



Financial Statements
December 31, 2010

Fort Collins Housing Authority

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Independent Auditor's Report

The Board of Commissioners
Fort Collins Housing Authority
Fort Collins, Colorado

We have audited the accompanying financial statements of the business-type activities and the discretely presented component units of Fort Collins Housing Authority as of and for the year then ended December 31, 2010, which collectively comprise the Authority's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities and the discretely presented component units of Fort Collins Housing Authority as of December 31, 2010, and the respective changes in financial position and cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 13 to the financial statements, the Authority has included discretely presented component units that were previously not included with the Authority's financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2011, on our consideration of Fort Collins Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 3 through 8 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consist principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the Fort Collins Housing Authority, taken as a whole. The accompanying supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and the Financial Data Schedule (FDS) as required by Housing and Urban Development Real Estate Assessment Center (REAC), and are also not a required part of the basic financial statements. The supplementary information, as listed in the table of contents, and the schedule of expenditure of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

Bismarck, North Dakota
June 24, 2011

The Fort Collins Housing Authority (the Authority) offers readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended December 31, 2010. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements, which begin on page 9.

Financial Highlights

- The assets of the Authority exceeded its liabilities at the close of the most recent fiscal year by \$13,525,972 (net assets), an increase of \$1,916,577. Significant contributing factors to this increase include:
 - Addition of \$699,307 in capital improvements funded by HUD allocations, and
 - Receipt of fees for development activities totaling \$760,000.
 - Recording of \$235,568 in deferred developer fees due from the Village on Stanford project
- As of the close of the current fiscal year, the Authority's funds had unrestricted net assets of \$6,382,035 and \$881,203 in restricted net assets, which represents HUD voucher funding.
- The Authority's unrestricted cash balance at December 31, 2010 was \$3,230,321, representing an increase of \$564,975 (21%) from December 31, 2009.
- Net receivables from funding sources increased by \$77,112, from \$50,697 to \$127,809. Difficulty in collecting amounts owed from the City of Fort Collins for funds spent for the Tenant Based Rental Assistance (TBRA) for the Community Dual Disorders Team (CDDT) program caused a \$43,327 increase in receivables at year-end. The balance of the increase is attributed to capital improvement activity in December for which funds will be collected in 2011.
- The Authority had HUD operating funding of \$8,689,444, internal service fees (management fees and cost allocations) of \$2,240,777 and rents of \$266,956 for the year. The Authority paid out \$7,040,168 in housing assistance payments and \$4,971,498 in other operating expenses (excluding depreciation of \$237,949).
- The Authority received \$700,000 as partial payment for developer fees on the Village on Stanford project during 2010. In addition, the Authority received \$60,000 in late 2010 for partial payment of the partnership fee from CARE Housing for its involvement in their Provincetown project.
- The Authority received \$643,380 in principal and interest payments from Neighbor to Neighbor and paid First National Bank \$634,298 for the year on the above loan.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements are comprised of: 1) fund financial statements and 2) notes to the financial statements. As required by HUD, this report also includes supplemental information such as:

- Reports on Compliance
- Schedule of Expenditures of Federal Awards
- Departmental Financial Statements
- Real Estate Assessment Center (REAC) reconciling report
- Schedule of findings and Questionable Costs

Financial Statements

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

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

The statement of activities presents information showing how the Authority's net assets changed during the most recent fiscal year. All changes in net assets 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 (e.g. depreciation and earned personal leave).

The statement of cash flows presents information showing the Authority'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 the timing of related changes in net assets. Thus, cash flows are reported in this statement for some items that will only result in revenue or expenses in past or future periods (e.g., purchase of assets, new loans, or payments on loans).

Departmental Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Authority has only one fund type, namely enterprise funds.

Supplemental Information

The supplemental information is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. The schedule of expenditures of federal awards can be found on page 33 of this report.

Entity-Wide Financial Analysis

Statement of Net Assets:

The following table reflects the condensed Statement of Net Asset for the organization.

**Fort Collins Housing Authority
Authority-wide Net Assets as of December 31
(In thousands of dollars)**

| | |
|--------------------------------|-------------------------|
| Cash & Escrow Deposits | \$ 3,442 |
| Receivables | 545 |
| Notes & Interest Receivable | 6,728 |
| Inventory | 35 |
| Prepays | 22 |
| Capital Assets (Net of Depr.) | <u>6,269</u> |
| Total assets | <u><u>\$ 17,041</u></u> |
| | |
| A/P & Accrued Liabilities | \$ 316 |
| Security Deposits & Escrow | 191 |
| Deferred Revenue | 3 |
| Notes & Mortgage Payable | <u>3,005</u> |
| Total liabilities | <u><u>3,515</u></u> |
| | |
| Net Assets | |
| Invested in capital assets | 6,258 |
| Temporary Restricted | 881 |
| Unrestricted | <u>6,387</u> |
| Total net assets | <u><u>13,526</u></u> |
| | |
| Total Liabilities & Net Assets | <u><u>\$ 17,041</u></u> |

As noted earlier, net assets may serve, over time, as a useful indicator of a government's financial position. In the case of the Authority, assets exceeded liabilities by \$13,525,972 at the close of 2010.

A large portion of the Authority's net assets (47%) reflects its investment in capital assets (e.g. buildings, machinery, and equipment). The Authority uses these capital assets to provide housing and services to low-income tenants; consequently, these assets are not available for future spending. The unrestricted net assets (\$6,258,078) of the Authority are available for future use to provide program services.

A condensed Statement of Changes in Net Assets is shown in the table below.

Fort Collins Housing Authority
Authority-wide Change in Net Assets
(In thousands of dollars)

| | |
|--------------------------------------|-----------|
| Revenues | |
| Rental income | \$ 267 |
| Administrative fees | 1,788 |
| HUD PHA grants | 8,689 |
| HUD capital contribution | 728 |
| Interest income | 269 |
| Other | 1,394 |
| Total revenue | 13,135 |
| Expenses | |
| Depreciation | 238 |
| Housing assistance payments | 7,040 |
| Administrative salaries and benefits | 2,024 |
| General and administrative | 402 |
| Utilities | 139 |
| Maintenance | 1,198 |
| Insurance | 35 |
| Interest expense | 121 |
| Other expenses | 22 |
| Total expenses | 11,219 |
| Change in Net Assets | 1,916 |
| Net Assets-Beginning of Year | 11,610 |
| Net Assets-End of Year | \$ 13,526 |

A large portion of the Authority's revenues are intergovernmental revenues received from the United States Department of Housing and Urban Development for cost reimbursement grants and operating expense subsidies. The Authority draws monies from the grant awards for allowable program and capital expenditures. In addition, the Authority has earned substantial fees in 2010 for development activities primarily from the Village on Stanford project. These fees are projected to sustain the development department operations and support future development projects through either direct investment or leverage of funding sources available for affordable housing.

Departmental Financial Analysis

As noted earlier, the Authority uses departmental accounting to ensure and demonstrate compliance with finance-related legal requirements. Each of the departments has a specific objective and purpose to accomplish. The focus of the Authority's funds is to provide information on near-term inflows, outflows, and balances of spendable resources. During 2010 the Authority maintained seven departmental funds as described below:

1. **Public Housing:** Owns and operates 154 units of housing for rent to low-income families. The fund ended 2010 with net assets of \$6,649,831 of which \$6,089,393 (91%) is invested in capital assets; and, \$560,438 is available as operating reserves. The main sources of revenue are rents charged to tenants, HUD annual operating subsidy, and capital grants.
2. **Management:** Provides administrative support for all funds and has outside management contracts for Villages, Ltd. (341 units), Wellington Housing Authority (42 units), Village on Elizabeth (48 units), Village on Stanford (82 units), and the Northern Hotel (47 units). The net assets are \$987,017, of which \$168,685 is invested in fixed assets. The sources of revenues are cost allocations and administrative fees charged.
3. **Housing Development:** Provides for the development of rental housing and homeownership opportunities. This fund presently has net assets in the amount of \$4,547,755. Revenues for 2010 included development fees from the Village on Stanford project and accrued interest income on loans to both tax credit funded properties.
4. **Vouchers:** The Authority managed 844 Housing Choice Vouchers (HCV) at year-end 2010. Of this total 100 were newly awarded late in the year for a specially targeted clientele of non-elderly people with disabilities. The application process and waiting list for these new vouchers was opened in November 2010.

In addition, the Authority provides 70 Veterans Affairs Supportive Housing (VASH) vouchers.

The revenue source for the HCV and VASH vouchers is HUD in the amount of \$7,287,198.

5. **HUD Grant (ROSS):** Provides for the expenses of a public housing self-sufficiency coordinator. This is a cost reimbursement grant with an annual award amount of \$68,000.

6. **State and Local (Colorado Division of Housing and the City of Fort Collins):** Funds provided through the City of Fort Collins for the TBRA CDDT program fund 12 vouchers for clients in this program. At the end of 2010 unused funds from prior years' allocations were being used to fund vouchers for clients in the First Step program.

These vouchers were funded in the amount of \$154,501 during 2010. As mentioned earlier some problems have been encountered in collecting funds from the City of Fort Collins for amounts advanced by the Authority for this program.

7. **Larimer County Housing Authority:** Provides 100 rental vouchers for low-income clients. The revenue source is HUD cost reimbursement for the vouchers. The Larimer County Housing Authority is reported as a component unit of the Fort Collins Housing Authority.

Capital Asset and Debt Administration

Capital Assets

As of December 31, 2010, the Authority's investment in capital assets was \$6,258,078 (net of accumulated depreciation and capital loans). This investment in capital assets includes land, buildings, improvements, equipment, and computer software.

Additional information on the Authority's capital assets can be found in Note 1 and Note 5 on pages 19 and 23 through 24 of this report

Long Term Debt

As of December 31, 2010, the Authority had three long-term loans totaling \$3,004,923. The long-term loans are for the purchase of a maintenance facility in 1996, a loan to assist a locally based non-profit (Neighbor-to-Neighbor) to refinance its loan portfolio and a loan to fund remodeling costs for the Taft Hill Road office of the Villages, Ltd.

Loan activity during the current fiscal year is as follows:

- Principal payments on the maintenance facility loan in the amount of \$19,543.
- Principal payments on the Neighbor-to-Neighbor loan in the amount of \$529,725.
- Pay-off of the Stover Note which had a principal balance of \$73,297 at the beginning of the year.
- Pay-off of the loan to Villages, Ltd. which had a principal balance of \$383,748 at the beginning of the year. This pay-off was part of the property transfer transaction involving the building located at 920 Taft Hill Road in Fort Collins to the Villages, Ltd. in 2010.

New tax-exempt loan the proceeds of which were loaned to the Villages, Ltd.

Additional information on the Authority's debt can be found in Note 6 on pages 25 through 29 of this report.

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| | Primary Government | Component Units |
|--|-----------------------------|-----------------------------|
| Assets | | |
| Current Assets | | |
| Cash | \$ 3,230,321 | \$ 453,879 |
| Accounts receivable | | |
| Grants | 127,809 | - |
| Tenants | 5,959 | 4,758 |
| Developer fees | 235,568 | - |
| Due from other agencies | 175,182 | - |
| Accrued interest | 140,224 | - |
| Notes receivable - current portion | 275,835 | - |
| Prepaid expenses | 22,239 | 19,603 |
| Inventory | 34,992 | - |
| Total Current Assets | <u>4,248,129</u> | <u>478,240</u> |
| Restricted Cash | <u>211,774</u> | <u>371,455</u> |
| Notes Receivable - net of current portion | <u>6,311,439</u> | <u>-</u> |
| Other Assets, Net of Accumulated Amortization | <u>-</u> | <u>132,055</u> |
| Capital Assets | | |
| Non-depreciable | 4,557,659 | 1,638,437 |
| Depreciable, net | <u>1,711,688</u> | <u>12,730,842</u> |
| Total Capital Assets | <u>6,269,347</u> | <u>14,369,279</u> |
| Total Assets | <u><u>\$ 17,040,689</u></u> | <u><u>\$ 15,351,029</u></u> |

See Notes to Financial Statements

Fort Collins Housing Authority
Statement of Net Assets
December 31, 2010

| | <u>Primary Government</u> | <u>Component Units</u> |
|--|-------------------------------|----------------------------|
| Liabilities and Net Assets | | |
| Current Liabilities | | |
| Accounts payable | \$ 78,963 | \$ 102,743 |
| Accrued liabilities | 10,007 | 243,426 |
| Accrued compensation | 221,641 | - |
| Accrued interest payable | 5,514 | 193,178 |
| Unearned revenues | 2,755 | - |
| Notes and mortgages payable - current | 286,483 | 23,611 |
| Total Current Liabilities | <u>605,363</u> | <u>562,958</u> |
| Long-Term Liabilities | | |
| Tenant security deposits payable | 29,447 | 51,943 |
| Money held in escrow | 161,467 | - |
| Notes and mortgages payable - net of current portion | 2,718,440 | 8,610,162 |
| Total Long-Term Liabilities | <u>2,909,354</u> | <u>8,662,105</u> |
| Total Liabilities | <u>3,514,717</u> | <u>9,225,063</u> |
| Net Assets | | |
| Investment in capital assets - net of related debt | 6,258,078 | - |
| Restricted | 881,203 | - |
| Unrestricted | 6,386,691 | 6,125,966 |
| Total Net Assets | <u>13,525,972</u> | <u>6,125,966</u> |
| Total Liabilities and Net Assets | <u>\$ 17,040,689</u> | <u>\$ 15,351,029</u> |

Fort Collins Housing Authority
Statement of Revenues, Expenses, and Changes in Net Assets
Year Ended December 31, 2010

| | Primary Government | Component Units |
|---|-----------------------|---------------------|
| Operating Revenues | | |
| HUD PHA grants | \$ 8,689,444 | \$ - |
| Other grants | 234,301 | - |
| Rental income | 266,956 | 913,110 |
| Administration fees | 1,788,350 | - |
| Developer fee income | 935,568 | - |
| Other | 224,090 | 9,499 |
| Total Operating Revenues | <u>12,138,709</u> | <u>922,609</u> |
| Operating Expenses | | |
| Housing assistance payments | 7,040,168 | - |
| Administrative salaries and benefits | 2,023,790 | 154,212 |
| Maintenance salaries and benefits | 701,566 | 109,764 |
| Other administrative | 402,247 | 134,641 |
| Regular and extraordinary maintenance | 497,049 | 81,942 |
| Depreciation and amortization | 237,949 | 569,335 |
| Utilities | 138,805 | 81,286 |
| Insurance | 34,876 | 50,147 |
| Payments in lieu of taxes | 7,966 | - |
| Other | 13,979 | 1,257 |
| Total Operating Expenses | <u>11,098,395</u> | <u>1,182,584</u> |
| Operating Income (Loss) | <u>1,040,314</u> | <u>(259,975)</u> |
| Non-Operating Revenues (Expenses) | | |
| HUD capital contribution | 727,869 | - |
| Interest income | 268,582 | 734 |
| Interest expense | (120,673) | (303,866) |
| Total Non-Operating Revenues (Expenses) | <u>875,778</u> | <u>(303,132)</u> |
| Change in Net Assets | 1,916,092 | (563,107) |
| Net Assets, Beginning of Year | 11,609,880 | 5,738,549 |
| Equity Contributions | - | 950,524 |
| Net Assets, End of Year | <u>\$ 13,525,972</u> | <u>\$ 6,125,966</u> |

