



BOARD BUSINESS MEETING

August 8, 2018



Board of Commissioners Business Meeting

Location: 4800 Broadway, Boulder, CO

August 8, 2018 • 9:00 am-11:00am

AGENDA

		Page #
9:00-9:15	Standing Agenda	
	1. Call to Order and Determination of a Quorum	
	2. Public Participation	
	3. Approval of Minutes from July 11, 2018	2-5
	4. Finance and Operations Update	6-22
9:15 -10:00	Business Agenda	
	1. Presentation from Kurt Firnhaber	
	2. Permanent Supportive Housing Vouchers	23
	3. Board Working Agreements	24-26
10:00-11:00	Board Matters	
	1. Resident Representative Council Update	
	2. Board Announcements	
	3. Additions to this Agenda	
	4. Future Board Items	
	5. Executive Session for Personnel Matters per C.R.S. 24-6-402(4)(f)	27
11:00	Adjournment	

**BOULDER HOUSING PARTNERS
BUSINESS MEETING OF THE BOARD OF COMMISSIONERS
JULY 11, 2018 9:00 AM
4800 BROADWAY, BOULDER COLORADO**

Commissioner Soraci(absent)
Commissioner Levy
Commissioner Ruzzin
Commissioner Klerman
Commissioner Walker
Commissioner Harris
Commissioner Griffin
Commissioner McCord
Commissioner Yates(absent)

Jeremy Durham
Penny Hannegan
Jim Koczela
Rene Brodeur
Laura Sheinbaum
Karin Stayton
Karen Kreutzberg

Others Present:
Dave Heisterkamp, Counsel
John Wesley

I. Call to order and Determination of a Quorum

Commissioner Harris called the meeting of the Board of Commissioners to order at 9:00am. A quorum was declared.

II. Public Participation

John Wesley, a resident with BHP, stated his concerns about his interactions with the Property Management policies and procedures at Northport.

III. Approval of the Minutes Agenda

Consent agenda items approved:

1. Minutes from 6-13-2018

COMMISSIONER LEVY MOVED TO APPROVE THE MEETING MINUTES FROM 6-13-2018. COMMISSIONER GRIFFIN SECONDED THE MOTION. The motion passed unanimously.

IV. Finance and Operations Update

Financial Report

Jim Koczela gave an overview of the May financial statements and answered questions from the Board.

V. Business Agenda

Payment Standard Adjustment: Resolution #7, Series 2018

Karen Kreutzberg, the Director of Federal Programs at BHP, explained the need for the Payment Standard adjustment for vouchers in the Housing Choice program.

COMMISSIONER MCCORD MOVED TO APPROVE RESOLUTION #7 AUTHORIZING THE INCREASE OF THE 2018 PAYMENT STANDARDS. COMMISSIONER WALKER SECONDED THE MOTION. The motion passed unanimously.

Moving to Work Annual Plan Proposal

Karen Kreutzberg explained the request to not add new activities in the 2019 MTW Annual Plan. The Board indicated their approval of staff submitting the 2019 MTW Annual Plan to HUD with no new activities.

Executive Session per Colorado Statute C.R.S. 24-6-402(4)(a) Real Estate Matters

COMMISSIONER GRIFFIN MADE A MOTION TO RECESS INTO EXECUTIVE SESSION PER COLORADO STATUTE CRS-24-402 (4)(a) TO DISCUSS REAL ESTATE MATTERS. COMMISSIONER KLERMAN SECONDED THE MOTION. The motion passed unanimously.

The Board recessed at 10:20 am into Executive Session as per Colorado Statute C.R.S. 26-6-402(4)(a) to discuss Real Estate Matters.

COMMISSIONER KLERMAN MADE A MOTION TO ADJOURN THE EXECUTIVE SESSION OF THE BOARD OF COMMISSIONERS. COMMISSIONER GRIFFIN SECONDED THE MOTION. The motion passed unanimously.

The Board met in executive session for 30 minutes at which time the only matters discussed were those related to Real Estate matters.

COMMISSIONER RUZZIN MOVED TO APPROVE RESOLUTION #8, #9 #10, #11 RELATING TO THE PURCHASE OF THE PROPERTY DISCUSSED IN EXECUTIVE

SESSION. COMMISSIONER LEVY SECONDED THE MOTION. The motion passed unanimously.

Conflict of Interest Waiver

Jeremy explained the request for a waiver of potential conflict of interest for a Commissioner related to her existing contract and BHP's purchase of a new property.

COMMISSIONER RUZZIN MOVED TO APPROVE A WAIVER OF THE POTENTIAL CONFLICT OF INTEREST AS PRESENTED. COMMISSIONER KLERMAN SECONDED THE MOTION. The motion passed unanimously.

VI. Board Matters

Resident Representative Council Report

Commissioner Griffin gave a report for the Resident Representative Council.

Board Announcements

There were no Board announcements.

Additional Agenda Items

Commissioner Walker reminded the Board about the summer educational sessions at the family sites.

Call for Future Board Items

Commissioner Levy asked that the Commissioners have a joint meeting with the BHP Foundation. She suggested updates from the Foundation as an agenda item and a presentation about the Bringing School Home program at the appropriate time.

VII. Adjourn

COMMISSIONER KLERMAN MADE A MOTION TO ADJOURN THE QUARTERLY MEETING OF THE BOARD OF COMMISSIONERS. COMMISSIONER WALKER SECONDED THE MOTION. The motion passed unanimously.

The meeting of the Board of Commissioners adjourned at 11:00 AM

Seal
DATE: 7/11/18

R.E. Harris, VICE CHAIR
Boulder Housing Partners Board of

Commissioners

JEREMY DURHAM
Executive Director

Penny Hannegan
Recording Secretary

Finance and Operations Update

June 2018 Financial Summary

The following summarized financial statements show BHP and the Component Units (Tax Credits LLLPs) side by side. BHP owns only .01% interest in the Component Units and adding the two columns together is not an appropriate disclosure, however the report will provide you with a better understanding of the full scope of the real estate under BHP management.

BHP is the operating company that manages all of our programs. The BHP column below includes development, property management, maintenance, resident services, finance, administration, the Housing Choice Voucher program, which includes 1144 vouchers and the BHP-owned portfolio properties. The BHP-owned portfolio is made up of 732 units: 47 public housing units, 116 project based contract units and 569 workforce and market rate units.

The Component Units represents the property operations for the tax credit partnerships, which currently include 581 units. Palo Park Communities, LLLP construction is now complete and fully occupied. The LIHTC partnerships are expected to have a positive net operating income and an overall net loss each year after deducting debt interest and depreciation.

BHP and Component Units		
Statement of Activities		
Year to date - June 30, 2018		
		Component Units
	BHP	(Tax Credit LLLPs)
REVENUE		
Operations Revenue	5,183,530	3,346,066
Fee Revenue	2,196,367	0
Grants and Subsidies	6,922,746	0
Other Revenue	1,959,672	80,442
Total Revenue	16,262,314	3,426,508
EXPENSES		
Salaries and Benefits	3,008,773	346,482
Property Costs	1,712,212	1,311,179
Operating Costs	6,092,306	329,184
Total Operating Expenses	10,813,291	1,986,845
Total Operating Income	5,449,023	1,439,663
Less: Non Operating Expenses		
Mortgage Interest	1,337,812	497,803
Depreciation	2,081,681	2,645,380
Cashflow Note Interest	0	758,705
(Gain) Loss on Acq./Disp. of Assets	\$ (4,149)	0
TOTAL NET INCOME (LOSS)	\$ 2,033,679	\$ (2,462,226)

