

# Financial Report

Q4 2023



GRAND  
JUNCTION  
HOUSING  
AUTHORITY

Helping People  
When They Are  
Most Vulnerable.

Through December 31, 2023

By Sheila Brubacher, Controller

## Executive Summary

Grand Junction Housing Authority is reporting year-end consolidated net operating income of \$687,179 favorable compared to budget by \$863,277. The variances are primarily due to increased rental revenues due to minimal vacancies, increased grant income, and significant savings in repairs and maintenance, professional fees, and compensation throughout the year.

## GJHA Consolidated Financial Overview

### BALANCE SHEET OVERVIEW

Grand Junction Housing Authority ended the year with total assets of \$52,420,819. This is offset by total liabilities of \$21,312,726 with fund balance and surplus of \$31,108,093. The balance sheet presents an increase in total assets over the past quarter of \$2.59M. The primary source of the increase in assets was the construction in progress expenses incurred for development of The Confluence and The Current, including land of \$3.4M.

### Cash Position

Total GJHA and Doors 2 Success cash is \$11.28 million. This is comprised of Unrestricted, Restricted, and Assigned cash (Please see detailed cash report included in this packet). Total operating cash on the balance sheet was \$12.1M at the end of the third quarter, which represents a decrease of \$800k over the fourth quarter.

