



BOULDER  
HOUSING  
PARTNERS

# BOARD OF COMMISSIONERS MEETING

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*December 13, 2023*

*BHP Main Office  
4800 N. Broadway  
Boulder, CO 80304*





## Annual Board of Commissioners Meeting

Boulder Housing Partners  
4800 N. Broadway, Boulder, CO 80304  
December 13, 2023 | 9:00 AM - 11:30 AM

### AGENDA

9:00-9:30	<b>Standing Agenda and Meeting Items</b>	<b>Page</b>
	1. Call to Order and Determination of a Quorum	
	2. Public Participation	
	3. Approval of Minutes from November 8, 2023	<b>5</b>
	4. Finance and Operations Update	<b>13</b>
9:30-11:00	<b>Meeting Agenda</b>	
	1. Filling Resident Commissioner Vacancy	
	2. Insurance Presentation	<b>25</b>
	3. Resolution #2023-14 – 2024 Final Budget Approval	<b>35</b>
	4. Resolution #2023-15 Arapahoe Court Disposition	<b>63</b>
11:00-11:30	<b>Board Matters</b>	
	1. BHP Foundation Board Update	
	2. Announcements and Other Items from the Board	
	3. Upcoming Conference Opportunities	<b>68</b>
	4. Future Board Items and Board Calendar	<b>69</b>
	5. Board Elections	
11:30	<b>Adjournment</b>	



## Reunión Anual de la Junta de Comisionados

Boulder Housing Partners  
4800 N. Broadway, Boulder, CO 80304  
8 de noviembre de 2023 | 9:00 AM - 11:30 AM

### AGENDA

		Página
9:00-9:30	<b>Agenda Permanente y Puntos de la Reunión</b>	
	1. Llamado al Orden y Determinación de Quórum	
	2. Participación del Público	
	3. Aprobación del Acta del 8 de noviembre de 2023	5
	4. Actualización de Finanzas y Operaciones	13
9:30-11:00	<b>Agenda de la Reunión</b>	
	1. Cubrir el Puesto Libre de Comisionado Residente	25
	2. Presentación del Seguro	35
	3. Resolución #2023-14 – Aprobación del Presupuesto Final 2024	35
	4. Resolución #2023-15 – Disposición de Arapahoe Court	63
11:00-11:30	<b>Asuntos de la Junta de Comisionados</b>	
	1. Actualización de la Junta de Comisionados de la Fundación de BHP	
	2. Anuncios y Otros Elementos de la Junta de Comisionados	
	3. Próximas Oportunidades de Conferencias	68
	4. Elementos Futuros de La Junta y Calendario de la Junta	69
	5. Elecciones de la Junta	
11:30	<b>Aplazamiento</b>	

# Strategic Framework

BOULDER HOUSING PARTNERS



**VISION** To help create a **diverse, inclusive, & sustainable** Boulder.

**MISSION** To provide quality, affordable homes and foster thriving Boulder communities.

## CORE BELIEFS

- We believe in the **power of having a home**.
- We believe in **opportunity for all**.
- We celebrate our **diversity**.
- We believe our work is **one part of a broader solution** to a thriving community.
- We believe in keeping our **impact on the environment small**.
- We believe in working as **one team**.

## STRATEGIES.....

### Support Residents & Strengthen Communities

We provide high-quality customer service, treating all people with kindness, respect, and dignity. We foster partnerships with residents, participants, and local organizations to increase opportunities and strengthen the broader community.

### Increase Affordable Housing Opportunities

We seek to meet the changing housing needs of our community. Our expertise is affordable and attainable rental housing. We work in collaboration with the City of Boulder to address community housing goals and provide opportunities that would not otherwise be available in the local market. We are agile and responsive to opportunities, providing permanently affordable homes through development, acquisition, and vouchers.

### Steward our Resources Effectively

We are diligent stewards of public resources and champions for those who need them. We manage our resources through effective business practices, strategic asset management, community collaborations, environmental stewardship, and innovative systems that bring clarity and focus to our work.

### Cultivate an Outstanding Workplace

We create a positive workplace culture, striving to attract and retain the best employees. We support wellness and balance in employees' lives and we cultivate the creativity, passions, and unique skills of our team members.



4800 N. Broadway, Boulder, CO 80304  
Phone: 720-564-4610  
Fax: 303-939-9569  
[www.boulderhousing.org](http://www.boulderhousing.org)  
Hearing Assistance: 1-800-659-3656

## FRAMEWORK FOR DECISION MAKING

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When evaluating decisions or determining what matters BHP should spend time on, in accordance with our fiduciary duties to always act in the best interest of the organization, we consider the following questions:

1. Does this idea/action item further the goals of the organization?
2. Is this relevant and helpful for our constituents/customers?
3. What is the impact on staff?
4. What is the impact on budgets?
5. Is it strategic or operational?
6. Is this within our span of control?

**BOULDER HOUSING PARTNERS**  
**Meeting of the Board of Commissioners**  
**November 8, 2023 | 9:00 am**  
**4800 N. Broadway, Boulder, CO 80304**

Board meetings are held the second Wednesday of each month, beginning at 9:00 am, at the BHP main office (4800 Broadway, Boulder, CO 80304), unless otherwise noted. Board meetings are open to everyone and include time for public participation as provided on the agenda.

For Spanish interpretation during the Board of Commissioners meeting, please contact us at 720-564-4610 the Friday before the Board meeting to schedule the service.

Commissioner Walker	Jeremy Durham	Others Present:
Commissioner Adler	Frank Alexander	Tim Thomas
Commissioner Bissonette	Jason Acuña	Chuck Gaylord
Commissioner Block	Karin Stayton	Mark Fearer
Commissioner Cooper	Laura Sheinbaum	Travis Cully
Commissioner Lord	Tim Beal	Carol McMillan
Commissioner Schoenfeld	Tory Livingston	
Commissioner Wallach	Will Kugel	

**I. Call to order and Determination of a Quorum**

Commissioner Walker called the meeting of the Board of Commissioners to order at 9:08 am. A quorum was declared.

**II. Public Participation**

The Board Meeting information was posted on the main BHP website ([boulderhousing.org](http://boulderhousing.org)) in English and Spanish.

Tim Thomas mentioned that the former Resident Representative Council (RRC) received a letter asserting that the current members did not meet the qualifications outlined in HUD federal regulations as 'directly assisted individuals'. Tim reported that a cease-and-desist letter had been sent to BHP, citing a regulation allowing only one resident advisory group.

Travis Cully expressed his support for Tim Thomas's prior statement.

Carol McMillan claimed that she was the ninth member of the BHP Board of Commissioners and said that she was elected in September 2023 to succeed Mark Fearer, who resigned in August 2023. Carol disputed Mark's comment to Jeremy that the RRC is no longer meeting, and that BHP could sever the relationship with the RRC.

Mark Fearer clarified Carol's statement, asserting that he was unsure whether the RRC was still meeting.

Jeremy Durham stated that BHP did send out a letter to all BHP 'directly assisted individuals' and we had an incredible response – 51 people responded and 24 came to the first meeting. Jeremy affirmed Tim's assertion that HUD's regulations mandate BHP to recognize only one RRC, comprising 'directly assisted individuals.' Jeremy assured the group invited aligned with HUD's definition, and BHP, working with legal counsel and HUD, was ensuring compliance. He emphasized

BHP's commitment to resident engagement, acknowledging the importance of adhering to regulatory frameworks for board membership. Jeremy expressed willingness to continue engaging with individuals through community meetings and the directly assisted committee for qualified residents.

Commissioner Schoenfeld said that regarding the Moving to Work (MTW) program, notices did go out to residents, voucher holders, and the public already and they were given the opportunity for a public hearing to provide input.

### **III. Approval of the Meeting Minutes**

Consent agenda items approved:

1. Minutes from October 18, 2023

**COMMISSIONER BISSONETTE MOVED TO APPROVE THE MINUTES FROM OCTOBER 18, 2023. COMMISSIONER WALLACH SECONDED THE MOTION.** The motion to approve the minutes passed unanimously.

### **IV. Financial Dashboard**

Will Kugel, Chief Financial Officer, and Tory Livingston, Controller, went over the financial dashboard for September 2023 and answered questions from the Board.

### **V. Meeting Agenda**

#### **Resolution #2023-13 Moving to Work (MTW) Annual Plan**

Karen Brunnemer presented Resolution #2023-13 Moving to Work Annual Plan and answered questions from the Board.

BHP is a participant in the MTW program through HUD. Normally this would have gone to the Board in October, but there wasn't going to be a board meeting because of the retreat. Due to this, we got permission from HUD to delay this to November.

The draft plan was published for public comment on October 6. We offered a meeting with the Family Self-Sufficiency (FSS) participants on October 4, 2023. No one attended the meeting, but we had a good conversation with the FSS staff from Boulder County. We also created a flyer and sent it to every FSS participant to make sure that they had an opportunity for feedback. We have not gotten any feedback. We had a Public Review on October 24 and there were no attendees. In addition, we had the Resident Advisory Board (directly assisted individuals) meeting on October 30 at the BHP main office. We sent a letter to every person.

The plan was brought to the Board in the way that it went out as draft format on October 6.

**COMMISSIONER GRANO MADE A MOTION TO APPROVE RESOLUTION #2023-13 MOVING TO WORK ANNUAL PLAN. COMMISSIONER BISSONETTE SECONDED THE MOTION.** The motion passed unanimously.

#### **2024 Budget Draft**

Will Kugel and Tory Livingston presented the 2024 Budget Draft and answered questions from the Board.

Will also acknowledged Tory for her incredible work on the project as well as the work of the entire Finance team and across the entire organization. We looked at a fiscal framework that will best serve the organization and serve those in our units.

## **VI. Board Matters**

### BHP Foundation Board Update

Commissioner Walker said that there was a recent elections and Betsey Martens is the new president for the Foundation and Becca Bracey is the Vice President, and Midge Korczak is the Secretary. There is a full Board with 15 people.

Commissioner Walker said that the Foundation had a successful property tour at three BHP communities – Diagonal Court, Walnut Place, and Kalmia. At the Diagonal Court community, the group spoke with current residents who spoke about their experiences and how the Foundation has helped in various ways.

A tour participant wrote about her positive experience during the tour and what she learned from the Foundation and BHP staff.

In addition, Betsey Martens created a survey afterwards to get feedback; here are some comments:

- Everything was perfect.
- The highlight was hearing from residents.
- Great way to see the work firsthand.
- No one in my circle knows about the housing program.
- Someone wondered if some of her former students lived at BHP.
- Teachers could have a better understanding of their students if they can take the tour.

Commissioner Walker said that the CO Gives Day will be coming soon on December 5 and the Foundation will send out a letter asking for donations.

### Announcements and Other Items from the Board

Commissioner Wallach said that on December 7 Council Members will select new committees. Commissioner Wallach is hoping to stay on the BHP Board, but the changes are not certain.

### Conference Opportunities

Commissioners are welcome to contact Jason Acuña if they are interested in attending any conference opportunities.

### Future Board Items

Commissioner Walker and Jeremy said that the Rally Flats Groundbreaking event will happen on Wednesday, November 15 at 3:30 pm.

Commissioner Wallach mentioned that there will be Board elections during the December Board meeting.

## **VII. Adjourn**

The meeting of the Board of Commissioners adjourned at 11:20 am.

Seal  
DATE: 11/8/2023



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Bob Walker  
Chairperson, Board of Commissioners  
Housing Authority of the City of Boulder

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Jeremy Durham  
Executive Director

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Jason Acuña  
Recording Secretary

**BOULDER HOUSING PARTNERS**  
**Reunión de la Junta de Comisionados**  
**8 de noviembre de 2023 | 9:00 am**  
**4800 N. Broadway, Boulder, CO 80304**

Las reuniones de la junta se llevan a cabo el segundo miércoles de cada mes, a partir de las 9:00 am, en la oficina principal de BHP (4800 Broadway, Boulder, CO 80304), a menos que se indique lo contrario. Las reuniones de la junta están abiertas a todos e incluyen tiempo para participación pública según lo dispuesto en la agenda.

Para interpretación en español durante la reunión de la Junta de Comisionados, contáctenos al 720-564-4610 el viernes anterior a la reunión de la Junta para programar el servicio.

Commissioner Walker	Jeremy Durham	Otros Presente:
Commissioner Adler	Frank Alexander	Tim Thomas
Commissioner Bissonette	Jason Acuña	Chuck Gaylord
Commissioner Block	Karin Stayton	Mark Fearer
Commissioner Cooper	Laura Sheinbaum	Travis Cully
Commissioner Lord	Tim Beal	Carol McMillan
Commissioner Schoenfeld	Tory Livingston	
Commissioner Wallach	Will Kugel	

### **I. Llamado al Orden y Determinación de un Quórum**

El Comisionado Walker dio inicio a la reunión de la Junta de Comisionados a las 9:08 am. Se declaró un quórum.

### **II. Participación Pública**

La información de la reunión de la Junta se publicó en el sitio web principal de BHP ([boulderhousing.org](http://boulderhousing.org)) en inglés y español.

Tim Thomas mencionó que el antiguo Consejo de Representantes Residentes (RRC por sus siglas en inglés) recibió una carta afirmando que los miembros actuales no cumplían con los requisitos descritos en las regulaciones federales de HUD como "individuos directamente asistidos". Tim presentó una carta de su abogado, afiliado a Garnett Powell Maximon Barlow, dirigida a Jeremy Durham, director ejecutivo, y a Ruth Becker, asesora legal de BHP. La carta del abogado confirmó la existencia de un comité permanente, que detalla las actividades del grupo durante los últimos ocho meses. Tim destacó que el grupo había elegido funcionarios, incluidos un presidente, un vicepresidente, un tesorero, un secretario y un comisionado residente de la junta. Además, Tim informó que se había enviado una carta de cese y desistimiento al HUD, citando una regulación que permite solo un grupo asesor de residentes.

Travis Cully expresó su apoyo por la petición de Tim Thomas.

Carol McMillan afirmó que era el noveno miembro de la Junta de Comisionados de BHP y dijo que fue elegida en septiembre de 2023 para suceder a Mark Fearer, quien renunció en agosto de 2023. Carol cuestionó el comentario de Mark a Jeremy de que el RRC ya no se reunirá y que BHP podría dañar la relación con la RRC.

Mark Fearer aclaró la declaración de Carol, afirmando que no estaba seguro de si el RRC todavía se estaba reuniendo.

Jeremy Durham declaró que esta era la primera vez que veía la carta presentada por Tim Thomas. Confirmó que el abogado mencionado se había comunicado telefónicamente con Ruth Becker, asesora legal de BHP, ella le devolvió la llamada, pero desde entonces no hubo respuesta del abogado. BHP envió una carta a todas las “personas asistidas directamente” de BHP y tuvimos una respuesta increíble: 51 personas respondieron y 24 asistieron a la primera reunión. Jeremy afirmó la afirmación de Tim de que las regulaciones de HUD exigen que BHP reconozca sólo un RRC, que comprende "individuos que reciben asistencia directa". Jeremy aseguró que el grupo invitado estaba alineado con la definición de HUD y que BHP, en colaboración con el asesor legal y HUD, estaba garantizando el cumplimiento. Hizo hincapié en el compromiso de BHP con la participación de los residentes, reconociendo la importancia de adherirse a los marcos regulatorios para la membresía de la junta directiva. Jeremy expresó su voluntad de continuar interactuando con las personas a través de reuniones comunitarias o un comité asistido directamente para residentes calificados.

La comisionada Schoenfeld dijo que con respecto al programa Moving to Work (MTW), ya se enviaron avisos a los residentes, a los titulares de vales y al público y se les dio la oportunidad de una audiencia pública para brindar sus opiniones.

### **III. Aprobación del Acta de la Reunión**

Puntos de la agenda de consentimiento aprobados:

1. Acta del 18 de octubre de 2023

**EL COMISIONADO BISSONETTE SE MOVIÓ PARA APROBAR EL ACTA DEL 18 DE OCTUBRE DE 2023. EL COMISIONADO WALLACH APOYÓ LA MOCIÓN.** La moción para aprobar el acta pasó por unanimidad.

### **IV. Tablero Financiero**

Will Kugel, director financiero, y Tory Livingston, controladora, repasaron el panel financiero de septiembre de 2023 y respondió las preguntas de la junta.

### **V. Agenda de la Reunión**

#### **Resolución #2023-13 Plan Anual de Moving to Work (MTW)**

Karen Brunnemer, MTW y directora de políticas federales, la Resolución # 2023-13, Plan Anual de Moving to Work y respondió preguntas de la Junta.

BHP participa en el programa MTW a través de HUD. Normalmente, esto se habría presentado a la Junta en octubre, pero no iba a haber una reunión de la Junta debido al retiro. Debido a esto, obtuvimos permiso de HUD para retrasar esto hasta noviembre.

El borrador del plan se publicó para comentarios públicos el 6 de octubre. Ofrecimos una reunión con los participantes de Autosuficiencia Familiar (FSS) el 4 de octubre de 2023. Nadie asistió a la reunión, pero tuvimos una buena conversación con el personal de FSS de Boulder. Condado. También creamos un folleto y lo enviamos a todos los participantes de FSS para asegurarnos de que tuvieran la oportunidad de recibir comentarios. No hemos recibido ningún comentario. Tuvimos una Revisión Pública el 24 de octubre y no hubo asistentes. Además, tuvimos la reunión de la Junta Asesora de Residentes (personas asistidas directamente) el 30 de octubre en la oficina principal de BHP. Enviamos una carta a cada persona.

El plan se presentó a la Junta tal como se publicó como borrador el 6 de octubre.

**LA COMISIONADA GRANO PRESENTÓ UNA MOCIÓN PARA APROBAR LA RESOLUCIÓN #2023-13 PLAN ANUAL DE PASO AL TRABAJO. EL COMISIONADO BISSONETTE APOYÓ LA MOCIÓN. La moción fue aprobada por unanimidad.**

#### **Proyecto de Presupuesto 2024**

Will Kugal y Tory Livingston presentaron el borrador del presupuesto para 2024 y respondieron las preguntas de la Junta.

Will también reconoció a Tory por su increíble trabajo en el proyecto, así como por el trabajo de todo el equipo de Finanzas y de toda la organización. Analizamos un marco fiscal que servirá mejor a la organización y a aquellos en nuestras unidades.

## **VI. Asuntos de la Junta**

### Novedades de la Fundación de la Junta

El comisionado Walker dijo que recientemente hubo elecciones y Betsey Martens es la nueva presidenta de la Fundación, Becca Bracey es la vicepresidenta y Midge Korczak es la secretaria. Hay pensión completa con 15 personas.

El comisionado Walker dijo que la Fundación realizó un exitoso recorrido por propiedades en tres comunidades de BHP: Diagonal Court, Walnut Place y Kalmia. En la comunidad de Diagonal Court, el grupo conversó con vecinos actuales que contaron sus experiencias y cómo la Fundación les ha ayudado de diversas formas.

Una participante de la gira escribió sobre su experiencia positiva durante la gira y lo que aprendió de la Fundación y del personal de BHP.

Además, Betsey Martens creó posteriormente una encuesta para obtener comentarios; aquí hay algunos comentarios:

- Todo estuvo perfecto.
- Lo más destacado fue escuchar a los residentes.
- Excelente manera de ver el trabajo en persona.
- Nadie en mi círculo conoce el programa de vivienda.
- Alguien preguntó si algunos de sus antiguos alumnos vivían en BHP.
- Los profesores podrían comprender mejor a sus alumnos si pueden realizar el recorrido.

El comisionado Walker dijo que el CO Gives Day se celebrará pronto el 5 de diciembre y la Fundación enviará una carta solicitando donaciones.