BHP and Component Units		
Balance Sheet		
June 30, 2018		
	BHP	Component Units
		(Tax Credit LLLPs)
ASSETS		
Current Assets		
Unrestricted Cash and Cash Equivalents	7,361,115	1,290,058
Reserved Cash - Replacements and Other	2,718,326	-
Accounts Receivable	290,019	60,963
Accounts Receivable-Tax Credits	1,074,239	0
Notes Receivable – Current	(0)	0
Prepaid Expenses	88,777	73,575
Supplies-Inventory	4,883	0
Total Current Assets	11,537,359	1,424,597
Restricted Cash	1,598,434	3,715,644
Capital Assets	95,411,506	134,588,119
Other Assets		
Notes Receivable	57,245,602	0
Development Fees Receivable	3,622,522	0
Interest Receivable Notes	4,359,216	0
Partnership Investments	408,465	0
Net Amortized Costs	3,292,313	456,989
Total Other Assets	68,928,117	456,989
TOTAL ASSETS	\$ 177,475,416	\$ 140,185,348
LIABILITIES & EQUITY		
LIABILITIES		
Current Liabilities	6,406,248	2,271,802
Long-Term Liabilities		
Notes Payable	3,000,000	62,804,243
Accrued Interest Payable	14,195	4,359,216
Mortgages Payable	70,212,310	31,817,264
Bonds Payable	-	1,335,235
Net Pension Liability	9,533,111	-
Deferred Inflows	(0)	-
Total Long-Term Liabilities	82,759,616	100,315,958
TOTAL LIABILITIES	89,165,864	102,587,761
EQUITY	88,309,551	37,597,588
TOTAL LIABILITIES AND EQUITY	\$ 177,475,416	\$ 140,185,348

Boulder Housing Partners - YTD June 2018

June 2018 YTD results for Boulder Housing Partners are close to budget with the significant variances explained in detail on the attached financial statements. The major positive revenue variance relates positive capital grant variances. Major expense variances are related to savings in salaries, maintenance costs and HCV payments.

Year to Date Results - June 30, 2018					
	Actual	Budget - Reforecast	Variance		
Revenue	\$ 16,262,314	\$ 15,688,669	\$ 573,646	3.7%	
Expenses	(14,232,785)	(14,732,808)	500,023	-3.4%	
	2,029,530	955,861	1,073,669	112.3%	
Gain (Loss) on Acquisition	4,149	0	4,149	100.0%	
Total Net Income (Loss)	\$ 2,033,679	\$ 955,861	\$ 1,077,818	112.8%	

Component Units (Tax Credit LLLPs) Results - YTD June 2018

The following is a Summary Income Statement for our tax credit entities which are component units of BHP. BHP is subject to Government Accounting Standards Board (GASB) Statement 61, which requires component units to be reported on the audit statement. These tax credit entities are related to BHP but do not meet the criteria for consolidation. Component units are reported in the audit combined together but not combined with the statements of BHP. The current Component units are Boulder Communities, Broadway East, Broadway West, Holiday, High Mar, Lee Hill, Palo Park, Red Oak Park, and WestView. Year-to-date results for the operating partnerships are in line with budget.

Tax Credit Entities (Component Units) Summary Statement of Activities					
Year to Date Results -		June 30, 2018			
		Actual	Budget	Variance	%
Operations Revenue		\$ 3,346,066	\$ 3,282,217	\$ 63,849	1.9%
Other Revenue		80,442	63,151	17,291	27.4%
Total Revenue		\$ 3,426,508	\$ 3,345,368	\$ 81,140	2.4%
Salaries and Benefits		\$ 346,482	\$ 341,263	\$ (5,219)	-1.5%
Property Costs	A	1,311,179	1,432,994	121,815	8.5%
Operating Expenses		329,184	393,091	63,907	16.3%
Total Operating Expenses		1,986,845	2,167,348	180,503	8.3%
Net Operating Income		1,439,663	1,178,020	\$ 261,643	22.2%
Depreciation and Amortization	B	2,645,380	2,723,078	77,698	2.9%
Mortgage and Note Interest	C	1,256,509	1,448,182	191,674	13.2%
Total Net Income (Loss)		\$ (2,462,226)	\$ (2,993,241)	\$ 531,015	-17.7%

Note: these properties are expected to have a Net Loss resulting from depreciation and amortization.

They are cash flow positive yet provide the investor with expected tax losses.

A	Property Costs reflect a catch up adjustment of \$55K at Lee Hill for a BHP partnership fee that should have been accrued. This is a non cash item. Additional property savings from maintenance costs.
B	Depreciation variance relates to two month delay in completion of Palo Park
C	YTD Interest includes non-cash adjustments to market value of interest rate swaps. This is unbudgeted adjustment of (\$133K) at High Mar and (\$53K) for Broadway East. In previous years we only recorded this at year end. Investors have asked for Qtrly reporting.

The following table is a summary of the Balance Sheet for the Tax Credit Entities. BHP is the general partner and owns a .01% interest in these Entities.

Tax Credit Entities (Component Units) Summary Balance Sheet					
		June-18	December-17	Net Change	
Current Assets		\$ 5,140,240	\$ 5,029,063	\$ 111,177	A
Capital Assets		134,588,119	132,378,066	2,210,053	B
Other Assets		456,989	453,023	3,966	
Total Assets		\$ 140,185,348	\$ 137,860,153	\$ 2,325,196	
Current Liabilities		\$ 2,271,802	\$ 2,383,505	\$ (111,702)	
Long Term Liabilities		100,315,958	95,420,278	4,895,680	C
Total Liabilities		102,587,761	97,803,783	4,783,978	
Total Equity		37,597,588	40,056,370	\$ (2,458,782)	
Total Liabilities and Equity		\$ 140,185,348	\$ 137,860,153	\$ 2,325,196	
A	Six months positive cashflow and contributions to reserves				
B	Palo Park asset addition offset by depreciation on all tax credit assets				
C	Increase in construction loan for Palo Park and interest accruals on BHP notes				

BHP

Statement of Activities

Year to date - June 30, 2018

	YTD Actual	YTD Revised budget	Variance \$	% Var	Ref	Variance Explanation
REVENUE						
Operations Revenue						
Tenant Dwelling Rental	\$ 5,139,746	\$ 5,140,921	\$ (1,174)	0%		
Non Dwelling Rental Income	43,130	38,400	4,730	12%		
HUD-Operating Subsidy	655	40,590	(39,936)	-98%	A	Reflects one time adjustment for repayment of \$42K to HUD of previously authorized funds HUD paid to BHP as revenue in 2017.
Total Operations Revenue	5,183,530	5,219,911	(36,380)	-1%		
Fee Revenue						
Property Mgmt & Asset Mgmt Fees	357,015	357,908	(893)	0%		
Development Fees	1,281,290	1,281,290	0	0%		
Mgmt Fees - Tax Credits & S8	363,518	334,455	29,063	9%		
Res Svc Income	194,543	191,722	2,821	1%		
Total Fee Revenue	2,196,367	2,165,375	30,992	1%		
Grants and Subsidies						
HCV-HAP/Admin Revenue	5,254,084	5,101,777	152,307	3%		
Non Federal Grants and Donations	152,566	56,232	96,334	171%	B	City funds for PSH vouchers and forgiveness of \$58K remaining FHLB debt on Boulder Mobile Manor land
Non Federal Capital Grants and Donations	710,000	500,000	210,000	42%	C	Worthy Cause grant for Cedar/Casey \$200K favorable to budget
Federal Capital Grants	535,912	535,912	0	0%		
Federal Service Grants	270,184	271,780	(1,596)	-1%		
Total Grants and Subsidies	6,922,746	6,465,701	457,045	7%		
Other Revenue						
Tenant Fees and Utility Reimbursements	207,961	155,350	52,610	34%	D	Utility payments \$25K, remainder is admin fees, pet rent, legal fee charges primarily at market rate units
Interest Income	806,841	791,949	14,891	2%		
Laundry Vending	39,484	35,745	3,740	10%		
Maint Charges to Prop	862,453	842,738	19,715	2%		
Miscellaneous Revenue	42,933	11,900	31,033	261%	E	Unbudgeted insurance dividend -\$5.2K, BHP Foundation fees -\$4K, fraud recoveries -\$7.7K, solar rebates - \$3.3K, expense reimbursement from Frasier Meadows - \$7.1K, property tax adjustment \$1K
Total Other Revenue	1,959,672	1,837,682	121,989	7%		
Total Revenue	16,262,314	15,688,669	573,646	4%		
EXPENSES						
Salaries and Benefits						
Salaries and Benefits	3,008,773	3,119,868	111,095	4%		
Total Salaries and Benefits	3,008,773	3,119,868	111,095	4%		
Property Costs						
Management Fees	152,796	126,898	(25,898)	-20%	F	Includes correcting adjustment of \$20K for HCV admin fees
Maintenance Materials	137,865	237,509	99,644	42%	G	Combination of budget timing differences and savings on materials based on first year budget for Tantra
Contract Labor & Repairs	418,742	615,713	196,971	32%	H	Combination of budget timing differences and savings from unit turns at Tantra which are capitalized as one large project rather than expensed.