Fort Collins Housing Authority
Statement of Cash Flows
Year Ended December 31, 2010

| | Primary Government | Component Units |
|---|-----------------------|--------------------|
| Operating Activities | | |
| HUD PHA grants | \$ 8,066,596 | \$ - |
| Other grants | 191,830 | - |
| Receipts from tenants | 199,260 | 921,501 |
| Administration fees | 1,994,116 | - |
| Developer fee income | 700,000 | - |
| Other income | 224,090 | 9,499 |
| Housing assistance payments | (7,040,168) | - |
| Payments to employees | (2,738,017) | (263,976) |
| Payments to suppliers | (1,045,358) | (394,218) |
| Payments in lieu of taxes | (16,948) | - |
| Net Cash from Operating Activities | <u>535,401</u> | <u>272,806</u> |
| Capital and Related Financing Activities | | |
| Principal payments on long-term debt | (1,009,526) | (710,442) |
| Proceeds from long-term debt borrowings | 201,108 | 3,222,390 |
| HUD capital contributions | 727,869 | - |
| Interest on long-term debt | (121,301) | (290,316) |
| Payment of accounts payable - construction | - | (491,798) |
| Payment of construction loan payable | - | (1,911,875) |
| Developer fee payments | - | (700,000) |
| Equity contributions | - | 950,524 |
| Purchase of other assets | - | (39,825) |
| Sale of capital assets | 336,370 | - |
| Acquisition of capital assets | (699,307) | - |
| Net Cash used for Capital and Related Financing Activities | <u>(564,787)</u> | <u>28,658</u> |
| Investing Activities | | |
| Receipts on notes receivable | 540,937 | - |
| Notes receivable advances | (362,509) | - |
| Interest income | 280,187 | 734 |
| Net Cash from Investing Activities | <u>458,615</u> | <u>734</u> |
| Net Change in Cash and Equivalents | 429,229 | 302,198 |
| Cash and Cash Equivalents, Beginning of Year | <u>3,012,866</u> | <u>523,136</u> |
| Cash and Cash Equivalents, End of Year | <u>\$ 3,442,095</u> | <u>\$ 825,334</u> |

Fort Collins Housing Authority
Statement of Cash Flows
Year Ended December 31, 2010

| | <u>Primary Government</u> | <u>Component Units</u> |
|--|-------------------------------|----------------------------|
| Reconciliation of Cash and Cash Equivalents | | |
| Cash | \$ 3,230,321 | \$ 453,879 |
| Restricted Cash | 211,774 | 371,455 |
| | <u>3,442,095</u> | <u>825,334</u> |
| Total Cash and Cash Equivalents | <u>\$ 3,442,095</u> | <u>\$ 825,334</u> |
| | | |
| Reconciliation of Change in Net Assets to Net Cash Provided By Operating Activities | | |
| Operating income | \$ 1,040,314 | \$ (259,975) |
| Adjustments to reconcile operating income to net cash from operating activities | | |
| Depreciation and amortization | 237,949 | 569,335 |
| Changes in assets and liabilities | | |
| (Increase) decrease in assets: | | |
| Receivables | (112,873) | 8,391 |
| Inventory | (12,896) | - |
| Prepaid expenses | 1,702 | 13,121 |
| Increase (decrease) in liabilities: | | |
| Accounts payable | 65,797 | (65,910) |
| Tenant security deposits payable | (238) | 7,844 |
| Money held in escrow | (61,499) | - |
| Accrued compensation | (12,661) | - |
| Accrued liabilities | (21,987) | - |
| Unearned revenue | (588,207) | - |
| | <u>535,401</u> | <u>272,806</u> |
| Cash Flows from Operating Activities | <u>\$ 535,401</u> | <u>\$ 272,806</u> |

| | <u>Village on Elizabeth</u> | <u>Village on Stanford</u> | <u>Total</u> |
|--|---------------------------------|--------------------------------|-----------------------------|
| Assets | | | |
| Current Assets | | | |
| Cash | \$ 95,240 | \$ 358,639 | \$ 453,879 |
| Accounts receivable Tenants | 2,413 | 2,345 | 4,758 |
| Prepaid expenses | <u>1,000</u> | <u>18,603</u> | <u>19,603</u> |
| Total Current Assets | <u>98,653</u> | <u>379,587</u> | <u>478,240</u> |
| Restricted Cash | <u>170,900</u> | <u>200,555</u> | <u>371,455</u> |
| Other Assets, Net of Accumulated Amortization | <u>41,082</u> | <u>90,973</u> | <u>132,055</u> |
| Capital Assets | | | |
| Non-depreciable | 640,000 | 998,437 | 1,638,437 |
| Depreciable, net | <u>4,438,093</u> | <u>8,292,749</u> | <u>12,730,842</u> |
| Total Capital Assets | <u>5,078,093</u> | <u>9,291,186</u> | <u>14,369,279</u> |
| Total Assets | <u><u>\$ 5,388,728</u></u> | <u><u>\$ 9,962,301</u></u> | <u><u>\$ 15,351,029</u></u> |

See Notes to Financial Statements

Fort Collins Housing Authority
Combining Statement of Net Assets – Component Units
December 31, 2010

| | Village on Elizabeth | Village on Stanford | Total |
|---|-------------------------|------------------------|---------------|
| Liabilities and Net Assets | | | |
| Current Liabilities | | | |
| Accounts payable | \$ 7,117 | \$ 95,626 | \$ 102,743 |
| Accrued liabilities | - | 243,426 | 243,426 |
| Accrued interest payable | 94,588 | 98,590 | 193,178 |
| Notes and mortgages payable-current | 11,049 | 12,562 | 23,611 |
| Total Current Liabilities | 112,754 | 450,204 | 562,958 |
| Long-Term Liabilities | | | |
| Tenant security deposits payable | 19,778 | 32,165 | 51,943 |
| Notes and mortgages payable-net of current portion | 3,458,644 | 5,151,518 | 8,610,162 |
| Total Long-Term Liabilities | 3,478,422 | 5,183,683 | 8,662,105 |
| Total Liabilities | 3,591,176 | 5,633,887 | 9,225,063 |
| Net Assets | | | |
| Unrestricted | 1,797,552 | 4,328,414 | 6,125,966 |
| Total Net Assets | 1,797,552 | 4,328,414 | 6,125,966 |
| Total Liabilities and Net Assets | \$ 5,388,728 | \$ 9,962,301 | \$ 15,351,029 |

Fort Collins Housing Authority
Combining Statement of Revenues, Expenses, and Changes in Net Assets – Component Units
Year Ended December 31, 2010

| | Village on Elizabeth | Village on Stanford | Total |
|---|-------------------------|------------------------|---------------------|
| Operating Revenues | | | |
| Rental income | \$ 355,902 | \$ 557,208 | \$ 913,110 |
| Other | 3,715 | 5,784 | 9,499 |
| Total Operating Revenues | <u>359,617</u> | <u>562,992</u> | <u>922,609</u> |
| Operating Expenses | | | |
| Administrative salaries and benefits | 64,824 | 89,388 | 154,212 |
| Maintenance salaries and benefits | 34,207 | 75,557 | 109,764 |
| Other administrative | 47,411 | 87,230 | 134,641 |
| Regular and extraordinary maintenance | 40,840 | 41,102 | 81,942 |
| Depreciation and amortization | 224,484 | 344,851 | 569,335 |
| Utilities | 42,654 | 38,632 | 81,286 |
| Insurance | 11,689 | 38,458 | 50,147 |
| Other | - | 1,257 | 1,257 |
| Total Operating Expenses | <u>466,109</u> | <u>716,475</u> | <u>1,182,584</u> |
| Operating Loss | <u>(106,492)</u> | <u>(153,483)</u> | <u>(259,975)</u> |
| Non-Operating Revenues (Expenses) | | | |
| Interest income | 91 | 643 | 734 |
| Interest expense | (166,200) | (137,666) | (303,866) |
| Total Non-Operating Revenues (Expenses) | <u>(166,109)</u> | <u>(137,023)</u> | <u>(303,132)</u> |
| Change in Net Assets | (272,601) | (290,506) | (563,107) |
| Net Assets, Beginning of Year | 2,070,153 | 3,668,396 | 5,738,549 |
| Equity Contributions | <u>-</u> | <u>950,524</u> | <u>950,524</u> |
| Net Assets, End of Year | <u>\$ 1,797,552</u> | <u>\$ 4,328,414</u> | <u>\$ 6,125,966</u> |

Fort Collins Housing Authority
Combining Statement of Cash Flows – Component Units
Year Ended December 31, 2010

| | Village on Elizabeth | Village on Stanford | Total |
|---|-------------------------|------------------------|-------------------|
| Operating Activities | | | |
| Receipts from tenants | \$ 357,091 | \$ 564,410 | \$ 921,501 |
| Other income | 3,715 | 5,784 | 9,499 |
| Payments to employees | (99,031) | (164,945) | (263,976) |
| Payments to suppliers | (132,645) | (261,573) | (394,218) |
| Net Cash from Operating Activities | <u>129,130</u> | <u>143,676</u> | <u>272,806</u> |
| Capital and Related Financing Activities | | | |
| Principal payments on long-term debt | (10,442) | (700,000) | (710,442) |
| Proceeds from long-term debt borrowings | 70,776 | 3,151,614 | 3,222,390 |
| Interest on long-term debt | (171,717) | (118,599) | (290,316) |
| Payment of accounts payable - construction | - | (491,798) | (491,798) |
| Payment of construction loan payable | - | (1,911,875) | (1,911,875) |
| Developer fee payments | - | (700,000) | (700,000) |
| Equity contributions | - | 950,524 | 950,524 |
| Purchase of other assets | - | (39,825) | (39,825) |
| Net Cash from (provided by) Capital and Related Financing Activities | <u>(111,383)</u> | <u>140,041</u> | <u>28,658</u> |
| Investing Activities | | | |
| Interest income | <u>91</u> | <u>643</u> | <u>734</u> |
| Net Cash from Investing Activities | <u>91</u> | <u>643</u> | <u>734</u> |
| Net Change in Cash and Cash Equivalents | 17,838 | 284,360 | 302,198 |
| Cash and Cash Equivalents, Beginning of Year | <u>248,302</u> | <u>274,834</u> | <u>523,136</u> |
| Cash and Cash Equivalents, End of Year | <u>\$ 266,140</u> | <u>\$ 559,194</u> | <u>\$ 825,334</u> |

Fort Collins Housing Authority
Combining Statement of Cash Flows – Component Units
Year Ended December 31, 2010

| | Village on Elizabeth | Village on Stanford | Total |
|--|-------------------------|------------------------|-------------------|
| Reconciliation of Cash and Cash Equivalents | | | |
| Cash | \$ 95,240 | \$ 358,639 | \$ 453,879 |
| Restricted Cash | 170,900 | 200,555 | 371,455 |
| Total Cash and Cash Equivalents | <u>\$ 266,140</u> | <u>\$ 559,194</u> | <u>\$ 825,334</u> |
| Reconciliation of Change in Net Assets to Net Cash Provided By Operating Activities | | | |
| Operating loss | \$ (106,492) | \$ (153,483) | \$ (259,975) |
| Adjustments to reconcile operating loss to net cash from operating activities | | | |
| Depreciation and amortization | 224,484 | 344,851 | 569,335 |
| Changes in assets and liabilities | | | |
| (Increase) decrease in assets: | | | |
| Receivables | 1,189 | 7,202 | 8,391 |
| Prepaid expenses | 10,344 | 2,777 | 13,121 |
| Increase (decrease) in liabilities: | | | |
| Accounts payable | (1,583) | (64,327) | (65,910) |
| Tenant security deposits payable | 1,188 | 6,656 | 7,844 |
| Cash Flows from Operating Activities | <u>\$ 129,130</u> | <u>\$ 143,676</u> | <u>\$ 272,806</u> |

Note 1 - Nature of Operations and Significant Accounting Policies

General

The Fort Collins Housing Authority is a corporate body created in May 1971 and uses available federal, state, and local resources to serve the residents of Fort Collins, 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 154 units of family housing and administers 844 Section 8 housing choice vouchers and 70 Section 8 VASH Vouchers.

The Authority is governed by a seven-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

Blended Component Unit

Included within the financial reporting entity of the Authority as a blended component unit is the Larimer County Housing Authority (LCHA). The purpose of LCHA is to provide safe and sanitary accommodations to the low and moderate-income residents of the County of Larimer. Over the past several years, the Authority has maintained a contractual relationship with LCHA for the administration of its housing activities. However, in January 1997, the Larimer County Board of Supervisors assigned all interests in LCHA to the Authority, as LCHA was deemed immaterial with respect to the overall functions of the County. Thus, despite being a legally separate entity and receiving funds directly from the Department of Housing and Urban Development, LCHA has been accounted for as a blended component unit of the Authority. Accordingly, the balances and transactions of this component unit are reported within the proprietary funds of the Authority.

The following significant factors were considered in making this determination:

- The members of the Authority's Board also act as the governing body of LCHA
- LCHA's operations are fully the responsibility of the management of the Authority.

Also included within the financial reporting entity of the Authority as blended component units are Village on Elizabeth, LLC, Village on Stanford, LLC, VOS Development, LLC and the Housing Catalyst, LLC, which are single-member LLC's. Separate financial statements for the component units are not issued.

Village on Elizabeth, LLC is the general partner in Village on Elizabeth, LLLP and Village on Stanford, LLC is the general partner in Village on Stanford, LLLP, which are discretely presented component units and are described below. VOS Development, LLC was formed to be the developer in Village on Stanford, LLC. Housing Catalyst, LLC was formed to be an entity that will be used, as needed, to participate as the partner in future development projects for the Authority when desired to facilitate project financing. Housing Catalyst, LLC is the administrative general partner in Provincetowne Green LLLP, an 85 unit low income housing tax credit project (Note 10).

Discretely Presented Component Units

The component unit columns in the combined financial statements include the financial data of the Authority's two discretely presented component units. These units are reported in separate columns to emphasize that they are legally separate from the Authority.

Village on Elizabeth, LLLP – the general partner of this partnership, Village on Elizabeth, LLC, is wholly owned by the Fort Collins Housing Authority. Village on Elizabeth, LLC has an ownership percentage of 0.01%. As the general partner, the Authority has the day to day management responsibilities of the partnership.

Village on Stanford, LLLP – the general partner of this partnership, Village on Stanford, LLC, is wholly owned by the Fort Collins Housing Authority. Village on Stanford, LLC has an ownership percentage of 0.01%. As the general partner, the Authority has the day to day management responsibilities of the partnership.

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 Chief Financial Officer, Fort Collins Housing Authority, 1715 W. Mountain Ave., Fort Collins, CO 80521.

Basis of Presentation

The Authority's financial statements have been prepared in accordance with GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting." The Authority accounts for its activities as proprietary activities in accordance with all applicable GASB pronouncements, as well as pronouncements of the Financial Accounting Standards Board (FASB) and its predecessors issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

Fund Accounting

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

Basis of Accounting and Measurement Focus

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

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All proprietary funds are accounted for using the economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the statement of net assets. Net assets are segregated into invested in capital assets, restricted and unrestricted components. The statements of revenues, expenses and changes in fund net assets present increases (e.g., revenues) and decreases (e.g., expenses) in total net assets. When both restricted and unrestricted net assets are available for use, generally it is the Authority's policy to use restricted net assets first, then unrestricted net assets 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 purpose of the statement of cash flows, the Authority considers cash deposits and highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

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 Authority uses a capitalization threshold of \$5,000. Donated fixed assets are valued at their estimated fair value on the date donated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend lives are not capitalized.

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

| | |
|-----------|-------------|
| Buildings | 15-30 years |
| Equipment | 3-15 years |

Fraud Recovery

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

Operating Revenues and Expenses

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

Restricted and Unrestricted Resources

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

Accumulated Unpaid Vacation and Sick Leave

Accumulated unpaid vacation leave is accrued in the period incurred. Employees are permitted to accumulate a limited amount of vacation benefits. Upon separation or termination from the Authority, an employee will not be paid time in excess of 154 hours.