### Anuncios y Otros Elementos de la Junta

El Comisario Wallach dijo que el 7 de diciembre los miembros del Consejo elegirán nuevos comités. El comisionado Wallach espera permanecer en la junta directiva de BHP, pero los cambios no son seguros.

### Oportunidades de Conferencias

Los comisionados pueden comunicarse con Jason Acuña si están interesados en asistir a alguna conferencia.

Elementos Futuros de la Junta

El comisionado Walker y Jeremy dijeron que el evento de inauguración de Rally Flats se llevará a cabo el miércoles 15 de noviembre a las 3:30 pm.

El comisionado Wallach mencionó que habrá elecciones de la Junta durante la reunión de la Junta de diciembre.

**VII. Aplazar**

La reunión de la Junta de Comisionados terminó a las 11:20 am.

Sello

FECHA: 8 de noviembre de 2023

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Bob Walker  
Presidente de la Junta de Comisionados  
Autoridad de Vivienda de la Ciudad de Boulder

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Jeremy Durham  
Director Ejecutivo

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Jason Acuña  
Secretario de Actas



## Financial Summary

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October 2023

**BHP**  
**Statement of Activities**  
Year to date - October 31, 2023

	YTD Actual	YTD Budget	Variance \$	% Var	Ref	Variance Explanation
<b>PROPERTY MANAGEMENT OPERATIONS</b>						
<b>REVENUE (Excludes HAP)</b>						
<b>Operations Revenue</b>						
Tenant Dwelling Rental	\$ 7,254,532	7,108,243	\$ 146,289	2%		
HUD-Operating Subsidy	78,277	9,167	69,110	754%	A	BHP received a disposition fee for Madison in May 2023 that was not in the budget.
HAP Project Based Assistance	-	-	-	0%		
<b>Total Operations Revenue</b>	<b>7,332,809</b>	<b>7,117,410</b>	<b>215,399</b>	<b>3%</b>		
<b>Fee Revenue</b>						
Property Mgmt & Asset Mgmt Fees	510,479	501,141	9,338	2%		
Mgmt Fees - Tax Credits	1,262,485	1,139,157	123,328	11%	B	Management fees are based on revenue at the tax credit properties, the properties are overperforming and as a result the management fee revenue is performing ahead of budget.
Resident Service Income	412,015	411,158	857	0%		
<b>Total Fee Revenue</b>	<b>2,184,980</b>	<b>2,051,457</b>	<b>133,523</b>	<b>7%</b>		
<b>Grants and Subsidies</b>						
Non Federal Grants and Donations	91,299	107,006	(15,707)	-15%		
Non Federal Capital Grants	-	-	-	0%		
Federal Operating Grants	-	-	-	0%		
<b>Total Grants and Subsidies</b>	<b>91,299</b>	<b>107,006</b>	<b>(15,707)</b>	<b>-15%</b>		
<b>Other Revenue</b>						
Tenant Fees and Utility Reimbursements	197,711	165,368	32,343	20%		
Maint Charges to Prop	2,290,498	2,380,724	(90,225)	-4%		
Miscellaneous Revenue	141,864	91,639	50,226	55%	C	Technical enties laregely related to the WestEnd Partnership and the 30Pearl garage are driving the variance. These are uncertain revenues from year to year and as a result we do not budget for them.
<b>Total Other Revenue</b>	<b>2,630,073</b>	<b>2,637,730</b>	<b>(7,657)</b>	<b>0%</b>		
<b>Total Operating Revenue; Property Management (Excluding HAP)</b>	<b>12,239,162</b>	<b>11,913,603</b>	<b>325,559</b>	<b>3%</b>		
<b>EXPENSES (Excludes HAP)</b>						
<b>Salaries and Benefits</b>						
Salaries and Benefits	6,142,678	6,401,768	259,089	4%	D	Job vacancies in various departments existed earlier in the year that have been filled recently.
<b>Total Salaries and Benefits</b>	<b>6,142,678</b>	<b>6,401,768</b>	<b>259,089</b>	<b>4%</b>		

**BHP**  
**Statement of Activities**  
**Year to date - October 31, 2023**

	YTD Actual	YTD Budget	Variance \$	% Var	Ref	Variance Explanation
<b>Property Costs</b>						
Capital Improvement Mgmt Fees	-	-	-	0%		
Management Fees	-	-	-	N/A		
Maintenance Materials	223,666	211,558	(12,108)	-6%		
Contract Labor & Repairs	704,574	663,782	(40,792)	-6%	E	In general there has been replacement and repair costs in excess of the budget. For example there was floor/carpet replacement for several units at Bridgewalk that was expensed - (\$23K). In addition, there were elevator repairs at a tax credit property, 30 Pearl, that have been initially paid by BHP, but we are awaiting possible reimbursement from the original contractor - (\$23k). There is also a total of \$26k spent on Carpentry related expenses that were not budgeted.
BHP Contract Labor	746,204	715,307	(30,897)	-4%		
Extraordinary Expense	128,690	143,333	14,644	10%		
Trash and Recycling	99,140	109,262	10,122	9%		
Utilities	485,812	512,712	26,900	5%		
PILOT & HOA Fees	294,148	291,960	(2,188)	-1%		
Selling Expenses	-	-	-	100%		
<b>Total Property Costs</b>	<b>2,682,234</b>	<b>2,647,913</b>	<b>(34,321)</b>	<b>-1%</b>		
<b>Other Operating Expenses</b>						
Consultants & Contract Labor	105,471	179,999	74,528	41%	F	This category can vary depending on agency needs for outside consultants, this year is showing less need than budgeted.
Dues and Fees	64,635	65,773	1,138	2%		
Software & Expendable Equipment	403,343	339,998	(63,346)	-19%	G	There have been additional costs associated with Yardi in 2023 beyond the original budgeted amounts. The cost of these additional modules are expected to aid in organizational effectiveness and transparency moving forward.
Insurance Expense	409,439	390,841	(18,597)	-5%		
Lease Up Expense	-	-	-	0%		
Legal	53,917	57,304	3,387	6%		
Mileage & Vehicle Expense	168,805	142,540	(26,265)	-18%	H	BHP received more fleet vehicles in 2023 than expected. As a result the actual costs are exceeding budget.
Miscellaneous - Expense	224,342	216,381	(7,961)	-4%		
Office Supplies & Other Administrative Expenses	50,993	52,807	1,814	3%		
Phone, Printing & Postage Expense	144,202	161,638	17,436	11%		
Property Mgmt & Asset Mgmt Fees	424,089	419,448	(4,642)	-1%		
Resident Services Fees	28,010	28,200	190	1%		
Staff Training	55,736	114,355	58,619	51%	I	Less staff training has been utilized this year compared to budget.
Sustainability Grant Expense	267	10,417	10,150	97%		
<b>Total Other Operating Costs</b>	<b>2,133,250</b>	<b>2,179,700</b>	<b>46,450</b>	<b>2%</b>		
<b>Total Property Management Operating Expenses</b>	<b>10,958,162</b>	<b>11,229,381</b>	<b>271,219</b>	<b>2%</b>		
<b>Net Operating Income; Property Mgmt</b>	<b>1,281,000</b>	<b>684,222</b>	<b>596,778</b>	<b>87%</b>		



**BHP**  
**Statement of Activities**  
Year to date - October 31, 2023

	YTD Actual	YTD Budget	Variance \$	% Var	Ref	Variance Explanation
<b>Voucher Programs; Federal &amp; Local</b>						
<b>Housing Assistance Programs (HAP):</b>						
<b>Voucher Revenue</b>						
HCV - HAP Revenue	13,173,460	12,876,133	297,327	2%		
HCV - Fraud Recovery Rev	3,605	-	3,605	N/A		
Federal Service Grants & Local Voucher Funding	1,407,651	1,407,913	(261)	0%		
<b>Total Voucher Revenue</b>	<b>14,584,716</b>	<b>14,284,046</b>	<b>300,670</b>	<b>2%</b>		
<b>Voucher Expenses</b>						
HCV-HAP Expense	13,220,697	12,876,133	(344,564)	-3%		
Federal Service Grant Expense & Local Voucher payments	1,400,504	1,392,913	(7,591)	-1%		
<b>Total Voucher expense</b>	<b>14,621,201</b>	<b>14,269,046</b>	<b>(352,155)</b>	<b>-2%</b>		
<b>HAP - Net Operating Income</b>	<b>(36,485)</b>	<b>15,000</b>	<b>(51,485)</b>	<b>-343%</b>		
<b>Admin program:</b>						
<b>Admin Revenue</b>						
HCV-HAP Admin Fees	1,321,532	1,128,789	192,743	17%	J	Admin fee provided by HUD exceeded budget estimates.
Other Admin Fees	15,000	15,000	-	0%		
<b>Total Admin Revenue</b>	<b>1,336,532</b>	<b>1,143,789</b>	<b>192,743</b>	<b>17%</b>		
<b>Admin Expenses</b>						
Salaries and Benefits	766,494	728,289	(38,205)	-5%	K	Staffing pattern changes are driving additional costs to the program not planned for in the budget.
Management Fees	373,443	340,455	(32,988)	-10%	L	The management fee increased in correlation with additional HCV-HAP fees provided.
HQS Inspections	45,561	51,750	6,189	12%		
Other Admin Expenses	60,368	70,509	10,141	14%		
EHV Services Fees	4,812	-	(4,812)	100%		
MS Admin Expense	6,249	-	(6,249)	200%		
<b>Total Admin expense</b>	<b>1,256,927</b>	<b>1,191,003</b>	<b>(65,923)</b>	<b>-6%</b>		
<b>Admin - Net Operating Income</b>	<b>79,605</b>	<b>(47,214)</b>	<b>126,820</b>	<b>-269%</b>		
<b>Net Operating Income; Voucher &amp; Admin programs</b>						
	<b>43,120</b>	<b>(32,214)</b>	<b>75,334</b>	<b>-234%</b>		
Operating Transfers IN / OUT	-	-	-	100%		

**BHP**  
**Statement of Activities**  
**Year to date - October 31, 2023**

	YTD Actual	YTD Budget	Variance \$	% Var	Ref	Variance Explanation
<b>Non-Operating Income (Expense)</b>						
Development Fees	4,317,536	4,317,536	-	0%		
Interest Income	3,849,163	3,260,889	588,274	18%	M	The two main factors driving the variance are soft Debt interest earned on Hilltop (Mt Calvary) \$261K which was not budgeted, and \$236K interest income on deposits higher due to higher interest rates earned on cash accounts.
Non-Federal Capital Grants & Donations	17,383,091	13,114,000	4,269,091	33%	N	The increase relates to the Fruehauf land, which was not budgeted.
Federal Capital Grants	500,000	523,992	(23,992)	-5%		
Depreciation & Amortization	(1,961,735)	(1,953,494)	(8,241)	0%		
Non-Capital Reserve Spending	57,302	(357,000)	414,302	116%	O	There were a number of projects in the BHP properties that were budgeted in 2023, but have been pushed to 2024.
PreDevelopment costs	(122,912)	(225,000)	102,088	45%	P	Predevelopment costs are below projections at this point in the year.
Mortgage and Other Interest Expense	(1,427,551)	(1,453,003)	25,452	2%		
Financing Costs; refi mortgages	(23,525)	(25,000)	1,475	6%		
HCV - HAP Revenue for Capital Acquisitions	-	-	-	0%		
<b>Total Non-Operating Income (Expense)</b>	<b>22,571,369</b>	<b>17,202,920</b>	<b>5,368,449</b>	<b>31%</b>		
<b>Net Income before Gain (loss) Acq. /Disp. of Assets</b>	<b>23,895,489</b>	<b>17,854,927</b>	<b>6,040,562</b>	<b>34%</b>		
Gain (Loss) on Acq./Disp. of Assets	(342,237)	(1,250,000)	907,763			
<b>TOTAL NET INCOME (LOSS)</b>	<b>23,553,252</b>	<b>16,604,927</b>	<b>6,948,324</b>	<b>42%</b>		

Note: Explanations provided for positive variances >\$50,000 and 5% and for negative variances >\$25,000 and 5%

**BHP**  
**Balance Sheet**  
**October 31, 2023 and December 31, 2022**

	Actual October-23	Actual December-22	Net Change (1) YTD	Ref	Comments
<b>ASSETS</b>					
<b>Current Assets</b>					
Unrestricted Cash and Cash Equivalents	\$ 8,618,673	\$ 5,563,370	\$ 3,055,303	Q	Increase; \$2M escrow Development funds released upon execution of COB funding agreement for Mt Calvary, \$2.9M associated with Rally Flats closing; plus over \$400K in funds for 30 Pearl developer fee; \$250K Tantra Solar Rebate; \$200K MW final capital contribution. These increases are offset by use of operating cash and use of pre development funds.
Reserved Cash - Replacements and Other	5,388,469	6,319,800	(931,331)	R	Decrease; Capital Expenditures; -\$1.1m, offset with the addition of normal operating cash.
Accounts Receivable	413,789	618,886	(205,097)		
Accounts Receivable-Tax Credits	2,317,056	4,166,241	(1,849,185)	S	The majority of the change for the year is linked to four items. 1) The \$2M decrease for the receivable related to the COB funds for Hilltop, 2) Receipt of developer fee for 30 Pearl of \$750K and 3) receipt of developer fee of \$515K for Madison Woods. 4) The addition of \$1.9M Tantra Developer fee receivable.
Notes Receivable – Current	1,025,863	2,047,846	(1,021,982)	T	An adjustment was made related to the timing of a Tantra Lake receivable per investor. The adjustment moved the receivable from current to long term.
Prepaid Expenses	254,220	177,936	76,283		
<b>Total Current Assets</b>	<b>18,018,070</b>	<b>18,894,079</b>	<b>(876,009)</b>		
<b>Restricted Cash</b>					
Restricted Cash - Other	804,310	678,944	125,366	U	There was an inflow of funds in early 2023 related to the PSH funds from the COB. These funds are being spent each month. There has also been the receipt of ARPA dollars (\$388K) related to WiFi project installations since the beginning of the year and are housed here.
Restricted Cash - Section 8	21,948	295	21,653		
Restricted Cash - Tenant Security Deposits	471,556	513,990	(42,434)		
<b>Total Restricted Cash</b>	<b>1,297,813</b>	<b>1,193,229</b>	<b>104,584</b>		
<b>Capital Assets</b>					
Construction in Progress	2,949,988	1,837,712	1,112,275	V	\$1.1M+ increase relates to Development projects underway in 2023.
Furniture Fixtures and Equipment	1,602,432	1,324,958	277,474	W	\$259K increase relates to new leased vehicles (check reference Y); New GASB requires to record full value of multi year lease as asset, amortized over life of lease. \$41K relates to Wi-Fi & Camera equipment installation at Hayden Place.
Real Estate Assets-Land and Buildings	111,658,662	108,580,093	3,078,568	X	The main driver of this change in 2023 in the placing of the Diagonal Plaza land value on the BHP books at \$6.9M. Also there was the addition of the Fruehauf land value of \$4.5M and finally a reduction of \$8.8M due to the Rally Flats closing and that land being removed from the BHP books. There have been building improvements of \$685K, mostly related to unit rehabs.
Less: Accum Depreciation Real Estate Assets	(37,789,384)	(36,014,148)	(1,775,236)	Y	Normal depreciation
<b>Total Capital Assets</b>	<b>78,421,697</b>	<b>75,728,615</b>	<b>2,693,082</b>		
<b>Other Assets</b>					
Notes Receivable	228,104,152	212,916,102	15,188,050	Z	New Tantra Lake notes receivable booked in 2023 of \$3.2M, as well as new notes receivables booked for the Rally Flats closing of \$12M.
Development Fees Receivable	7,524,426	5,276,821	2,247,605	AA	The Tantra Lake Developer Fee receivable of \$2.4M was booked in August of 2023.
Partnership Management Fees	201,663	178,436.23	23,227		
Interest Receivable Notes	17,088,614	13,159,261	3,929,353	BB	Normal interest accrued
Partnership Investments	1,500,810	1,282,872	217,937	CC	Investments by BHP in certain tax credit properties for ARPA funded WiFi projects are driving the increase. Tantra \$114K; Broadway West \$35K; WestView \$42K; Canopy \$18K

**BHP**  
**Balance Sheet**  
**October 31, 2023 and December 31, 2022**

	Actual October-23	Actual December-22	Net Change (1) YTD	Ref	Comments
Net Amortized Costs	3,024,762	3,035,483	(10,721)		
Escrow Deposits Receivable	3,700	3,700	0		
<b>Total Other Assets</b>	<b>257,448,127</b>	<b>235,852,676</b>	<b>21,595,451</b>		
<b>TOTAL ASSETS</b>	<b>355,185,708</b>	<b>331,668,599</b>	<b>\$ 23,517,109</b>		
<b>LIABILITIES &amp; EQUITY</b>					
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Accounts Payable	\$ 607,774	\$ 743,918	\$ (136,144)	DD	Normal swing; timing
Accrued Payroll	224,644	195,143	\$ 29,500		
Accrued Payroll Taxes and Benefits	0	123,719	\$ (123,719)	EE	This is a one-time adjustment that occurs at year end.
Accrued Compensated Absences	550,193	533,724	\$ 16,469		
AP Tax Credits	0	290,073	\$ (290,073)	FF	There are intercompany items that mostly relate to end of 2022 reimbursement of extraordinary expense from Insurance reserves.
Other Accrued Expenses	111,777	73,810	\$ 37,967		
Deferred Revenue	1,704,854	673,651	\$ 1,031,203	GG	Mainly relates to prefunding of City of Boulder PSH Voucher program. BHP received almost \$1M for the program and the deferred revenue is being recognized each month when expended.
Current Portion of Long Term Debt (2)	2,034,158	1,971,241	\$ 62,918		
Current Port Bonds Payable	60,000	60,000	\$ -		
Prepaid Rent	49,200	54,915	\$ (5,715)		
Security Deposits	469,951	457,369	\$ 12,582		
<b>Total Current Liabilities</b>	<b>5,812,550</b>	<b>5,177,562</b>	<b>634,989</b>		
<b>Long-Term Liabilities</b>					
Notes Payable	91,395,704	91,253,266	\$ 142,438	HH	New Leased Vehicles; liability, check reference W
Partnership Investment	-	173	\$ (173)		
Mortgages Payable	43,032,551	43,779,241	\$ (746,690)	II	Normal decrease per loan principal payments
Bonds Payable	1,374,674	1,438,611	\$ (63,937)		
Net Pension Liability	7,254,717	7,256,507	\$ (1,790)		
<b>Total Long-Term Liabilities</b>	<b>143,057,646</b>	<b>143,727,797</b>	<b>(670,152)</b>		
<b>TOTAL LIABILITIES</b>	<b>148,870,196</b>	<b>148,905,359</b>	<b>(35,163)</b>		
<b>EQUITY</b>					
Total Equity	206,315,511	182,763,240	23,552,272	JJ	Per Year to Date; Net Income > Statement of Activities report
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 355,185,708</b>	<b>\$ 331,668,599</b>	<b>\$ 23,517,109</b>		

Note (1) : Explanations provided for balance sheet changes > \$100,000.

Note (2): BHP has a Line of Credit available for borrowing of up to \$10 Million.