Statement of Activities

Year to date - June 30, 2018

	YTD Actual	YTD Revised budget	Variance \$	% Var	Ref	Variance Explanation
BHP Contract Labor	468,765	496,618	27,853	6%		
Garbage and Trash Removal	86,917	83,868	(3,049)	-4%		
Water and Sewer	161,296	149,936	(11,361)	-8%		
Electricity	71,474	73,318	1,843	3%		
Gas	98,888	97,133	(1,755)	-2%		
Utility Billing	5,331	6,600	1,269	19%		
PILOT	10,765	9,452	(1,313)	-14%		
HOA Fees	73,027	71,732	(1,295)	-2%		
Total Property Costs	1,712,212	1,968,776	256,564	13%		
Operating Expenses						
Audit Fees	31,129	31,240	111	0%		
Bad Debt Expense - Tenants	49,772	16,444	(33,328)	-203%	I	\$24K Tantra and \$6K Bridgewalk and \$5K Foothills, all related to unit turnover.
Board Expense	10,945	5,700	(5,245)	-92%		
Consultants & Contract Labor	92,516	137,860	45,344	33%		
Depreciation & Amortization	2,081,681	2,078,214	(3,467)	0%		
Dues and Fees	49,607	40,787	(8,820)	-22%		
Expendable Equipment	56,452	81,680	25,228	31%		
Financing Costs	45,994	0	(45,994)	100%	J	Cedar/Casey loan costs
HCV-HAP Expense	4,581,064	4,703,492	122,428	3%		
Insurance Expense	185,560	175,415	(10,146)	-6%		
Interest Expense	17,636	374	(17,262)	-4615%	K	LOC expense for Cedar Casey prior to permanent financing
Legal Expense	14,196	22,836	8,640	38%		
Mileage & Vehicle Expense	39,661	49,119	9,458	19%		
Miscellaneous - Expense	43,289	56,380	13,091	23%		
Mortgage Interest Expense	1,337,812	1,347,911	10,099	1%		
Advertising/Marketing	4,619	25,230	20,611	82%		
Office Supplies	16,734	26,907	10,173	38%		
Other Administrative Expenses	14,960	15,423	464	3%		
Phone Expense	41,067	45,515	4,448	10%		
Printing & Postage Expense	31,649	30,833	(816)	-3%		
Property Mgmt & Asset Mgmt Fees	357,015	357,908	893	0%		
Resident Services Fees	57,752	53,838	(3,914)	-7%		
Staff Training	76,574	96,170	19,596	20%		
Service Grant Expense	274,118	244,888	(29,229)	-12%	L	Includes \$31K for City PSH voucher program not included in budget.
Total Operating Costs	9,511,800	9,644,164	132,364	1%		
Total Expenses	14,232,785	14,732,808	500,023	3%		
Income before Gain on Acq./Disp. Of Assets	\$ 2,029,530	\$ 955,861	\$ 1,073,669	112%		
Gain (Loss) on Acq./Disp. of Assets	4,149	0	4,149	100%		
TOTAL NET INCOME (LOSS)	\$ 2,033,679	\$ 955,861	\$ 1,077,818	113%		

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

BHP
Balance Sheet
June 30, 2018 and December 31, 2017

	Actual June-18	Actual December-17	Net Change YTD	Ref Comments
ASSETS				
Current Assets				
Unrestricted Cash and Cash Equivalents	\$ 7,361,115	\$ 7,459,234	\$ (98,119)	
Reserved Cash - Replacements and Other	2,718,326	2,302,114	416,212	M Includes net deposit of \$410,000 for Cedar/Casey capital improvements
Accounts Receivable	290,019	376,429	(86,411)	
Accounts Receivable-Tax Credits	1,074,239	656,965	417,274	N Increase reflects recognition of Palo Park developer fee of \$960K less amounts received from 2017 waterfall for other TC properties
Notes Receivable – Current	(0)	178,258	(178,258)	O Payments received from TC waterfalls for 2017 applied against notes receivable.
Prepaid Expenses	88,777	246,428	(157,651)	P Prepaid insurance. Balance will decline monthly until Sept 2018 renewal
Supplies-Inventory	4,883	3,741	1,141	
Total Current Assets	11,537,359	11,223,170	314,189	
Restricted Cash				
Restricted Cash - Other	1,039,309	1,448,693	(409,384)	Q Spending of \$633K on Tantra roof and wiring projects as planned offset by \$168K received for COB voucher program and normal reserve deposits
Restricted Cash - Section 8	90,945	13,007	77,938	
Restricted Cash - Tenant Security Deposits	468,180	460,604	7,576	
Total Restricted Cash	1,598,434	1,922,304	(323,870)	
Capital Assets				
Construction in Progress	625,393	508,006	117,387	R Predevelopment costs for Canopy at ROP
Furniture Fixtures and Equipment	894,893	830,693	64,201	
Real Estate Assets-Land and Buildings	129,828,362	129,230,203	598,158	S Capitalized solar battery backup at 4800 Broadway and capital improvements at Tantra Lake and Cedar/Casey
Less: Accum Depreciation Real Estate Assets	(35,937,142)	(33,860,820)	(2,076,323)	T Normal Activity
Total Capital Assets	95,411,506	96,708,082	(1,296,577)	
Other Assets				
Notes Receivable	57,245,602	57,242,187	3,415	
Development Fees Receivable	3,622,522	3,027,530	594,992	U Increase reflects long term portion of Developer fee for Palo Park.
Interest Receivable Notes	4,359,216	3,573,739	785,478	V Normal Activity
Partnership Investments	408,465	398,754	9,711	
Net Amortized Costs	3,292,313	3,297,671	(5,359)	
Total Other Assets	68,928,117	67,539,881	1,388,236	
TOTAL ASSETS	177,475,416	177,393,437	\$ 81,978	