Unearned Revenues

As of December 31, 2010, unearned revenue consisted of \$2,755 of prepaid rent from tenants.

Components of Net Assets

Components of net assets include the following:

- *Net Assets Invested in Capital Assets Net of Related Debt* – 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 Assets* – Consists of net assets less related liabilities reported in the basic statement of net assets that are subject to restraints on their use by HUD.
- *Unrestricted Net Assets* – Consists of net assets less related liabilities reported in the basic statement of net assets that are not subject to restraints on their use.

Business and Credit Risk

The Authority provides housing on account to clients which are located primarily in Fort Collins, 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 statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 2 - Deposits and Investments

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The institution is allowed to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at equal to 102% of the uninsured deposits. The general depository agreement required by annual contract with HUD has additional collateral requirements, which the Authority met in 2010.

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, 2010, the Authority's deposits were not exposed to custodial credit risk, as all deposits were insured by the Federal Deposit Insurance Commission (FDIC) and collateralized in accordance with PDPA.

At December 31, 2010, the Authority's carrying amount of deposits was \$3,225,265 and the bank balance was \$3,764,065. Of the bank balances, \$250,000 was covered by Federal Depository Insurance. Of the remaining balances for 2010, \$3,514,065 was collateralized with securities held by a pledging financial institution's agent in the government's name.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of certificates of deposit will adversely affect the fair value of investments. All certificates of deposit held by the Authority as of December 31, 2010 mature within 1 year.

Investments

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

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

The Authority's deposit and investment policy specifies that all investments are to be adequately collateralized if deposits and investments exceed federal insurance limits. The policy does not formally address credit risk, interest rate risk, or foreign currency risk associated with investments.

Note 3 - Restricted Cash

Restricted assets consist of cash which are restricted to comply with HUD requirements for the home ownership program. In addition, the Authority has restricted cash for Modernization and Development and for tenant security deposits.

Note 4 - Notes Receivable

| | | |
|----------------------------------|--|--------------|
| Neighbor to Neighbor | 4.58% note receivable, monthly payments of \$34,135, including principal and interest, with entire balance due March 2012, collateralized by a deed of trust | \$ 2,808,242 |
| Village on Elizabeth, LLLP (VOE) | 3.5% note receivable, yearly payments to the extent of available cash flow with entire balance due December 2037, collateralized by property at 2209-2217 West Elizabeth, Fort Collins, Colorado | 2,369,741 |
| Village on Standford, LLLP (VOS) | 3.57% note receivable, yearly payments to the extent of available cash flow with entire balance due December 2037, collateralized by a deed of trust, security agreement, financing statement and assignment of rents and revenues | 1,186,800 |
| Other notes receivable | | 24,597 |
| Villages, LTD | 4.8% note receivable, monthly payments of \$2,087, including principal and interest, with entire balance due October 2020, collateralized by a deed of trust | 197,894 |
| | | 6,587,274 |
| Less current portion | | (275,835) |
| | | \$ 6,311,439 |

Note 5 - Capital Assets

The following is a summary of property, structures, and equipment for the year ended December 31, 2010:

Governmental Activities

| | Balance 12/31/2009 | Additions | Deletions | Balance 12/31/2010 |
|---------------------------------------|-----------------------|------------|--------------|-----------------------|
| Non-Depreciable | | | | |
| Land | \$ 4,825,659 | \$ - | \$ (268,000) | \$ 4,557,659 |
| Depreciable | | | | |
| Buildings and improvements | 5,160,608 | 699,307 | (68,370) | 5,791,545 |
| Equipment | 896,472 | - | - | 896,472 |
| Total depreciable capital assets | 6,057,080 | 699,307 | (68,370) | 6,688,017 |
| Less: Accumulated Depreciation For | | | | |
| Buildings and improvements | (3,913,554) | (202,579) | - | (4,116,133) |
| Equipment | (824,826) | (35,370) | - | (860,196) |
| Total accumulated depreciation | (4,738,380) | (237,949) | - | (4,976,329) |
| Net Depreciable Capital Assets | 1,318,700 | 461,358 | (68,370) | 1,711,688 |
| Total | \$ 6,144,359 | \$ 461,358 | \$ (336,370) | \$ 6,269,347 |

Discretely Presented Component Units

Village on Elizabeth

| | Balance 12/31/2009 | Additions | Deletions | Balance 12/31/2010 |
|-------------------------------------|-----------------------|---------------------|-------------|-----------------------|
| Non-Depreciable | | | | |
| Land | \$ 640,000 | \$ - | \$ - | \$ 640,000 |
| Depreciable | | | | |
| Buildings and improvements | 4,580,405 | - | - | 4,580,405 |
| Equipment | 562,755 | - | - | 562,755 |
| Total depreciable capital assets | 5,143,160 | - | - | 5,143,160 |
| Less: Accumulated Depreciation | (483,638) | (221,429) | - | (705,067) |
| Total | <u>\$ 5,299,522</u> | <u>\$ (221,429)</u> | <u>\$ -</u> | <u>\$ 5,078,093</u> |

Village on Stanford

| | Balance 12/31/2009 | Additions | Deletions | Balance 12/31/2010 |
|-------------------------------------|-----------------------|---------------------|-------------|-----------------------|
| Non-Depreciable | | | | |
| Land | \$ 998,437 | \$ - | \$ - | \$ 998,437 |
| Depreciable | | | | |
| Buildings and improvements | 8,590,849 | - | - | 8,590,849 |
| Equipment | 195,271 | - | - | 195,271 |
| Total depreciable capital assets | 8,786,120 | - | - | 8,786,120 |
| Less: Accumulated Depreciation | (151,062) | (342,309) | - | (493,371) |
| Total | <u>\$ 9,633,495</u> | <u>\$ (342,309)</u> | <u>\$ -</u> | <u>\$ 9,291,186</u> |

Note 6 - Long-Term Debt

During the year ended December 31, 2010, the following changes occurred in long-term debt:

Governmental Activities

| | Balance January 1 | Increases | Decreases | Balance December 31 | Due Within One Year |
|---------------|----------------------|------------|----------------|------------------------|------------------------|
| Notes Payable | \$ 3,813,341 | \$ 201,108 | \$ (1,009,526) | \$ 3,004,923 | \$ 286,483 |

Discretely Presented Component Units

Village on Elizabeth

| | Balance January 1 | Increases | Decreases | Balance December 31 | Due Within One Year |
|---------------|----------------------|-----------|-------------|------------------------|------------------------|
| Notes Payable | \$ 3,409,359 | \$ 70,776 | \$ (10,442) | \$ 3,469,693 | \$ 11,049 |

Village on Stanford

| | Balance January 1 | Increases | Decreases | Balance December 31 | Due Within One Year |
|---------------|----------------------|--------------|--------------|------------------------|------------------------|
| Notes Payable | \$ 2,712,466 | \$ 3,151,614 | \$ (700,000) | \$ 5,164,080 | \$ 12,562 |

Notes payable as of December 31, 2010, consisted of the following:

Governmental Activities

| | |
|--|--------------|
| 4.9% note payable to First National Bank, due in monthly installments of \$1,719, including interest, unpaid principal and interest due August 2011, secured by maintenance facility | \$ 11,270 |
| 4.8% mortgage note payable to FirstBank, due in monthly installments of \$2,087, including interest, unpaid principal and interest due October 2020, secured by a Deed of Trust and all deposit accounts held by FirstBank Holding Company | 197,893 |
| Variable rate note payable to First National Bank (3.49% at 12/31/10), due in monthly installments of \$29,324, including interest, unpaid principal and interest due March 2012, secured by a Deed of Trust on various properties | 2,795,760 |
| | \$ 3,004,923 |

Discretely Presented Component Units

Village on Elizabeth

| | |
|--|------------|
| 7.2% mortgage note payable, due in monthly installments of \$5,876, including interest, balance due June 2026, secured by a mortgage on substantially all assets and an assignment of rent | \$ 884,392 |
| 3.0% mortgage note payable, due in monthly installments of \$866, including interest, beginning July 1, 2008, balance due June 2026, secured by a mortgage on all property and equipment and an assignment of rents | 215,560 |
| 3.5% \$1,000,000 mortgage from the Fort Collins Housing Authority, due in annual installments from cash flow or proceeds of capital transactions, balance due December 2037, secured by a mortgage on substantially all assets and an assignment of rent | 1,000,000 |
| 3.5% \$331,040 mortgage from the Fort Collins Housing Authority, due in annual installments from cash flow or proceeds of capital transactions, balance due December 2037, secured by a mortgage on substantially all assets and an assignment of rent | 331,040 |

| | |
|---|--------------|
| 5.31% \$480,000 mortgage from the Fort Collins Housing Authority, due in annual installments from cash flow or proceeds of capital transactions, balance due December 2037, secured by a mortgage on substantially all assets and an assignment of rent | 480,000 |
| 5.31% \$163,500 mortgage from the Fort Collins Housing Authority, due in annual installments from cash flow or proceeds of capital transactions, balance due December 2037, secured by a mortgage on substantially all assets and an assignment of rent | 163,500 |
| 3.5% \$192,000 mortgage from the Fort Collins Housing Authority, due in annual installments from cash flow or proceeds of capital transactions, balance due December 2037, secured by a mortgage on substantially all assets and an assignment of rent | 192,000 |
| 3.5% \$121,600 mortgage from the Fort Collins Housing Authority, due in annual installments from cash flow or proceeds of capital transactions, balance due December 2037, secured by a mortgage on substantially all assets and an assignment of rent | 121,600 |
| | 3,388,092 |
| Long-Term Accrued Interest Added to Principal Balance | 81,601 |
| | \$ 3,469,693 |

Village on Stanford

| | |
|---|--------------|
| 7.85% mortgage from FirstBank, due in monthly installments of \$12,889, including interest, balance due December 2028, secured by a mortgage on substantially all assets and an assignment of rent | \$ 1,863,215 |
| 3.57% mortgage from the City of Fort Collins Housing Authority, due in annual installments from cash flow or proceeds of capital transactions, balance due December 2038, secured by a mortgage on substantially all assets and an assignment of rent | 1,107,000 |
| 3.57% mortgage from the City of Fort Collins Housing Authority, due in annual installments from cash flow or proceeds of capital transactions, balance due December 2038, secured by a mortgage on substantially all assets and an assignment of rent | 79,800 |

| | |
|---|--------------|
| 3.57% mortgage from Villages, LTD, due in annual installments from cash flow or proceeds of capital transactions, balance due December 2038, secured by a mortgage on substantially all assets and an assignment of rent | 675,000 |
| 0% CDBG mortgage note payable, due in annual installments from cash flow or proceeds of capital transactions, unpaid principal balance due December 2038, secured by a mortgage on substantially all assets and an assignment of rent | 219,534 |
| 0% CDBG mortgage note payable, due in annual installments from cash flow or proceeds of capital transactions, unpaid principal balance due December 2038, secured by a mortgage on substantially all assets and an assignment of rent | 230,466 |
| 0% Tax Credit Assistance Program (TCAP) loan from the Colorado Housing and Finance Authority, unpaid principal balance due February 2029 secured by a second mortgage on substantially all assets and an assignment of rents | 989,065 |
| | \$ 5,164,080 |

The estimated debt requirements to maturity for the year ending December 31, 2010 are as follows:

Governmental Activities

| | Principal | Interest | Total |
|-----------|--------------|------------|--------------|
| 2011 | \$ 286,483 | \$ 104,289 | \$ 390,772 |
| 2012 | 2,553,099 | 30,126 | 2,583,225 |
| 2013 | 17,485 | 7,559 | 25,044 |
| 2014 | 18,343 | 6,701 | 25,044 |
| 2015 | 19,244 | 5,800 | 25,044 |
| 2016-2020 | 110,269 | 10,777 | 121,046 |
| Total | \$ 3,004,923 | \$ 165,252 | \$ 3,170,175 |

Discretely Presented Component Units

Village on Elizabeth

| | Principal | Interest | Total |
|------------|--------------|------------|--------------|
| 2011 | \$ 11,049 | \$ 69,858 | \$ 80,907 |
| 2012 | 11,697 | 69,211 | 80,908 |
| 2013 | 12,387 | 68,521 | 80,908 |
| 2014 | 13,123 | 67,785 | 80,908 |
| 2015 | 13,908 | 67,000 | 80,908 |
| Thereafter | 3,407,529 | 640,330 | 4,047,859 |
| Total | \$ 3,469,693 | \$ 982,705 | \$ 4,452,398 |

Village on Stanford

| | Principal | Interest | Total |
|------------|--------------|--------------|--------------|
| 2011 | \$ 12,562 | \$ 142,102 | \$ 154,664 |
| 2012 | 13,558 | 141,106 | 154,664 |
| 2013 | 15,792 | 140,032 | 155,824 |
| 2014 | 17,043 | 138,872 | 155,915 |
| 2015 | 17,043 | 137,621 | 154,664 |
| Thereafter | 5,088,082 | 1,615,041 | 6,703,123 |
| Total | \$ 5,164,080 | \$ 2,314,774 | \$ 7,478,854 |

Note 7 - Restricted Net Assets

As of December 31, 2010, restricted net assets consisted of \$881,203 in Section 8 HAP received but not yet paid to eligible individuals.

Note 8 - Annual Contributions Contract

The Authority has an annual contributions contract for Section 8 HAP and adjustments vary based on requirements. The maximum contract was \$6,415,623 for the year ended December 31, 2010.

Note 9 - Guarantees

Villages, LTD. has a variable rate \$500,000 line of credit with First Bank of Northern Colorado, which is guaranteed by the Authority. There was no outstanding balance on the line of credit at December 31, 2010.

The Authority has guaranteed obligations of Provincetowne Green LLLP (Note 10).

Note 10 - Related Party Transactions

Management Fees and Reimbursement of Expenses

The Authority is a general partner in Village on Stanford, LLLP (VOS), an 82 unit low income housing tax credit project. The Authority provides management services to the project. Under the management agreement, the Authority is to be paid management fees totaling 8% of gross collections on the project. During 2010, the Authority received \$34,464 in property management fees. As of December 31, 2010, the Authority was owed \$7,858 for accrued management fees.

The Authority is also a general partner in Village on Elizabeth, LLLP (VOE), a 48 unit low income housing tax credit project. The Authority provides management services to the project. Under the management agreement, the Authority is to be paid management fees totaling 7.5% of gross collections on the project. During 2010, the Authority received \$24,456 in property management fees.

The Authority is reimbursed for various office expenses, caretaker payroll and benefits, and other maintenance costs incidental to the operations of VOS and VOE. During 2010, the Authority was reimbursed approximately \$165,000 from VOS and \$99,000 from VOE for these expenses. As of December 31, 2010, the Authority was owed \$96,797 from VOS for unreimbursed expenses.

Notes Receivable

As of December 31, 2010, the Authority was owed \$2,369,741, including interest of \$81,601, on a 3.5% note receivable from VOE (Note 4). As of December 31, 2010, the Authority was owed \$1,186,800 on a 3.57% note receivable from VOS (Note 4). In addition, the Authority was owed accrued interest of \$42,368 from VOS.

Developer Fees

During 2010, the Authority received \$700,000 in developer fee income from VOS. As of December 31, 2010, the Authority was owed \$235,568 from VOS for developer fees. The developer fee receivable is expected to be received in 2011.

Guarantee Fee Income

The Authority is an administrative general partner in Provincetowne Green LLLP, an 85 unit low income housing tax credit project currently under construction. The Authority has entered into a guaranty agreement with Provincetowne Green LLLP, in which the Authority has guaranteed obligations of the project up to \$1,400,000. The guarantee is in effect until the Stabilization Date of the project, as defined by the agreement. It is expected that the Stabilization Date will be achieved in calendar year 2012. During 2010, the Authority received a guarantee fee in the amount of \$60,000 from the project.