**BHP**  
**Statement of Cash Flows**  
Year to date - October 31, 2023

	For the month of October 31, 2023	Year to Date	Ref from Balance Sheet page	Comments
<b>Reconciliation of Net Income to Net Cash Provided</b>				
<b>(Used) by Operating Activities</b>				
<b>Net Income (Deficit)</b>	\$ 3,574,550	\$ 23,553,252		<b>Flow through from Statement of Activities</b>
<b>Adjustments to Reconcile Net Income to Net Cash Provided (Used) by Operating Activities</b>				
Increase (Decrease) in Accum. Depreciation	167,039	1,785,957	Y	<b>Normal depreciation</b>
(Increase) Decrease in Accounts Receivable	94,180	2,079,890	S	<b>The majority of the change for the year is linked to four items. 1) The \$2M decrease for the receivable related to the COB funds for Hilltop, 2) Receipt of developer fee for 30 Pearl of \$750K and 3) receipt of developer fee of \$515K for Madison Woods. 4) The addition of \$1.9M Tantra Developer fee receivable.</b>
(Increase) Decrease in Prepaid Expenses	59,872	(76,283)		
Increase (Decrease) in Prepaid Rent and Security Deposits	1,600	6,867		
(Increase) Decrease in Reserved Cash	36,117	931,331	R	<b>Decrease; Capital Expenditures; -\$1.1m, offset with the addition of normal operating cash.</b>
(Increase) Decrease in Restricted Cash	67,017	(104,584)	U	<b>There was an inflow of funds in early 2023 related to the PSH funds from the COB. These funds are being spent each month. There has also been the receipt of ARPA dollars since the beginning of the year and are housed here.</b>
Increase (Decrease) in Payables and Accrued Expenses	(10,467)	(491,607)	DD,FF	<b>Normal swings and the intercompany items that mostly relate to end of 2022 reimbursement of extraordinary expense from Insurance reserves.</b>
Increase (Decrease) in Deferred Revenue	(90,658)	1,031,203	GG	<b>Mainly relates to prefunding of City of Boulder PSH Voucher program. BHP received almost \$1M for the program and the deferred revenue is being recognized each month when expended.</b>
<b>Total Adjustments</b>	<b>324,699</b>	<b>5,160,984</b>		
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>3,899,249</b>	<b>28,714,235</b>		
<b>Cash Flows from Investing Activities</b>				
(Increase) Decrease in Construction in Process	1,196,343	(1,112,275)	V	<b>\$1.1M+ increase relates Development projects underway in 2023.</b>
(Increase) Decrease in Furniture Fixtures and Equipment	(5,469)	(277,474)	W	<b>\$259K increase relates to new leased vehicles (check reference Y); New GASB requires to record full value of multi year lease as asset, amortized over life of lease. \$41K relates to Wi-Fi &amp; Camera equipment installation at Hayden Place.</b>
(Increase) Decrease in Real Estate Assets	8,902,963	(3,078,568)	X	<b>The main driver of this change in 2023 in the placing of the Diagonal Plaza land value on the BHP books. This is \$6.9M. Also there was the addition of the Fruehauf land value of \$4.5M and finally a reduction of \$8.8M due to the Rally Flats closing and that land being removed from the BHP books.</b>
(Increase) Decrease in Notes and Interest Receivable	(12,368,399)	(20,584,363)	Z	<b>New Tantra Lake notes receivable booked in 2023 of \$3.2M, as well as new notes receivables booked for the Rally Flats closing of \$12M.</b>
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>(2,274,561)</b>	<b>(25,052,681)</b>		
Increase (Decrease) in Mortgages and Bonds Payable	(78,362)	(747,710)	II	<b>Normal decrease per loan principal payments</b>
<b>Net Cash Provided (Used) by Financing Activities</b>	<b>(88,097)</b>	<b>(605,271)</b>		
GP contributions to LLLP	<b>0</b>	<b>(980)</b>		
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>				
Net Increase (Decrease) in Cash and Cash Equivalents	1,536,591	3,055,303		
Unrestricted Cash and Cash Equivalents - Beginning	7,082,082	5,563,370		
<b>Unrestricted Cash and Cash Equivalents - Ending</b>	<b>8,618,673</b>	<b>8,618,673</b>		

**BHP CASH Report**

January-23 February-23 March-23 April-23 May-23 June-23 July-23 August-23 September-23 October-23

	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Board Target	Surplus (Deficit)	Notes
<b>Unrestricted Cash Available for Operations</b>														
BHP Operating Reserves	3,534,370	3,825,887	3,298,457	3,588,816	4,273,660	4,221,461	4,043,356	3,840,857	3,539,079	3,841,578	2,750,000	1,091,578	2 Months of operating expenses (excluding HAP)	
Insurance Reserve	716,079	716,636	719,806	719,889	719,987	725,118	725,210	838,108	843,332	843,476	500,000	343,476		
BHP Replacement Reserves	5,415,290	5,317,532	5,195,366	5,130,473	5,045,181	4,772,727	4,716,534	4,605,087	4,581,254	4,544,992	1,771,000	2,773,992	\$3,500 per Workforce Unit	
<b>Total Unrestricted BHP Cash</b>	<b>9,665,739</b>	<b>9,860,055</b>	<b>9,213,630</b>	<b>9,439,177</b>	<b>10,038,828</b>	<b>9,719,306</b>	<b>9,485,101</b>	<b>9,284,052</b>	<b>8,963,664</b>	<b>9,230,047</b>	<b>5,021,000</b>	<b>4,209,047</b>		

	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance
<b>Development Resources, Including LOC</b>										
Development Equity Fund	431,327	149,031	2,618,282	2,411,302	1,921,818	1,818,833	1,369,414	2,580,549	2,003,838	3,528,295
City of Boulder; 30Pearl Entitlement Project Funds	649	649	649	649	649	649	649	649	649	649
Line of Credit - Available	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000

	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance
<b>Restricted by Property/Program</b>										
EHV Reserves	66,594	73,446	91,635	82,312	68,168	72,975	69,469	93,613	73,307	83,936
ARPA	293,055	228,704	228,704	228,704	229,580	156,779	156,779	51,217	439,617	439,617
MTW Reserves <sup>(1)</sup>	1,226,023	908,347	852,472	824,301	1,167,810	1,164,997	1,094,677	1,403,169	1,464,074	1,163,078
<b>Total Cash Restricted by Program</b>	<b>1,585,672</b>	<b>1,210,496</b>	<b>1,172,811</b>	<b>1,135,316</b>	<b>1,465,558</b>	<b>1,394,751</b>	<b>1,320,925</b>	<b>1,547,999</b>	<b>1,976,998</b>	<b>1,686,631</b>

<sup>(1)</sup> Note MTW target changed to \$0 in 2017 budget due to change in HUD Cash Management which requires excess funds to be held at HUD rather than PHA

	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance
<b>Other Restricted Funds</b>										
Habitat Funds	31,033	31,035	27,422	27,424	27,426	23,704	23,706	23,708	19,985	19,986
Broadway East Bond Restricted Funds	49,450	49,261	48,611	49,022	48,891	48,835	48,830	48,657	48,675	48,696
COB PSH Program Funds	150,049	81,055	892,394	802,579	411,779	320,236	231,087	445,392	354,263	265,662
Palo HOA Restricted Funds	8,608	8,608	8,735	39	39	8,865	8,866	8,866	8,996	8,996
30 Pearl Garage construction restricted funds	37,998	38,034	16	-	-	-	-	-	-	-
S8/FSS Escrow	21,170	22,882	25,474	26,530	28,933	30,747	18,640	20,232	20,947	22,494
Section 8 NED NRA(HAP)	(50,027)	(6,455)	18,023	17,205	643	6,490	(8,305)	18,150	6,050	21,947
<b>Total Restricted Cash Other</b>	<b>248,281</b>	<b>224,422</b>	<b>1,020,675</b>	<b>922,800</b>	<b>517,711</b>	<b>438,876</b>	<b>322,823</b>	<b>565,004</b>	<b>458,915</b>	<b>702,140</b>

<sup>(1)</sup> Amount held for specific capital items at Tantra as required by bank.

	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance
<b>Restricted Cash Tenant Security Deposits</b>	<b>457,738</b>	<b>458,212</b>	<b>453,764</b>	<b>453,836</b>	<b>453,910</b>	<b>464,807</b>	<b>464,868</b>	<b>464,978</b>	<b>467,438</b>	<b>471,556</b>



## BHP Property Analysis

10 Month Ending October 31, 2023

BHP Properties	Address	Units	PUPA EGI	Effective Gross Income	PUPA OpEx	Operating Expense & Reserves	Reserves	PUPA NOI Net of Reserves	Net Operating Income	PUPA Debt	YTD Debt Payments	Debt Service Coverage Ratio <small>BHP Target 1.15</small>
Arapahoe Court	951,953 Arapahoe	14	\$ 3,764	\$ 52,690	\$ (7,467)	\$ (104,538)	\$ -	\$ (3,703)	\$ (51,848)	\$ -	\$ -	-
<b>Public Housing I Sub Total:</b>		<b>14</b>	<b>\$ 3,764</b>	<b>\$ 52,690</b>	<b>\$ (7,467)</b>	<b>\$ (104,538)</b>	<b>\$ -</b>	<b>\$ (3,703)</b>		<b>\$ -</b>		<b>-</b>
Arapahoe East	4610 Arapahoe	11	14,388	158,268	(8,502)	(96,274)	(250)	5,636	61,994	2,996	32,955	1.88
Dakota Ridge	4900 10th St.	13	19,121	248,573	(6,755)	(91,064)	(250)	12,116	157,509	6,604	85,857	1.83
Midtown (2)	837 20th St.	13	10,939	142,210	(7,088)	(95,390)	(250)	3,602	46,820	3,180	41,339	1.13
Sanitas Place	3640 Broadway	12	11,881	142,577	(6,872)	(85,462)	(250)	4,760	57,115	3,324	39,893	1.43
Twin Pines	1700 22nd St.	22	14,149	311,276	(7,698)	(174,862)	(250)	6,201	136,413	4,047	89,037	1.53
<b>Combine Loan One Subtotal</b>		<b>71</b>	<b>14,125</b>	<b>216,621</b>	<b>\$ (7,399)</b>	<b>\$ (117,682)</b>	<b>\$ (250)</b>	<b>\$ 6,477</b>	<b>\$ 98,939</b>	<b>\$ 4,072</b>	<b>\$ 62,726</b>	<b>1.59</b>
Hayden Place	34th & Hayden Place	24	12,092	290,205	(6,089)	(152,132)	(250)	5,753	138,073	2,537	60,878	2.27
Whittier	1946 Walnut St.	10	12,768	127,682	(8,500)	(87,497)	(250)	4,019	40,185	2,029	20,293	1.98
<b>Combine Loan Two Subtotal</b>		<b>34</b>	<b>12,291</b>	<b>242,404</b>	<b>\$ (6,798)</b>	<b>\$ (133,122)</b>	<b>\$ (250)</b>	<b>\$ 5,243</b>	<b>\$ 109,283</b>	<b>\$ 2,387</b>	<b>\$ 48,941</b>	<b>2.20</b>
Casey	2453 Broadway	6	15,597	93,580	(9,036)	(55,717)	(250)	6,311	37,863	7,315	43,889	0.86
Cedar	1240 Cedar	13	15,904	206,754	(5,566)	(75,602)	(250)	10,089	131,153	4,126	53,642	2.44
<b>Combine Loan Three Subtotal</b>		<b>19</b>	<b>15,807</b>	<b>171,015</b>	<b>(6,661)</b>	<b>(69,322)</b>	<b>(250)</b>	<b>\$ 8,896</b>	<b>\$ 101,693</b>	<b>\$ 5,133</b>	<b>\$ 50,562</b>	<b>1.73</b>
Twenty37 Walnut (2)	2037 Walnut	26	13,506	351,160	(5,099)	(139,076)	(250)	8,157	212,085	-	-	-
Bridgewalk	602-698 Walden Circle	123	18,090	2,225,089	(7,326)	(957,411)	(458)	10,306	1,267,678	8,234	1,012,751	1.25
Broadway East	3160 Broadway	44	16,245	714,761	(7,543)	(345,197)	(303)	8,399	369,564	2,505	110,229	3.35
Foothills	4500 block of 7th/8th	74	14,289	1,057,422	(9,124)	(693,710)	(250)	4,915	363,711	4,111	304,204	1.20
Hayden Place 2 (3)	3480 Hayden Place	6	9,955	59,727	(10,227)	(62,865)	(250)	(523)	(3,137)	4,897	29,380	-
Trout Farms	2727 Folsom	31	15,166	470,142	(7,980)	(255,144)	(250)	6,935	214,998	4,870	150,985	1.42
Holiday	1500 Lee Hill	49	12,189	597,243	(7,507)	(380,088)	(250)	4,432	217,156	2,359	115,598	1.88
Vistoso	4500 Baseline	15	13,086	196,297	(8,789)	(135,588)	(250)	4,047	60,709	2,108	31,627	1.92
<b>Workforce Sub Total; Excluding 2037 property, no loan</b>		<b>466</b>	<b>\$ 15,111</b>	<b>\$ 981,541</b>	<b>\$ (7,724)</b>	<b>\$ (488,043)</b>	<b>\$ (310)</b>	<b>\$ 7,077</b>	<b>\$ 493,497</b>	<b>\$ 4,769</b>	<b>\$ 364,814</b>	<b>1.48</b>
<b>BHP Portfolio Total; Excluding Properties without Loans</b>		<b>466</b>	<b>\$ 15,111</b>	<b>\$ 981,541</b>	<b>\$ (7,724)</b>	<b>\$ (488,043)</b>	<b>\$ (310)</b>	<b>\$ 7,077</b>	<b>\$ 493,497</b>	<b>\$ 4,769</b>	<b>\$ 364,814</b>	<b>1.48</b>

**NOTES:**

- (1) DSCR is calculated after required reserve contributions.
  - (2) Hayden Place 2 does not have DSC requirement given the small number of units. One vacant unit can have substantial affect on ratio
  - (3) Public Housing and Twenty37 Walnut do not have mortgages
- This report excludes grant income

Tax Credit Properties	Address	Units	PUPA EGI	Effective Gross Income	PUPA OpEx	Operating Expense & Reserves	Reserves	PUPA NOI Net of Reserves	Net Operating Income	PUPA Debt	YTD Debt Payments	Debt Service Coverage Ratio <small>BHP Target 1.15</small>
<b>Broadway West</b>	3120 Broadway	26	\$ 12,972	\$ 337,270	\$ (8,151)	\$ (211,920)	\$ (303)	\$ 4,519	\$ 117,485	\$ 2,040	\$ 53,028	2.22
<b>High Mar</b>	4990 Moorhead Ave	59	\$ 12,869	\$ 759,255	\$ (7,022)	\$ (414,309)	\$ (272)	\$ 5,575	\$ 328,909	\$ 3,178	\$ 187,528	1.75
<b>Lee Hill (4)</b>	1175 Lee Hill	31	\$ 13,989	\$ 433,666	\$ (12,894)	\$ (399,729)	\$ (313)	\$ 782	\$ 24,249	\$ -	\$ -	-
<b>Palo Park</b>	3295 Palo Pkwy	35	\$ 13,160	\$ 460,605	\$ (7,605)	\$ (266,170)	\$ (290)	\$ 5,265	\$ 184,291	\$ 3,265	\$ 114,278	1.61
<b>Red Oak Park</b>	27th & Valmont	59	\$ 12,278	\$ 724,393	\$ (7,542)	\$ (444,964)	\$ (346)	\$ 4,390	\$ 259,011	\$ 3,235	\$ 190,864	1.36
<b>Ciclo</b>	3390 Valmont	38	\$ 14,216	\$ 540,224	\$ (7,757)	\$ (294,763)	\$ (265)	\$ 6,194	\$ 235,382	\$ 5,456	\$ 207,337	1.14
<b>Canopy</b>	26th Valmont & 29th Arnett Pl	41	\$ 13,368	\$ 548,095	\$ (8,050)	\$ (330,057)	\$ (265)	\$ 5,053	\$ 207,164	\$ 4,819	\$ 197,575	1.05
<b>30 Pearl</b>	3075 Pearl & 3001 Spruce	120	\$ 14,451	\$ 1,734,142	\$ (6,950)	\$ (834,027)	\$ (265)	\$ 7,236	\$ 868,288	\$ 5,615	\$ 673,782	1.29
<b>WestView</b>	4600 Broadway	34	\$ 14,478	\$ 492,245	\$ (6,422)	\$ (218,355)	\$ (303)	\$ 7,753	\$ 263,604	\$ 4,603	\$ 156,519	1.68
<b>West End Communities</b>	Various	116	\$ 16,890	\$ 1,959,246	\$ (7,419)	\$ (860,661)	\$ (273)	\$ 9,197	\$ 1,066,896	\$ 6,893	\$ 799,618	1.33
Canyon Pointe	700 Walnut	82	\$ 17,418	\$ 1,428,317	\$ (6,782)	\$ (556,118)	\$ (273)	\$ 10,363	\$ 849,798	\$ 6,966	\$ 571,177	1.49
Glen Willow	301-333 Pearl St.	34	\$ 15,616	\$ 530,929	\$ (8,957)	\$ (304,544)	\$ (273)	\$ 6,385	\$ 217,097	\$ 6,719	\$ 228,442	0.95
<b>Madison Woods</b>	Various	68	\$ 16,954	\$ 1,152,884	\$ (8,466)	\$ (575,704)	\$ (265)	\$ 8,223	\$ 559,144	\$ 6,595	\$ 448,435	1.25
Madison		33	\$ 16,118	\$ 531,892	\$ (8,368)	\$ (276,153)	\$ (265)	\$ 7,484	\$ 246,987	\$ 7,205	\$ 237,768	1.04
Woodlands		35	\$ 17,743	\$ 620,991	\$ (8,559)	\$ (299,551)	\$ (265)	\$ 8,919	\$ 312,158	\$ 6,019	\$ 210,667	1.48
<b>Boulder Communities</b>	Various	279	\$ 11,729	\$ 3,272,509	\$ (8,219)	\$ (2,293,085)	\$ (433)	\$ 3,077	\$ 858,524	\$ 2,389	\$ 666,499	1.29
Diagonal Court	3265 30th Street	30	\$ 9,999	\$ 299,961	\$ (8,062)	\$ (241,864)	\$ (433)	\$ 1,503	\$ 45,097	\$ 4,201	\$ 126,035	0.36
Iris Hawthorn	1680 Iris Avenue	14	\$ 13,768	\$ 192,758	\$ (11,523)	\$ (161,324)	\$ (433)	\$ 1,812	\$ 25,367	\$ 2,980	\$ 41,723	0.61
Kalmia	3502 Nottingham	49	\$ 17,380	\$ 851,631	\$ (9,975)	\$ (488,771)	\$ (433)	\$ 6,972	\$ 341,626	\$ 2,301	\$ 112,772	3.03
Manhattan	660 Manhattan	41	\$ 8,384	\$ 343,764	\$ (8,615)	\$ (353,223)	\$ (433)	\$ (664)	\$ (27,226)	\$ 3,815	\$ 156,427	(0.17)
Northport	1133 Portland Place	50	\$ 5,912	\$ 295,600	\$ (6,352)	\$ (317,598)	\$ (433)	\$ (873)	\$ (43,664)	\$ 2,787	\$ 139,365	(0.31)
Walnut Place	1940 Walnut Place	95	\$ 13,566	\$ 1,288,796	\$ (7,687)	\$ (730,305)	\$ (433)	\$ 5,446	\$ 517,325	\$ 949	\$ 90,178	5.74
<b>Tax Credit Sub Total excluding Lee Hill (5):</b>		875	\$ 13,692	\$ 11,980,866	\$ (7,707)	\$ (6,744,015)	\$ (329)	\$ 5,656	\$ 4,948,698	\$ 4,223	\$ 3,695,463	1.34

(4) Lee Hill has no mortgage, hence no DSCR

(5) Tantra excluded above; under construction



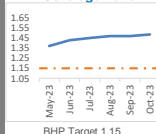
# Boulder Housing Partners Benchmark Report as of October-2023

## BHP Net Income

	YTD Actual	YTD Budget	% Diff
Income	54,210,199	48,557,855	12%
Expense	(30,314,710)	(30,702,927)	1%
	23,895,489	17,854,927	

Note: \$4.5M of revenue recorded (Freuhauf property) not budgeted.