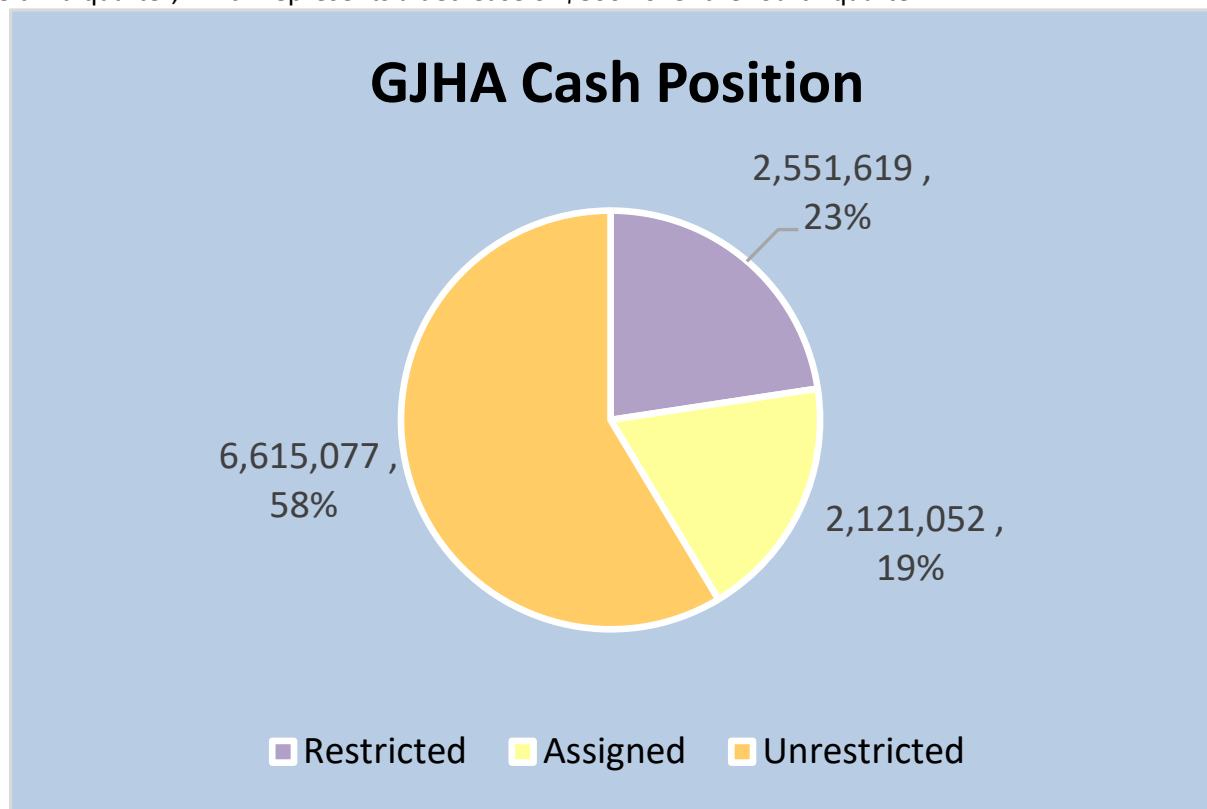


Table 1 - Cash Position

## Other Assets and Liabilities

### ACCOUNTS RECEIVABLE, DEVELOPER FEES RECEIVABLE, INTEREST RECEIVABLE

There were no material changes to these accounts in the fourth quarter of 2023. Interest receivable increased by \$210K due to regular monthly accrued interest on soft loans.

### NOTES PAYABLE

Notes Payable decreased \$140k to \$15.6M due to regular principal payments. There were no significant changes in the fourth quarter.

## BUDGET COMPARATIVE OVERVIEW

### Net Operating Income

Net operating income for 2023 was \$687K which is \$863K favorable to budget. Housing Assistance Payments (HAP) expenditures are excluded from the operating revenues and expenses sections below as HAP revenue and expense should offset each other with regular true ups.

- Operating Revenues excluding HAP Income were favorable to budget by \$398K.
- 2023 authorized rent increases were higher than budgeted. Thus, this variance persisted throughout all of 2023.
- Legal fee income was extraordinarily high in the first quarter, creating a favorable variance. This was an extraordinary occurrence that was not budgeted.
- General Fund income ended the year negative to budget due to maintenance labor income. This is primarily due to staffing. GJHA continues to work diligently to increase staff in the maintenance department. We anticipate this variance will decrease in 2024.
- Other grant income increased \$460k during the third quarter due to recognition of the Energy Outreach Colorado grant which covered the purchase of boiler replacements at Walnut Park. This unbudgeted income created a \$354k variance as of the end of 2023.

Total Operating Expenses of \$16M, which includes \$8.6M of HAP expenditures, had a favorable variance as of the end of 2023 and are \$1.6M below the budgeted amount of \$17.6M. The key items to note are:

- Operating expenses excluding HAP were \$683K favorable to budget.
- Total compensation was \$4.1M at the end of the year, which was \$248K favorable to budget. This was due to vacancy savings, mainly in maintenance and vouchers. Additionally, staff budgeted for a Development Director and Asset Manager to start January 2023. The Asset Manager position was filled during the third quarter, leaving a vacancy in the Human Resources Director position. The Development Director and HR Director positions were filled during fourth quarter 2023.
- Total repairs & maintenance expenses were favorable to budget by \$275K for 2023. While a portion of this is due to fewer maintenance hours billed to the properties than budgeted, the savings are largely due to staffing shortages. Full staffing is anticipated for the majority of 2024 with temporary labor to be used as necessary.
- Total professional fees are favorable to budget by \$162K. We budgeted a large amount for professional fees for the preservation property, which we did not purchase. Therefore, this variance remained throughout the year. We also budgeted a significant amount for professional fees for Confluence Subdivision and The Current. The majority of these fees are sitting on the balance sheet as construction work in progress.

- Insurance expense was over budget \$5k at the end of the year. This is due to actual annual premiums over budgeted amounts, offset by approved budget revisions during 2023.

## Non-Operating Income (Expenses)

Non-operating income and expenses are favorable to budget for 2023 by \$824k. This variance is due, in part, to interest income received from our investments in the CD (\$77k) and money market accounts (\$15.8k). The CDs roll over every 90 days. Over \$410k of the variance is due to the Energy Outreach Colorado weatherization grant received for Walnut Park.

## Net Income

Net income of \$426K was favorable to budget by \$1.68M.