BHP
Balance Sheet
June 30, 2018 and December 31, 2017

	Actual June-18	Actual December-17	Net Change YTD	Ref	Comments
LIABILITIES & EQUITY					
LIABILITIES					
Current Liabilities					
Accounts Payable	\$ 320,295	\$ 762,922	\$ (442,627)	W	Reduction includes payment of \$249K accrued for Tantra roof replacement and other normal activity.
Accrued Payroll	115,327	109,719	\$ 5,609		
Accrued Payroll Taxes and Benefits	81,288	84,638	\$ (3,351)		
Accrued Compensated Absences	258,993	249,325	\$ 9,668		
Other Accrued Expenses	148,637	247,139	\$ (98,502)		
Deferred Revenue	276,331	0	\$ 276,331	X	Reclass of City voucher funds and Habitat funds to unearned revenue at advice of auditors
Current Portion of Long Term Debt	4,702,862	7,930,673	\$ (3,227,811)	Y	Year end balance included adjustment of \$3.4M for Canyon Pointe loan with 12/18 maturity that is now classified as current and the outstanding LOC balance. YTD reduction in balance includes LOC payment in full from permanent loan proceeds and BHP funds.
Prepaid Rent	34,114	25,012	\$ 9,102		
Security Deposits	468,401	461,295	\$ 7,106		
Total Current Liabilities	6,406,248	9,870,723	-3,464,476		
Long-Term Liabilities					
Notes Payable	3,000,000	3,058,340	\$ (58,340)		
Accrued Interest Payable	14,195	39,446	\$ (25,251)		
Mortgages Payable	70,212,310	68,402,442	\$ 1,809,868	Z	Increase from new Cedar/Casey loan of \$2.4M offset by normal amortization
Net Pension Liability	9,533,111	9,533,111	\$ -		
Deferred Inflows	(0)	213,502	\$ (213,502)	AA	Reclass of City funds for vouchers and habitat to unearned revenue at advice of auditors
Total Long-Term Liabilities	82,759,616	81,246,841	1,512,775		
TOTAL LIABILITIES	89,165,864	91,117,564	(1,951,700)		
EQUITY					
Total Equity	88,309,551	86,275,873	2,033,679		
TOTAL LIABILITIES AND EQUITY	\$ 177,475,416	\$ 177,393,437	\$ 81,978		

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

Note (2) : BHP has a Line of Credit available for borrowing of up to \$8.1 Million.

BHP
Statement of Cash Flows
Year to date - June 30, 2018

	For the month of June 30, 2018	Year to Date	Ref	Current Month Comments
Reconciliation of Net Income to Net Cash Provided (Used) by Operating Activities				
Net Income (Deficit)	\$	(12,020)	\$	2,033,679
Adjustments to Reconcile Net Income to Net Cash Provided (Used) by Operating Activities				
Increase (Decrease) in Accum. Depreciation	349,878	2,081,681		
(Increase) Decrease in Accounts Receivable	261,896	(214,056)		
(Increase) Decrease in Prepaid Expenses	29,829	157,651		
Increase (Decrease) in Prepaid Rent and Security Deposits	8,948	16,207		
(Increase) Decrease in Supplies/Inventory	812	(1,141)		
(Increase) Decrease in Reserved Cash	5,526	(416,212)		
(Increase) Decrease in Restricted Cash	(33,290)	323,870		
Increase (Decrease) in Payables and Accrued Expenses	(139,626)	(646,011)		
Increase (Decrease) in Deferred Revenue	(9,573)	276,331		
Increase (Decrease) in Deferred Inflows	0	(213,502)		
Increase (Decrease) in Pension Liability	0	0		
Total Adjustments	474,399	1,364,819		
Net Cash Provided (Used) by Operating Activities	462,379	3,398,498		
Cash Flows from Investing Activities				
(Increase) Decrease in Construction in Progress	7,978	(117,387)		
(Increase) Decrease in Furniture Fixtures and Equipment	(7,093)	(64,201)		
(Increase) Decrease in Real Estate Assets	(126,383)	(598,158)		
(Increase) Decrease in Notes and Interest Receivable	(125,155)	(1,215,337)	AB	Includes developer fee receivable for Palo Park and interest on notes.
Net Cash Provided (Used) by Investing Activities	(250,652)	(1,995,083)		
Cash Flows from Financing Activities				
Increase (Decrease) in Current Portion of Long Term Debt	(13,944)	(3,227,811)	AC	YTD Payments on LOC for Cedar/Casey
Increase (Decrease) in Notes Payable	0	(58,340)		
Increase (Decrease) in Mortgages and Bonds Payable	(96,556)	1,784,617	AD	YTD new loan for Cedar/Casey
Net Cash Provided (Used) by Financing Activities	(110,500)	(1,501,534)		
Net Increase (Decrease) in Cash and Cash Equivalents				
Net Increase (Decrease) in Cash and Cash Equivalents	101,227	(98,119)		
Unrestricted Cash and Cash Equivalents - Beginning	7,259,888	7,459,234		
Unrestricted Cash and Cash Equivalents - Ending	7,361,115	7,361,115		

BHP CASH Report

December-17

May-18

June-18

Unrestricted Cash Available for Operations	Balance	Balance	Balance	Board Target	Surplus (Deficit)
BHP Operating Reserves	2,826,509	2,872,228	2,980,858	3,000,000	-19,142
BHP Replacement Reserves	2,302,114	2,723,852	2,718,326	2,176,500	541,826
BHP Development Reserve	2,486,623	2,143,395	2,103,616	1,500,000	603,616
Total Unrestricted BHP Cash	7,615,246	7,739,475	7,802,800	6,676,500	1,126,300

Board Target
2 Months of operating expenses (including HAP)
\$3,500 per Workforce Unit

Unrestricted Cash - Restricted by Property/Program	Balance	Balance	Balance	Board Target	Surplus (Deficit)
Project Based Operating Reserve	402,984	495,085	535,112	165,000	370,112
MTW Reserves ⁽¹⁾	1,677,117	1,786,929	1,779,279	0	1,779,279
Total Unrestricted Cash Restricted by Program	2,080,101	2,282,014	2,314,390	165,000	2,149,390

Board Target
2 Months of operating exp
HUD expects to hold all reserves so target reduced to zero

⁽¹⁾ 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

Replacement Reserved - Restricted by Bank or HUD	Balance	Balance	Balance
Canyon Pointe	183,478	212,089	217,881
Other Restricted Funds		0	0
Tantra Rehab Funds ⁽²⁾	1,094,332	492,748	460,358
Habitat Funds	213,502	107,925	107,774
S8/FSS Escrow	61,131	178,477	168,542
Section 8 NED NRA(HAP)	13,006	80,765	84,754
Total Restricted Cash Other	1,565,449	1,109,247	1,130,253

⁽²⁾ Amount held for specific capital items at Tantra as required by bank. Work is underway.