## BHP Debt Service Coverage Ratio



## BHP Balance Sheet Summary

	Actual Oct-23	Actual Dec-22	Net Change YTD
Assets	355,185,708	331,668,599	23,517,109
Liabilities	(148,870,196)	(148,905,359)	35,163
Equity	206,315,511	182,763,240	23,552,272

## BHP Quick Ratio

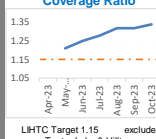


## LIHTC Net Income

	YTD Actual	YTD Budget	% Diff
Income	12,414,532	11,706,753	6%
Expense	(21,327,762)	(20,939,250)	-2%
	(8,913,230)	(9,232,497)	

excludes Tantra Lake & Hilltop

## LIHTC Debt Service Coverage Ratio

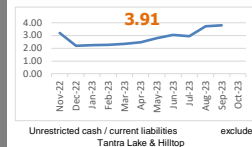


## LIHTC Balance Sheet Summary

	Actual Oct-23	Actual Dec-22	Net Change YTD
Assets	261,554,470	254,951,686	6,602,784
Liabilities	(204,320,243)	(192,918,003)	(11,402,240)
Equity	57,234,227	62,033,683	(4,799,456)

excludes Tantra Lake & Hilltop

## LIHTC Quick Ratio



## Work Orders - Emergency:

0.9

Average days to complete

2,211

work orders YTD

## Work Orders - Routine:

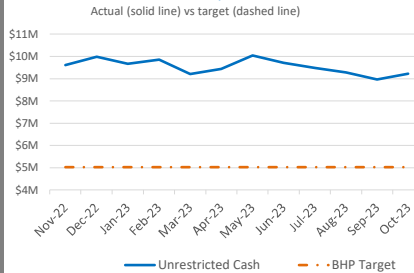
4.6

Average days to complete

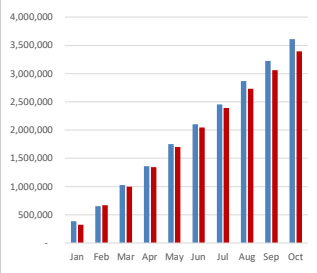
7,835

work orders YTD

## BHP Unrestricted Cash, Last 12 Month

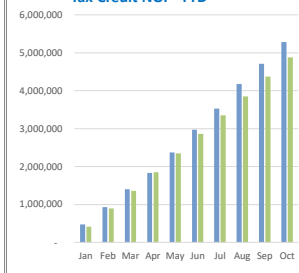


## BHP NOI - YTD

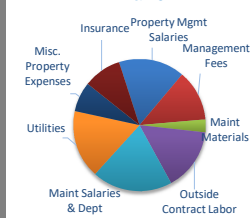


Excludes Tantra Lake and Hilltop from BHP NOI and TC NOI

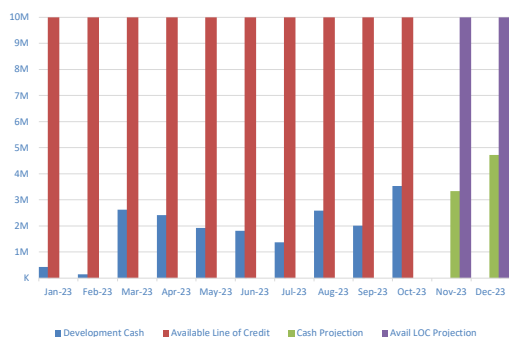
## Tax Credit NOI - YTD



## PUPA \$8676 BHP & TC



## BHP Development Funds; Available Resources



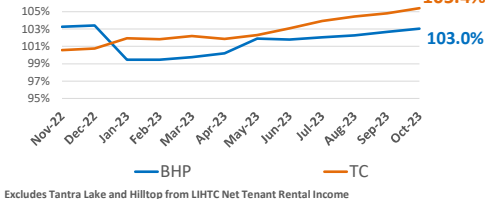
## Operating Reserves

Current Operating Reserves  
4,685,055

2023 Annualized Expenses  
16,319,260

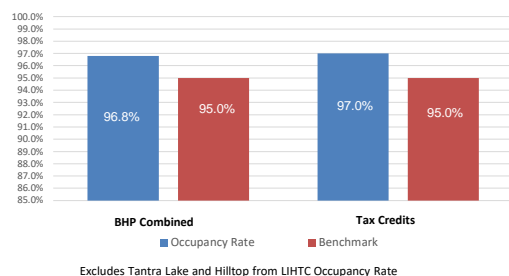
3.4 Months  
of annual operating expenses  
are covered by the current  
operating reserves.  
BHP Target is 2 Months

## % of Budgeted Net Tenant Rental Income YTD



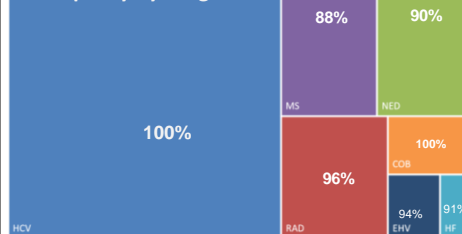
Excludes Tantra Lake and Hilltop from LIHTC Net Tenant Rental Income

## BHP & LIHTC Occupancy Rates



Excludes Tantra Lake and Hilltop from LIHTC Occupancy Rate

## Housing Choice Voucher Occupancy by Program



## Housing Choice Voucher Programs;

- HCV - 802 Housing Choice Vouchers
- RAD - 135 Rental Assistance Demonstration Vouchers
- NED - 181 Non-Elderly Disabled Vouchers
- MS - 188 Mainstream (10 additional vouchers added as of February 2023)
- HFP - 22 Housing First Vouchers
- COB - 48 COB PSH Vouchers
- EHV - 35 Emergency Housing Vouchers

## Unit Mix

AMI	BHP	LIHTC
Public Housing	14	
Vouchers	54	524
30%	12	19
40%	57	53
45%	-	16
50%	109	167
60%	118	312
Market	142	-
Total	506	1091
All Units	1,597	

## Unique Households Served

2406





# Insurance Overview

December 2023 BHP Board Meeting

December 13, 2023

## Agenda of Overview

1. BHP Insurance Providers (Identify who provides our coverage.)
  - Including Deductibles and Overall Coverage Levels
2. Process for selecting providers
3. Large Deductible Event – How to cover the Deductibles.
4. Recent Claim History (Summary)

## Property Insurance: Provider HAI Group

### Blanket Property Coverage

Description	Limit	Deductible
Building & Business Personal Property	\$277,619,760	\$25,000
Business Income	\$19,840,287	
Earthquake – Per Occurrence / Aggregate	\$1,000,000	\$100,000
Flood – Per Occurrence / Aggregate	\$100,000	\$10,000

Note: Mold and Meth Contamination is \$100K deductible per occurrence.

### Coverage Applicable to All Locations

Subject of Insurance	Limit	Deductible
Policy Loss Limit Per Occurrence	\$100,000,000	\$25,000
Windstorm or Hail Loss Limit Per Occurrence	\$50,000,000	2%
Equipment Breakdown – One Accident	\$100,000,000	\$25,000
Ordinance or Law – Increased Cost to Report / Cost to Demolish and Clear Site Per Occurrence	\$250,000	\$25,000
Accounts Receivable	\$100,000	\$25,000
Valuable Papers	\$100,000	\$25,000
Spoilage	\$25,000	\$1,000

## **Property Insurance (Excess): Provider Homeland Insurance Co. of New York**

- Additional \$100,000,000 of coverage. (Per Occurrence)

## **General Liability: Provider Tokio Marine Specialty Insurance Co.**

<b>General Liability Coverage - Occurrence</b>	<b>Limit</b>
Each Occurrence	\$1,000,000
General Aggregate	\$2,000,000
Products and Completed Operations Aggregate	\$2,000,000
Personal and Advertising Injury	\$1,000,000
Damage to Rented Premises (Each Occurrence)	\$100,000
Medical Expense	\$5,000
Deductible	\$25,000
Max GL policy Aggregate limit	\$10,000,000

Excess Liability #1: Texas Insurance Co.

Coverage Description	Limit
Limit Per Occurrence	\$2,000,000
General Aggregate	\$2,000,000

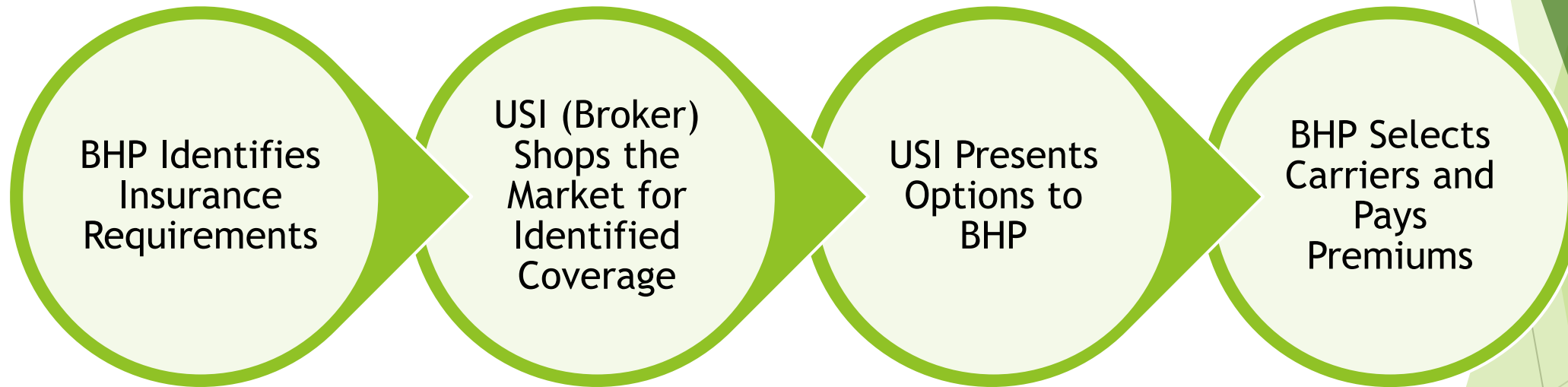
Excess Liability #2: James River Insurance Co.

Coverage Description	Limit
Limit Per Occurrence	\$3,000,000
General Aggregate	\$3,000,000

## Auto Insurance: Travelers

Coverage	Symbols	Limit
Bodily Injury & Property Damage - Combined Single Limit (CSL)	1,8,9	\$1,000,000
Medical Payments - Per Person	2	\$5,000
Uninsured Motorists	2	\$1,000,000
Underinsured Motorists	2	\$1,000,000
Comprehensive Deductible - Actual Cash Value	7	\$1,000
Collision Deductible - Actual Cash Value	7	\$1,000

# BHP Annual Insurance Selections Process



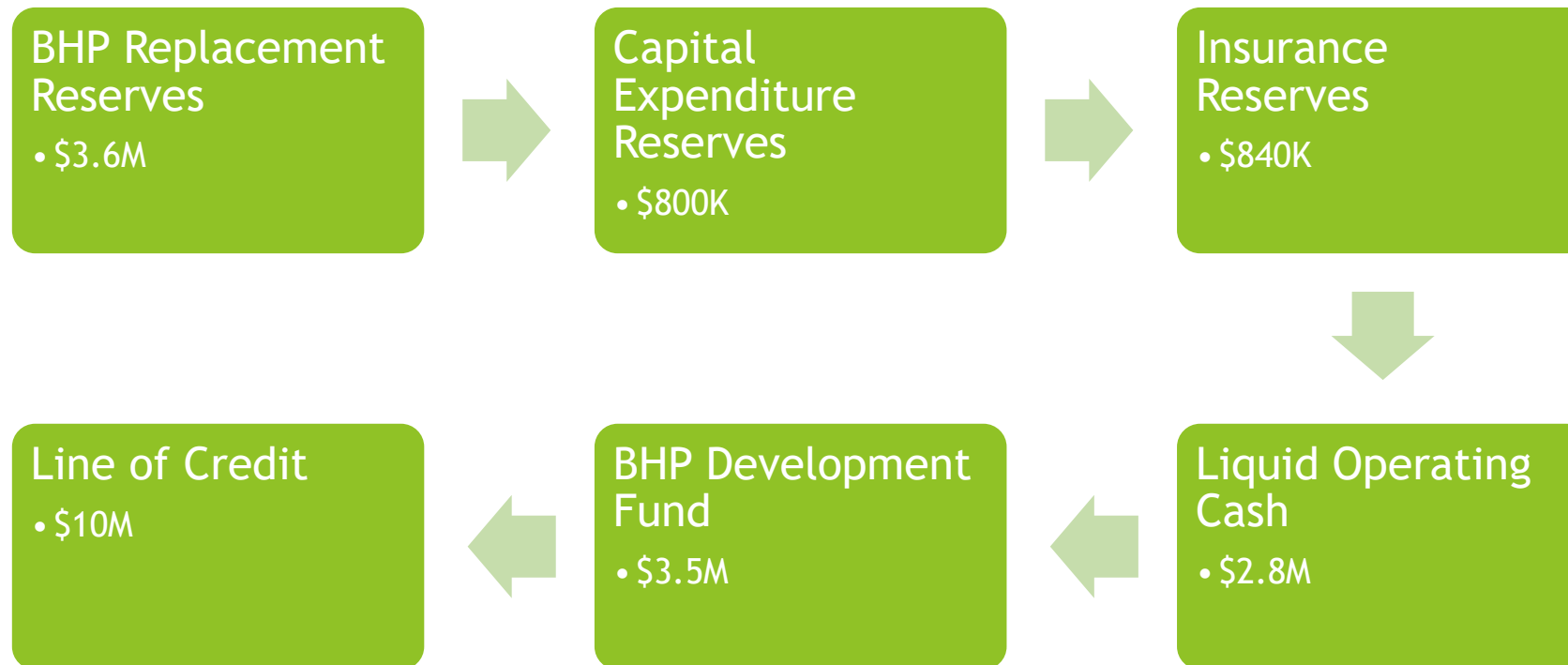
Timeframe: Annual renewals effective 9/1.



# BHP Properties Approach to Paying Large Insurance Deductibles

For the BHP properties, a 2% deductible would be approximately \$1.6M for all BHP properties.

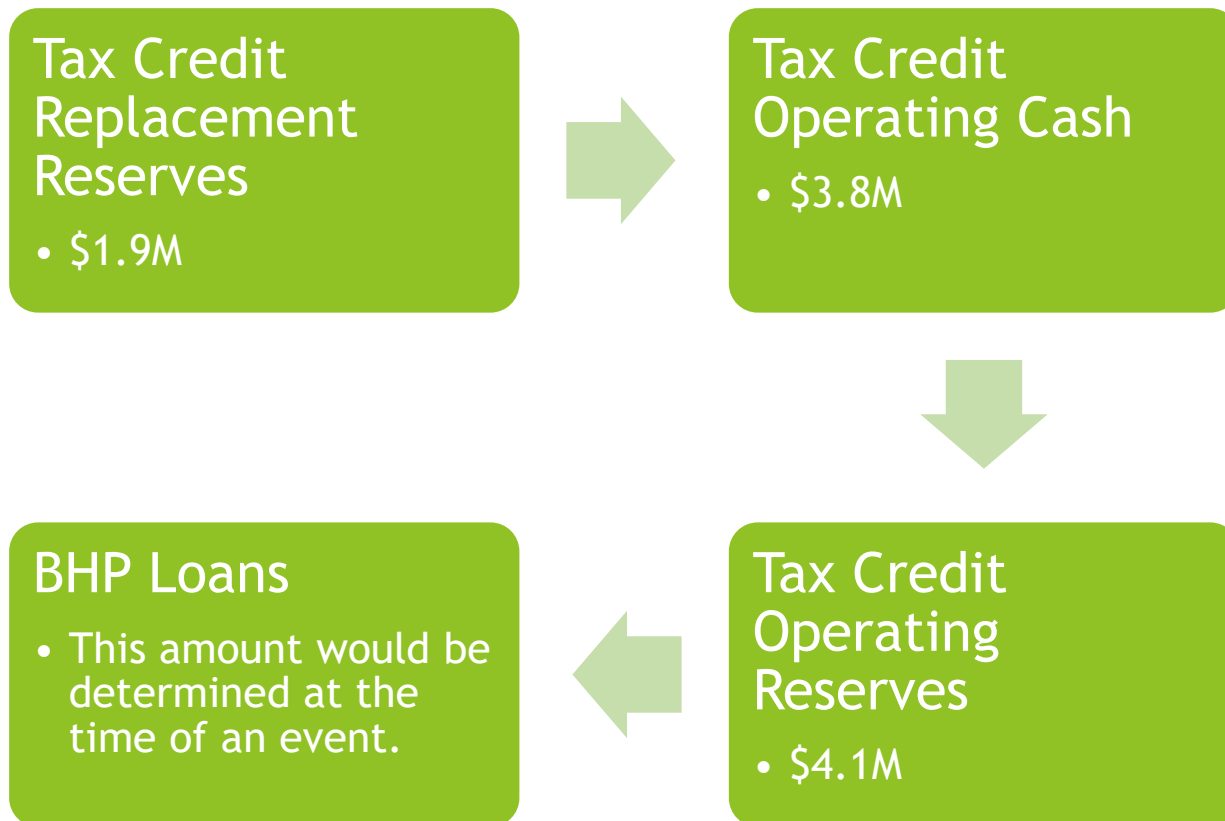
Priority of Sources to Cover Deductible:



# Tax Credit Approach to Paying Large Insurance Deductibles

For the Tax Credit Properties, a 2% deductible would be approximately \$4.0M for all tax credit properties.

Priority of Sources to Cover Deductible:



# 2023 BHP Claim Summary

## Closed Claims (4)

- Property (2)
  - Total Loss: \$171,213
  - Total Deductibles paid: \$50,000
- Auto (2)
  - Total Loss: \$4,975
  - Total Deductibles paid: \$2,000

## Open Claims (6)

- Property (4)
- Liability (2)

# MEMO

**To:** Board of Commissioners  
**From:** Jeremy Durham, Executive Director  
 Will Kugel, Chief Financial Officer  
 Tory Livingston, Director of Finance  
**Date:** December 13, 2023  
**Re:** 2024 Boulder Housing Partners Budget

## Section 1 - Overview

We present our 2024 budget for final budget adoption at this December meeting. There are no proposed changes to the draft budget presented at the November board meeting and reviewed in depth by the Finance Committee.

The BHP budget for calendar year 2024 below shows all the activities associated with BHP and the tax credit functions.

<b>Total Organization Summary</b>	<b>BHP</b>	<b>Total Tax Credits</b>	<b>Total ALL</b>
<b>Total Operating Revenue</b>	\$ 34,342,108	\$ 19,150,190	\$ 53,492,298
Salaries and Benefits	\$ 9,426,532	\$ 1,609,293	\$ 11,035,825
Total Property Costs	\$ 3,097,071	\$ 7,233,554	\$ 10,330,625
Total Operating Costs	\$ 22,948,011	\$ 2,242,506	\$ 25,190,517
Total Operating Expense	\$ 35,471,614	\$ 11,085,354	\$ 46,556,967
<b>Net Operating Income / (Loss)</b>	\$ (1,129,506)	\$ 8,064,837	\$ 6,935,331
Non Operating Income and (Expense)	\$ 12,740,712	\$ (20,522,150)	\$ (7,781,437)
<b>Total NET INCOME / (LOSS)</b>	\$ 11,611,207	\$ (12,457,313)	\$ (846,106)
<b>Net Increase to Cash</b>	\$ 4,639,637	\$ 2,118,593	\$ 6,758,230
Units	506	1,091	1,597
Vouchers	1,419	-	1,419

## Section 2 - Key Budget Assumptions

In building the budget for 2024 the following assumptions were used.