Note 11 - Management Services

As mentioned in Note 8, the Authority provides management services for Village on Elizabeth, LLLP and Village on Stanford, LLLP. In addition, the Authority provides management services for The Villages, Ltd. (Villages), the Wellington Housing Authority (WHA), and the Northern Hotel. The Villages, WHA, and the Northern Hotel pay for all direct charges and then reimburse the Authority through a management fee agreement for the salaries, employee benefits, and other overhead items.

Note 12 - Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The Authority carries commercial insurance for the risks of loss, including worker's compensation and employee accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. Limits of insurance coverage have been adjusted annually.

Note 13 - Adjustment for Discretely Presented Component Units

Prior to 2010, the Authority had not included discretely presented component units in its financial statements. During 2010, it was determined that the component units should be included in the Authority's financial statements. Accordingly, the beginning of year balance of net assets has been restated in the amount of \$5,738,549 to include the related component units. The effect of the restatement on the financial statements of the immediately preceding year has not been determined.



Supplementary Information
December 31, 2010

Fort Collins Housing Authority

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| | Public Housing | Management | Housing Development | Vouchers | HUD Grant |
|--|---------------------|---------------------|------------------------|---------------------|-----------------|
| Assets | | | | | |
| Cash and cash equivalents | \$ 513,316 | \$ 744,263 | \$ 855,115 | \$ 1,024,735 | \$ 2,709 |
| Accounts receivable | | | | | |
| Grants | 83,304 | - | - | - | 1,177 |
| Tenants | 4,925 | - | - | 1,034 | - |
| Developer fees | - | - | - | - | - |
| Due from other agencies | 4,195 | 168,473 | 900 | 512 | - |
| Accrued interest | - | 5,881 | 134,343 | - | - |
| Notes receivable - current portion | - | 275,835 | - | - | - |
| Prepaid expenses | - | 21,963 | 276 | - | - |
| Inventory | - | 34,992 | - | - | - |
| Total current assets | <u>605,740</u> | <u>1,251,407</u> | <u>990,634</u> | <u>1,026,281</u> | <u>3,886</u> |
| Restricted cash | 62,008 | 14,517 | - | 129,445 | - |
| Notes receivable | - | 2,730,301 | 3,581,138 | - | - |
| Non-depreciable capital assets | 4,518,159 | 39,500 | - | - | - |
| Depreciable capital assets, net | <u>1,571,234</u> | <u>140,454</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Assets | <u>\$ 6,757,141</u> | <u>\$ 4,176,179</u> | <u>\$ 4,571,772</u> | <u>\$ 1,155,726</u> | <u>\$ 3,886</u> |
| Liabilities and Net Assets | | | | | |
| Liabilities | | | | | |
| Accounts payable | \$ 22,460 | \$ 42,278 | \$ 120 | \$ 13,955 | \$ - |
| Accrued compensation | 12,109 | 136,654 | 22,210 | 45,129 | 3,886 |
| Accrued liabilities | 7,966 | - | - | 2,041 | - |
| Accrued interest payable | - | 5,514 | - | - | - |
| Unearned revenue | 2,755 | - | - | - | - |
| Notes and mortgages payable - current | - | 286,483 | - | - | - |
| Total current liabilities | <u>45,290</u> | <u>470,929</u> | <u>22,330</u> | <u>61,125</u> | <u>3,886</u> |
| Tenant security deposits | 29,447 | - | - | - | - |
| Money held in escrow | 32,573 | - | - | 122,554 | - |
| Notes and mortgages - net of current portion | - | 2,718,440 | - | - | - |
| Total Liabilities | <u>107,310</u> | <u>3,189,369</u> | <u>22,330</u> | <u>183,679</u> | <u>3,886</u> |
| Net Assets | | | | | |
| Invest in capital assets, net of related debt | 6,089,393 | 168,685 | - | - | - |
| Temporary restricted | - | - | - | 821,816 | - |
| Unrestricted | <u>560,438</u> | <u>818,125</u> | <u>4,549,442</u> | <u>150,231</u> | <u>-</u> |
| Total Net Assets | <u>6,649,831</u> | <u>986,810</u> | <u>4,549,442</u> | <u>972,047</u> | <u>-</u> |
| Total Liabilities and Net Assets | <u>\$ 6,757,141</u> | <u>\$ 4,176,179</u> | <u>\$ 4,571,772</u> | <u>\$ 1,155,726</u> | <u>\$ 3,886</u> |

Fort Collins Housing Authority
Combining Statement of Net Assets
December 31, 2010

| Housing Catalyst, LLC | State and Local | Larimer County Housing Authority | Village on Stanford Development | Total | Elimination of Interdepartment Activity | Total (Memo Only) |
|--------------------------|--------------------|--|---------------------------------------|----------------------|---|----------------------|
| \$ 61,007 | \$ (31,887) | \$ 60,063 | \$ 1,000 | \$ 3,230,321 | \$ - | \$ 3,230,321 |
| - | 43,328 | - | - | 127,809 | - | 127,809 |
| - | - | - | - | 5,959 | - | 5,959 |
| - | - | - | 235,568 | 235,568 | - | 235,568 |
| (900) | 2,000 | 2 | - | 175,182 | - | 175,182 |
| - | - | - | - | 140,224 | - | 140,224 |
| - | - | - | - | 275,835 | - | 275,835 |
| - | - | - | - | 22,239 | - | 22,239 |
| - | - | - | - | 34,992 | - | 34,992 |
| <u>60,107</u> | <u>13,441</u> | <u>60,065</u> | <u>236,568</u> | <u>4,248,129</u> | <u>-</u> | <u>4,248,129</u> |
| - | - | 5,804 | - | 211,774 | - | 211,774 |
| - | - | - | - | 6,311,439 | - | 6,311,439 |
| - | - | - | - | 4,557,659 | - | 4,557,659 |
| - | - | - | - | 1,711,688 | - | 1,711,688 |
| <u>\$ 60,107</u> | <u>\$ 13,441</u> | <u>\$ 65,869</u> | <u>\$ 236,568</u> | <u>\$ 17,040,689</u> | <u>\$ -</u> | <u>\$ 17,040,689</u> |
| \$ - | \$ 8 | \$ 142 | \$ - | \$ 78,963 | \$ - | \$ 78,963 |
| - | 1,653 | - | - | 221,641 | - | 221,641 |
| - | - | - | - | 10,007 | - | 10,007 |
| - | - | - | - | 5,514 | - | 5,514 |
| - | - | - | - | 2,755 | - | 2,755 |
| - | - | - | - | 286,483 | - | 286,483 |
| <u>-</u> | <u>1,661</u> | <u>142</u> | <u>-</u> | <u>605,363</u> | <u>-</u> | <u>605,363</u> |
| - | - | - | - | 29,447 | - | 29,447 |
| - | - | 6,340 | - | 161,467 | - | 161,467 |
| - | - | - | - | 2,718,440 | - | 2,718,440 |
| <u>-</u> | <u>1,661</u> | <u>6,482</u> | <u>-</u> | <u>3,514,717</u> | <u>-</u> | <u>3,514,717</u> |
| - | - | - | - | 6,258,078 | - | 6,258,078 |
| - | - | 59,387 | - | 881,203 | - | 881,203 |
| <u>60,107</u> | <u>11,780</u> | <u>-</u> | <u>236,568</u> | <u>6,386,691</u> | <u>-</u> | <u>6,386,691</u> |
| <u>60,107</u> | <u>11,780</u> | <u>59,387</u> | <u>236,568</u> | <u>13,525,972</u> | <u>-</u> | <u>13,525,972</u> |
| <u>\$ 60,107</u> | <u>\$ 13,441</u> | <u>\$ 65,869</u> | <u>\$ 236,568</u> | <u>\$ 17,040,689</u> | <u>\$ -</u> | <u>\$ 17,040,689</u> |

| | Public Housing | Management | Housing Development | Vouchers | HUD Grant | Housing Catalyst, LLC |
|--|---------------------|-------------------|------------------------|-------------------|---------------|--------------------------|
| Operating Revenues | | | | | | |
| HUD PHA grants | \$ 611,104 | \$ - | \$ - | \$ 7,287,198 | \$ 66,950 | \$ - |
| Other grants | - | - | 79,800 | - | - | - |
| Rental income | 262,962 | 3,994 | - | - | - | - |
| Administration fees | - | 2,240,777 | - | - | - | - |
| Developer fee income | - | - | 699,000 | - | - | - |
| Other | 8,400 | 127,807 | 4,863 | 2,837 | - | 60,100 |
| Total Operating Revenues | 882,466 | 2,372,578 | 783,663 | 7,290,035 | 66,950 | 60,100 |
| Operating Expenses | | | | | | |
| Housing assistance payments | 25,116 | - | - | 6,207,521 | - | - |
| Administrative salaries and benefits | 143,246 | 1,045,350 | 178,407 | 563,102 | 66,950 | - |
| Maintenance salaries and benefits | - | 682,717 | 18,849 | - | - | - |
| Other administrative | 80,250 | 373,527 | 7,721 | 306,558 | - | - |
| Depreciation | 223,468 | 14,481 | - | - | - | - |
| Utilities | 127,355 | 11,450 | - | - | - | - |
| Insurance | 27,524 | 7,352 | - | - | - | - |
| Maintenance | 329,039 | 168,010 | - | - | - | - |
| Payments in lieu of taxes | 7,966 | - | - | - | - | - |
| Other | 5,300 | 8,679 | - | - | - | - |
| Total Operating Expenses | 969,264 | 2,311,566 | 204,977 | 7,077,181 | 66,950 | - |
| Operating Income (Loss) | (86,798) | 61,012 | 578,686 | 212,854 | - | 60,100 |
| Non-Operating Revenues (Expenses) | | | | | | |
| HUD capital contribution | 727,869 | - | - | - | - | - |
| Interest income | 8,007 | 113,575 | 141,609 | 5,456 | - | 7 |
| Interest expense | - | (105,584) | (15,089) | - | - | - |
| Total Non-Operating Revenues (Expenses) | 735,876 | 7,991 | 126,520 | 5,456 | - | 7 |
| Changes in Net Assets | 649,078 | 69,003 | 705,206 | 218,310 | - | 60,107 |
| Net Assets-Beginning of Year | 6,000,753 | 917,807 | 3,844,236 | 753,737 | - | - |
| Net Assets-End of Year | \$ 6,649,831 | \$ 986,810 | \$ 4,549,442 | \$ 972,047 | \$ - | \$ 60,107 |

Fort Collins Housing Authority
Combining Statement of Revenues, Expenses, and Changes in Net Assets
Year Ended December 31, 2010

| | State and Local | Larimer County Housing Authority | Village on Stanford Development | Total (Memo Only) | Elimination of Interdependent Activity | Total (Memo Only) |
|--|--------------------|--|---------------------------------------|----------------------|--|----------------------|
| Operating Revenues | | | | | | |
| HUD PHA grants | \$ 2,000 | \$ 722,192 | \$ - | \$ 8,689,444 | \$ - | \$ 8,689,444 |
| Other grants | 154,501 | - | - | 234,301 | - | 234,301 |
| Rental income | - | - | - | 266,956 | - | 266,956 |
| Administration fees | - | - | - | 2,240,777 | (452,427) | 1,788,350 |
| Developer fee income | - | - | 935,568 | 1,634,568 | (699,000) | 935,568 |
| Other | 20,052 | 31 | - | 224,090 | - | 224,090 |
| Total Operating Revenues | 176,553 | 722,223 | 935,568 | 13,290,136 | (1,151,427) | 12,138,709 |
| Operating Expenses | | | | | | |
| Housing assistance payments | 134,576 | 672,955 | - | 7,040,168 | - | 7,040,168 |
| Administrative salaries and benefits | 26,735 | - | - | 2,023,790 | - | 2,023,790 |
| Maintenance salaries and benefits | - | - | - | 701,566 | - | 701,566 |
| Other administrative | 8,134 | 78,484 | 699,000 | 1,553,674 | (1,151,427) | 402,247 |
| Depreciation | - | - | - | 237,949 | - | 237,949 |
| Utilities | - | - | - | 138,805 | - | 138,805 |
| Insurance | - | - | - | 34,876 | - | 34,876 |
| Maintenance | - | - | - | 497,049 | - | 497,049 |
| Payments in lieu of taxes | - | - | - | 7,966 | - | 7,966 |
| Other | - | - | - | 13,979 | - | 13,979 |
| Total Operating Expenses | 169,445 | 751,439 | 699,000 | 12,249,822 | (1,151,427) | 11,098,395 |
| Operating Income (Loss) | 7,108 | (29,216) | 236,568 | 1,040,314 | - | 1,040,314 |
| Non-Operating Revenues (Expenses) | | | | | | |
| HUD capital contribution | - | - | - | 727,869 | - | 727,869 |
| Interest income | (92) | 20 | - | 268,582 | - | 268,582 |
| Interest expense | - | - | - | (120,673) | - | (120,673) |
| Total Non-Operating Revenues (Expenses) | (92) | 20 | - | 875,778 | - | 875,778 |
| Changes in Net Assets | 7,016 | (29,196) | 236,568 | 1,916,092 | - | 1,916,092 |
| Net Assets-Beginning of Year | 4,764 | 88,583 | - | 11,609,880 | - | 11,609,880 |
| Net Assets-End of Year | \$ 11,780 | \$ 59,387 | \$ 236,568 | \$ 13,525,972 | \$ - | \$ 13,525,972 |

Fort Collins Housing Authority
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2010

| <u>Federal Agency/Pass-Through Grantor Program Title</u> | <u>Federal CFDA Number</u> | <u>Federal Expenditures</u> |
|--|------------------------------------|---------------------------------|
| U.S. Department of Housing and Urban Development | | |
| Housing assistance payments | | |
| DEN 658V-Choice Vouchers | 14.871 | \$ 6,638,171 |
| DEN 2562-Choice Vouchers | 14.871 | 301,206 |
| VASH-Choice Vouchers | 14.871 | 302,416 |
| Total Choice Vouchers | | <u>7,241,793</u> |
| DEN 2562-Mainstream | 14.879 | <u>450,182</u> |
| Low Rent Public Housing | 14.850a | <u>611,104</u> |
| Room Occupancy | 14.249 | <u>143,665</u> |
| Resident Opportunity and Supportive Services | 14.870 | <u>66,950</u> |
| Capital Fund Program | 14.872 | 180,250 |
| Passed through the Colorado Department of Housing: | | |
| ARRA-Formula | 14.885 | 130,560 |
| ARRA-Competitive | 14.884 | 417,059 |
| Total Capital Fund Program | | <u>727,869</u> |
| Total Federal Expenditures | | <u>\$ 9,241,563</u> |



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

The Board of Commissioners
Fort Collins Housing Authority
Fort Collins, Colorado

We have audited the financial statements of the Fort Collins Housing Authority (Authority) as of and for the year ended December 31, 2010, and have issued our report thereon dated June 24, 2011. We conducted our audit 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.

Internal Control over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2010-01 and 2010-2 to be material weaknesses.

Compliance and Other Matters

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

The Authority's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the Authority's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Board, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Eide Bailly LLP". The signature is written in black ink and is positioned above the printed name and date.

Bismarck, North Dakota
June 24, 2011



Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133

The Board of Commissioners
Fort Collins Housing Authority
Fort Collins, Colorado

Compliance

We have audited the compliance of the Fort Collins Housing Authority (Authority) with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended December 31, 2010. The Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Authority's management. Our responsibility is to express an opinion on the Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Authority's compliance with those requirements.

In our opinion, the Authority complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year December 31, 2010.