**APPENDIX A: CONSOLIDATED BALANCE SHEET**

**Grand Junction Housing Authority Combined Balance Sheet**

Period - October 2023-December 2023

	Beginning Balance	Quarterly Activity	Ending Balance
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Allocated Cash (BOC)	4,125,262	(966,475)	3,158,787
Cash (Online Rent)	89,485	2,146	91,631
Cash- GJHA Reserve for Market Properties	45,547	118	45,665
Certificate of Deposit	3,047,241	39,635	3,086,876
Money Market	1,009,848	7,274	1,017,122
Non-Interest Bearing Checking	1,000,000	-	1,000,000
Petty Cash	250	-	250
Other Cash Accounts Linden Point Cap Imp.	579,087	1,872	580,959
<b>Total Cash</b>	<b>9,896,719</b>	<b>(915,429)</b>	<b>8,981,290</b>
<b>A/R</b>			
A/R Tenants	70,985	29,845	100,830
A/R GJHA Programs	443,791	(308,133)	135,658
A/R Online Rent	(31,446)	(1,985)	(33,431)
Allowance for Doubtful Accounts	(23,889)	(16,373)	(40,261)
A/R Security Dep. and Revolving Loans	105	-	105
A/R Section 8 Fraud Recovery	32,673	3,305	35,977
A/R HUD & Other	42,140	23,396	65,536
I/R Crystal Brook	19,312	-	19,312
I/R Linden Pointe	114,704	-	114,704
Prepaid Expenses	49,198	(52,771)	(3,573)
Prepaid Insurance	29,622	(29,622)	-
Inventory Holding	107,745	43,051	150,796
A/R Inventory	33,205	(3,777)	29,428
<b>TOTAL CURRENT ASSETS</b>	<b>888,145</b>	<b>(313,063)</b>	<b>575,082</b>

# Grand Junction Housing Authority Combined Balance Sheet

Period - October 2023-December 2023

	Beginning Balance	Quarterly Activity	Ending Balance
Property Plant & Equipment			
Land	2,431,651	-	2,431,651
Land Improvements	3,801,820	-	3,801,820
Construction in Progress- 24 rd	156,491	3,756,522	3,913,012
Development in Progress	41,628	-	41,628
Buildings	28,834,900	-	28,834,900
Building Improvements	2,190,498	11,831	2,202,329
Furniture Equipment & Machinery	2,737,402	45,654	2,783,056
Total Property Plant and Equipment	40,194,391	3,814,007	44,008,397
Less: Accumulated Depreciation	(22,025,154)	(227,029)	(22,252,182)
Net Property Plant & Equipment	18,169,237	3,586,978	21,756,215
	-		
Other Assets	-		
Total accounts receivable	165,687	11,883	177,569
Developer Fees Receivable	434,527	-	434,527
Total Interest Receivable	6,064,910	210,862	6,275,772
Notes Receivable	11,291,127	-	11,645,957
Investment in Properties	292,092	-	292,092
TOTAL OTHER ASSETS	18,603,172	222,745	18,825,917
Restricted Assets			
Replacement Reserves	681,378	68,838	750,215
Insurance Reserves	65,695	16,775	82,470
Laundry Assets Reserves	36,032	2,497	38,528
Rehab Escrow/Construction Reserves	1,173,983	(49,478)	1,124,506
Tenant Security Deposits (Cash Account)	230,566	(1,867)	228,699
FSS HAP Escrow Reserves	86,300	(28,403)	57,897
TOTAL RESTRICTED ASSETS	2,273,953	8,362	2,282,315
	-		
<b>TOTAL ASSETS</b>	<b>49,831,226</b>	<b>2,589,593</b>	<b>52,420,819</b>