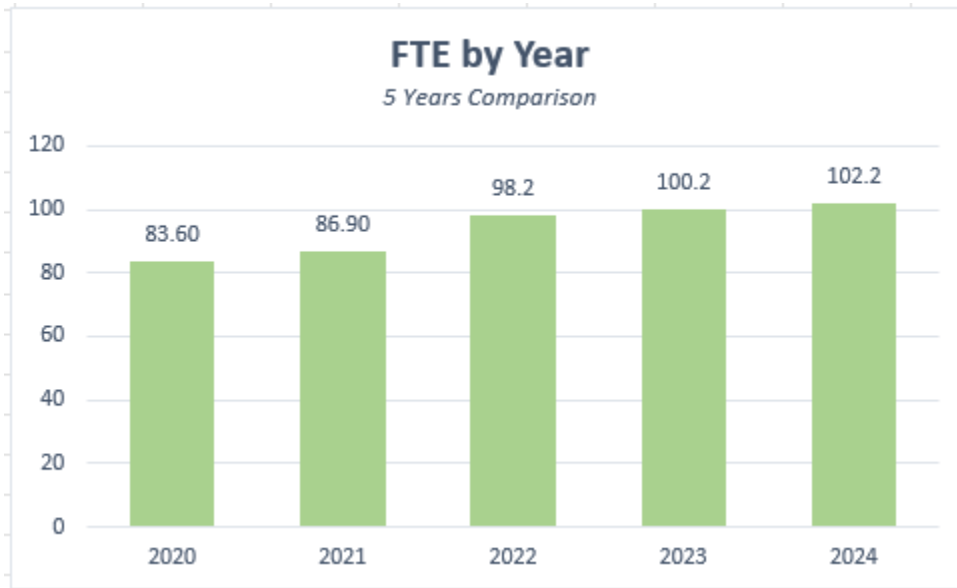
### Revenue:

- A 94% occupancy was assumed for all non-senior housing properties.
- A 95% occupancy was assumed for all senior housing properties.

### Expenditures:

- A 3% BHP staffing vacancy was assumed across the organization.
- A 4% merit pool was included in the 2024 budget.
- A 1% year-end staff bonus pool was included.

- Added 1.0 FTE for Human Resources in 2024.
- Added 1.0 FTE for Resident Services in 2024 (grant funded).
- Added 1.0 FTE for Voucher Programs in 2024.
- Removed 1.0 FTE from Maintenance team that was added as placeholder in 2023. (Technical adjustment and change has no impact on operational staffing.)



General:

- All Workforce and tax credit properties are budgeted to comply with DSCR requirements.
- The 2024 budget does not include any normal operational activities associated with Rally Flats, or Diagonal Plaza, as they are under construction in 2024.
- Hilltop (60 units) will begin operations in 2024. (Lease-up and Stabilization phase.)

### Section 3 - BHP 2024 Budget (Tax Credits Excluded)

The 2024 budget presentation is built on the format that has been presented to the BHP Finance Committee during each scheduled meeting. The goal moving forward is to center the budget discussion around this format then each monthly update in 2024 to the Finance Committee will be based on the same format. Within this format the focus is on BHP activities broken down into three main activity centers, **BHP Operating Budget, Voucher Programs Budget** and then **Non-operating Budget**. The 2024 summary budget for these areas and detailed in exhibit #1, is in the table below. At the November 6<sup>th</sup> Finance Committee meeting, the group will discuss exhibit #1 in detail.

<b>BHP Budget Summary</b>	2024 BHP Budget	2023 BHP Budget	Change from 2023 to 2024	% Change
<b>Operations</b>				
Total Operating Revenue	\$ 15,078,647	\$ 14,401,271	\$ 677,376	4.7%
Salaries and Benefits	\$ 8,252,700	\$ 7,646,927	\$ 605,772	7.9%
Total Property & Operating Costs	\$ 7,631,858	\$ 7,505,084	\$ 126,774	1.7%
Total Operating Expense	\$ 15,884,557	\$ 15,152,012	\$ 732,546	4.8%
<b>Net Operating Income / (Loss) (Operations)</b>	<b>\$ (805,910)</b>	<b>\$ (750,740)</b>	<b>\$ (55,170)</b>	<b>7.3%</b>
<b>Voucher Programs</b>				
Total Voucher Revenue	\$ 19,263,461	\$ 18,496,352	\$ 767,109	4.1%
Total Voucher Expenses	\$ 19,587,056	\$ 18,546,979	\$ 1,040,077	5.6%
<b>Net Operating Income / (Loss) (Voucher Prog)</b>	<b>\$ (323,595)</b>	<b>\$ (50,627)</b>	<b>\$ (272,968)</b>	<b>539.2%</b>
<b>Non-Operating</b>				
Non Operating Income and (Expense)	\$ 12,740,712	\$ 21,916,435	\$ (9,175,723)	-41.9%
<b>BHP In Total</b>				
Net Income before Gain (loss) Acq. /Disp. of Assets	\$ 11,611,207	\$ 21,115,067	\$ (9,503,861)	-45.0%
Gain (Loss) on Acq./Disp. of Assets	\$ -	\$ (1,250,000)	\$ 1,250,000	-100.0%
<b>Total Net Income (Loss)</b>	<b>\$ 11,611,207</b>	<b>\$ 19,865,067</b>	<b>\$ (8,253,861)</b>	<b>-41.5%</b>

Note: The non-operating activity within the BHP budget encompasses the following items and activities:

- Non-cash items like depreciation and amortization costs,
- Developer fee revenue earned by BHP for tax credit developments,
- Interest income earned on BHP loans to tax credit properties,
- One-time property transactions (e.g., sale of property)
- Non-federal grants to BHP that are then loaned into a tax credit partnership. (Development Activity)
- Spending on non-capital items from existing BHP reserves.
- Pre-development spending on potential new tax credit projects. (Development Activity)

**Section 4 - BHP 2024 Budget (Tax Credits Excluded) – Cash Flow**

A critical part of the BHP budget process is monitoring the cash flow in the three main activity centers of operations, voucher programs and non-operating activities. The 2024 Budget is designed to maximize cash flow in each area and to access reserves in a strategic manner when necessary. The table below is a summary of the cash flow for each activity area and the details of the projected cash flow are presented in **exhibit #2**.

<b>BHP Cash Flow Summary</b>		
	2024 Budget	2023 Budget
Operations Activities (Details in Exhibit #2)	\$ 495	\$ 354,288
Voucher Program Activities	\$ (323,595)	\$ (50,627)
Non-Operating Activities (Details in Exhibit #2)	\$ 4,962,738	\$ 6,812,028

**Cash Flow:**

BHP places a high priority on cash flow for all aspects of the organization. Below are some highlights on cash flow.

- BHP Operations Cash Flow
  - As seen in exhibit 2, the cash flow for operations based on the 2024 budget is essentially neutral. This was a planned approach for the 2024 budget. The 2024 budget was built using much more conservative occupancy assumption (94% multi-family and 95% at senior sites). The goal is to clearly outperform this occupancy threshold and as a result generate excess cash flow.
- Voucher Programs
  - The voucher programs are planning to utilize past administrative fees collected by BHP but not spent to fund costs beyond earned revenues in 2024. The program will utilize these unspent funds in 2024 to stabilize the voucher team and establish a sustainable fiscal approach for 2025.
- BHP Non-Operating Cash Flow (Development)
  - The development activity (non-operating) typically generates significant cash flow to BHP. In 2024 the major contribution to the positive cash flow for the non-operating section is the expected sale of the Arapahoe Court site, approximately \$2.3M in developer fees for Tantra Lake, and additional developer fees for Diagonal Plaza (\$650K) and Hilltop (\$430K).

### Section 5 - Tax Credit Budgets for 2024

At the end of 2023 BHP will be the general partner and .01% owner of the following thirteen Tax Credit entities:

Tax Credit Properties not included in BHP budget	
30Pearl	120
Boulder Communities	279
Broadway West	26
Canopy	41
Canyon Pointe	82
Ciclo	38
Glen Willow	34
HighMar	59
Lee Hill	31
Madison	33
Palo Park	35
Red Oak Park	59
Tantra	185
Westview	34
Woodlands	35
<b>Total Tax Credit:</b>	<b>1091</b>

Each of these properties is managed by BHP in accordance with the requirements of the Limited Partnership Agreement. Annual budgets for the properties are provided and approved by the Investor Limited Partner. The budgets must meet the required debt service coverage limit. The assumptions for these budgets match the BHP affordable properties:

- An average vacancy rate of 5.8% is budgeted for 2024.
- Average rent increases range from 4% to 17% for 2024. The increases above 4% are due to increased payment standards across the LIHTC properties.
- Overall insurance increased 24%, Property accounted for 28% of this increase, General Liability insurance increased 12% and the Umbrella insurance policy increased about 12% for Tax Credit entities (excluding Tantra, which was under Builders Risk policies due to construction in 2022-2023).

A detailed budget for each property is included as **Exhibit 3**. These properties are separate legal entities and therefore never consolidated into the financial statements of BHP.



## **Section 6 - Critical Notes & Discussion Points for BHP 2024 Budget**

This section highlights a number of key items in the 2024 budget. These items are intended to be discussion points during the 2024 budget process.

### **Operations:**

- Utilities – BHP includes in utilities water, sewer, electricity and gas. The 2024 budget reflects a \$41K or approximately 35% increase over the 2023 budget, which aligns with increased rates for these services.
- Insurance costs – BHP has budgeted \$571K in insurance premiums for 2024, which is an \$80K or 16% increase from 2023. The main contributors to the increase were:
  - Property - \$28K or 10%.
  - BHP purchased excess property policies for \$39K. These are new policies for 2024.
  - BHP purchased a SAM policy for \$21K. This is a new policy for 2024.
- Major cost drivers for BHP operations:
  - HOA dues/fees are expected to increase an average 8% or \$29K for the 4 BHP properties with an HOA.
  - BHP anticipates an increase in software costs for added system implementations within Yardi of \$58K. Other software and general IT equipment are budgeted at \$214K for 2024. These combined items result in a 22% increase over 2023.

### **Non-Federal Capital Grants & Donations:**

- This category in the non-operating section of the budget changes significantly from year to year. Typically, this revenue each year is linked to grants received by BHP for specific tax credit projects and other one-time transactions. BHP typically takes the grants related to specific tax credit projects and then creates a loan to the project with the funds. The amount budgeted for 2024 is \$9,118,833.
  - \$6,118,333 for the City of Boulder – Inclusionary Housing Funds for Diagonal Plaza
  - \$500,000 in a Worthy Cause award for Diagonal Plaza
  - \$2,500,000 related to the sale of Arapahoe Court.

### **Tax Credit Events in 2024:**

- Tantra Lake is expected to stabilize operations in late 2023 and convert to a permanent loan in 2024. BHP will receive a developer fee payment (cash) of approximately \$2.3M in 2024 related to the third and fourth equity installments for Tantra Lake.
- Rally Flats is expected to be under construction for most of 2024. Hilltop (60 units) will begin operations in 2024. Hilltop will likely be in the lease-up/stabilization phase of operations through most of 2024 and enter permanent operational phase in late 2024 or early 2025.
- The Hilltop project is expected to complete construction in the second half of 2024. The Hilltop developer fee is estimated at \$430K. This fee would be both earned and received in 2024.
- The Diagonal Plaza project is expected to close in the first half of 2024. This will result in an initial developer fee of \$650K that will be both earned and received in 2024 by BHP.

Public Housing:

- BHP is expecting to sell the Arapahoe Court site in mid-2024. This will end public housing units within the BHP portfolio. BHP has budgeted an estimated \$2.5M gain on sale associated with this disposal.

List of Attachments

Exhibit #1	BHP 2024 Budget by Activity Center (Operating, Voucher Activities, & Non-operating) / comments
Exhibit #2	Cash Flow for BHP Operating and Non-operating activities.
Exhibit #3	Tax Credit 2024 Budgets
Exhibit #4	Moving to Work Overview
Exhibit #5	Non-MTW Voucher Programs
Exhibit #6	Workforce Properties Overview (BHP Properties)
Exhibit #7	BHP Organization Debt Summary
Exhibit #8	BHP Reserves Summary
Exhibit #9	2024 Budget Process Notes

Exhibit #1

**Boulder Housing Partners  
Statement of Activities  
2024 Budget**

	2024 Budget	2023 Budget	Variance \$	% Var	Comments
<b>OPERATIONS</b>					
<b>REVENUE (Excludes HAP)</b>					
<b>Operations Revenue</b>					
Tenant Dwelling Rental	\$ 9,088,491	8,548,349	\$ 540,142	6%	In general rent for 2024 in increasing in the 3% to 5% range. Additional revenue is being recognized with grant standard changes as well.
HUD-Operating Subsidy	4,500	11,000	(6,500)	-59%	Anticipating decline due to sale of Araphoe Court.
<b>Total Operations Revenue</b>	<b>9,092,991</b>	<b>8,559,349</b>	<b>533,642</b>	<b>6%</b>	
<b>Fee Revenue</b>					
Property Mgmt & Asset Mgmt Fees	609,319	603,369	5,951	1%	
Mgmt Fees - Tax Credits	1,582,910	1,367,391	215,519	16%	Higher revenues within the properties is driving increased fees to BHP.
Resident Service Income	489,242	494,433	(5,191)	-1%	
<b>Total Fee Revenue</b>	<b>2,681,471</b>	<b>2,465,193</b>	<b>216,278</b>	<b>9%</b>	
<b>Grants and Subsidies</b>					
Non Federal Grants and Donations	144,998	145,482	(484)	0%	
Non Federal Capital Grants	-	-	-		
Federal Operating Grants	-	95,508	(95,508)	-100%	These are capital funds associated with public housing. These are anticipated to stop in 2024.
<b>Total Grants and Subsidies</b>	<b>144,998</b>	<b>240,990</b>	<b>(95,992)</b>	<b>-40%</b>	
<b>Other Revenue</b>					
Tenant Fees and Utility Reimbursements	215,254	189,062	26,192	14%	
Bank Deposit Interests	179,217	1,406	177,811	12647%	Increase in interest earned on deposit accounts.
Maint Charges to Prop	2,672,744	2,845,544	(172,800)	-6%	Small decrease associated with true up of the budgets for the maintenance team.
Miscellaneous Revenue	91,973	99,728	(7,755)	-8%	
<b>Total Other Revenue</b>	<b>3,159,187</b>	<b>3,135,740</b>	<b>23,447</b>	<b>1%</b>	

	2024 Budget	2023 Budget	Variance \$	% Var	Comments
<b>Total Operating Revenue</b>	<b>15,078,647</b>	<b>14,401,271</b>	<b>677,376</b>	<b>5%</b>	
<b>EXPENSES (Excludes HAP)</b>					
<b>Salaries and Benefits</b>					
<b>Salaries and Benefits</b>	<b>8,252,700</b>	<b>7,646,927</b>	<b>605,772</b>	<b>8%</b>	General increase in costs associated with merit increase, staff salary changes in 2023 and benefit cost changes.
<b>Property Costs</b>					
Maintenance Materials	233,172	252,815	(19,643)	-8%	2024 budget decrease to align with expected usage. Increase in estimate of contractual cost in 2024 based
Contract Labor & Repairs	913,706	777,583	136,123	18%	increases to contract rates and increase in usage in some categories.
BHP Contract Labor	781,949	854,561	(72,611)	-8%	This budget is set to align with the costs of the maintenance team spread across the portfolio, including the tax credits. As the tax credit properties grow, BHP incurs less of an expense, assuming no change in team size.
Extraordinary Expense	16,392	183,609	(167,217)	-91%	A change in approach for 2024. Extraordinary items are part of the capital planning process and use of property reserves when at all possible.
Trash and Recycling	128,887	130,870	(1,983)	-2%	
Utilities	642,176	600,504	41,672	7%	2024 budget is set to align with expected costs.
PILOT & HOA Fees	380,788	354,411	26,377	7%	2024 budget assumes a 7% increase in HOA fees.
<b>Total Property Costs</b>	<b>3,097,071</b>	<b>3,154,353</b>	<b>(57,283)</b>	<b>-2%</b>	
<b>Other Operating Expenses</b>					
Consultants & Contract Labor	205,729	226,099	(20,370)	-9%	The consulting budget was reduced in 2024 to better reflect usage.
Dues and Fees	95,362	87,641	7,722	9%	General increase in dues and fees across the agency.
Software & Expendable Equipment	451,901	367,904	83,997	23%	Increase in budgeted in 2024 or reflect increase modules within Yardi.
Insurance Expense	561,318	481,784	79,533	17%	In general insurance costs increased about 17% for 2024.
Interest Expense	8,831	256	8,575	3349%	Increase in expected interest expense on tenant security deposits held by BHP.
Legal	71,000	68,507	2,493	4%	
Mileage & Vehicle Expense	193,563	171,083	22,480	13%	Increase in vehicle budget to better align with actual costs.
Miscellaneous - Expense	285,690	261,790	23,900	9%	
Mortgage Interest Expense	1,618,655	1,650,019	(31,365)	-2%	

	2024 Budget	2023 Budget	Variance \$	% Var	Comments
Bond Fees	78,439	91,695	(13,256)	-14%	This cost varies from year-to-year. The 2024 budget reflect expected cost based on current costs. (Broadway East)
Office Supplies & Other Administrative Expenses	58,241	63,189	(4,948)	-8%	Decrease related to alignment of actual usage.
Phone, Printing & Postage Expense	210,808	193,766	17,042	9%	Increase related to the alignment of actual usage.
Property Mgmt & Asset Mgmt Fees	501,138	503,337	(2,199)	0%	
Resident Services Fees	30,116	33,840	(3,724)	-11%	Change related to fees not charged to Arapahoe Court in 2024.
Staff Training	148,996	137,321	11,675	9%	Budget is aligned to the expected need in 2024.
Sustainability Grant Expense	15,000	12,500	2,500	20%	Different grants and amounts between the two years.
<b>Total Other Operating Costs</b>	<b>4,534,787</b>	<b>4,350,731</b>	<b>184,056</b>	<b>4%</b>	
<b>Total Operating Expenses</b>	<b>15,884,557</b>	<b>15,152,012</b>	<b>732,546</b>	<b>5%</b>	
<b>Net Operating Income; Property Mgmt</b>	<b>(805,910)</b>	<b>(750,740)</b>	<b>(55,170)</b>	<b>7%</b>	