Internal Control over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Authority's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's 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 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.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency as described in the accompanying schedule of findings and questioned costs as item 2010-03. A significant deficiency 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.

The Authority's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the Authority's responses and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of management, the audit committee, the Board of Commissioners, others within the organization, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Bismarck, North Dakota
June 24, 2011

A. Summary of Audit Results

1. The auditor's report expresses an unqualified opinion on the financial statements of Fort Collins Housing Authority
2. Two significant deficiencies were disclosed during the audit of the financial statements reported in the Report on Compliance and Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards. We consider significant deficiencies 2010-01 and 2010-02 to be material weaknesses.
3. No instances of noncompliance material to the financial statements of the Fort Collins Housing Authority were disclosed during the audit.
4. One significant deficiency was reported in the Report on Compliance with Requirements Applicable to Each Major Program and Internal Controls over Compliance in Accordance with OMB Circular A-133. We do not consider significant deficiency 2010-03 to be a material weakness.
5. The auditor's report on compliance for the major federal award programs for the Fort Collins Housing Authority expresses an unqualified opinion on all major federal programs.
6. Audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 are reported in Part C. of the schedule.
7. The programs tested as major programs were: Department of Housing and Urban Development, Section 8 Rental Voucher Program CFDA 14.871; Department of Housing and Urban Development, Capital Fund Program Cluster: Public Housing Capital Fund CFP CFDA 14.872 and ARRA – Public Housing Capital Fund Competitive CFDA 14.884 and ARRA-Public Housing Capital Fund Stimulus (Formula) Recovery Act Funded CFDA 14.885; Department of Housing and Urban Development, and Department of Housing and Urban Development, Mainstream Vouchers CFDA 14.879.
8. The threshold for distinguishing a Type A program was \$300,000.
9. Fort Collins Housing Authority was determined to be a low-risk auditee.

B. Findings - Financial Statement Audit

Material Weaknesses

2010-01 Preparation of Financial Statements

Condition – The Authority's internal control system designed to provide for the preparation of the financial statements being audited was ineffective for the year ended December 31, 2010.

Criteria - A good system of internal accounting control contemplates an adequate system for the preparation of the financial statements.

Cause – The Authority failed to include discretely presented component units and required several audit adjustments that were material to the financial statements.

Effect – Inadequate control over financial reporting of the Authority could result in more than a remote likelihood that the Authority would not be able to draft the financial statements and accompanying notes to the financial statements that are materially correct.

Recommendation – We recommend the Authority review their internal control process over the preparation of the financial statements to ensure all component units are included in the financial statements and that all transactions are properly recorded in accordance with generally accepted accounting principles.

Response – During the course of the audit, in consultation with the audit team, it was determined that the Village on Elizabeth, LLLP (VOE) and the Village on Stanford, LLLP (VOS) fit the criteria for inclusion in the Authority’s financial statements as discretely presented component units. The guidelines for this determination are in Government Accounting Standards Board Statement Number 14 – The Financial Reporting Entity (GASB 14). This accounting standard has been in effect since 1992. This portion of the finding is a result of management not informing the auditor upon their entrance that these two entities should be presented as discretely presented component units in accordance with GASB 14. It should be noted that the status of the entities did not change in 2010 and that prior audit reports did not include them as discretely presented component units. During 2010 the internal financial reporting for the Authority was completely re-designed. Starting with the December 2009 internal financial statements the VOE and VOS entities have been included as separate columns in the Combining financial statements made available to the Authority’s Board of Commissioners on a monthly basis. Management believes that this presentation in our internal financial statements complies with GASB 14 guidelines which state, in part, that *“Discrete presentation entails reporting component unit financial data in one or more columns separate from the financial data of the primary [entity].”* Management further believes that the structure of the current internal financial statements fully complies with the intent of GASB 14 which is:

“The financial statements of the reporting entity generally should allow the users to distinguish between the primary [entity] and its component units. To accomplish this goal, the financial statements should generally communicate information about the component units and their relationships with the primary [entity] rather than create the perception that the primary [entity] and all of its component units are one legal entity.”

It is management’s intent to present VOE and VOS as discretely presented component units, in accordance with GASB 14, in future audited financial reports.

The second portion of this finding relates to two adjusting entries identified during the audit process. This involved two entries required to properly present intercompany transactions for a deferred development fee receivable and the late period re-financing of a Villages, Ltd. loan to obtain a tax exempt status/rate.

2010-02 Recording of Transactions

Condition – We identified two misstatements in the Authority’s financial statements causing us to propose material audit adjustments.

Criteria – A good system of internal accounting control contemplates proper adjustments of all general ledger accounts.

Cause – Certain transactions were not recorded in accordance with generally accepted accounting principles.

Effect – Inadequate internal controls over recording of transactions affects the Authority’s ability to detect misstatements in amounts that could be material in relation to the financial statements.

Recommendation – We recommend the Authority review the recording of transactions and generally accepted accounting principles applicable to the transactions to ensure transactions are properly recorded.

Response – The two adjustments are:

1. The Authority re-financed an obligation of the Villages, Ltd., a not for profit agency, in December 2010. The Authority did not properly reflect the new obligation to the bank and a corresponding note receivable from the Villages, Ltd. on their books at the time of the closing of the transaction. The resulting adjustment increases both the assets and the liabilities of the Authority in the same amount at the end of the period.
2. After the closing of permanent financing on the VOS tax credit project in December 2010 this project has a portion of the agreed upon developer fee still due to the Authority. While the accounts payable for this obligation was properly reflected as a liability on the VOS books the corresponding accounts receivable was not entered to the books of the Authority.

C. Findings – Major Federal Award Programs Audit

Significant Deficiency

2010-03 Special Tests, Choice Vouchers, CFDA # 14.871

Condition – The Authority did not obtain depository agreements with their applicable financial institutions.

Criteria – Under the Choice Vouchers Program, public housing authorities are required to enter into depository agreements with their financial institutions in the form required by HUD.

Cause – The Authority did not obtain depository agreement with their financial institutions.

Effect – This could result in noncompliance over special tests in accordance with the Choice Vouchers grant.

Recommendation – We recommend that the Authority obtain depository agreement with all applicable financial institutions. We also recommend that the Authority periodically review the special tests required by their grants to ensure that all compliance requirements are being met.

Response – During the course of the 2010 audit it was discovered that depository agreements required by the U.S. Department of Housing and Urban Development (HUD) had not been completed for bank accounts currently in use by the Authority. In 2004, the Authority had changed all operating bank accounts to FirstBank of Northern Colorado. A search of records uncovered no evidence that the required depository agreements had been executed with this financial institution. Subsequent to year-end, the Authority obtained the depository agreements with the applicable financial institutions.



Financial Data Schedules (FDS)
December 31, 2010

Fort Collins Housing Authority

Fort Collins Housing Authority (CO041)

FORT COLLINS, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2010

| | Project Total | 14.871 Housing Choice Vouchers | 6 Component Units | 2 State/Local | 1 Business Activities |
|--|---------------|-----------------------------------|-------------------|---------------|-----------------------|
| 111 Cash - Unrestricted | \$513,316 | \$767,644 | \$60,063 | | \$917,122 |
| 112 Cash - Restricted - Modernization and Development | | | | | |
| 113 Cash - Other Restricted | | | \$5,804 | | |
| 114 Cash - Tenant Security Deposits | \$29,450 | | | | |
| 115 Cash - Restricted for Payment of Current Liabilities | \$32,558 | \$129,445 | | | |
| 100 Total Cash | \$575,324 | \$897,089 | \$65,867 | \$0 | \$917,122 |
| | | | | | |
| 121 Accounts Receivable - PHA Projects | \$83,304 | | | | |
| 122 Accounts Receivable - HUD Other Projects | | | | | |
| 124 Accounts Receivable - Other Government | | | | \$43,328 | |
| 125 Accounts Receivable - Miscellaneous | \$4,195 | \$512 | \$2 | \$2,000 | \$235,568 |
| 126 Accounts Receivable - Tenants | \$4,925 | \$1,034 | | | |
| 126.1 Allowance for Doubtful Accounts -Tenants | \$0 | \$0 | | | |
| 126.2 Allowance for Doubtful Accounts - Other | \$0 | \$0 | \$0 | \$0 | \$0 |
| 127 Notes, Loans, & Mortgages Receivable - Current | | | | | \$0 |
| 128 Fraud Recovery | | | | | |
| 128.1 Allowance for Doubtful Accounts - Fraud | | | | | |
| 129 Accrued Interest Receivable | | | | | \$134,343 |
| 120 Total Receivables, Net of Allowances for Doubtful Accounts | \$92,424 | \$1,546 | \$2 | \$45,328 | \$369,911 |
| | | | | | |
| 131 Investments - Unrestricted | | | | | |
| 132 Investments - Restricted | | | | | |
| 135 Investments - Restricted for Payment of Current Liability | | | | | |
| 142 Prepaid Expenses and Other Assets | | | | | \$276 |
| 143 Inventories | | | | | |

Fort Collins Housing Authority (CO041)

FORT COLLINS, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2010

| | Project Total | 14.871 Housing Choice Vouchers | 6 Component Units | 2 State/Local | 1 Business Activities |
|---|---------------|-----------------------------------|-------------------|---------------|-----------------------|
| 143.1 Allowance for Obsolete Inventories | | | | | |
| 144 Inter Program Due From | | | | | |
| 145 Assets Held for Sale | | | | | |
| 150 Total Current Assets | \$667,748 | \$898,635 | \$65,869 | \$45,328 | \$1,287,309 |
| 161 Land | \$4,518,159 | | | | |
| 162 Buildings | \$5,539,506 | | | | |
| 163 Furniture, Equipment & Machinery - Dwellings | \$182,084 | | | | |
| 164 Furniture, Equipment & Machinery - Administration | \$546,953 | | | | |
| 165 Leasehold Improvements | \$0 | | | | |
| 166 Accumulated Depreciation | -\$4,697,309 | | | | |
| 167 Construction in Progress | | | | | |
| 168 Infrastructure | | | | | |
| 160 Total Capital Assets, Net of Accumulated Depreciation | \$6,089,393 | \$0 | \$0 | \$0 | \$0 |
| 171 Notes, Loans and Mortgages Receivable - Non-Current | | | | | \$3,581,138 |
| 172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due | | | | | |
| 173 Grants Receivable - Non Current | | | | | |
| 174 Other Assets | | | | | |
| 176 Investments in Joint Ventures | | | | | |
| 180 Total Non-Current Assets | \$6,089,393 | \$0 | \$0 | \$0 | \$3,581,138 |
| 190 Total Assets | \$6,757,141 | \$898,635 | \$65,869 | \$45,328 | \$4,868,447 |
| 311 Bank Overdraft | | | | \$31,887 | |
| 312 Accounts Payable <= 90 Days | \$22,460 | \$12,628 | \$142 | \$8 | \$120 |

Fort Collins Housing Authority (CO041)

FORT COLLINS, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2010

| | Project Total | 14.871 Housing Choice Vouchers | 6 Component Units | 2 State/Local | 1 Business Activities |
|--|---------------|-----------------------------------|-------------------|---------------|-----------------------|
| 313 Accounts Payable >90 Days Past Due | | | | | |
| 321 Accrued Wage/Payroll Taxes Payable | \$12,109 | \$45,129 | | \$1,653 | \$22,210 |
| 322 Accrued Compensated Absences - Current Portion | | | | | |
| 324 Accrued Contingency Liability | | | | | |
| 325 Accrued Interest Payable | | | | | |
| 331 Accounts Payable - HUD PHA Programs | | | | | |
| 332 Account Payable - PHA Projects | | | | | |
| 333 Accounts Payable - Other Government | | | | | |
| 341 Tenant Security Deposits | \$29,447 | | | | |
| 342 Deferred Revenues | \$2,755 | | | | |
| 343 Current Portion of Long-term Debt - Capital Projects/Mortgage | | | | | |
| 344 Current Portion of Long-term Debt - Operating Borrowings | | | | | |
| 345 Other Current Liabilities | \$40,539 | \$122,554 | \$6,340 | | |
| 346 Accrued Liabilities - Other | | \$2,041 | | | |
| 347 Inter Program - Due To | | | | | |
| 348 Loan Liability - Current | | | | | |
| 310 Total Current Liabilities | \$107,310 | \$182,352 | \$6,482 | \$33,548 | \$22,330 |
| 351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue | | | | | |
| 352 Long-term Debt, Net of Current - Operating Borrowings | | | | | |
| 353 Non-current Liabilities - Other | | | | | |
| 354 Accrued Compensated Absences - Non Current | | | | | |
| 355 Loan Liability - Non Current | | | | | |
| 356 FASB 5 Liabilities | | | | | |
| 357 Accrued Pension and OPEB Liabilities | | | | | |
| 350 Total Non-Current Liabilities | \$0 | \$0 | \$0 | \$0 | \$0 |

Fort Collins Housing Authority (CO041)

FORT COLLINS, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2010

| | Project Total | 14.871 Housing Choice Vouchers | 6 Component Units | 2 State/Local | 1 Business Activities |
|---|---------------|-----------------------------------|-------------------|---------------|-----------------------|
| 300 Total Liabilities | \$107,310 | \$182,352 | \$6,482 | \$33,548 | \$22,330 |
| 508.1 Invested In Capital Assets, Net of Related Debt | \$6,089,393 | \$0 | \$0 | \$0 | \$0 |
| 509.2 Fund Balance Reserved | | | | | |
| 511.2 Unreserved, Designated Fund Balance | | | | | |
| 511.1 Restricted Net Assets | \$0 | \$566,052 | \$59,387 | \$0 | \$0 |
| 512.1 Unrestricted Net Assets | \$560,438 | \$150,231 | \$0 | \$11,780 | \$4,846,117 |
| 512.2 Unreserved, Undesignated Fund Balance | | | | | |
| 513 Total Equity/Net Assets | \$6,649,831 | \$716,283 | \$59,387 | \$11,780 | \$4,846,117 |
| 600 Total Liabilities and Equity/Net Assets | \$6,757,141 | \$898,635 | \$65,869 | \$45,328 | \$4,868,447 |

Fort Collins Housing Authority (CO041)

FORT COLLINS, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2010

| | 2.5 Internal Service Fund | 14.870 Resident Opportunity and Supportive Services | 14.249 Section 8 Moderate Rehabilitation Single Room Occupancy | 14.VSH HUD-VETERANS AFFAIRS SUPPORTIVE HOUSING (HUD-VASH) PROGRAM | 14.884 Competitive Capital Fund Stimulus Grant |
|--|---------------------------|---|--|---|--|
| 111 Cash - Unrestricted | \$744,263 | \$2,709 | \$52,384 | \$204,707 | |
| 112 Cash - Restricted - Modernization and Development | | | | | |
| 113 Cash - Other Restricted | \$14,517 | | | | |
| 114 Cash - Tenant Security Deposits | | | | | |
| 115 Cash - Restricted for Payment of Current Liabilities | | | | | |
| 100 Total Cash | \$758,780 | \$2,709 | \$52,384 | \$204,707 | \$0 |
| 121 Accounts Receivable - PHA Projects | | \$1,177 | | | |
| 122 Accounts Receivable - HUD Other Projects | | | | | |
| 124 Accounts Receivable - Other Government | | | | | |
| 125 Accounts Receivable - Miscellaneous | \$168,473 | | | | |
| 126 Accounts Receivable - Tenants | | | | | |
| 126.1 Allowance for Doubtful Accounts -Tenants | | | | | |
| 126.2 Allowance for Doubtful Accounts - Other | \$0 | \$0 | | | |
| 127 Notes, Loans, & Mortgages Receivable - Current | \$275,835 | | | | |
| 128 Fraud Recovery | | | | | |
| 128.1 Allowance for Doubtful Accounts - Fraud | | | | | |
| 129 Accrued Interest Receivable | \$5,881 | | | | |
| 120 Total Receivables, Net of Allowances for Doubtful Accounts | \$450,189 | \$1,177 | \$0 | \$0 | \$0 |
| 131 Investments - Unrestricted | | | | | |
| 132 Investments - Restricted | | | | | |
| 135 Investments - Restricted for Payment of Current Liability | | | | | |
| 142 Prepaid Expenses and Other Assets | \$21,963 | | | | |
| 143 Inventories | \$34,992 | | | | |
| 143.1 Allowance for Obsolete Inventories | \$0 | | | | |