# Grand Junction Housing Authority Combined Balance Sheet

Period - October 2023-December 2023

LIABILITIES AND FUND BALANCE			
CURRENT LIABILITES			
Accounts Payable	165,901	(256,973)	(91,072)
Accrued Liabilities	1,346,661	90,692	1,437,352
Tenant Security Deposits Payable	224,061	785	224,845
FSS HAP Escrow Payable	54,085	10,107	64,192
Deferred Revenue	49,128	3,029,142	3,078,271
Current Portion Long-Term Debt	359,761	(3,986)	355,775
A/P Inventory	7,006	4,520	11,527
TOTAL CURRENT LIABILITIES	2,206,603	2,874,287	5,080,890
LONG-TERM LIABILITIES	-		
A/P General Fund	440,305	-	440,305
Accrued Interest Payable	446,319	31,863	478,182
Mortgage/Notes Payable	15,764,152	(140,611)	15,623,542
Total Long-Term Liabilites	16,650,776	(108,748)	16,542,029
Less: Current Portion Long-Term Debt	(303,262)	(6,930)	(310,192)
NET LONG-TERM LIABILITES	16,347,514	(115,678)	16,231,836
FUND BALANCE & SURPLUS			
Earned Surplus	9,418,602	-	9,418,602
Unreserved Surplus	17,481,664	-	17,481,664
Voucher Admin Operating Reserve	590,081	-	590,081
Contributed Capital	2,343,587	-	2,343,587
Donated Surplus	721,879	-	721,879
Donated Surplus - Ratekin Tower	(2,079)	-	(2,079)
Contra Cap - Crystal Brook	776,103	-	776,103
Contra Cap - Linden Avenue	194,445	-	194,445
Investment in Foresight	859,955	-	859,955
Investment in Affordable Homes	100	-	100
Syndication costs	(45,652)	-	(45,652)
Excess Revenues over Expenditures	(1,061,578)	(169,016)	(1,230,594)
TOTAL FUND BALANCE & SURPLUS	31,277,109	(169,016)	31,108,093
	-		
TOTAL LIABILITIES & FUND BALANCE	49,831,226	2,589,593	52,420,819

## APPENDIX B: CONSOLIDATED BUDGET COMPARATIVE

Grand Junction Housing Authority							
Combined Operating Statement							
<b>Budget Comparison</b>							
Period = October 2023-December 2023							
	<b>Current Quarter</b>	<b>Quarter Budget</b>	<b>Variance</b>	<b>Last Year To Period</b>	<b>Current Year</b>	<b>Year To Date Budget</b>	<b>Variance</b>
<b>OPERATING REVENUES</b>							
Total Rental Income	1,011,993	958,287	53,706	3,991,808	3,946,276	3,807,201	139,075
Total General Fund Income	511,081	562,264	(51,183)	2,138,591	2,118,957	2,270,216	(151,259)
Total Grant income	70,465	104,155	(33,690)	593,406	719,534	416,629	302,905
Total HAP income	2,521,692	2,693,886	(172,194)	9,384,057	9,640,573	10,775,532	(1,134,959)
Total Non Rental Income	76,947	57,606	19,341	365,147	326,589	218,645	107,944
<b>TOTAL OPERATING REVENUE</b>	<b>4,192,177</b>	<b>4,376,198</b>	<b>(184,021)</b>	<b>16,473,010</b>	<b>16,751,929</b>	<b>17,488,223</b>	<b>(736,294)</b>
<b>OPERATING EXPENSES</b>							
Total Management Fees	79,567	75,465	4,102	314,919	312,897	299,610	13,287
Total Compensation	1,264,726	1,169,910	94,816	3,845,179	4,120,957	4,368,923	(247,966)
Total Utilities	113,849	132,304	(18,455)	490,112	490,033	510,156	(20,123)
Total Repairs and Maintenance	185,626	281,590	(95,964)	978,249	962,460	1,237,999	(275,539)
Total Marketing Exps.	-	379	(379)	-	98	1,692	(1,594)
Total Professional fees	183,966	152,052	31,914	731,205	594,588	757,225	(162,637)
Total Administrative Expense	121,961	100,855	21,106	521,551	425,657	423,824	1,833
Total Occupancy costs	27,372	26,427	945	112,935	111,381	107,924	3,457
Total Housing Assistance Payments	2,321,553	2,379,124	(57,571)	8,102,908	8,600,731	9,516,484	(915,753)
Total Insurance and Taxes	95,365	109,393	(14,028)	366,255	445,949	440,484	5,465
<b>TOTAL OPERATING EXPENSES</b>	<b>4,393,986</b>	<b>4,427,499</b>	<b>(33,513)</b>	<b>15,463,314</b>	<b>16,064,750</b>	<b>17,664,321</b>	<b>(1,599,571)</b>
<b>NET OPERATING INCOME</b>	<b>(201,808)</b>	<b>(51,301)</b>	<b>(150,507)</b>	<b>1,009,697</b>	<b>687,179</b>	<b>(176,098)</b>	<b>863,277</b>



