addition, we identified the need for a significant audit adjustment that was not identified by management prior to providing the trial balance and supporting schedules to the audit team.

Cause – The Authority’s procedures did not previously include a formalized internal control framework specifically designed to identify and document all federal pass-through awards for SEFA reporting purposes and audit adjustments for financial statement reporting purposes.

Effect – There is a risk that the SEFA may be incomplete with respect to subrecipient federal awards if such awards are not identified and recorded in accordance with Uniform Guidance and the financial statements may be misstated.

Recommendation – The Authority should implement a system of internal controls that ensures all federal awards—including those received as a subrecipient—are identified, documented, and included in the SEFA prior to audit submission. In addition, a thorough review and reconciliation of the general ledger 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 – There is no disagreement with the audit finding. The Authority acknowledges the need for enhanced internal controls related to pass-through awards and financial statement adjustments and has implemented a corrective action plan to address the issue.

Section III – Federal Award Findings and Questioned Costs

None