Fort Collins Housing Authority (CO041)

FORT COLLINS, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2010

| | 2.5 Internal Service Fund | 14.870 Resident Opportunity and Supportive Services | 14.249 Section 8 Moderate Rehabilitation Single Room Occupancy | 14.VSH HUD-VETERANS AFFAIRS SUPPORTIVE HOUSING (HUD-VASH) PROGRAM | 14.884 Competitive Capital Fund Stimulus Grant |
|---|---------------------------|---|--|---|--|
| 144 Inter Program Due From | | | | | |
| 145 Assets Held for Sale | | | | | |
| 150 Total Current Assets | \$1,265,924 | \$3,886 | \$52,384 | \$204,707 | \$0 |
| 161 Land | \$39,500 | | | | |
| 162 Buildings | \$252,039 | | | | |
| 163 Furniture, Equipment & Machinery - Dwellings | | | | | |
| 164 Furniture, Equipment & Machinery - Administration | \$167,436 | | | | |
| 165 Leasehold Improvements | | | | | |
| 166 Accumulated Depreciation | -\$279,021 | | | | |
| 167 Construction in Progress | | | | | |
| 168 Infrastructure | | | | | |
| 160 Total Capital Assets, Net of Accumulated Depreciation | \$179,954 | \$0 | \$0 | \$0 | \$0 |
| 171 Notes, Loans and Mortgages Receivable - Non-Current | \$2,730,301 | | | | |
| 172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due | | | | | |
| 173 Grants Receivable - Non Current | | | | | |
| 174 Other Assets | | | | | |
| 176 Investments in Joint Ventures | | | | | |
| 180 Total Non-Current Assets | \$2,910,255 | \$0 | \$0 | \$0 | \$0 |
| 190 Total Assets | \$4,176,179 | \$3,886 | \$52,384 | \$204,707 | \$0 |
| 311 Bank Overdraft | | | | | |
| 312 Accounts Payable <= 90 Days | \$42,278 | | | \$1,327 | |
| 313 Accounts Payable >90 Days Past Due | | | | | |

Fort Collins Housing Authority (CO041)

FORT COLLINS, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2010

| | 2.5 Internal Service Fund | 14.870 Resident Opportunity and Supportive Services | 14.249 Section 8 Moderate Rehabilitation Single Room Occupancy | 14.VSH HUD-VETERANS AFFAIRS SUPPORTIVE HOUSING (HUD-VASH) PROGRAM | 14.884 Competitive Capital Fund Stimulus Grant |
|--|---------------------------|---|--|---|--|
| 321 Accrued Wage/Payroll Taxes Payable | \$136,654 | \$3,886 | | | |
| 322 Accrued Compensated Absences - Current Portion | | | | | |
| 324 Accrued Contingency Liability | | | | | |
| 325 Accrued Interest Payable | \$5,514 | | | | |
| 331 Accounts Payable - HUD PHA Programs | | | | | |
| 332 Account Payable - PHA Projects | | | | | |
| 333 Accounts Payable - Other Government | | | | | |
| 341 Tenant Security Deposits | | | | | |
| 342 Deferred Revenues | | | | | |
| 343 Current Portion of Long-term Debt - Capital Projects/Mortgage | \$11,269 | | | | |
| 344 Current Portion of Long-term Debt - Operating Borrowings | | | | | |
| 345 Other Current Liabilities | | | | | |
| 346 Accrued Liabilities - Other | | | | | |
| 347 Inter Program - Due To | | | | | |
| 348 Loan Liability - Current | \$275,214 | | | | |
| 310 Total Current Liabilities | \$470,929 | \$3,886 | \$0 | \$1,327 | \$0 |
| 351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue | \$0 | | | | |
| 352 Long-term Debt, Net of Current - Operating Borrowings | | | | | |
| 353 Non-current Liabilities - Other | | | | | |
| 354 Accrued Compensated Absences - Non Current | | | | | |
| 355 Loan Liability - Non Current | \$2,718,440 | | | | |
| 356 FASB 5 Liabilities | | | | | |
| 357 Accrued Pension and OPEB Liabilities | | | | | |
| 350 Total Non-Current Liabilities | \$2,718,440 | \$0 | \$0 | \$0 | \$0 |

Fort Collins Housing Authority (CO041)

FORT COLLINS, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2010

| | 2.5 Internal Service Fund | 14.870 Resident Opportunity and Supportive Services | 14.249 Section 8 Moderate Rehabilitation Single Room Occupancy | 14.VSH HUD-VETERANS AFFAIRS SUPPORTIVE HOUSING (HUD-VASH) PROGRAM | 14.884 Competitive Capital Fund Stimulus Grant |
|---|---------------------------|---|--|---|--|
| 300 Total Liabilities | \$3,189,369 | \$3,886 | \$0 | \$1,327 | \$0 |
| 508.1 Invested In Capital Assets, Net of Related Debt | \$168,685 | \$0 | \$0 | \$0 | \$0 |
| 509.2 Fund Balance Reserved | | | | | |
| 511.2 Unreserved, Designated Fund Balance | | | | | |
| 511.1 Restricted Net Assets | \$0 | \$0 | \$52,384 | \$203,380 | \$0 |
| 512.1 Unrestricted Net Assets | \$818,125 | \$0 | \$0 | \$0 | \$0 |
| 512.2 Unreserved, Undesignated Fund Balance | | | | | |
| 513 Total Equity/Net Assets | \$986,810 | \$0 | \$52,384 | \$203,380 | \$0 |
| 600 Total Liabilities and Equity/Net Assets | \$4,176,179 | \$3,886 | \$52,384 | \$204,707 | \$0 |

Fort Collins Housing Authority (CO041)

FORT COLLINS, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2010

| | 14.885 Formula Capital Fund Stimulus Grant | COCC | Subtotal | ELIM | Total |
|--|--|------|-------------|------|-------------|
| 111 Cash - Unrestricted | | | \$3,262,208 | | \$3,262,208 |
| 112 Cash - Restricted - Modernization and Development | | | | | |
| 113 Cash - Other Restricted | | | \$20,321 | | \$20,321 |
| 114 Cash - Tenant Security Deposits | | | \$29,450 | | \$29,450 |
| 115 Cash - Restricted for Payment of Current Liabilities | | | \$162,003 | | \$162,003 |
| 100 Total Cash | \$0 | \$0 | \$3,473,982 | \$0 | \$3,473,982 |
| 121 Accounts Receivable - PHA Projects | | | \$84,481 | | \$84,481 |
| 122 Accounts Receivable - HUD Other Projects | | | | | |
| 124 Accounts Receivable - Other Government | | | \$43,328 | | \$43,328 |
| 125 Accounts Receivable - Miscellaneous | | | \$410,750 | | \$410,750 |
| 126 Accounts Receivable - Tenants | | | \$5,959 | | \$5,959 |
| 126.1 Allowance for Doubtful Accounts -Tenants | | | \$0 | | \$0 |
| 126.2 Allowance for Doubtful Accounts - Other | | | \$0 | | \$0 |
| 127 Notes, Loans, & Mortgages Receivable - Current | | | \$275,835 | | \$275,835 |
| 128 Fraud Recovery | | | | | |
| 128.1 Allowance for Doubtful Accounts - Fraud | | | | | |
| 129 Accrued Interest Receivable | | | \$140,224 | | \$140,224 |
| 120 Total Receivables, Net of Allowances for Doubtful Accounts | \$0 | \$0 | \$960,577 | \$0 | \$960,577 |
| 131 Investments - Unrestricted | | | | | |
| 132 Investments - Restricted | | | | | |
| 135 Investments - Restricted for Payment of Current Liability | | | | | |
| 142 Prepaid Expenses and Other Assets | | | \$22,239 | | \$22,239 |
| 143 Inventories | | | \$34,992 | | \$34,992 |
| 143.1 Allowance for Obsolete Inventories | | | \$0 | | \$0 |

Fort Collins Housing Authority (CO041)

FORT COLLINS, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2010

| | 14.885 Formula Capital Fund Stimulus Grant | COCC | Subtotal | ELIM | Total |
|---|--|------|--------------|------|--------------|
| 144 Inter Program Due From | | | | | |
| 145 Assets Held for Sale | | | | | |
| 150 Total Current Assets | \$0 | \$0 | \$4,491,790 | \$0 | \$4,491,790 |
| 161 Land | | | \$4,557,659 | | \$4,557,659 |
| 162 Buildings | | | \$5,791,545 | | \$5,791,545 |
| 163 Furniture, Equipment & Machinery - Dwellings | | | \$182,084 | | \$182,084 |
| 164 Furniture, Equipment & Machinery - Administration | | | \$714,389 | | \$714,389 |
| 165 Leasehold Improvements | | | \$0 | | \$0 |
| 166 Accumulated Depreciation | | | -\$4,976,330 | | -\$4,976,330 |
| 167 Construction in Progress | | | | | |
| 168 Infrastructure | | | | | |
| 160 Total Capital Assets, Net of Accumulated Depreciation | \$0 | \$0 | \$6,269,347 | \$0 | \$6,269,347 |
| 171 Notes, Loans and Mortgages Receivable - Non-Current | | | \$6,311,439 | | \$6,311,439 |
| 172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due | | | | | |
| 173 Grants Receivable - Non Current | | | | | |
| 174 Other Assets | | | | | |
| 176 Investments in Joint Ventures | | | | | |
| 180 Total Non-Current Assets | \$0 | \$0 | \$12,580,786 | \$0 | \$12,580,786 |
| 190 Total Assets | \$0 | \$0 | \$17,072,576 | \$0 | \$17,072,576 |
| 311 Bank Overdraft | | | \$31,887 | | \$31,887 |
| 312 Accounts Payable <= 90 Days | | | \$78,963 | | \$78,963 |
| 313 Accounts Payable >90 Days Past Due | | | | | |

Fort Collins Housing Authority (CO041)

FORT COLLINS, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2010

| | 14.885 Formula Capital Fund Stimulus Grant | COCC | Subtotal | ELIM | Total |
|--|--|------|-------------|------|-------------|
| 321 Accrued Wage/Payroll Taxes Payable | | | \$221,641 | | \$221,641 |
| 322 Accrued Compensated Absences - Current Portion | | | | | |
| 324 Accrued Contingency Liability | | | | | |
| 325 Accrued Interest Payable | | | \$5,514 | | \$5,514 |
| 331 Accounts Payable - HUD PHA Programs | | | | | |
| 332 Account Payable - PHA Projects | | | | | |
| 333 Accounts Payable - Other Government | | | | | |
| 341 Tenant Security Deposits | | | \$29,447 | | \$29,447 |
| 342 Deferred Revenues | | | \$2,755 | | \$2,755 |
| 343 Current Portion of Long-term Debt - Capital Projects/Mortgage | | | \$11,269 | | \$11,269 |
| 344 Current Portion of Long-term Debt - Operating Borrowings | | | | | |
| 345 Other Current Liabilities | | | \$169,433 | | \$169,433 |
| 346 Accrued Liabilities - Other | | | \$2,041 | | \$2,041 |
| 347 Inter Program - Due To | | | | | |
| 348 Loan Liability - Current | | | \$275,214 | | \$275,214 |
| 310 Total Current Liabilities | \$0 | \$0 | \$828,164 | \$0 | \$828,164 |
| | | | | | |
| 351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue | | | \$0 | | \$0 |
| 352 Long-term Debt, Net of Current - Operating Borrowings | | | | | |
| 353 Non-current Liabilities - Other | | | | | |
| 354 Accrued Compensated Absences - Non Current | | | | | |
| 355 Loan Liability - Non Current | | | \$2,718,440 | | \$2,718,440 |
| 356 FASB 5 Liabilities | | | | | |
| 357 Accrued Pension and OPEB Liabilities | | | | | |
| 350 Total Non-Current Liabilities | \$0 | \$0 | \$2,718,440 | \$0 | \$2,718,440 |
| | | | | | |

Fort Collins Housing Authority (CO041)

FORT COLLINS, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2010

| | 14.885 Formula Capital Fund Stimulus Grant | COCC | Subtotal | ELIM | Total |
|---|--|------|--------------|------|--------------|
| 300 Total Liabilities | \$0 | \$0 | \$3,546,604 | \$0 | \$3,546,604 |
| | | | | | |
| 508.1 Invested In Capital Assets, Net of Related Debt | \$0 | \$0 | \$6,258,078 | | \$6,258,078 |
| 509.2 Fund Balance Reserved | | | | | |
| 511.2 Unreserved, Designated Fund Balance | | | | | |
| 511.1 Restricted Net Assets | \$0 | \$0 | \$881,203 | | \$881,203 |
| 512.1 Unrestricted Net Assets | \$0 | \$0 | \$6,386,691 | | \$6,386,691 |
| 512.2 Unreserved, Undesignated Fund Balance | | | | | |
| 513 Total Equity/Net Assets | \$0 | \$0 | \$13,525,972 | \$0 | \$13,525,972 |
| | | | | | |
| 600 Total Liabilities and Equity/Net Assets | \$0 | \$0 | \$17,072,576 | \$0 | \$17,072,576 |

Fort Collins Housing Authority (CO041)

FORT COLLINS, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2010

| | Project Total | 14.871 Housing Choice Vouchers | 6 Component Units | 2 State/Local | 1 Business Activities |
|---|---------------|-----------------------------------|-------------------|---------------|-----------------------|
| 70300 Net Tenant Rental Revenue | \$232,134 | | | | |
| 70400 Tenant Revenue - Other | \$30,828 | | | | |
| 70500 Total Tenant Revenue | \$262,962 | \$0 | \$0 | \$0 | \$0 |
| 70600 HUD PHA Operating Grants | \$639,666 | \$6,736,373 | \$722,192 | \$2,000 | |
| 70610 Capital Grants | \$151,687 | | | | |
| 70710 Management Fee | | | | | |
| 70720 Asset Management Fee | | | | | |
| 70730 Book Keeping Fee | | | | | |
| 70740 Front Line Service Fee | | | | | |
| 70750 Other Fees | | | | | |
| 70700 Total Fee Revenue | | | | | |
| 70800 Other Government Grants | | | | \$154,501 | \$79,800 |
| 71100 Investment Income - Unrestricted | \$8,007 | \$5,344 | \$20 | -\$92 | \$4,341 |
| 71200 Mortgage Interest Income | | | | | \$137,275 |
| 71300 Proceeds from Disposition of Assets Held for Sale | | | | | |
| 71310 Cost of Sale of Assets | | | | | |
| 71400 Fraud Recovery | | \$1,958 | | | |
| 71500 Other Revenue | \$8,400 | \$879 | \$31 | \$20,052 | \$1,000,531 |
| 71600 Gain or Loss on Sale of Capital Assets | | | | | |
| 72000 Investment Income - Restricted | | \$56 | | | |
| 70000 Total Revenue | \$1,070,722 | \$6,744,610 | \$722,243 | \$176,461 | \$1,221,947 |
| 91100 Administrative Salaries | \$114,347 | \$342,707 | | \$21,547 | \$155,528 |

Fort Collins Housing Authority (CO041)