Grand Junction Housing Authority							
Combined Operating Statement							
<b>Budget Comparison</b>							
Period = October 2023-December 2023							
	<b>Current Quarter</b>	<b>Quarter Budget</b>	<b>Variance</b>	<b>Last Year To Period</b>	<b>Current Year</b>	<b>Year To Date Budget</b>	<b>Variance</b>
<b>NON OPERATING INCOME/EXPENSE</b>							
Investment Income - Restricted	188,721	182,735	5,986	741,489	775,629	730,986	44,643
Interest Income - Restricted	52,835	913	51,922	5,029	121,219	3,661	117,558
Interest Income - Unrestricted	14,636	2,890	11,746	38,747	118,441	11,595	106,846
Other NonOp Income	-	-	-	18,500	-	-	-
Other NonOp Expense	-	-	-	-	-	(7,520)	7,520
Mortgage Interest Expense	(87,593)	(76,519)	(11,074)	(306,969)	(302,406)	(299,513)	(2,893)
Incentive Performance Fee	-	(8,046)	8,046	-	-	(31,820)	31,820
Other Interest Expense	(52,951)	(44,300)	(8,651)	(165,988)	(190,517)	(176,795)	(13,722)
Depreciation Expense	(227,029)	(257,670)	30,642	(1,047,253)	(1,004,504)	(1,030,691)	26,187
Gain (Loss) on Sale of Asset	-	-	-	2,324,465	-	-	-
Prior Year Adjustments	-	-	-	(95,820)	-	-	-
Hazard Cleanup Income	274,087	-	274,087	355,301	406,060	-	406,060
Hazard Cleanup	(136,660)	(63,799)	(72,861)	(88,022)	(240,961)	(255,211)	14,250
Hazard Cleanup write offs	-	-	-	(188,884)	-	-	-
Transfers In	140,022	42,308	97,714	3,883,958	268,747	194,837	73,910
Transfers Out	(133,222)	(60,350)	(72,872)	(3,848,242)	(212,239)	(224,456)	12,217
<b>TOTAL NON OPERATING INCOME/EXP.</b>	<b>32,846</b>	<b>(281,838)</b>	<b>314,684</b>	<b>1,626,311</b>	<b>(260,530)</b>	<b>(1,084,927)</b>	<b>824,397</b>
<b>NET INCOME (LOSS)</b>	<b>(168,963)</b>	<b>(333,139)</b>	<b>164,176</b>	<b>2,636,008</b>	<b>426,649</b>	<b>(1,261,025)</b>	<b>1,687,674</b>

## REAL ESTATE PORTFOLIOS

Grand Junction Housing Authority has two distinctive segments within its real estate portfolio. The two segments are the Low-Income-Housing-Tax-Credit (“LIHTC”) portfolio and GJHA owned properties.

### Low Income Housing Tax Credit (LIHTC) Portfolio

#### PROPERTY PERFORMANCE

A summary of the property’s performance within the LIHTC portfolio is provided for your reference.