	2024 Budget	2023 Budget	Variance \$	% Var	Comments
<b>Voucher Programs; Federal &amp; Local</b>					
<b>Housing Assistance Programs (HAP):</b>					
<b>Voucher Revenue</b>					
HCV - HAP Revenue	16,307,115	15,451,360	855,755	6%	Revenue is a projection based on current awards.
Federal Service Grants & Local Voucher Funding	1,544,570	1,689,495	(144,925)	-9%	Revenue is a projection based on current awards.
<b>Total Voucher Revenue</b>	<b>17,851,685</b>	<b>17,140,855</b>	<b>710,830</b>	<b>4%</b>	
<b>Voucher Expenses</b>					
HCV-HAP Expense	16,334,475	15,451,360	883,115	6%	
Federal Service Grant Expense & Local Voucher paymer	1,526,570	1,671,495	(144,925)	-9%	
<b>Total Voucher expense</b>	<b>17,861,045</b>	<b>17,122,855</b>	<b>738,190</b>	<b>4%</b>	
<b>HAP - Net Operating Income</b>	<b>(9,360)</b>	<b>18,000</b>	<b>(27,360)</b>	<b>-152%</b>	
<b>Admin program:</b>					
<b>Admin Revenue</b>					
HCV-HAP Admin Fees	1,411,776	1,355,497	56,279	4%	
<b>Total Admin Revenue</b>	<b>1,411,776</b>	<b>1,355,497</b>	<b>56,279</b>	<b>4%</b>	
<b>Admin Expenses</b>					
Salaries and Benefits	1,173,832	869,986	303,846	35%	Increase in 1.0 FTE charged to program, plus expected merit amounts in 2024.
Management Fees	414,468	408,533	5,935	1%	
HQS Inspections	48,000	62,100	(14,100)	-23%	
Other Admin Expenses	89,711	83,505	6,206	7%	
<b>Total Admin expense</b>	<b>1,726,011</b>	<b>1,424,124</b>	<b>301,887</b>	<b>21%</b>	
<b>Admin - Net Operating Income</b>	<b>(314,235)</b>	<b>(68,627)</b>	<b>(245,608)</b>	<b>358%</b>	
<b>Net Operating Income; Voucher &amp; Admin programs</b>	<b>(323,595)</b>	<b>(50,627)</b>	<b>(272,968)</b>	<b>539%</b>	

	2024 Budget	2023 Budget	Variance \$	% Var	Comments
<b>Non-Operating Income (Expense)</b>					
Non Federal Capital Grants	-	-	-		
Development Fees	2,748,208	5,508,536	(2,760,328)	-50%	This budget will change from year to year depending on when developer fee revenue is earned. Note not all fees earned in this category are cash in the door to BHP.
Interest Income	4,249,862	3,921,347	328,514	8%	Interest earned on soft debt from LIHTCs increasing. Tantra Lakes is a significant contributor to this change in 2024.
Non-Federal Capital Grants & Donations	9,118,333	14,969,776	(5,851,443)	-39%	2024 Budget set to account for Diagonal Plaza financing and sale of Arapahoe Court.
Federal Capital Grants	-	523,992	(523,992)	-100%	Due to the sale of Arapahoe Court, federal capital grants are expected to stop in 2024.
Depreciation & Amortization	(2,430,813)	(2,325,117)	(105,697)	5%	
Non-Capital Reserve Spending	(679,877)	(392,100)	(287,777)	73%	2024 budget set to expected spending levels.
PreDevelopment costs	(265,000)	(265,000)	-	0%	
Financing Costs; refi mortgages	-	(25,000)	25,000	-100%	2024 budget assumes no refinance costs.
<b>Total Non-Operating Income (Expense)</b>	<b>12,740,712</b>	<b>21,916,435</b>	<b>(9,175,723)</b>	<b>-42%</b>	
<b>Net Income before Gain (loss) Acq. /Disp. of Assets</b>					
	<b>11,611,207</b>	<b>21,115,067</b>	<b>(9,503,861)</b>	<b>-45%</b>	
Gain (Loss) on Acq./Disp. of Assets	-	(1,250,000)	1,200,000		
<b>TOTAL NET INCOME (LOSS)</b>	<b>11,611,207</b>	<b>19,865,067</b>	<b>(9,108,040)</b>	<b>-46%</b>	

## Exhibit 2 - BHP Operations Cash Flow Estimates 2024 Budget

	2024	2023	Notes
<b>Net Operating Income</b>	\$ (805,910)	\$ (750,740)	
<b>Adjustments to Operating Cash:</b>			
<b>General Adjustments</b>			
Replacement Reserves Contribution	\$ (365,441)	\$ -	These are contributions to the replacement reserves for the workforce properties. There is no revenue or expense on the income statement, so a negative cash adjustment is needed.
Other Adjustments LIHTC Interest Earned	\$ (28,259)		
Loan Payments (BHP Properties)	\$ (991,343)	\$ (962,215)	This is a negative cash adjustment for the mortgage payment on BHP properties. (Principal Only)
2024 Revenue Maximization / Cost Savings Plans Implementation	\$ 200,000		Organizational changes, revenue maximization, and cost savings adjustments in 2024 outside the established Operations budget.
Allocation of Additional Cash Revenues & Contributions to Operating Fund	\$ 300,000		
<b>Total General Adjustments</b>	<b>\$ (885,043)</b>	<b>\$ (962,215)</b>	
<b>Estimated Deferred Developer Fee Payments from LIHTCs to BHP in 2024:</b>			
Deferred Developer Fee - Boulder Communities	\$ 267,217		These are deferred developer fees paid via cash flow from the LIHTCs.
Deferred Developer Fee - Palo	\$ 67,247		
Deferred Developer Fee - Ciclo	\$ 2,538		
Deferred Developer Fee - 30Pearl	\$ 212,181		
Deferred Developer Fee - MadisonWoods	\$ 63,636		
Deferred Developer Fee - Boulder Communities (Interest)	\$ 16,133		
Deferred Developer Fee - HighMar (Interest)	\$ 634		
Deferred Developer Fee - Palo (Interest)	\$ 1,298		
Deferred Developer Fee - Canopy (Interest)	\$ 2,317		
Deferred Developer Fee - 30Pearl (Interest)	\$ 15,702		
Deferred Developer Fee - MadisonWoods (Interest)	\$ 28,137		
Estimate of Deferred Developer Fee Tantra Lake	\$ 391,082		
2023 Budgeted DDF to BHP		\$ 1,076,407	
<b>Total Deferred Development Fee Payments</b>	<b>\$ 1,068,122</b>	<b>\$ 1,076,407</b>	
<b>Estimated Payments on Soft Debt from LIHTC to BHP in 2024:</b>			
Payment on Debt to BHP (Principal) - Broadway West	\$ 69,795		This is interest and principal payments paid to BHP on soft debt from the LIHTCs paid via annual cash flow calculation.
Payment on Debt to BHP (Principal) - Red Oak Park	\$ 12,880		
Payment on Debt to BHP (Principal) - West View	\$ 76,578		
Payment on Debt to BHP (Principal) - Lee Hill	\$ 39,663		
Payment on Debt to BHP (Interest) - Red Oak Park	\$ 40,073		
Payment on Debt to BHP (Interest) - WestView	\$ 28,155		
Payment on Debt to BHP (Interest) - High Mar	\$ 154,295		
Payment on Debt to BHP (Interest) - West End	\$ 201,887		
2023 Payment on Debt Principal		\$ 656,101	
2023 Interest from DDF and Debt Notes		\$ 334,735	
<b>Total Payments on Soft Debt</b>	<b>\$ 623,326</b>	<b>\$ 990,836</b>	
<b>Total Adjustments</b>	<b>\$ 806,405</b>	<b>\$ 1,105,028</b>	
<b>Total Estimated Cash Flow</b>	<b>\$ 495</b>	<b>\$ 354,288</b>	



## Exhibit 2 - BHP Non-Operating (Development) Cash Flow Estimates 2024 Budget

	2024	2023	Notes
<b>Net Operating Income</b>	\$ 12,740,712	\$ 21,916,435	
<b>Adjustments to Non-Operating Cash:</b>			
General Adjustments			
Replacement Reserved Cash	\$ 365,441		
Depreciation & Amortization	\$ 2,436,377	\$ 2,325,117	
Notes Interest Receivable LIHTC - Non Current	\$ (4,249,862)	\$ (3,920,987)	This is interest earned and accrued on soft debt, but not paid to BHP.
Hilltop developer fee	\$ (2,070,441)		This will be the estimated revenue earned in 2024, but cash is not received.
Diagonal Plaza Land (non-cash)	\$ -	\$ (6,800,000)	
Tantra Lake developer fee payment	\$ 2,358,843		Fee earned in prior years, received in 2024.
Diag Plaza Worthy Cause Grant & Diag Plaza COB IH Rally Flats grants; COB IH, BC Worthy Cause; CDOH, ARPA	\$ (6,618,333)	\$ (5,250,000)	
Tantra Lake second tranche of \$5.5m funding		\$ (2,750,000)	
Tantra Lake developer fee at Construction completion		\$ (4,317,536)	
<b>Total Adjustments</b>	<b>\$ (7,777,975)</b>	<b>\$ (20,713,407)</b>	
<b>Total Estimated Cash Flow</b>	<b>\$ 4,962,738</b>	<b>\$ 1,203,028</b>	

<b>Exhibit #3 - 2024 Tax Credit Budgets</b>	<b>Boulder Communities</b>	<b>30 Pearl</b>	<b>Broadway West</b>	<b>Canopy @ Red Oak Park</b>	<b>Ciclo</b>	<b>West End Communities</b>	<b>High Mar</b>	<b>Lee Hill</b>
<b>Operations Revenue</b>								
Tenant Dwelling Rental	\$ 4,250,532	\$ 2,012,997	\$ 404,635	\$ 698,899	\$ 655,347	\$ 2,226,495	\$ 922,005	\$ 599,476
Tenant Fees	4,150	3,600	100	1,500	3,500	820	190	250
Interest Income	6,800	12,000	1,742	-	600	-	-	3,186
Laundry Revenue	9,120	-	3,000	-	4,500	4,500	-	1,200
Tenant Work Order Charges	200	600	100	500	100	150	75	100
Tenant Reimb - Utilities	-	104,473	-	-	7,130	-	24,356	-
Miscellaneous Revenue	148	31	13	20	19	61	29	17
<b>Total Revenue</b>	<b>\$ 4,270,950</b>	<b>\$ 2,133,701</b>	<b>\$ 409,590</b>	<b>\$ 700,919</b>	<b>\$ 671,196</b>	<b>\$ 2,232,026</b>	<b>\$ 946,655</b>	<b>\$ 604,229</b>
<b>Operating Expenses</b>								
<b>Salaries and Benefits</b>	<b>\$ 382,518</b>	<b>\$ 164,524</b>	<b>\$ 35,729</b>	<b>\$ 56,212</b>	<b>\$ 52,099</b>	<b>\$ 159,040</b>	<b>\$ 80,891</b>	<b>\$ 155,810</b>
<b>Property Costs</b>								
Management Fees	\$ 255,032	\$ 139,776	\$ 32,351	\$ 44,706	\$ 41,859	\$ 141,084	\$ 50,712	\$ 51,161
Maintenance Materials	90,081	13,500	4,699	8,000	6,008	18,984	16,964	9,800
Contract Labor & Repairs	485,949	112,094	46,544	48,150	32,794	104,308	57,864	109,566
BHP Contract Labor	507,066	200,651	48,969	65,525	22,426	184,935	107,432	53,670
Extraordinary Maintenance	-	-	-	-	-	-	-	-
Trash & Recycling	90,882	40,120	8,984	14,739	8,344	24,200	8,000	5,598
Utilities	470,978	256,381	50,250	39,675	76,626	144,951	104,931	49,244
HOA Fees	-	-	-	-	58,848	-	-	-
<b>Total Property Costs</b>	<b>\$ 1,899,988</b>	<b>\$ 762,522</b>	<b>\$ 191,797</b>	<b>\$ 220,795</b>	<b>\$ 246,906</b>	<b>\$ 618,463</b>	<b>\$ 345,903</b>	<b>\$ 279,039</b>
<b>Operating Costs</b>								
Audit Fees	\$ 9,360	\$ 8,410	\$ 9,360	\$ 9,360	\$ 8,410	\$ 11,590	\$ 9,360	\$ 9,360
Background Checks	500	1,600	250	-	400	1,250	250	-
Bad Debt Expense	50,667	2,500	5,000	3,500	1,000	3,500	4,000	2,997
Bank Fees	-	-	-	-	-	-	250	-
Community Center Expense	1,000	200	-	-	-	-	-	-
Consultants	24,250	9,500	3,250	3,950	1,150	5,650	1,550	1,700
Dues & Fees, net of Tax Credit Investor Service Fee	2,000	29,500	3,165	14,218	9,310	34,321	350	-
Insurance Expense	256,243	129,582	25,380	46,253	45,540	128,064	50,314	26,686
Interest Expense, Security Deposits	2,309	1,300	380	490	725	1,028	517	-
Legal Expense	15,000	10,000	500	1,000	500	1,500	500	-
Mileage & Parking	300	100	100	100	-	100	100	-
Community Events	500	250	-	-	-	500	12,000	1,500
Office Supplies & equipment	4,260	1,160	252	1,630	982	2,884	2,482	752
Phone & Internet Expense	29,892	9,504	5,568	5,472	5,088	12,468	5,808	5,520
Printing Expense	1,500	450	-	300	-	900	300	300
Res Svc Fee Exp	200,400	-	-	14,760	-	72,384	47,850	-
RRC	3,375	-	-	-	-	348	-	-
Resident Services; Service Reserve Expenditures	-	84,926	-	-	-	-	-	-
<b>Total Operating Costs</b>	<b>\$ 601,556</b>	<b>\$ 288,981</b>	<b>\$ 53,205</b>	<b>\$ 101,033</b>	<b>\$ 73,105</b>	<b>\$ 276,487</b>	<b>\$ 135,631</b>	<b>\$ 48,816</b>
<b>Total Operating Expenses</b>	<b>\$ 2,884,062</b>	<b>\$ 1,216,027</b>	<b>\$ 280,732</b>	<b>\$ 378,041</b>	<b>\$ 372,110</b>	<b>\$ 1,053,989</b>	<b>\$ 562,425</b>	<b>\$ 483,665</b>
<b>Net Operating Income</b>	<b>\$ 1,386,888</b>	<b>\$ 917,674</b>	<b>\$ 128,858</b>	<b>\$ 322,878</b>	<b>\$ 299,086</b>	<b>\$ 1,178,037</b>	<b>\$ 384,230</b>	<b>\$ 120,564</b>
<b>Other (Expense) Income</b>								
Amortization Expense	\$ (24,494)	\$ (36,148)	\$ (2,191)	\$ (14,759)	\$ (10,827)	\$ (28,148)	\$ (6,204)	\$ (2,269)
Depreciation	(2,861,275)	(1,836,617)	(271,046)	(626,183)	(516,833)	(1,402,625)	(445,438)	(241,469)
Note Interest Expense	(1,336,097)	(446,495)	-	(193,471)	(38,931)	(359,575)	(101,185)	(25,000)
Mortgage Interest Expense	(488,484)	(583,221)	(38,197)	(176,234)	(189,775)	(734,520)	(132,181)	-
Tax Credit Investor Service Fee	(4,434)	(11,255)	(1,815)	(5,628)	(4,277)	(5,628)	(5,000)	(5,040)
<b>TOTAL NET (LOSS) INCOME</b>	<b>\$ (3,327,895)</b>	<b>\$ (1,996,062)</b>	<b>\$ (184,390)</b>	<b>\$ (693,396)</b>	<b>\$ (461,558)</b>	<b>\$ (1,352,459)</b>	<b>\$ (305,778)</b>	<b>\$ (153,213)</b>
<b>Adjustments for Cash Basis</b>								
PLUS:								
Amortization and Depreciation	\$ 2,877,223	\$ 1,853,315	\$ 273,236	\$ 631,461	\$ 521,300	\$ 1,413,372	\$ 448,396	\$ 243,738
Interest on Soft Debt Notes	1,336,097	446,495	-	193,471	38,931	359,575	101,185	25,000
Partnership Investment	4,434	11,255	1,815	-	4,277	5,627	5,000	5,040
LESS:								
Debt Principal	(316,228)	(231,873)	(25,822)	(62,831)	(58,620)	(233,206)	(98,107)	-
Replacement Reserves Funding (net)	(149,432)	45,588	(9,438)	(13,441)	(12,457)	(39,168)	(19,823)	(11,625)
Bonds Payable	8,546	19,450	-	9,481	6,360	17,401	3,246	-
<b>Net Increase to Cash</b>	<b>\$ 432,744</b>	<b>\$ 148,168</b>	<b>\$ 55,401</b>	<b>\$ 64,744</b>	<b>\$ 38,233</b>	<b>\$ 171,142</b>	<b>\$ 134,119</b>	<b>\$ 108,940</b>
<b>DSCR</b>	1.54	1.18	1.87	1.29	1.15	1.18	1.58	
<b>Expense Coverage Ratio</b>								1.22

<b>Exhibit #3 - 2024 Tax Credit Budgets</b>	<b>Palo Park</b>	<b>Red Oak Park</b>	<b>Madison Woods</b>	<b>Tantra</b>	<b>WestView</b>	<b>Total TC (excluding Hilltop)</b>
<b>Operations Revenue</b>						
Tenant Dwelling Rental	\$ 524,217	\$ 897,885	\$ 1,660,369	\$ 3,311,088	\$ 570,267	\$ 18,734,212
Tenant Fees	1,150	1,000	2,175	9,500	1,450	29,385
Interest Income	1,648	13,008	600	-	2,378	41,962
Laundry Revenue	-	250	-	4,500	-	27,070
Tenant Work Order Charges	120	200	300	3,000	100	5,545
Tenant Reimb - Utilities	31,759	-	-	143,796	-	311,514
Miscellaneous Revenue	-	17	34	83	30	502
<b>Total Revenue</b>	<b>\$ 558,894</b>	<b>\$ 912,360</b>	<b>\$ 1,663,478</b>	<b>\$ 3,471,967</b>	<b>\$ 574,225</b>	<b>\$ 19,150,190</b>
<b>Operating Expenses</b>						
<b>Salaries and Benefits</b>	<b>\$ 47,986</b>	<b>\$ 80,891</b>	<b>\$ 93,230</b>	<b>\$ 253,641</b>	<b>\$ 46,722</b>	<b>\$ 1,609,293</b>
<b>Property Costs</b>						
Management Fees	\$ 42,181	\$ 57,312	105,981	\$ 215,154	\$ 35,555	\$ 1,212,865
Maintenance Materials	5,509	16,000	20,249	33,000	15,367	258,161
Contract Labor & Repairs	50,704	88,856	136,830	206,129	38,881	1,518,669
BHP Contract Labor	58,811	97,067	117,580	321,557	54,805	1,840,494
Extraordinary Maintenance	-	-	-	42,135	-	42,135
Trash & Recycling	10,164	30,600	33,300	61,246	6,716	342,893
Utilities	72,554	101,500	162,750	251,289	43,809	1,824,938
HOA Fees	-	-	-	134,552	-	193,400
<b>Total Property Costs</b>	<b>\$ 239,923</b>	<b>\$ 391,335</b>	<b>\$ 576,690</b>	<b>\$ 1,265,061</b>	<b>\$ 195,133</b>	<b>\$ 7,233,554</b>
<b>Operating Costs</b>						
Audit Fees	\$ 9,360	\$ 9,360	\$ 9,360	\$ 8,410	\$ 9,360	\$ 121,060
Background Checks	-	300	750	-	-	5,300
Bad Debt Expense	2,621	4,500	11,500	35,000	2,851	129,637
Bank Fees	-	250	100	-	-	600
Community Center Expense	-	-	250	-	-	1,450
Consultants	2,300	1,600	3,370	12,550	3,750	74,570
Dues & Fees, net of Tax Credit Investor Service Fee	-	300	11,550	-	-	104,715
Insurance Expense	41,693	64,709	76,366	176,039	34,091	1,100,960
Interest Expense, Security Deposits	376	987	1,252	2,275	518	12,157
Legal Expense	-	300	6,000	-	-	35,300
Mileage & Parking	-	100	200	-	-	1,100
Community Events	-	550	650	-	-	15,950
Office Supplies & equipment	3,982	1,002	1,754	600	600	22,340
Phone & Internet Expense	4,080	4,320	11,340	9,600	4,200	112,860
Printing Expense	300	300	320	300	-	4,970
Res Svc Fee Exp	15,127	22,656	36,888	-	-	410,065
RRC	-	-	825	-	-	4,548
Resident Services; Service Reserve Expenditures	-	-	-	-	-	84,926
<b>Total Operating Costs</b>	<b>\$ 79,840</b>	<b>\$ 111,234</b>	<b>\$ 172,475</b>	<b>\$ 244,773</b>	<b>\$ 55,370</b>	<b>\$ 2,242,506</b>
<b>Total Operating Expenses</b>	<b>\$ 367,749</b>	<b>\$ 583,460</b>	<b>\$ 842,395</b>	<b>\$ 1,763,475</b>	<b>\$ 297,225</b>	<b>\$ 11,085,354</b>
<b>Net Operating Income</b>	<b>\$ 191,146</b>	<b>\$ 328,900</b>	<b>\$ 821,083</b>	<b>\$ 1,708,492</b>	<b>\$ 277,000</b>	<b>\$ 8,064,837</b>
<b>Other (Expense) Income</b>						
Amortization Expense	\$ (9,345)	\$ (31,155)	\$ (20,010)	\$ (41,365)	\$ (9,596)	\$ (236,509)
Depreciation	(371,368)	(391,973)	(1,089,360)	(1,852,567)	(233,976)	(12,140,730)
Note Interest Expense	(613)	(39,387)	(665,946)	(1,009,555)	(20,366)	(4,236,620)
Mortgage Interest Expense	(80,092)	(158,036)	(380,639)	(762,860)	(114,267)	(3,838,507)
Tax Credit Investor Service Fee	(6,269)	(12,482)	-	(7,957)	-	(69,784)
<b>TOTAL NET (LOSS) INCOME</b>	<b>\$ (276,542)</b>	<b>\$ (304,132)</b>	<b>\$ (1,334,872)</b>	<b>\$ (1,965,811)</b>	<b>\$ (101,204)</b>	<b>\$ (12,457,313)</b>
<b>Adjustments for Cash Basis</b>						
<b>PLUS:</b>						
Amortization and Depreciation	\$ 375,369	\$ 396,533	\$ 1,095,072	\$ 1,866,100	\$ 235,299	\$ 12,230,414
Interest on Soft Debt Notes	613	39,387	665,946	1,009,555	20,366	4,236,620
Partnership Investment	6,269	12,482	-	-	-	56,199
<b>LESS:</b>						
Debt Principal	(58,056)	(70,976)	(161,776)	(303,392)	(75,025)	(1,695,913)
Replacement Reserves Funding (net)	(12,527)	(25,236)	(22,292)	(57,165)	(12,342)	(339,358)
Bonds Payable	5,344	26,595	(44,584)	27,832	8,273	87,943
<b>Net Increase to Cash</b>	<b>\$ 40,470</b>	<b>\$ 74,652</b>	<b>\$ 197,494</b>	<b>\$ 577,119</b>	<b>\$ 75,366</b>	<b>\$ 2,118,593</b>
<b>DSCR</b>	1.29	1.33	1.47	1.55	1.40	
<b>Expense Coverage Ratio</b>						