June 2017 - May 2018

Property	Address	Units	PUPA EGI	PUPA OpEx	Reserves	PUPA NOI Net of Reserves	PUPA Debt	Adjusted DSCR (1)
Arapahoe Court	951,953 Arapahoe	14	\$ 5,074	\$ (7,325)	\$ -	\$ (2,250)	\$ -	-
Madison	1130-1190 35th St.	33	\$ 9,296	\$ (9,528)	\$ -	\$ (233)	\$ -	-
Public Housing I Sub Total:		47	\$ 8,038	\$ (8,872)	\$ -	\$ (834)	\$ -	-
Canyon Pointe	700 Walnut	82	\$ 11,869	\$ (6,259)	\$ (745)	\$ 4,865	\$ 3,598	1.35
Glen Willow (2)	301-333 Pearl St.	34	\$ 12,479	\$ (8,222)	\$ (300)	\$ 3,957	\$ -	-
Project Based Sub Total:		116	\$ 12,048	\$ (6,835)	\$ (615)	\$ 4,599	\$ 3,598	1.35
Arapahoe East	4610 Arapahoe	11	\$ 12,391	\$ (8,433)	\$ (300)	\$ 3,657	\$ 1,747	2.09
Dakota Ridge	4900 10th St.	13	\$ 17,671	\$ (4,043)	\$ (300)	\$ 13,328	\$ 7,512	1.77
Sanitas Place	3640 Broadway	12	\$ 11,247	\$ (6,699)	\$ (300)	\$ 4,248	\$ 3,020	1.41
Twin Pines	1700 22nd St.	22	\$ 11,654	\$ (5,355)	\$ (300)	\$ 5,999	\$ 3,083	1.95
Combine Loan One Subtotal		58	\$ 13,058	\$ (5,923)	\$ (300)	\$ 6,835	\$ 3,809	1.79
101 Canyon	101-103 Canyon	6	\$ 27,113	\$ (7,492)	\$ (300)	\$ 19,321	\$ 7,666	2.52
Hayden Place	34th & Hayden Place	24	\$ 10,172	\$ (6,391)	\$ (300)	\$ 3,481	\$ 3,285	1.06
Whittier	1946 Walnut St.	10	\$ 12,013	\$ (7,040)	\$ (300)	\$ 4,673	\$ 2,628	1.78
Woodlands (4)	2600 Block of Mapleton	35	\$ 12,691	\$ (8,470)	\$ (300)	\$ 3,921	\$ 5,069	0.77
Combine Loan Two Subtotal		75	\$ 12,948	\$ (7,536)	\$ (300)	\$ 5,112	\$ 4,381	1.17
Bridgework	602-698 Walden Circle	123	\$ 19,193	\$ (6,100)	\$ (550)	\$ 12,543	\$ 9,950	1.26
Foothills	4500 block of 7th/8th	74	\$ 14,207	\$ (6,830)	\$ (300)	\$ 7,077	\$ 4,958	1.43
Hayden Place 2 (3)	3480 Hayden Place	6	\$ 11,152	\$ (8,822)	\$ (300)	\$ 2,030	\$ 5,914	0.34
Tantra Lakes	807-999 Moorhead	185	\$ 17,495	\$ (7,722)	\$ (300)	\$ 9,473	\$ 7,929	1.19
Midtown (2)	837 20th St.	13	\$ 11,924	\$ (6,592)	\$ (300)	\$ 5,032	\$ -	-
Vistoso	4500 Baseline	15	\$ 13,224	\$ (10,732)	\$ (275)	\$ 2,125	\$ 1,615	1.32
Workforce Sub Total:		534	\$ 16,475	\$ (7,290)	\$ (365)	\$ 8,817	\$ 6,867	1.28
Portfolio Totals:		697	\$ 15,169	\$ (7,321)	\$ (382)	\$ 7,464	\$ 5,860	1.27

June 2017 - May 2018

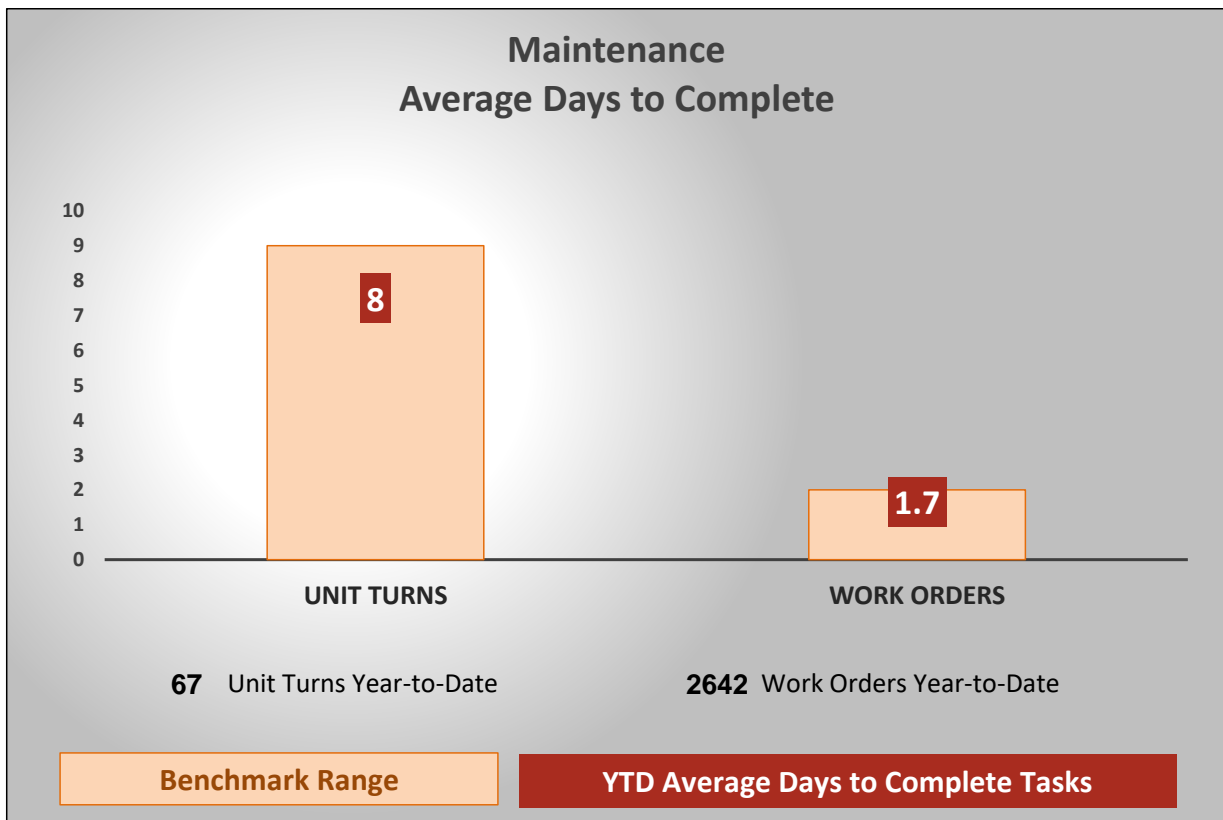
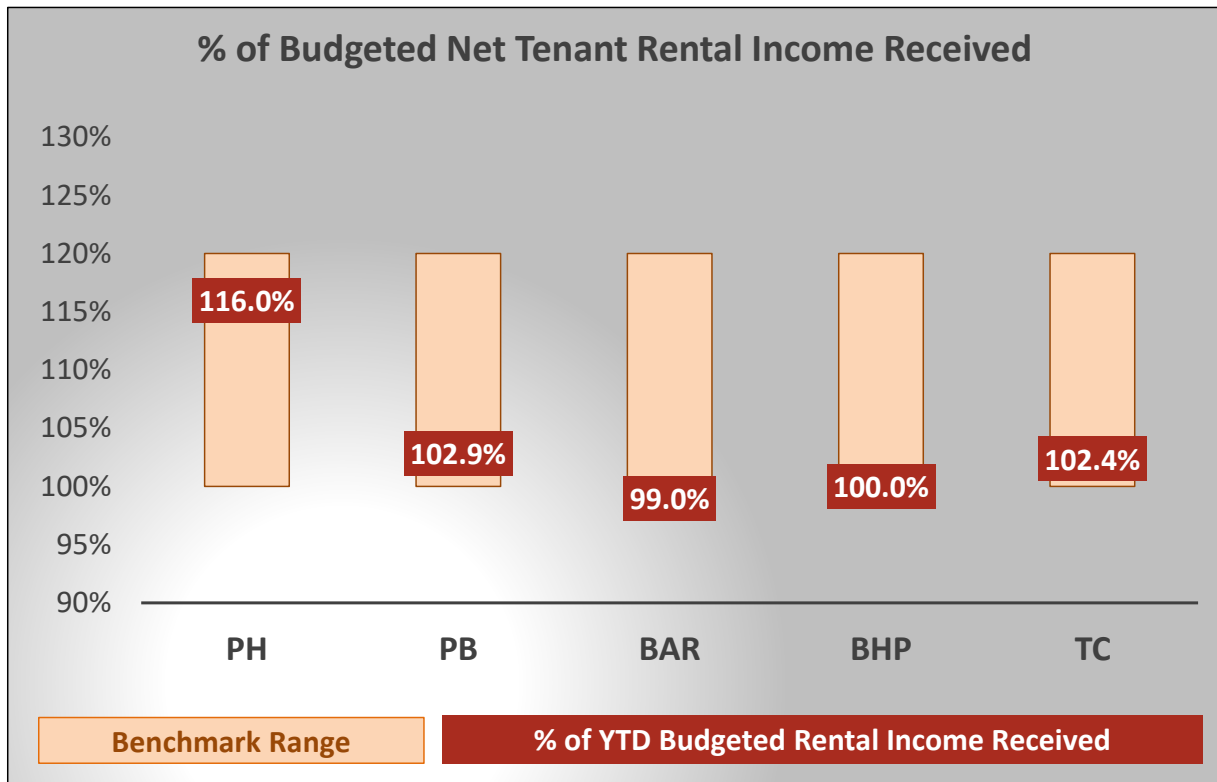
Tax Credit Properties	Address	Units	PUPA EGI	PUPA OpEx	Reserves	PUPA NOI Net of Reserves	PUPA Debt	Adjusted DSCR (1)
Broadway East	3160 Broadway	44	\$ 11,588	\$ (6,686)	\$ (330)	\$ 4,572	\$ 2,876	1.59
Broadway West	3120 Broadway	31	\$ 11,160	\$ (7,456)	\$ (330)	\$ 3,374	\$ 2,463	1.37
High Mar	4990 Moorhead Ave	59	\$ 11,442	\$ (5,733)	\$ (258)	\$ 5,452	\$ 3,868	1.41
Holiday	1500 Lee Hill	49	\$ 10,733	\$ (6,113)	\$ (200)	\$ 4,419	\$ 3,254	1.36
Lee Hill (5)	1175 Lee Hill	31	\$ 12,672	\$ (11,883)	\$ (375)	\$ 414	\$ -	-
Red Oak Park	27th & Valmont	59	\$ 11,621	\$ (6,704)	\$ (338)	\$ 4,579	\$ 3,884	1.18
WestView	4600 Broadway	34	\$ 12,311	\$ (5,134)	\$ (300)	\$ 6,878	\$ 5,567	1.24
Tax Credit Properties excluding Boulder Communities		307	\$ 12,095	\$ (7,211)	\$ (318)	\$ 4,433	\$ 3,246	1.37
Boulder Communities	Various	279	\$ 11,400	\$ (6,280)	\$ (520)	\$ 4,600	\$ 2,838	1.62
Tax Credit Sub Total:		586	\$ 11,492	\$ (6,576)	\$ (404)	\$ 4,512	\$ 3,073	1.47