FORT COLLINS, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2010

| | Project Total | 14.871 Housing Choice Vouchers | 6 Component Units | 2 State/Local | 1 Business Activities |
|--|---------------|-----------------------------------|-------------------|---------------|-----------------------|
| 91200 Auditing Fees | \$4,000 | \$5,000 | | | |
| 91300 Management Fee | \$46,284 | \$205,015 | \$78,026 | \$5,112 | |
| 91310 Book-keeping Fee | | | | | |
| 91400 Advertising and Marketing | \$5,530 | \$1,248 | | | |
| 91500 Employee Benefit contributions - Administrative | \$28,899 | \$81,646 | | \$5,188 | \$22,879 |
| 91600 Office Expenses | \$10,596 | \$32,100 | | \$1,584 | \$6,948 |
| 91700 Legal Expense | \$7,042 | \$15,328 | \$356 | -\$88 | \$105 |
| 91800 Travel | | | | | |
| 91810 Allocated Overhead | | | | | |
| 91900 Other | \$2,645 | \$13,640 | \$102 | -\$69 | \$668 |
| 91000 Total Operating - Administrative | \$219,343 | \$696,684 | \$78,484 | \$33,274 | \$186,128 |
| 92000 Asset Management Fee | | | | | |
| 92100 Tenant Services - Salaries | | \$113,623 | | | |
| 92200 Relocation Costs | | | | | |
| 92300 Employee Benefit Contributions - Tenant Services | | \$25,126 | | | |
| 92400 Tenant Services - Other | \$4,153 | \$11,782 | | \$1,595 | |
| 92500 Total Tenant Services | \$4,153 | \$150,531 | \$0 | \$1,595 | \$0 |
| 93100 Water | \$109,978 | | | | |
| 93200 Electricity | \$7,761 | | | | |
| 93300 Gas | \$9,616 | | | | |
| 93400 Fuel | | | | | |
| 93500 Labor | | | | | |
| 93600 Sewer | | | | | |
| 93700 Employee Benefit Contributions - Utilities | | | | | |

Fort Collins Housing Authority (CO041)

FORT COLLINS, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2010

| | Project Total | 14.871 Housing Choice Vouchers | 6 Component Units | 2 State/Local | 1 Business Activities |
|---|---------------|-----------------------------------|-------------------|---------------|-----------------------|
| 93800 Other Utilities Expense | | | | | |
| 93000 Total Utilities | \$127,355 | \$0 | \$0 | \$0 | \$0 |
| 94100 Ordinary Maintenance and Operations - Labor | | | | | \$17,076 |
| 94200 Ordinary Maintenance and Operations - Materials and Other | \$30,151 | | | | |
| 94300 Ordinary Maintenance and Operations Contracts | \$298,888 | | | | |
| 94500 Employee Benefit Contributions - Ordinary Maintenance | | | | | \$1,773 |
| 94000 Total Maintenance | \$329,039 | \$0 | \$0 | \$0 | \$18,849 |
| 95100 Protective Services - Labor | | | | | |
| 95200 Protective Services - Other Contract Costs | | | | | |
| 95300 Protective Services - Other | | | | | |
| 95500 Employee Benefit Contributions - Protective Services | | | | | |
| 95000 Total Protective Services | \$0 | \$0 | \$0 | \$0 | \$0 |
| 96110 Property Insurance | \$27,524 | | | | |
| 96120 Liability Insurance | | | | | |
| 96130 Workmen's Compensation | | | | | |
| 96140 All Other Insurance | | | | | |
| 96100 Total insurance Premiums | \$27,524 | \$0 | \$0 | \$0 | \$0 |
| 96200 Other General Expenses | | | | | |
| 96210 Compensated Absences | | | | | |
| 96300 Payments in Lieu of Taxes | \$7,966 | | | | |
| 96400 Bad debt - Tenant Rents | \$1,969 | | | | |
| 96500 Bad debt - Mortgages | | | | | |

Fort Collins Housing Authority (CO041)

FORT COLLINS, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2010

| | Project Total | 14.871 Housing Choice Vouchers | 6 Component Units | 2 State/Local | 1 Business Activities |
|---|---------------|-----------------------------------|-------------------|---------------|-----------------------|
| 96600 Bad debt - Other | \$3,331 | | | | |
| 96800 Severance Expense | | | | | |
| 96000 Total Other General Expenses | \$13,266 | \$0 | \$0 | \$0 | \$0 |
| 96710 Interest of Mortgage (or Bonds) Payable | | | | | |
| 96720 Interest on Notes Payable (Short and Long Term) | | | | | \$15,089 |
| 96730 Amortization of Bond Issue Costs | | | | | |
| 96700 Total Interest Expense and Amortization Cost | \$0 | \$0 | \$0 | \$0 | \$15,089 |
| 96900 Total Operating Expenses | \$720,680 | \$847,215 | \$78,484 | \$34,869 | \$220,066 |
| 97000 Excess of Operating Revenue over Operating Expenses | \$350,042 | \$5,897,395 | \$643,759 | \$141,592 | \$1,001,881 |
| 97100 Extraordinary Maintenance | | | | | |
| 97200 Casualty Losses - Non-capitalized | | | | | |
| 97300 Housing Assistance Payments | \$25,116 | \$5,783,885 | \$672,955 | \$134,576 | |
| 97350 HAP Portability-In | | | | | |
| 97400 Depreciation Expense | \$223,468 | | | | |
| 97500 Fraud Losses | | | | | |
| 97600 Capital Outlays - Governmental Funds | | | | | |
| 97700 Debt Principal Payment - Governmental Funds | | | | | |
| 97800 Dwelling Units Rent Expense | | | | | |
| 90000 Total Expenses | \$969,264 | \$6,631,100 | \$751,439 | \$169,445 | \$220,066 |
| 10010 Operating Transfer In | | | | | |
| 10020 Operating transfer Out | | | | | |

Fort Collins Housing Authority (CO041)

FORT COLLINS, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2010

| | Project Total | 14.871 Housing Choice Vouchers | 6 Component Units | 2 State/Local | 1 Business Activities |
|--|---------------|-----------------------------------|-------------------|---------------|-----------------------|
| 10030 Operating Transfers from/to Primary Government | | | | | |
| 10040 Operating Transfers from/to Component Unit | \$547,620 | | | | |
| 10050 Proceeds from Notes, Loans and Bonds | | | | | |
| 10060 Proceeds from Property Sales | | | | | |
| 10070 Extraordinary Items, Net Gain/Loss | | | | | |
| 10080 Special Items (Net Gain/Loss) | | | | | |
| 10091 Inter Project Excess Cash Transfer In | | | | | |
| 10092 Inter Project Excess Cash Transfer Out | | | | | |
| 10093 Transfers between Program and Project - In | | | | | |
| 10094 Transfers between Project and Program - Out | | | | | |
| 10100 Total Other financing Sources (Uses) | \$547,620 | \$0 | \$0 | \$0 | \$0 |
| | | | | | |
| 10000 Excess (Deficiency) of Total Revenue Over (Under) Total | \$649,078 | \$113,510 | -\$29,196 | \$7,016 | \$1,001,881 |
| | | | | | |
| 11020 Required Annual Debt Principal Payments | \$0 | \$0 | \$0 | \$0 | \$0 |
| 11030 Beginning Equity | \$6,000,753 | \$602,773 | \$88,098 | \$4,764 | \$3,844,236 |
| 11040 Prior Period Adjustments, Equity Transfers and Correction of | | | \$485 | | \$0 |
| 11050 Changes in Compensated Absence Balance | | | | | |
| 11060 Changes in Contingent Liability Balance | | | | | |
| 11070 Changes in Unrecognized Pension Transition Liability | | | | | |
| 11080 Changes in Special Term/Severance Benefits Liability | | | | | |
| 11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents | | | | | |
| 11100 Changes in Allowance for Doubtful Accounts - Other | | | | | |
| 11170 Administrative Fee Equity | | \$150,231 | | | |
| 11180 Housing Assistance Payments Equity | | \$566,052 | | | |
| 11190 Unit Months Available | 1848 | 9228 | 1200 | | |

Fort Collins Housing Authority (CO041)

FORT COLLINS, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2010

| | Project Total | 14.871 Housing Choice Vouchers | 6 Component Units | 2 State/Local | 1 Business Activities |
|--|---------------|-----------------------------------|-------------------|---------------|-----------------------|
| 11210 Number of Unit Months Leased | 1830 | 8907 | 1172 | | |
| 11270 Excess Cash | \$502,762 | | | | |
| 11610 Land Purchases | \$0 | | | | |
| 11620 Building Purchases | \$699,307 | | | | |
| 11630 Furniture & Equipment - Dwelling Purchases | \$0 | | | | |
| 11640 Furniture & Equipment - Administrative Purchases | \$0 | | | | |
| 11650 Leasehold Improvements Purchases | \$0 | | | | |
| 11660 Infrastructure Purchases | \$0 | | | | |
| 13510 CFFP Debt Service Payments | \$0 | | | | |
| 13901 Replacement Housing Factor Funds | \$0 | | | | |

Fort Collins Housing Authority (CO041)

FORT COLLINS, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2010

| | 2.5 Internal Service Fund | 14.870 Resident Opportunity and Supportive Services | 14.249 Section 8 Moderate Rehabilitation Single Room Occupancy | 14.VSH HUD-VETERANS AFFAIRS SUPPORTIVE HOUSING (HUD-VASH) PROGRAM | 14.884 Competitive Capital Fund Stimulus Grant |
|---|---------------------------|---|--|---|--|
| 70300 Net Tenant Rental Revenue | | | | | |
| 70400 Tenant Revenue - Other | \$3,994 | | | | |
| 70500 Total Tenant Revenue | \$3,994 | \$0 | \$0 | \$0 | \$0 |
| 70600 HUD PHA Operating Grants | | \$66,950 | \$152,053 | \$398,772 | |
| 70610 Capital Grants | | | | | \$417,060 |
| 70710 Management Fee | | | | | |
| 70720 Asset Management Fee | | | | | |
| 70730 Book Keeping Fee | | | | | |
| 70740 Front Line Service Fee | | | | | |
| 70750 Other Fees | | | | | |
| 70700 Total Fee Revenue | | | | | |
| 70800 Other Government Grants | | | | | |
| 71100 Investment Income - Unrestricted | \$4,740 | | \$56 | | |
| 71200 Mortgage Interest Income | \$108,835 | | | | |
| 71300 Proceeds from Disposition of Assets Held for Sale | | | | | |
| 71310 Cost of Sale of Assets | | | | | |
| 71400 Fraud Recovery | | | | | |
| 71500 Other Revenue | \$2,368,584 | | | | |
| 71600 Gain or Loss on Sale of Capital Assets | | | | | |
| 72000 Investment Income - Restricted | | | | | |
| 70000 Total Revenue | \$2,486,153 | \$66,950 | \$152,109 | \$398,772 | \$417,060 |
| 91100 Administrative Salaries | \$858,049 | | | | |
| 91200 Auditing Fees | \$15,644 | | | | |

Fort Collins Housing Authority (CO041)

FORT COLLINS, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2010

| | 2.5 Internal Service Fund | 14.870 Resident Opportunity and Supportive Services | 14.249 Section 8 Moderate Rehabilitation Single Room Occupancy | 14.VSH HUD-VETERANS AFFAIRS SUPPORTIVE HOUSING (HUD-VASH) PROGRAM | 14.884 Competitive Capital Fund Stimulus Grant |
|--|---------------------------|---|--|---|--|
| 91300 Management Fee | | | \$22,445 | | |
| 91310 Book-keeping Fee | | | | | |
| 91400 Advertising and Marketing | \$12,043 | | | | |
| 91500 Employee Benefit contributions - Administrative | \$187,301 | | | | |
| 91600 Office Expenses | \$47,292 | | | | |
| 91700 Legal Expense | \$18,477 | | | | |
| 91800 Travel | \$5,824 | | | | |
| 91810 Allocated Overhead | | | | | |
| 91900 Other | \$253,895 | | | | |
| 91000 Total Operating - Administrative | \$1,398,525 | \$0 | \$22,445 | \$0 | \$0 |
| 92000 Asset Management Fee | | | | | |
| 92100 Tenant Services - Salaries | | \$56,820 | | | |
| 92200 Relocation Costs | | | | | |
| 92300 Employee Benefit Contributions - Tenant Services | | \$10,130 | | | |
| 92400 Tenant Services - Other | \$20,352 | | | | |
| 92500 Total Tenant Services | \$20,352 | \$66,950 | \$0 | \$0 | \$0 |
| 93100 Water | \$3,980 | | | | |
| 93200 Electricity | \$4,679 | | | | |
| 93300 Gas | \$2,791 | | | | |
| 93400 Fuel | | | | | |
| 93500 Labor | | | | | |
| 93600 Sewer | | | | | |
| 93700 Employee Benefit Contributions - Utilities | | | | | |
| 93800 Other Utilities Expense | | | | | |

Fort Collins Housing Authority (CO041)

FORT COLLINS, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2010

| | 2.5 Internal Service Fund | 14.870 Resident Opportunity and Supportive Services | 14.249 Section 8 Moderate Rehabilitation Single Room Occupancy | 14.VSH HUD-VETERANS AFFAIRS SUPPORTIVE HOUSING (HUD-VASH) PROGRAM | 14.884 Competitive Capital Fund Stimulus Grant |
|---|---------------------------|---|--|---|--|
| 93000 Total Utilities | \$11,450 | \$0 | \$0 | \$0 | \$0 |
| 94100 Ordinary Maintenance and Operations - Labor | \$555,885 | | | | |
| 94200 Ordinary Maintenance and Operations - Materials and Other | \$47,841 | | | | |
| 94300 Ordinary Maintenance and Operations Contracts | \$120,169 | | | | |
| 94500 Employee Benefit Contributions - Ordinary Maintenance | \$126,832 | | | | |
| 94000 Total Maintenance | \$850,727 | \$0 | \$0 | \$0 | \$0 |
| 95100 Protective Services - Labor | | | | | |
| 95200 Protective Services - Other Contract Costs | | | | | |
| 95300 Protective Services - Other | -\$578 | | | | |
| 95500 Employee Benefit Contributions - Protective Services | | | | | |
| 95000 Total Protective Services | -\$578 | \$0 | \$0 | \$0 | \$0 |
| 96110 Property Insurance | \$7,352 | | | | |
| 96120 Liability Insurance | | | | | |
| 96130 Workmen's Compensation | | | | | |
| 96140 All Other Insurance | | | | | |
| 96100 Total insurance Premiums | \$7,352 | \$0 | \$0 | \$0 | \$0 |
| 96200 Other General Expenses | \$270 | | | | |
| 96210 Compensated Absences | | | | | |
| 96300 Payments in Lieu of Taxes | | | | | |
| 96400 Bad debt - Tenant Rents | | | | | |
| 96500 Bad debt - Mortgages | | | | | |
| 96600 Bad debt - Other | | | | | |

Fort Collins Housing Authority (CO041)