December 2023 Summary P & L						
	72 Units	72 Units	64 Units	72 Units	60 Units	
	Arbor Vista LLLP	Village Park LLLP	Highlands LLLP	Highlands II LLLP	2814 LLLP	Total
<b>OPERATING REVENUES</b>						
Dwelling Rental Tenants	735,269	783,419	607,458	596,546	569,484	3,292,177
Vacancy Loss	(23,297)	(32,126)	(3,662)	(7,298)	(14,678)	(81,062)
Other Revenue	39,525	23,100	45,486	60,009.10	33,076	201,195
<b>TOTAL OPERATING REVENUES</b>	<b>751,497</b>	<b>774,393</b>	<b>649,282</b>	<b>649,257</b>	<b>587,882</b>	<b>3,412,310</b>
<b>OPERATING EXPENSES</b>						
Management Fees	45,090	46,464	45,450	45,448	38,212	220,663
Compensation	71,915	73,532	88,981	94,389	57,024	385,840
Utilities	62,524	60,202	56,790	77,393	94,524	351,432
Repairs & Maintenance	130,662	141,934	47,535	38,816	94,007	452,954
Marketing & Professional Fees	58,655	49,214	44,764	50,419	47,333	250,384
Admin & Occupancy	23,100	23,452	101,372	112,738	12,212	272,874
Bad Debt Expense	14,810	10,083	11,748	10,000	11,061	57,702
Insurance & Taxes	60,062	57,057	64,742	63,879	51,973	297,714
<b>TOTAL OPERATING EXPENSES</b>	<b>466,818</b>	<b>461,937</b>	<b>461,380</b>	<b>493,082</b>	<b>406,346</b>	<b>2,289,563</b>
<b>NET OPERATING INCOME</b>	<b>284,679</b>	<b>312,456</b>	<b>187,902</b>	<b>156,174</b>	<b>181,535</b>	<b>1,122,747</b>
<b>Non-Operating Revenues (Expenses)</b>						
Interest Income Restricted	5,662	6,350	5,467	4,012	3,395	24,886
Interest Expense	(340,797)	(200,979)	(131,874)	(201,892)	(101,784)	(977,326)
Other non-operating	(7,562)	(23,879)	(11,771)	(11,255)	(21,219)	(75,687)
Depreciation & Amortization	(515,312)	(390,129)	(473,601)	(466,301)	(482,101)	(2,327,444)
Hazard Cleanup Income	-	44,810	11,310	-	-	56,120
Hazard Cleanup Expense	(17,577)	(8,228)	-	-	-	(25,805)
Hazard Cleanup Write Offs	-	-	-	-	-	-
<b>NET NON-OPERATING REVENUES (EXP.)</b>	<b>(875,585)</b>	<b>(572,056)</b>	<b>(600,469)</b>	<b>(675,437)</b>	<b>(601,708)</b>	<b>(3,325,255)</b>
<b>NET INCOME (LOSS)</b>	<b>(590,906)</b>	<b>(259,599)</b>	<b>(412,568)</b>	<b>(519,262)</b>	<b>(420,173)</b>	<b>(2,202,508)</b>

Table 4 - Managed Tax Credit Properties

### Property Highlights

- All tax credit properties ended the year with net operating income favorable to budget.
- All tax credit properties experienced increases in operating revenues due to minimal vacancy and authorized rent increases for 2023. Vacancy loss is slightly higher than budget at Village (\$2k) but all other tax credits maintained under budget vacancy loss.
- Operating expenses are also favorable to budget throughout the portfolio, mainly in

repairs and maintenance.

- All properties currently maintain strong cash balances. During the second quarter, cash was moved from tax credit operating reserves to CDs to generate increased interest income.

## DEBT SERVICE COVERAGE RATIO

A key metric that is monitored on the LIHTC portfolio is Debt Service Coverage Ratio (“DSCR”). The DSCR is calculated by dividing the net operating income (NOI), reduced for any required replacement reserve funding, by the total required debt service. Debt service is the combined principal and interest payment required on the debt of the property.

$$\text{DSCR} = \frac{\text{Net Operating Income}}{\text{Total Debt Service}}$$

All LIHTC properties have external investor required target DSCR’s that we must meet. The graph below depicts YTD results on how each property performed related to their target.