Properties in Transition	Address
Orchard House (2)	1603 Orchard St.
Valmont/Wallace	2625 Valmont Rd.
Orchard Grove	Valmont and 34th
Palo Park	4525 Palo Parkway
Tantra Lakes	

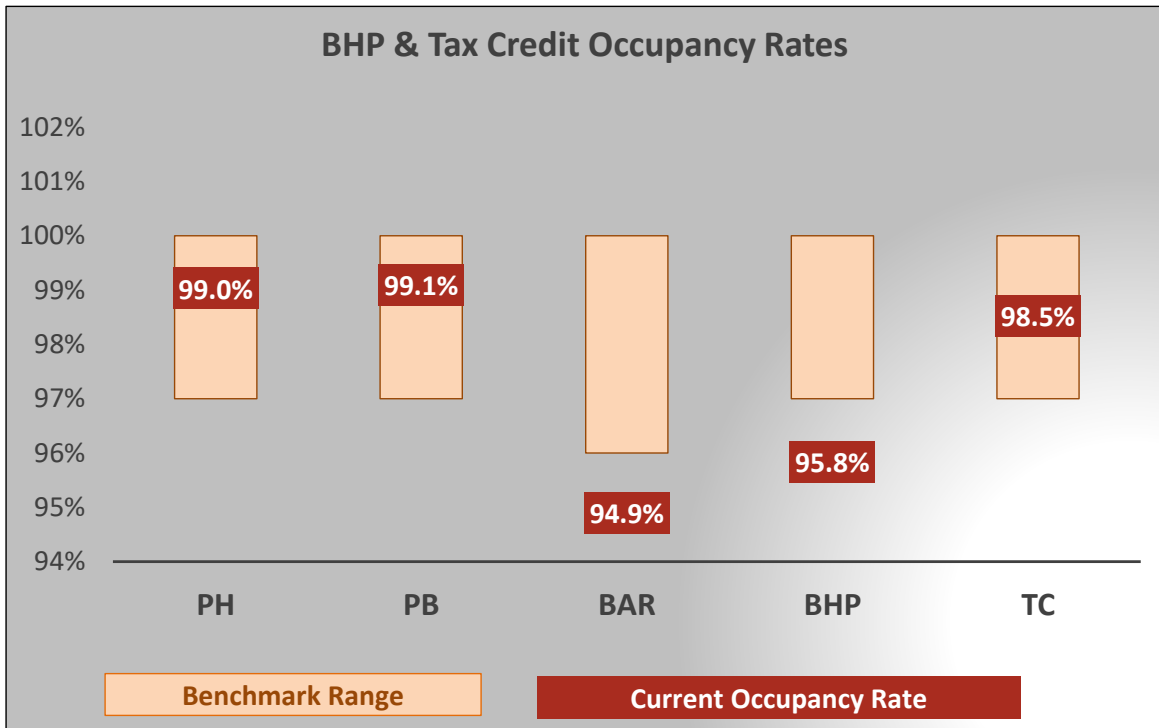
Index of terms
PUPA - Per Unit Per Annum
EGI - Effective Gross Income = (Total Revenue - Grant Revenue)
Op Ex - Operating Expenses = (Total Expenses-Capital Expenses-Extraordinary Maintenance and Non-Op Ex)
NOI - Net Operating Income = (Net Income + Non OpEx)
DSCR - Debt Service Coverage Ratio = NOI/Debt
ADJUSTED - For Capital Grants, Capital Exp. and Extraordinary Maint.

NOTES: (1) DSCR is calculated after required reserve contributions. Portfolio totals include NOI from properties with no debt. All excess cash from properties is used in BHP operations.
 (2) Glen Willow, Midtown and Orchard House are pledged as collateral for BHP Line of Credit
 (3) Hayden Place 2 does not have DSC requirement given the small number of units. One vacant can have substantial affect on ratio
 (4) Woodlands affected by \$23K roof and gutter repairs between Nov-Mar.
 (5) Lee Hill does not have permanent debt so DSCR does not apply.

Property Management Benchmarks



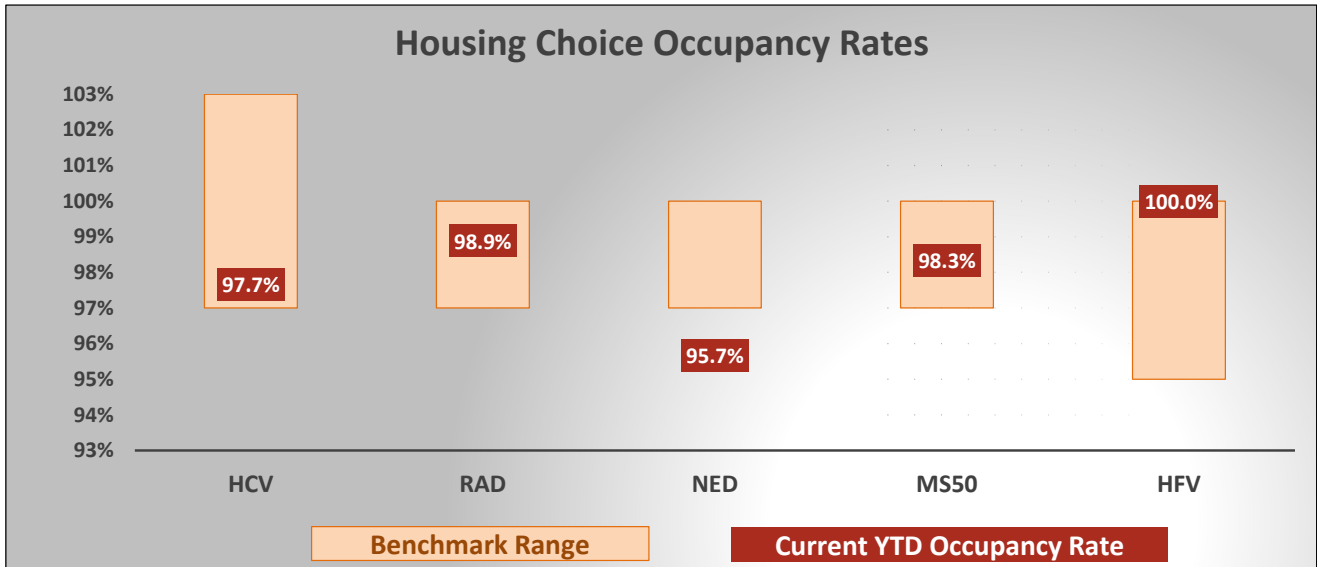
Property Management Benchmarks Continued