FORT COLLINS, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2010

| | 2.5 Internal Service Fund | 14.870 Resident Opportunity and Supportive Services | 14.249 Section 8 Moderate Rehabilitation Single Room Occupancy | 14.VSH HUD-VETERANS AFFAIRS SUPPORTIVE HOUSING (HUD-VASH) PROGRAM | 14.884 Competitive Capital Fund Stimulus Grant |
|---|---------------------------|---|--|---|--|
| 96800 Severance Expense | | | | | |
| 96000 Total Other General Expenses | \$270 | \$0 | \$0 | \$0 | \$0 |
| 96710 Interest of Mortgage (or Bonds) Payable | | | | | |
| 96720 Interest on Notes Payable (Short and Long Term) | \$105,584 | | | | |
| 96730 Amortization of Bond Issue Costs | | | | | |
| 96700 Total Interest Expense and Amortization Cost | \$105,584 | \$0 | \$0 | \$0 | \$0 |
| 96900 Total Operating Expenses | \$2,393,682 | \$66,950 | \$22,445 | \$0 | \$0 |
| 97000 Excess of Operating Revenue over Operating Expenses | \$92,471 | \$0 | \$129,664 | \$398,772 | \$417,060 |
| 97100 Extraordinary Maintenance | \$8,987 | | | | |
| 97200 Casualty Losses - Non-capitalized | | | | | |
| 97300 Housing Assistance Payments | | | \$121,220 | \$302,416 | |
| 97350 HAP Portability-In | | | | | |
| 97400 Depreciation Expense | \$14,481 | | | | |
| 97500 Fraud Losses | | | | | |
| 97600 Capital Outlays - Governmental Funds | | | | | |
| 97700 Debt Principal Payment - Governmental Funds | | | | | |
| 97800 Dwelling Units Rent Expense | | | | | |
| 90000 Total Expenses | \$2,417,150 | \$66,950 | \$143,665 | \$302,416 | \$0 |
| 10010 Operating Transfer In | | | | | |
| 10020 Operating transfer Out | | | | | |
| 10030 Operating Transfers from/to Primary Government | | | | | |

Fort Collins Housing Authority (CO041)

FORT COLLINS, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2010

| | 2.5 Internal Service Fund | 14.870 Resident Opportunity and Supportive Services | 14.249 Section 8 Moderate Rehabilitation Single Room Occupancy | 14.VSH HUD-VETERANS AFFAIRS SUPPORTIVE HOUSING (HUD-VASH) PROGRAM | 14.884 Competitive Capital Fund Stimulus Grant |
|--|---------------------------|---|--|---|--|
| 10040 Operating Transfers from/to Component Unit | | | | | -\$417,060 |
| 10050 Proceeds from Notes, Loans and Bonds | | | | | |
| 10060 Proceeds from Property Sales | | | | | |
| 10070 Extraordinary Items, Net Gain/Loss | | | | | |
| 10080 Special Items (Net Gain/Loss) | | | | | |
| 10091 Inter Project Excess Cash Transfer In | | | | | |
| 10092 Inter Project Excess Cash Transfer Out | | | | | |
| 10093 Transfers between Program and Project - In | | | | | |
| 10094 Transfers between Project and Program - Out | | | | | |
| 10100 Total Other financing Sources (Uses) | \$0 | \$0 | \$0 | \$0 | -\$417,060 |
| 10000 Excess (Deficiency) of Total Revenue Over (Under) Total | \$69,003 | \$0 | \$8,444 | \$96,356 | \$0 |
| 11020 Required Annual Debt Principal Payments | \$0 | \$0 | \$0 | \$0 | \$0 |
| 11030 Beginning Equity | \$917,807 | \$0 | \$43,940 | \$107,024 | \$0 |
| 11040 Prior Period Adjustments, Equity Transfers and Correction of | | | | | \$0 |
| 11050 Changes in Compensated Absence Balance | | | | | |
| 11060 Changes in Contingent Liability Balance | | | | | |
| 11070 Changes in Unrecognized Pension Transition Liability | | | | | |
| 11080 Changes in Special Term/Severance Benefits Liability | | | | | |
| 11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents | | | | | |
| 11100 Changes in Allowance for Doubtful Accounts - Other | | | | | |
| 11170 Administrative Fee Equity | | | | | |
| 11180 Housing Assistance Payments Equity | | | | | |
| 11190 Unit Months Available | | | 324 | 840 | |
| 11210 Number of Unit Months Leased | | | 299 | 584 | |

Fort Collins Housing Authority (CO041)

FORT COLLINS, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2010

| | 2.5 Internal Service Fund | 14.870 Resident Opportunity and Supportive Services | 14.249 Section 8 Moderate Rehabilitation Single Room Occupancy | 14.VSH HUD-VETERANS AFFAIRS SUPPORTIVE HOUSING (HUD-VASH) PROGRAM | 14.884 Competitive Capital Fund Stimulus Grant |
|--|---------------------------|---|--|---|--|
| 11270 Excess Cash | | | | | |
| 11610 Land Purchases | | | | | |
| 11620 Building Purchases | | | | | |
| 11630 Furniture & Equipment - Dwelling Purchases | | | | | |
| 11640 Furniture & Equipment - Administrative Purchases | | | | | |
| 11650 Leasehold Improvements Purchases | | | | | |
| 11660 Infrastructure Purchases | | | | | |
| 13510 CFFP Debt Service Payments | | | | | |
| 13901 Replacement Housing Factor Funds | | | | | |

Fort Collins Housing Authority (CO041)

FORT COLLINS, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2010

| | 14.885 Formula Capital Fund Stimulus Grant | COCC | Subtotal | ELIM | Total |
|---|--|------|--------------|------------|--------------|
| 70300 Net Tenant Rental Revenue | | | \$232,134 | | \$232,134 |
| 70400 Tenant Revenue - Other | | | \$34,822 | | \$34,822 |
| 70500 Total Tenant Revenue | \$0 | \$0 | \$266,956 | \$0 | \$266,956 |
| 70600 HUD PHA Operating Grants | | | \$8,718,006 | | \$8,718,006 |
| 70610 Capital Grants | \$130,560 | | \$699,307 | | \$699,307 |
| 70710 Management Fee | | \$0 | \$0 | \$0 | \$0 |
| 70720 Asset Management Fee | | | | | |
| 70730 Book Keeping Fee | | | | | |
| 70740 Front Line Service Fee | | | | | |
| 70750 Other Fees | | | | | |
| 70700 Total Fee Revenue | | \$0 | \$0 | \$0 | \$0 |
| 70800 Other Government Grants | | | \$234,301 | | \$234,301 |
| 71100 Investment Income - Unrestricted | | | \$22,416 | | \$22,416 |
| 71200 Mortgage Interest Income | | | \$246,110 | | \$246,110 |
| 71300 Proceeds from Disposition of Assets Held for Sale | | | | | |
| 71310 Cost of Sale of Assets | | | | | |
| 71400 Fraud Recovery | | | \$1,958 | | \$1,958 |
| 71500 Other Revenue | | | \$3,398,477 | -\$452,427 | \$2,946,050 |
| 71600 Gain or Loss on Sale of Capital Assets | | | | | |
| 72000 Investment Income - Restricted | | | \$56 | | \$56 |
| 70000 Total Revenue | \$130,560 | \$0 | \$13,587,587 | -\$452,427 | \$13,135,160 |
| 91100 Administrative Salaries | | | \$1,492,178 | | \$1,492,178 |
| 91200 Auditing Fees | | | \$24,644 | | \$24,644 |

Fort Collins Housing Authority (CO041)

FORT COLLINS, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2010

| | 14.885 Formula Capital Fund Stimulus Grant | COCC | Subtotal | ELIM | Total |
|--|--|------|-------------|------------|-------------|
| 91300 Management Fee | | | \$356,882 | -\$353,907 | \$2,975 |
| 91310 Book-keeping Fee | | | | | |
| 91400 Advertising and Marketing | | | \$18,821 | | \$18,821 |
| 91500 Employee Benefit contributions - Administrative | | | \$325,913 | | \$325,913 |
| 91600 Office Expenses | | | \$98,520 | -\$98,520 | \$0 |
| 91700 Legal Expense | | | \$41,220 | | \$41,220 |
| 91800 Travel | | | \$5,824 | | \$5,824 |
| 91810 Allocated Overhead | | | | | |
| 91900 Other | | | \$270,881 | | \$270,881 |
| 91000 Total Operating - Administrative | \$0 | \$0 | \$2,634,883 | -\$452,427 | \$2,182,456 |
| | | | | | |
| 92000 Asset Management Fee | | | | | |
| 92100 Tenant Services - Salaries | | | \$170,443 | | \$170,443 |
| 92200 Relocation Costs | | | | | |
| 92300 Employee Benefit Contributions - Tenant Services | | | \$35,256 | | \$35,256 |
| 92400 Tenant Services - Other | | | \$37,882 | | \$37,882 |
| 92500 Total Tenant Services | \$0 | \$0 | \$243,581 | \$0 | \$243,581 |
| | | | | | |
| 93100 Water | | | \$113,958 | | \$113,958 |
| 93200 Electricity | | | \$12,440 | | \$12,440 |
| 93300 Gas | | | \$12,407 | | \$12,407 |
| 93400 Fuel | | | | | |
| 93500 Labor | | | | | |
| 93600 Sewer | | | | | |
| 93700 Employee Benefit Contributions - Utilities | | | | | |
| 93800 Other Utilities Expense | | | | | |

Fort Collins Housing Authority (CO041)

FORT COLLINS, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2010

| | 14.885 Formula Capital Fund Stimulus Grant | COCC | Subtotal | ELIM | Total |
|---|--|------|-------------|------|-------------|
| 93000 Total Utilities | \$0 | \$0 | \$138,805 | \$0 | \$138,805 |
| 94100 Ordinary Maintenance and Operations - Labor | | | \$572,961 | | \$572,961 |
| 94200 Ordinary Maintenance and Operations - Materials and Other | | | \$77,992 | | \$77,992 |
| 94300 Ordinary Maintenance and Operations Contracts | | | \$419,057 | \$0 | \$419,057 |
| 94500 Employee Benefit Contributions - Ordinary Maintenance | | | \$128,605 | | \$128,605 |
| 94000 Total Maintenance | \$0 | \$0 | \$1,198,615 | \$0 | \$1,198,615 |
| 95100 Protective Services - Labor | | | | | |
| 95200 Protective Services - Other Contract Costs | | | | | |
| 95300 Protective Services - Other | | | -\$578 | | -\$578 |
| 95500 Employee Benefit Contributions - Protective Services | | | | | |
| 95000 Total Protective Services | \$0 | \$0 | -\$578 | \$0 | -\$578 |
| 96110 Property Insurance | | | \$34,876 | | \$34,876 |
| 96120 Liability Insurance | | | | | |
| 96130 Workmen's Compensation | | | | | |
| 96140 All Other Insurance | | | | | |
| 96100 Total insurance Premiums | \$0 | \$0 | \$34,876 | \$0 | \$34,876 |
| 96200 Other General Expenses | | | \$270 | | \$270 |
| 96210 Compensated Absences | | | | | |
| 96300 Payments in Lieu of Taxes | | | \$7,966 | | \$7,966 |
| 96400 Bad debt - Tenant Rents | | | \$1,969 | | \$1,969 |
| 96500 Bad debt - Mortgages | | | | | |
| 96600 Bad debt - Other | | | \$3,331 | | \$3,331 |

Fort Collins Housing Authority (CO041)

FORT COLLINS, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2010

| | 14.885 Formula Capital Fund Stimulus Grant | COCC | Subtotal | ELIM | Total |
|---|--|------|--------------|------------|--------------|
| 96800 Severance Expense | | | | | |
| 96000 Total Other General Expenses | \$0 | \$0 | \$13,536 | \$0 | \$13,536 |
| 96710 Interest of Mortgage (or Bonds) Payable | | | | | |
| 96720 Interest on Notes Payable (Short and Long Term) | | | \$120,673 | | \$120,673 |
| 96730 Amortization of Bond Issue Costs | | | | | |
| 96700 Total Interest Expense and Amortization Cost | \$0 | \$0 | \$120,673 | \$0 | \$120,673 |
| 96900 Total Operating Expenses | \$0 | \$0 | \$4,384,391 | -\$452,427 | \$3,931,964 |
| 97000 Excess of Operating Revenue over Operating Expenses | \$130,560 | \$0 | \$9,203,196 | \$0 | \$9,203,196 |
| 97100 Extraordinary Maintenance | | | \$8,987 | | \$8,987 |
| 97200 Casualty Losses - Non-capitalized | | | | | |
| 97300 Housing Assistance Payments | | | \$7,040,168 | | \$7,040,168 |
| 97350 HAP Portability-In | | | | | |
| 97400 Depreciation Expense | | | \$237,949 | | \$237,949 |
| 97500 Fraud Losses | | | | | |
| 97600 Capital Outlays - Governmental Funds | | | | | |
| 97700 Debt Principal Payment - Governmental Funds | | | | | |
| 97800 Dwelling Units Rent Expense | | | | | |
| 90000 Total Expenses | \$0 | \$0 | \$11,671,495 | -\$452,427 | \$11,219,068 |
| 10010 Operating Transfer In | | | | | |
| 10020 Operating transfer Out | | | | | |
| 10030 Operating Transfers from/to Primary Government | | | | | |

Fort Collins Housing Authority (CO041)

FORT COLLINS, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2010

| | 14.885 Formula Capital Fund Stimulus Grant | COCC | Subtotal | ELIM | Total |
|--|--|------|--------------|------|--------------|
| 10040 Operating Transfers from/to Component Unit | -\$130,560 | | \$0 | | \$0 |
| 10050 Proceeds from Notes, Loans and Bonds | | | | | |
| 10060 Proceeds from Property Sales | | | | | |
| 10070 Extraordinary Items, Net Gain/Loss | | | | | |
| 10080 Special Items (Net Gain/Loss) | | | | | |
| 10091 Inter Project Excess Cash Transfer In | | | | | |
| 10092 Inter Project Excess Cash Transfer Out | | | | | |
| 10093 Transfers between Program and Project - In | | | | | |
| 10094 Transfers between Project and Program - Out | | | | | |
| 10100 Total Other financing Sources (Uses) | -\$130,560 | \$0 | \$0 | \$0 | \$0 |
| | | | | | |
| 10000 Excess (Deficiency) of Total Revenue Over (Under) Total | \$0 | \$0 | \$1,916,092 | \$0 | \$1,916,092 |
| | | | | | |
| 11020 Required Annual Debt Principal Payments | \$0 | \$0 | \$0 | \$0 | \$0 |
| 11030 Beginning Equity | \$0 | \$0 | \$11,609,395 | \$0 | \$11,609,395 |
| 11040 Prior Period Adjustments, Equity Transfers and Correction of | \$0 | | \$485 | \$0 | \$485 |
| 11050 Changes in Compensated Absence Balance | | | | | |
| 11060 Changes in Contingent Liability Balance | | | | | |
| 11070 Changes in Unrecognized Pension Transition Liability | | | | | |
| 11080 Changes in Special Term/Severance Benefits Liability | | | | | |
| 11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents | | | | | |
| 11100 Changes in Allowance for Doubtful Accounts - Other | | | | | |
| 11170 Administrative Fee Equity | | | \$150,231 | | \$150,231 |
| 11180 Housing Assistance Payments Equity | | | \$566,052 | | \$566,052 |
| 11190 Unit Months Available | | 0 | 13440 | | 13440 |
| 11210 Number of Unit Months Leased | | 0 | 12792 | | 12792 |

Fort Collins Housing Authority (CO041)

FORT COLLINS, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2010

| | 14.885 Formula Capital Fund Stimulus Grant | COCC | Subtotal | ELIM | Total |
|--|--|------|-----------|------|-----------|
| 11270 Excess Cash | | | \$502,762 | | \$502,762 |
| 11610 Land Purchases | | \$0 | \$0 | | \$0 |
| 11620 Building Purchases | | \$0 | \$699,307 | | \$699,307 |
| 11630 Furniture & Equipment - Dwelling Purchases | | \$0 | \$0 | | \$0 |
| 11640 Furniture & Equipment - Administrative Purchases | | \$0 | \$0 | | \$0 |
| 11650 Leasehold Improvements Purchases | | \$0 | \$0 | | \$0 |
| 11660 Infrastructure Purchases | | \$0 | \$0 | | \$0 |
| 13510 CFFP Debt Service Payments | | \$0 | \$0 | | \$0 |
| 13901 Replacement Housing Factor Funds | | \$0 | \$0 | | \$0 |