## Exhibit #4 – Moving to Work

### 4.1. General Description

Moving to Work	
Program	Units/Vouchers
Public Housing	
Arapahoe Court	14
<b>Total PH:</b>	<b>14</b>
Section 8 (HCVP)	
HCVP	945

MTW is currently composed of 945 Housing Choice Vouchers, 14 units of Public Housing, the Public Housing Capital Fund Program (CFP), and administrative costs of MTW. These programs are each funded by HUD, but once we receive the funds, they can be spent on any of the MTW programs. The unfunded administrative costs of certain MTW activities can be paid for with revenues from the other MTW programs (e.g., CFP can pay for unfunded administrative costs) to bring the total to net zero cash flow.

### 4.2. Financial Summary

MOVING TO WORK PROGRAMS	Public Housing/CFP	S8 HCVP	MTW Admin	2024 Total Budget	Rolling 12 months actuals; Sept. 2022 - Aug. 2023	Diff
Total Rental/HAP Income	25,067	\$ 12,039,236	\$ 50	\$ 12,064,353	\$ 14,160,486	\$ (2,096,133)
Total Expenses	(85,112)	\$ (12,423,671)	\$ -	\$ (12,508,783)	\$ (11,462,939)	\$ (1,045,844)
Net Income (Loss)	(60,045)	(384,435)	50	(444,430)	2,697,547	(3,141,977)
Adjustments for Cash Basis						
<b>Plus:</b>						
Amortization & Depreciation	3,974	\$ -	\$ -	\$ 3,974	\$ 9,528	\$ (5,554)
Capital Grants	-	\$ -	\$ -	\$ -	\$ -	\$ -
MTW Reserves	-	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Less:</b>						
Fixed Asset Expenditures	-	\$ -	\$ -	\$ -	\$ -	\$ -
Net Operating Transfers	-	\$ -	\$ -	\$ -	\$ (2,500,000)	\$ 2,500,000
<b>Net Increase (Decrease) to Cash</b>	<b>(56,071)</b>	<b>\$ (384,435)</b>	<b>\$ 50</b>	<b>\$ (440,456)</b>	<b>\$ 207,075</b>	<b>\$ (647,532)</b>

### 4.3. Budget Assumptions

- Housing Choice Voucher Housing Assistance Payments (HAP) funding based on 2023 budget authority and forecasted HAP expense for 2024.
- Housing Choice Voucher administrative fee funding based on estimated vouchers leased and an assumption of 92% proration of published rates based on HUD notices.

## Exhibit #5 – Non-MTW Voucher Programs

### 5.1. General Description

Non MTW Voucher Programs	Vouchers
Mainstream	188
NED	181
EHV	35
Housing First	22
City of Boulder	48
<b>Total Non-MTW Vouchers:</b>	<b>474</b>
Non MTW Grants	Grant \$
SNAP Consolidated Grant *	\$ 622,695

\*This grant serves 22 scattered site vouchers with supportive services. It also supports Lee Hill security costs and supportive services at Lee Hill and Holiday.

The Non-MTW Voucher Programs consists of vouchers and grant programs funded by HUD and the locally funded vouchers from the City of Boulder, that are outside the MTW program and required to be reported separately from the MTW program. For the purposes of voucher count, we have included 48 permanently supportive housing vouchers that are currently funded by the City of Boulder.

### 5.2. Financial Summary

NON-MTW VOUCHER AND GRANT PROGRAMS	2024 Total	Rolling 12 months actuals; Sept. 2022 - Aug. 2023	Diff
Total Revenue	\$ 7,248,402	\$ 7,342,900	\$ (94,498)
Total Expenses	\$ (7,248,385)	\$ (7,194,180)	\$ (54,205)
Net Income (Loss)	\$ 17	\$ 148,720	\$ (148,703)
<b>Net Increase (Decrease) to Cash</b>	<b>\$ 17</b>	<b>\$ 148,720</b>	<b>\$ (148,703)</b>

#### Budget Assumptions:

- All HAP revenue is spent on HAP, and administrative costs are allocated to each of these non-MTW voucher programs from the HCV team to offset administrative fees earned. They are projected to operate at net zero income and cash flow for 2024. 2023's actuals reflect a positive \$148,720 impact on cash due to catch up funding for Emergency Housing Voucher program and funding of the Mainstream programs.
- HCV-HAP Non-MTW funding increased over the actuals presented due to additional voucher awards for both the Mainstream/HUD program and the new EHV program.
- Administrative fees increased due to increased number of Mainstream and MTW vouchers.
- Service grant funding is consistent with 2023's actuals for the SNAP grant program.

## Exhibit #6 – BHP Workforce Properties

### 6.1. General Description

The Workforce portfolio includes BHP owned affordable and market-rate units:

Workforce Properties			
Program	Units	Program	Units
Holiday	49	Midtown	13
2037 Walnut	26	Sanitas Place	12
Arapahoe East	11	Twin Pines	22
Cedar / Casey	19	Trout Farms	31
Bridgewalk	123	Vistoso	15
Broadway East	44	Whittier Apts	10
Dakota Ridge	13	Hayden Place 1&2	30
Foothills	74	<b>TOTAL:</b>	<b>492</b>

### Financial Summary

BHP Workforce Budget	2024 BUDGET Workforce	Rolling 12 months actuals; Sept. 2022 - Aug. 2023	Change in Income Increase (Decrease)	%
Operating Revenue	\$ 9,234,008	\$ 8,660,573	\$ 573,435	7%
Operating Expenses	\$ (4,560,524)	\$ (4,563,384)	\$ 2,860	0%
Operating Transfers to COCC	\$ -		\$ -	0%
<b>Net Operating Income</b>	<b>\$ 4,673,484</b>	<b>\$ 4,097,189</b>	<b>\$ 576,295</b>	<b>14%</b>
Capital Grants	\$ -	\$ 12,288,720	\$ (12,288,720)	-100%
Interest Income	\$ 51,508	\$ 43,948	\$ 7,560	17%
Depreciation Expense	\$ (2,202,214)	\$ (2,150,000)	\$ (52,214)	2%
Non Capital Reserve Spending	\$ (595,877)	\$ (228,953)	\$ (366,924)	
Mortgage and Other Interest Expense	\$ (1,695,972)	\$ (1,683,638)	\$ (12,334)	1%
Gain (Loss) on Sale of Capital Assets	\$ -	\$ 1,297,983	\$ (1,297,983)	-100%
<b>Total Non-Operating Rev/Exp</b>	<b>\$ (4,442,555)</b>	<b>\$ 9,568,059</b>	<b>\$ (14,010,614)</b>	<b>-146%</b>
<b>Net Income</b>	<b>\$ 230,929</b>	<b>\$ 13,665,248</b>	<b>\$ (13,434,319)</b>	<b>-98%</b>
<b>Adjustments to Operating Cash</b>				
<b>Plus:</b>				
Amortization & Depreciation	\$ 2,202,214	\$ 2,150,000	\$ 52,214	2%
Non Capital Expenditures funded by Reserves	\$ 595,877	\$ 228,953	\$ 366,924	
<b>Less:</b>			\$ -	
Fixed Asset Expenditures	\$ -	\$ (12,288,720)	\$ 12,288,720	-100%
Gain (loss) on Sale of Assets; Bluff non cash	\$ -	\$ (1,297,983)	\$ 1,297,983	
Replacement Reserves Funding	\$ (181,116)	\$ (181,116)	\$ -	0%
Debt Principal	\$ (991,343)	\$ (952,014)	\$ (39,330)	4%
<b>Contribution to Operating Cash</b>	<b>\$ 1,856,560</b>	<b>\$ 1,324,369</b>	<b>\$ 532,191</b>	<b>40%</b>

The Workforce portfolio is showing a budgeted net income of \$230,929 and a positive cash contribution after adjustments for depreciation, debt principal payments, and reserve funding from cash flow of \$1,856,560.

## 6.2. Budget Assumptions

- The rolling 12 months actuals reflects no new acquisitions of units identified at this time.

### Affordable Units:

- Rent increases at affordable units reflect a range of increase from 4% to 17%. Note this is related to both general increase to rents and the move to the higher payment standards.

### Market-Rate Units:

- Currently, Boulder Housing Partners operates 142 market-rate rental units spread over 4 properties. Rent increases for market-rate units are budgeted at 4.5% - 5%. Each 1% increase produces approximately \$56,000 in revenue. Accordingly, a 5% increase produces approximately \$280,000.

### All Units:

- The projected overall net increase to operating revenue of \$573,435 as compared with trailing 12 months actuals. This amount includes market rate increases.
- Vacancy Loss
  - All affordable units are projected at an average of 5.8% vacancy.
  - Market-Rate units are budgeted at 6%, consistent with our operating history and a relatively conservative projection in this market.

### Exhibit #7 – Organizational Debt

Below is a summary of the existing BHP debt in order of loan maturity.

BHP Mortgage / Bond Summary Schedule					
Property	Interest Rate	Maturity	Original Loan amt	Balance projected @ 12/31/2023	Annual Debt service 2024
**Arap East, Dak Ridge, Midtown, Sanitas Pl, Twin Pines	3.30%	4/1/2031	\$ 7,200,000	\$ 6,664,994	\$ 349,530
***Hayden Pl, Whittier	3.85%	7/1/2027	\$ 1,436,265	\$ 1,242,789	\$ 98,070
Hayden Place 2	4.20%	8/1/2027	\$ 600,000	\$ 493,657	\$ 35,524
Cedar & Casey	3.25%	2/1/2028	\$ 2,449,358	\$ 2,133,267	\$ 117,887
Foothills	3.25%	8/31/2028	\$ 7,000,000	\$ 5,147,618	\$ 367,345
Trout Farms	3.97%	6/1/2029	\$ 3,362,052	\$ 3,074,207	\$ 182,647
Bridgewalk	3.86%	4/1/2032	\$ 23,460,000	\$ 20,274,616	\$ 1,224,859
Vistoso	4.79%	12/1/2047	\$ 600,000	\$ 512,981	\$ 38,086
Broadway East	Variable	9/1/2024	\$ 1,715,000	\$ 1,339,140	\$ 145,860
Holiday	3.67%	7/1/2031	\$ 2,720,000	\$ 2,525,971	\$ 139,167
		<b>Totals</b>	<b>\$ 50,542,675</b>	<b>\$ 43,409,240</b>	<b>\$ 2,698,975</b>

\* BHP also has a line of Credit with FirstBank for \$10 million at a rate of 6.75% collateralized by the office building at 4800 Broadway and 2037 Walnut. The LOC matures 4/1/2026.

Debt service coverage ratio measures the net operating income (NOI) divided by the amount of the debt payment for each property. A ratio of 1:1 means that the NOI supports the debt. These properties are all projected to perform with a debt service coverage ratio of 1.15:1 or better as required by our lenders. The weighted average debt service coverage ratio for these properties is 1.4:1 The additional NOI in excess of the 1:1 ratio provides income which is used to (1) fund replacement reserves, (2) support the Central Office Cost Center (COCC), and (3) fund operating reserves.



## Exhibit #8 – BHP Reserves Information

### 8.1 BHP Operating Reserves

<b>BHP Operating Reserves - Unrestricted</b>	<b>2024 Budget</b>	<b>2025 Projected</b>	<b>2026 Projected</b>	<b>2027 Projected</b>	<b>2028 Projected</b>
Operating Reserves - Projected Beginning Balance	\$ 3,539,079	\$ 3,539,574	\$ 3,564,574	\$ 3,589,574	\$ 3,614,574
<b>Sources:</b>					
Cash Surplus/Deficit from Operations	\$ 495	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
<b>Total Sources</b>	\$ 495	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
<b>Uses:</b>					
<b>Total Uses</b>	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Balance - End of Year</b>	\$ 3,539,574	\$ 3,564,574	\$ 3,589,574	\$ 3,614,574	\$ 3,639,574
<b>Designations:</b>					
Board Designated Reserve	\$ 2,750,000	\$ 2,750,000	\$ 2,750,000	\$ 2,750,000	\$ 2,750,000
<b>Surplus /(Deficit) vs Reserve Goal</b>	\$ 789,574	\$ 814,574	\$ 839,574	\$ 864,574	\$ 889,574

BHP recommends maintaining operating reserves at \$2,750,000 based on the 2024 operating budget which provides greater than 2 months of operating cash for BHP.

### 8.2 . Development Equity Fund

During the year as development opportunities arise, the Finance Committee and Board of Commissioners review and approve activity for utilizing those funds.

The Development Equity fund is mainly used to fund:

- Pre-development expenditures for new acquisitions or LIHTC deals.
- Acquisition of real estate

The projected source of funds over the next 2 years are:

2024	\$ 8,206,482
2025	\$ 4,081,996

### 8.3 . Replacement Reserves

<b>BHP Replacement Reserves - Unrestricted</b>	<b>2024 Budget</b>	<b>2025 Projected</b>	<b>2026 Projected</b>	<b>2027 Projected</b>	<b>2028 Projected</b>
Projected Beginning Balance	\$ 3,773,888	\$ 4,203,004	\$ 2,420,248	\$ 2,349,364	\$ 2,303,480
<b>Sources:</b>					
Capital Reserve addition; Tax Credit cash flow	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
Replacement Reserves - Workforce Properties	\$ 181,116	\$ 181,116	\$ 181,116	\$ 181,116	\$ 181,116
Replacement Reserves - COCC	\$ 48,000	\$ 48,000	\$ 48,000	\$ 48,000	\$ 48,000
<b>Total Sources</b>	\$ 429,116	\$ 429,116	\$ 429,116	\$ 429,116	\$ 429,116
<b>Uses:</b>					
Capital Needs - Workforce Properties (estimate)		\$ 2,070,872	\$ 400,000	\$ 400,000	\$ 400,000
Capital Needs - COCC (estimate)		\$ 141,000	\$ 100,000	\$ 75,000	\$ 75,000
<b>Total Uses</b>	\$ -	\$ 2,211,872	\$ 500,000	\$ 475,000	\$ 475,000
<b>Balance - End of Year</b>	\$ 4,203,004	\$ 2,420,248	\$ 2,349,364	\$ 2,303,480	\$ 2,257,596
<b>Designations:</b>					
Board Designated Reserve	\$ 1,722,000	\$ 1,771,000	\$ 1,617,000	\$ 1,617,000	\$ 1,358,000
<b>Surplus /(Deficit) vs Reserve Goal</b>	\$ 2,481,004	\$ 649,248	\$ 732,364	\$ 686,480	\$ 899,596

Our current funding levels averaging \$368 per unit per year for 2024 in addition to the 2021 refinanced loans provided funding to plan for major renovations at several properties. We continue to maintain a target minimum balance of \$3,500 per unit. We believe this level of funding and balances are appropriate for these units. We recommend a Board target of \$3,500 per unit for 2024

#### 8.4 . MTW Operating Reserves

MTW Operating Reserves (restricted to MTW)*	2024 Budget	2025 Projected	2026 Projected	2027 Projected	2028 Projected
MTW Operating Reserve - Beginning Balance	\$ 1,122,224	\$ 701,768	\$ 621,768	\$ 541,768	\$ 461,768
<b>Sources:</b>					
Net 2024 Operating budget	\$ (440,456)	\$ (100,000)	\$ (100,000)	\$ (100,000)	\$ (100,000)
<b>Total Sources</b>	\$ (440,456)	\$ (100,000)	\$ (100,000)	\$ (100,000)	\$ (100,000)
<b>Uses:</b>					
Funding Landlord Initiatives	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
<b>Total Uses</b>	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
<b>Balance - End of Year</b>	\$ 701,768	\$ 621,768	\$ 541,768	\$ 461,768	\$ 381,768

Moving to Work Reserves are fungible within MTW, but not available for the central office departments or other properties. These reserves are available for any MTW activity including funding Public Housing operations, Housing Choice Voucher HAP, and administrative needs or other unfunded MTW activities which include the acquisition or development of affordable units. We are projecting to start the year with an MTW reserve balance of \$1,122,224. Attrition of approximately \$100,000 will be used annually after the disposition of public housing, due to the elimination of Capital Funds Program that currently supports the MTW program expenses.

#### 8.5 . Externally Restricted Reserves

These fund balances vary depending on the nature of the restrictions and designated timelines. Below summarizes the composition of restricted reserves as of September 2023.