NOTES: We experienced higher than expected turnover and average number of days vacant at Tantra and Bridgewalk in the first four months of 2018. We are back on track with more resources as we enter the traditional leasing season (May – August) for 2018. June Occupancy for BAR is 96.10%. BHP Occupancy for June 2018 is 96.88%.

- PH - Public Housing Sites
- PB - Project Based Contract Sites
- BAR - Boulder Affordable Rentals
- BHP - Combined PB, PH & BAR Sites
- TC - Tax Credit Sites

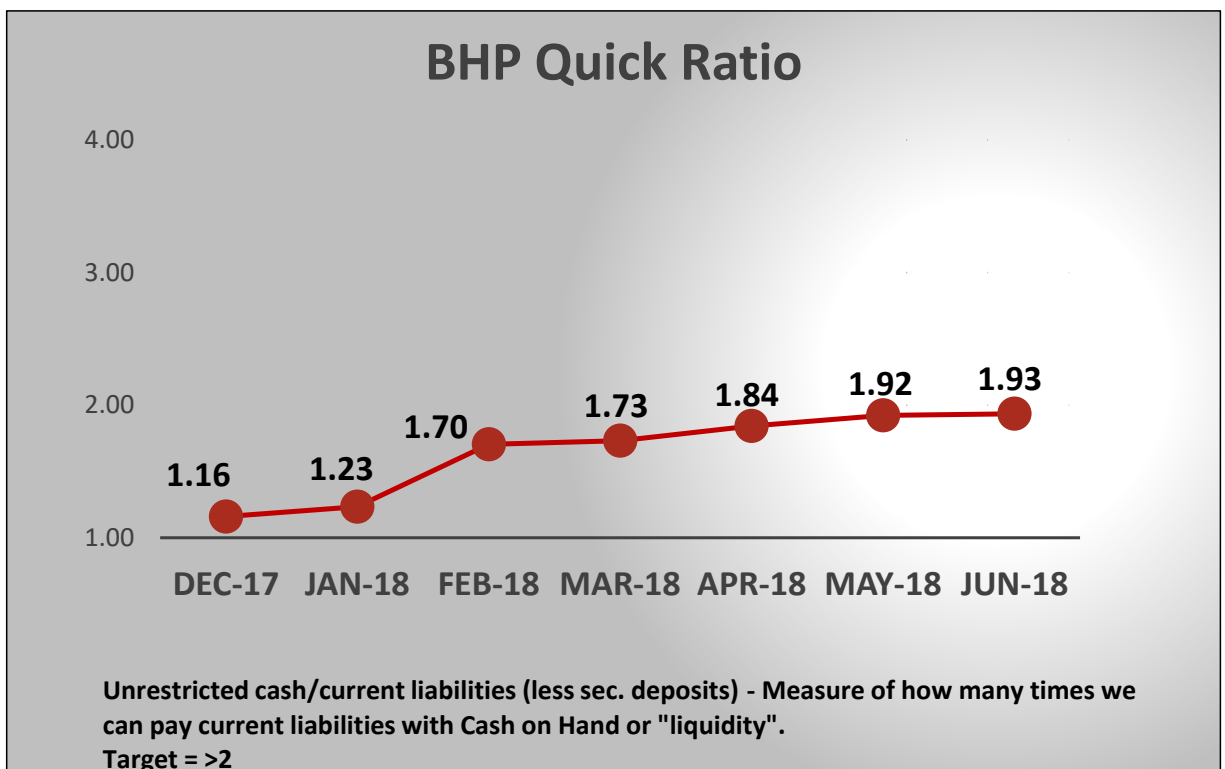
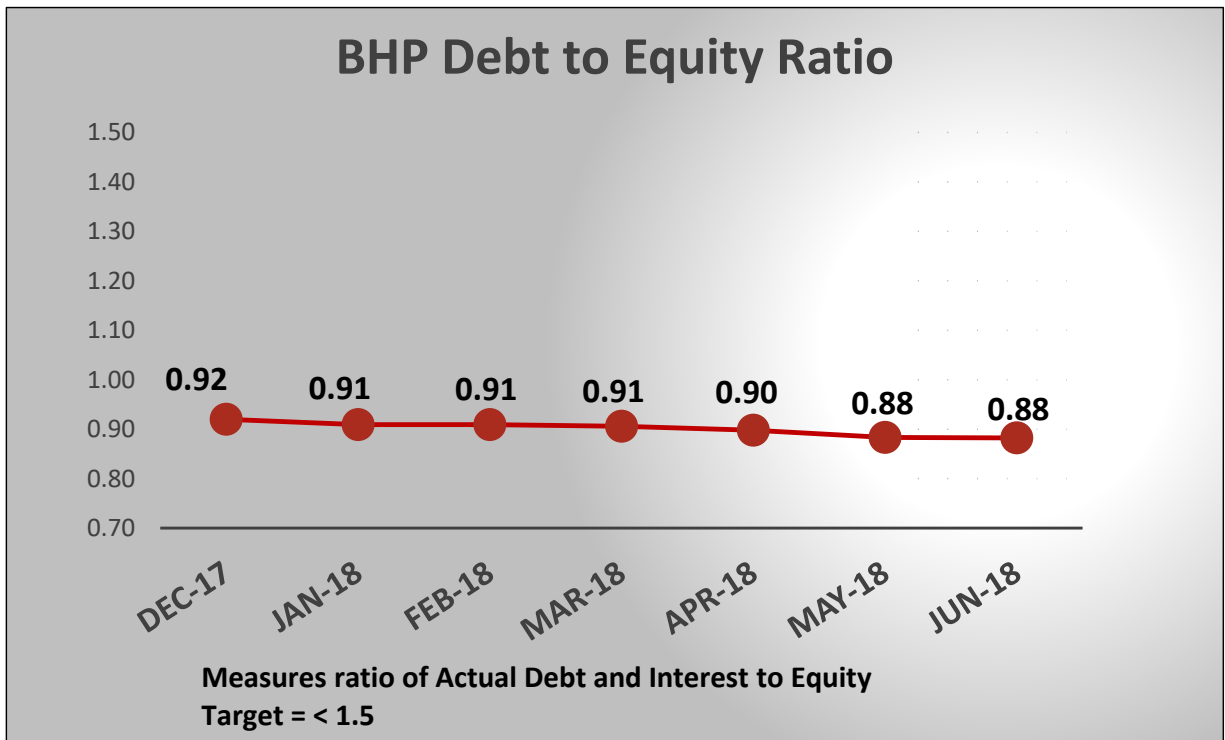
Housing Choice Benchmarks



NOTES: NED has 172 of 181 leased
MS50 has 49 of 50 vouchers leased.