- \$467,438 in tenant security deposits fluctuates per resident move-ins or move-outs and property acquisitions.
- \$439,385 for non-MTW voucher programs (NED /Mainstream/COB) funds which can only be used for housing assistance payments:
  - The COB prepaid a full year of funds \$921,875 in 2023 and we anticipate the same funding to occur in 2024. As of September 2023, \$354,263 funds remain from the 2023 prepayment.
  - NED (non-Elderly Disabled) and Mainstream programs; These programs are underspent by \$8,729 HAP revenue in excess of expense. This typical timing for HUD to fund HAP at the current spend levels.

#### 8.6 . Insurance Reserve: 2023 - \$843,331

Natural disasters continue to drive insurance industry economics, resulting in higher premium costs. To mitigate the risk of the higher deductibles, including \$25,000 deductible for Property and General Liability policies, a \$25,000 deductible for Pollution policy, \$100,000 deductible for meth and mold, and a 2% of replacement value for wind/hail events, we have established this Insurance Reserve.

This reserve has been funded by Operating Reserves, Development Equity Reserves, and one-time cash flow from Tax Credit entities transitioning from BHP ownership to Tax Credit ownership with a period of time where no principal payments are due on the mortgage.

Expenditures: an estimated \$150,000 annual depletion per year from this reserve has been planned. BHP will continue to fund this reserve out of one-time cashflow and positive budget variances each year.

## Exhibit #9 – Budget Design and Process Overview

### 9.1. 2023 Budget Design

BHP designs the budget framework so each program has an established activity area with the budget. HUD requires BHP to account for all MTW programs and related net assets separately from Non-MTW HUD programs and BHP programs.

The following chart provides the details of what is included in each program.

Moving to Work		Non MTW Programs		BHP Properties	
Program	Units/Vouchers	Program	Units/Vouchers	Program	Units/Vouchers
<b>Public Housing</b>		<b>Non MTW Vouchers</b>		<b>Workforce</b>	
Arapahoe Court	14	Mainstream	188	Holiday	49
<b>Total PH:</b>	<b>14</b>	NED	181	2037 Walnut	26
<b>Section 8 (HCVP)</b>		EHV	35	Arapahoe East	11
HCVP	<b>945</b>	Housing First	22	Cedar / Casey	19
		City of Boulder	48	Bridgeway	123
		<b>Total Non MTW:</b>	<b>474</b>	Broadway East	44
				Dakota Ridge	13
				Foothills	74
				Hayden Place 1&2	30
				Midtown	13
				Sanitas Place	12
				Twin Pines	22
				Trout Farms	31
				Vistoso	15
				Whittier Apts	10
				<b>Total Workforce Units</b>	<b>492</b>
				<b>Central Office Cost Center</b>	
				Administration/IT	Property Management
				Finance	Resident Services
				Development	Maintenance
				Human Resources	Sustainability
				Asset Management	4800 Broadway Building
<b>Tax Credit Properties not included in BHP budget</b>					
30Pearl	120				
Boulder Communities	279				
Broadway West	26				
Canopy	41				
Canyon Pointe	82				
Ciclo	38				
Glen Willow	34				
HighMar	59				
Lee Hill	31				
Madison	33				
Palo Park	35				
Red Oak Park	59				
Tantra	185				
Westview	34				
Woodlands	35				
<b>Total Tax Credit:</b>	<b>1091</b>				

SUMMARY	BHP Owned Units	Tax Credit Units	Total Units	Vouchers	Total Units and Vouchers
Total Portfolio 2024	506	1091	1597	1419	3016
Total Portfolio 2023	506	1091	1597	1401	2998
Increase (decrease)	0	0	0	18	18

### 9.2. Assumption Relating to New Units

Unit changes included in 2024:

- 8 vouchers for Section 8's Housing Choice Voucher Program (HCVP)
- 10 vouchers for the non-MTW program, Mainstream

### 9.3. Budget Process

The 2024 budget was prepared property by property using the assumptions outlined in each program discussion below. The budget includes:

- BHP Financial Management Policies which govern the creation of this budget,
- Detailed budgets for each HUD program segregated into Moving to Work (MTW) programs and non-MTW voucher programs,
- Detailed budgets for each BHP-owned property,

- Central office cost center budgets including administration, human resources, technology, finance, asset management, property management, maintenance, resident services, sustainability, development projects and development administration,
- Five-year capital reserves plan, and
- Thirteen Tax Credit Budgets (not included in the BHP consolidated budget).

The Board's approval of the 2024 Budget will adopt all documents by reference.

#### **9.4. BHP Financial Management Policies**

The financial policies that govern the creation of the budget include Revenues, Fixed Assets, Reserves, Debt, and Investments. The following terms and provisions of BHP's Financial Management Policies are applicable to this budget.

- Fiscal Year – Boulder Housing Partners has adopted the calendar year ending December 31 for its fiscal year.
- Annual Budget Process – The preparation process shall be established by the Executive Director and Chief Financial Officer. The budget process for the next fiscal year shall be timed such that a first reading is presented to the Board of Commissioners ("Board") no later than the November meeting of the Board and a second and final reading and presentation of a resolution of acceptance and approval is presented at the December meeting of the Board. Board approval of the budget is deemed approval of the associated expenses. No specific appropriation of funds is required for specific programs or budget line items.
- Budget Submittal – Net income will be adjusted to an operating cash basis by excluding non-cash revenues and expenses and including cash receipts and disbursements not affecting revenue or expense. After adjustment to cash basis, the annual budget shall be balanced. That is, budgeted operating cash expenditures will not exceed the reasonable projection of current year cash receipts, including use of reserves as specified in the Reserves exhibit.
- Management Authority to Act – Management has the authority to act within the overall spending limits of the operating budget. Management is not constrained by individual line items, only by the overall budgeted operating expenditures.
- Changes to Adopted Budget – Changes to the adopted budget should be rare and limited to material changes in direction or focus of the organization rather than line-item adjustments unless a material error in the budget process is discovered after approval by the Board, or the Board approves a material additional use of operating reserves for unbudgeted operating expense in the current year. "Material" as used here is defined as \$100,000. Any proposed change will be clearly documented and brought to the Finance Committee of the Board for discussion prior to presentation to the Board for approval. Upon approval, a revised submission to HUD of form 52574 is required in the event there is a material change to the Public Housing budget.

**RESOLUTION #2023-14**

**APPROVAL OF THE 2024 COMBINED OPERATING AND CAPITAL BUDGETS FOR BOULDER HOUSING PARTNERS.**

**WHEREAS**, the Executive Director has submitted to the Board an Operating and Capital Budget for the fiscal year ending December 31, 2024 a copy of which is included in the Board packet for the December 13, 2023 meeting of the Board; and

**WHEREAS**, the Board has determined that the proposed expenditures in the 2024 Operating Budget are necessary for the efficient and economical operation of the Housing Authority for the purpose of serving low-income family households; and

**WHEREAS**, the Board has determined that adequate resources are available to cover the proposed expenditures reflected in the proposed budget; and

**WHEREAS**, all proposed rental charges and expenditures will be consistent with current provision of law and comply with the terms of the Annual Contributions Contract; and

**WHEREAS**, the Board has determined that sufficient cash flow is being invested in replacement reserves to meet current and expected future needs; and

**WHEREAS**, the Board has reviewed the expected contributions to and uses of BHP Cash Reserves; and

**WHEREAS**, the Capital Budget includes long term projections of expenditures on potential capital projects and approval of the Capital Budget is not an authorization to proceed on any one project; and

**WHEREAS**, Boulder Housing Partners is a Moving-to-Work (“MTW”) agency; and

**WHEREAS**, MTW agencies have the authority to utilize MTW funds for any MTW activity.

**NOW, THEREFORE**, be it resolved that the Board of Commissioners does hereby approve the Operating and Capital Budgets and related documents as presented on December 13, 2023 and adopts the following minimum reserve targets for the fiscal year ending December 31, 2024:

Operations cash reserve balance	\$ 2,750,000
Workforce replacement reserve balance	\$ 3,500/Unit
Insurance Reserve Balance	\$ 650,000

**Adopted this 13th day of December, 2023**

(SEAL)

\_\_\_\_\_  
Bob Walker  
Chairperson, Board of Commissioners  
Housing Authority of the City of Boulder

ATTEST:

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Jeremy Durham  
Executive Director

# MEMO

**To:** Board of Commissioners  
**From:** Laura Sheinbaum, Chief Real Estate Officer  
**Date:** December 13, 2023  
**Re:** **Arapahoe Court Disposition**

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## Executive Summary

BHP plans to submit a Section 18 Disposition Application to HUD in early 2024 to request permission to dispose of Arapahoe Court, the fourteen remaining public housing units located at 951 and 953 Arapahoe Avenue. During the due diligence process required by the Disposition Application, we learned that Arapahoe Court is surrounded by high-hazard floodways that make egress on and off the property unsafe in the event of a flood event. Upon consultation with HUD and the BHP Board, the decision was made to apply to HUD to remove Arapahoe Court from the Public Housing program, sell the property at Fair Market Value, and utilize proceeds from that sale for acquisition, improvement, or development of alternative affordable housing. This direction was affirmed by the Board in April 2023.

Resolution XX-2023 authorizes BHP to apply to HUD to remove Arapahoe Court from the Public Housing program, sell the property at Fair Market Value, and utilize those proceeds to develop or redevelop future affordable housing.

## Background

In July 2022, we provided the Board with information regarding the BHP's intent to remove the Arapahoe Court Apartments from the Public Housing Program. Arapahoe Court is 14 units located at 951 and 953 Arapahoe Avenue and is the last remaining Public Housing site in the BHP portfolio. Close out of the Public Housing program has long been a goal of the organization given that the Public Housing does not provide a financial model by which we can effectively manage our assets. We originally planned to renovate the property and hold the site as affordable housing in our portfolio.

In April 2023, we updated the Board that given a change to the flood maps, the property is surrounded on all four sides by high-hazard flood zones. Because of the unsafe egress off the property in the event of a flood, HUD also informed us that we could not use any federal funds at the property. The Board affirmed the recommendation that we apply to HUD to remove Arapahoe Court from Public Housing and sell the property at Fair Market Value due to the life safety risk to residents and the financial risk to the organization. This requires that residents relocate from Arapahoe Court with a Tenant Protection Voucher and that BHP utilize sale proceeds at a future affordable housing development or redevelopment.

In May 2023, we met with residents of Arapahoe Court and the Center for People with Disabilities to inform them of the new direction for the property. While the news of the disposition and required relocation was disappointing, all parties understood the reasoning behind the decision. We have worked directly with residents regarding new accommodations, counseling, packing and moving services, issuance of a voucher, issuance of moving stipends, and housing tours. By the end of the year, we will have helped eight of the fourteen residents relocate to new homes. The remaining residents are either waiting on an available unit at a BHP housing site that will work for them or have narrowed down their options to a couple of properties. We continue to work directly with all the residents to make the relocation process as easy and seamless as possible.



### **Next Steps**

- Approve Resolution #2023-15 to authorize the Section 18 Disposition Application to HUD to remove Arapahoe Court from Public Housing.
- Apply to HUD's Special Applications Center to remove Arapahoe Court from the public housing program in early 2024.
- Continue working with residents on relocation with a goal of helping all residents be settled in a new home by May 2024.
- Market and sell the property in Spring 2024 once we have approval from HUD for the disposition.
- Finalize close-out from the Public Housing program once we have sold the property.

### **Recommendation**

Approve Resolution #2023-15 to authorize BHP to apply to HUD for the Section 18 Disposition of Arapahoe Court and upon HUD approval, sell the property at Fair Market Value, and utilize any proceeds from the sale of Arapahoe Court for the acquisition, improvement, or development of alternative affordable housing options.

**HOUSING AUTHORITY OF THE CITY OF BOULDER, COLORADO**

**RESOLUTION NO. #2023-15**

**RESOLUTIONS OF THE BOARD OF COMMISSIONERS RELATED TO  
DISPOSITION OF ARAPAHOE COURT**

The Housing Authority of the City of Boulder, Colorado, a body corporate and politic, d/b/a Boulder Housing Partners (“BHP”), owns approximately 0.49 acres of land in the City of Boulder, Colorado addressed as 951 Arapahoe Avenue, Boulder, Colorado (“Property”) on which it owns and operates a 14-unit public housing facility called Arapahoe Court (“Project”).

BHP planned to renovate the aging Project to maintain safety and livability standards. During the due diligence process, BHP learned that Arapahoe Court is surrounded by high-hazard floodways. As a result, BHP is not permitted to spend Public Housing Capital Funds on this Project site. Without this source of funds, it is no longer financially viable, under the public housing program or otherwise, to improve, maintain, and operate the Project on this site at a standard that is safe and habitable.

Given the safety risk to the residents, BHP determined it is in the best interest of the Arapahoe Court residents for BHP to relocate the residents to sustainably decent and safe housing. BHP also determined it is in the best interest of the community to dispose of the aging public housing as authorized under Section 18 of the Housing Act of 1937 (“Section 18 Disposition”). The Section 18 Disposition will remove the Project from the public housing program, and allow BHP to sell the Project and utilize the proceeds to acquire, improve, or develop other quality affordable housing options.

BHP desires to dispose of the Project through a Section 18 Disposition; sell the property at fair market value; and utilize the proceeds of the sale to acquire, improve, or develop quality affordable housing options for the community.

The undersigned, as the Secretary of the Board of Commissioners of BHP, certifies the Board adopted the following resolutions at a duly noticed meeting held on December 13, 2023:

1. The Board authorizes BHP to apply to HUD for the Section 18 Disposition of Arapahoe Court, and, upon HUD approval, sell the Property at fair market value.
2. The Board authorizes BHP to utilize any proceeds from the sale of Arapahoe Court for the acquisition, improvement, or development of alternative affordable housing options as authorized under Section 18 of the Housing Act of 1937.
3. The Board authorizes the Executive Director, acting for BHP, to take all actions necessary to sell the Property and to negotiate, execute, and deliver all other applications, contracts, agreements, and deeds determined by the Executive Director to be necessary or desirable to enable the Section 18 Disposition of Arapahoe Court, the sale of the Property, and to carry out the intent of these resolutions or to comply with the requirements of the agreements authorized by these resolutions.
4. The execution and delivery by the Executive Director or another person designated as an authorized signatory by a statement signed by the Executive Director, of any agreement,

document, or instrument authorized by these resolutions is conclusive evidence of BHP's approval.

5. Third parties may rely on these resolutions and any certificate executed by the Executive Director.
6. In adopting these resolutions, the Commissioners acknowledge they received due notice and hereby consent to the holding of the meeting at which the Board adopted these resolutions.
7. The Secretary or his designee shall retain a copy of this resolution in BHP's records.

*(Remainder of this page intentionally left blank.)*

**CERTIFICATE OF RESOLUTION**

I, J. Robert Walker, certify that I am the Chairperson of the Housing Authority of the City of Boulder, Colorado, and the Board of Commissioners approved the foregoing resolutions at a duly noticed meeting held on December 12, 2023.

By: \_\_\_\_\_  
J. Robert Walker, Chairperson

# Upcoming Conference & Training Opportunities

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We encourage Commissioners to take advantage of the many professional development opportunities available to help deepen housing and community development knowledge. Please keep these conferences in mind as great opportunities for learning and networking in your role as Commissioners. Please submit your training request to our Board Chair, Commissioner Walker, and he will work with staff to allocate Board training dollars equitably for registrations, hotel, and travel for local conferences.

By request, we are including a variety of options in addition to offerings by the National Association of Housing and Redevelopment Officials (NAHRO). We have historically emphasized NAHRO's training because NAHRO is the only organization that is oriented to the unique interests of Housing Authority Commissioners and whose professional development learning aligns with the business of the Board, however, there are several other good choices.

## Housing Colorado

- [Annual Conference](#) October 9-11, 2024 Keystone, CO

## NAHRO

- [Washington Conference](#) April 8-10, 2024 Washington, DC
- [CO NAHRO Annual Conference](#) May 7-10, 2024 Vail, CO
- [National Conference](#) Sept. 26-28, 2024 Orlando, FL

## NAHRO Professional Development

- [DEI & Community Readiness Series](#) December 14, 2023 Virtual
- [HOTMA Overview](#) December 14, 2023 Virtual
- [Advocacy for Commissioners](#) February 7, 2024 Virtual
- [Commissioners Guide to Monitoring](#) March 19-22, 2024 Virtual

## NeighborWorks

- [Training Institute](#) TBA TBA

## PHADA (Public Housing Authorities Directors Association)

- [2024 Commissioners' Conference](#) January 7-10, 2024 San Diego, CA

# FUTURE BOARD ITEMS

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We have gathered the requested informational items the Board has asked to either learn more about or discuss. This is our current list and an approximate timeline.

	<b><u>Anticipated Date</u></b>
• Lee Hill Annual Report & Good Neighbor Statement of Operations	February 2023
• Partnership Awards	March 2024
• 2023 Moving to Work Annual Report	March 2024
• Diagonal Plaza Closing	March 2024
• Board of Commissioners Retreat	April 2024
• Electronic Applications for Housing	1 <sup>st</sup> Quarter 2024
• Arapahoe Court Disposition	1 <sup>st</sup> Quarter 2024
• Partnership Awards	June 2024
• Moving to Work Draft Activities	June 2024
• Housing Choice Voucher Administrative Plan	June 2024
• Arapahoe Court Sale	3 <sup>rd</sup> Quarter 2024
• 2025 Budget Draft	November 2024
• Lee Hill Annual Report & Good Neighbor Statement of Operations	December 2024
• 2025 Final Budget Approval	December 2024
• Board Elections	December 2024
• Sustainability Planning	As Time Allows

# 2024

## Boulder Housing Partners Commissioners' Calendar

Date	Group	Time
JANUARY	BOARD RECESS	-----
Mon. February 12	Development Committee (as needed)	4:00-5:00
Wed. February 14	Board Meeting	9:00-11:30
Mon. March 11	Finance Committee – 2023 Financials Review	3:00-4:00
Mon. March 11	Development Committee (as needed)	4:00-5:00
Wed. March 13	Board Meeting	9:00-11:30
Thurs. March 14	Quarterly NPG Committee	2:00-3:30
Wed. April 10	Board Retreat	9:00-3:30
Wed. May 1	Special NPG Committee	3:30-5:00
Mon. May 13	Finance Committee –Financials Review	3:00-4:00
Mon. May 13	Development Committee (as needed)	4:00-5:00
Wed. May 15	Board Meeting	9:00-11:30
Wed. June 5	Quarterly NPG Committee	3:30-5:00
Mon. June 10	Finance Committee –Financials & Audit Review	2:30-4:00
Mon. June 10	Development Committee (as needed)	4:00-5:00
Wed. June 12	Board Meeting	9:00-11:30
Mon. July 8	Development Committee (as needed)	4:00-5:00
Wed. July 10	Board Meeting	9:00-11:30
AUGUST	BOARD RECESS	-----
Wed. September 4	Quarterly NPG Committee	3:30-5:00
Mon. September 9	Finance Committee – Financials Review	3:00-4:00
Mon. September 9	Development Committee (as needed)	4:00-5:00
Wed. September 11	Board Meeting	9:00-11:30
Mon. September 30	Development Committee (as needed)	4:00-5:00
Wed. October 9	Board Meeting	9:00-11:30
Tues. November 12	Finance Committee – Financials & Draft 2025 Budget Review	3:00-4:00
Tues. November 12	Development Committee (as needed)	4:00-5:00
Wed. November 13	Board Meeting	9:00-11:30
Wed. December 4	Quarterly NPG Committee	3:30-5:00
Mon. December 9	Finance Committee – Financials & Final 2025 Budget Review	3:00-4:00
Mon. December 9	Development Committee (as needed)	4:00-5:00
Wed. December 11	Annual Board Meeting	9:00-11:30