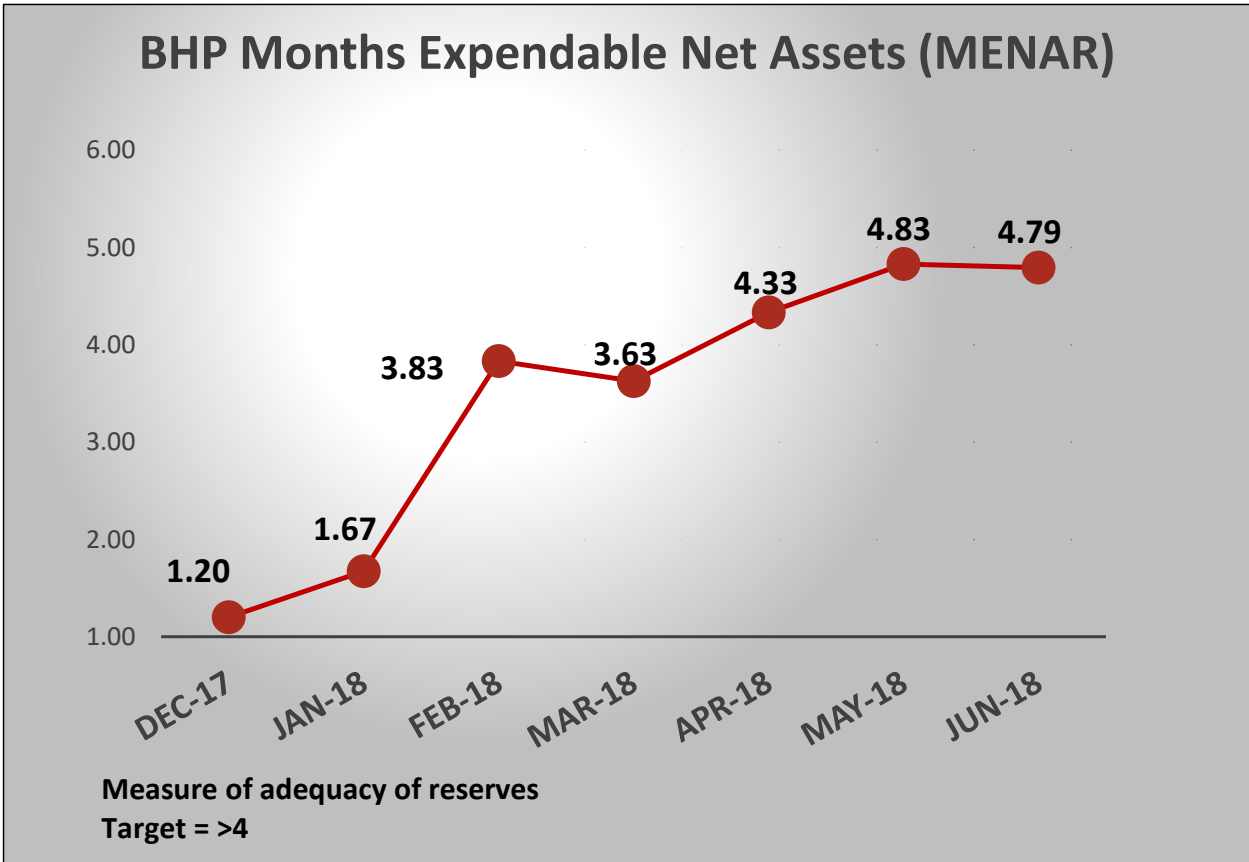
HCV - Housing Choice Voucher
RAD - Rental Assistance Demonstration
Vouchers NED - Non-Elderly Disabled
Vouchers
MS50 - Mainstream 50 Vouchers
HFV - Housing First Vouchers

Financial Benchmarks



NOTES: Quick Ratio affected by outstanding Canyon Pointe Loan w/ Dec 2018 maturity and LOC balance at 1/31/2018. Will improve based upon LOC payment in February and again in March-June as cash from TC partnerships is received..

Financial Benchmarks Continued



NOTES: MENAR directly effected by the amount of current liabilities. As of December 31, 2017 this included the remaining balance of \$3.5M on our loan on Canyon Pointe which matures in December 2018 and the outstanding balance on the line of credit of \$3.1M at 12/31/2017. Ratio increase reflects payments made on LOC.

MEMO

To: Board of Commissioners
From: Karen Kreutzberg
Date: August 8, 2018
Re: **Permanent Supportive Housing Vouchers**

Background

In January 2018, BHP signed an agreement with the City of Boulder to create the City of Boulder Permanent Supportive Housing Program (COB PSH). This program funds rental assistance and supportive services to house 8 – 12 chronically homeless households. The rental assistance is administered through BHP, the supportive services are offered by the Boulder Shelter for the Homeless.

Update

As of July 31, 2018, six households have been housed through this program. Two of them have been housed at a BHP property in units that were set aside for PSH vouchers. There is one more household for which we are waiting on a unit to become available. By September 30, we will be housing eight households, at which time we will re-evaluate the spending trend to see how many more households we will be able to house. This program also pays for the households initial security deposit (which is a barrier to housing and a cost to the program). We will share the goals, vision and future of this program at the Board meeting.

MEMO

To: Board of Commissioners
From: Jeremy Durham
Date: August 8, 2018
Re: **Board of Commissioners Working Agreements**

Attached is a draft set of working agreements and a framework for decision making discussed at the facilitated workshops with the Board earlier this year. These Working Agreements were brought to the Board on May 9, 2018. Per the Board's instruction, they are being presented at this meeting for review, discussion and consideration for adoption.

Boulder Housing Partners Board of Commissioners

Working Agreements:

*We always focus on our obligation to the organization and our end users.
Ask, “Does this help us further the Vision, Mission, Values, and Strategic Goals
of the organization?”*

1. We are open to giving and receiving respectful feedback
2. We avoid personal attacks, isolate and be hard on issues, be soft on people
3. We are open, honest, and authentic in our communication with each other
4. We operate with compassion for each other, and therefore we assume positive intent and we give the benefit of the doubt
5. If there is a miscommunication, conflict, or problem between commissioners, we take responsibility to reach out and clean it up within a timely manner
6. If a problem arises that cannot be resolved in a one-on-one conversation with each other, we use a situationally-appropriate escalation process aimed at protecting the organization and our residents. For example, first we go to the chair (unless the problem is with the Chair), then to the Vice-Chair (unless the problem is with the Vice-Chair), then to the Executive Director (unless the problem is with the Executive Director), and finally we’ll go to the Mayor that ultimately appoints the Board
7. We use peer accountability to reinforce our working agreements

Framework for Decision Making:

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:



Providing Homes, Creating Community, Changing Lives

4800 N. Broadway, Boulder, CO 80304

Phone: 720-564-4610

Fax: 303-939-9569

www.boulderhousing.org

Hearing Assistance: 1-800-659-3656

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?

Adopted this 8th day of August, 2018

Valerie Soraci - Chair
Boulder Housing Partners Board of Commissioners

Attest:

Jeremy Durham
Executive Director



Providing Homes, Creating Community, Changing Lives

4800 N. Broadway, Boulder, CO 80304

Phone: 720-564-4610

Fax: 303-939-9569

www.boulderhousing.org

Hearing Assistance: 1-800-659-3656

Future Board Items

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

	<u>Anticipated Date</u>
• Ciclo Closing Resolution	3 rd Quarter
• Property Tax Exemption Policy	3 rd Quarter
• Walnut Place Homeless Preference	3 rd or 4 th Quarter
• Foundation for Leaders Organizatin for Water and Sustainability (FLOWS)	3 rd or 4 th Quarter
• Increased Section 8 Voucher Capacity	4 th Quarter
• Waitlists and Preferences	As Time Allows
• MTW and Housing Choice Voucher Overview	As Time Allows
• Services for Families	As Time Allows
• Services for Seniors and People with Disabilities	As Time Allows
• Foundation Update and Board Get Together	As Time Allows
• Bringing School Home Presentation	As Time Allows
• LIHTC and 80% Area Media Income Averaging	Pending CHFA Implementation