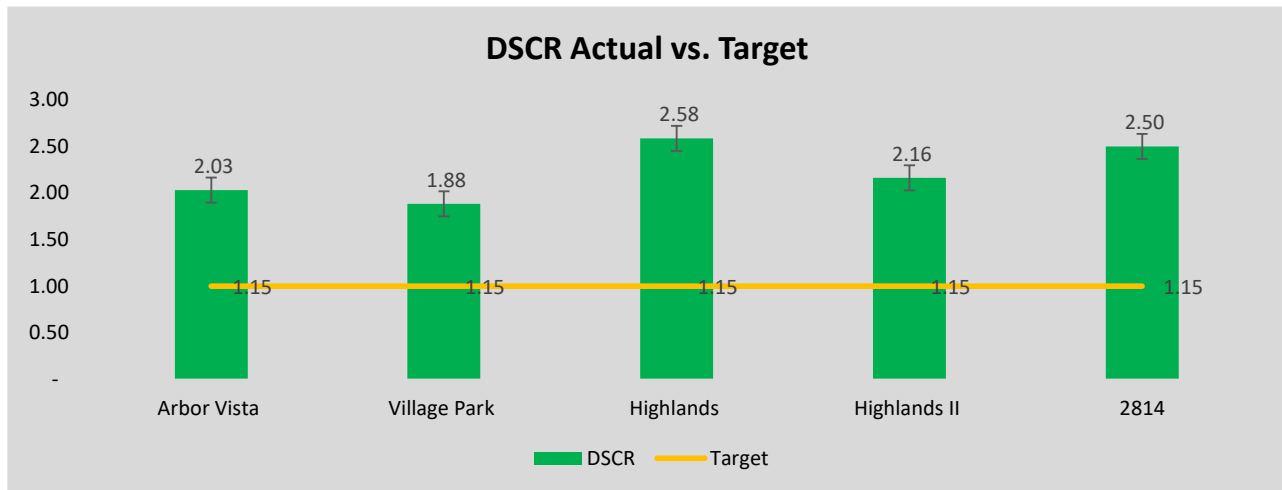


Table 5 - Percentage of Targeted DSCR

As illustrated in Table 5, all properties are hitting their DSCR targets for the quarter.

Dollar amount in excess or below Debt Service Coverage Ratio					
	Arbor Vista	Village Park	Highlands	Highlands II	2814
Annual Debt Service	140,148	165,960	72,732	72,288	72,674
Required NOI	161,170	190,854	83,642	83,131	83,575
Actual NOI	284,679	312,456	187,902	156,174	181,535
Excess NOI	123,509	121,602	104,260	73,043	97,960

Table 6 - Dollar Amount in Excess or Below Targeted DSCR

## Occupancy

The five properties within the LIHTC portfolio have a combined total of 340 units. The average annual occupancy ratio for these units was 97.4%. The individual property occupancy ratios range from 95.73% at Village Park to 99.14% at The Highlands.

## Grand Junction Housing Authority Owned Properties

This portfolio consists of Ratekin Towers, Walnut Park, Nellie Bechtel, Crystal Brook, and Linden Pointe. Lastly, Monument Business Center, which is a commercial property with a 10-year lease maturing June 30, 2024.

The financial focus on managing this portfolio is the Net Operating Income and operating cash. The charts below depict a summary of each property's performance through 2023 compared to budget and the prior year. Walnut Park's debt service coverage ratio below has been adjusted to remove Energy Outreach Colorado grant income and associated replacement reserve expenses to normalize the numbers.

All seemingly unfavorable (yellow) amounts in the \$ Change columns below are due to planned (budgeted) increases from 2022 to 2023 and not due to unexpected overages. This is confirmed by the Budget Variance columns as we performed better than expected in all properties with the exception of \$946 in over budget expenses at Crystal Brook for 2023.

RATEKIN TOWERS	2023 Actual	2023 Budget	Budget Variance	2022 Actual	\$ Change	% Change
Operating Cash Balance	12,761		N/A	(104,566)	117,327	112.2%
Operating Revenues	1,046,488	1,014,932	31,556	759,770	286,718	37.7%
Operating Expenses	767,598	887,532	(119,934)	502,738	264,860	52.7%
Net Operating Income	278,890	127,400	151,490	257,032	21,858	8.5%
Net Income	72,551	(117,340)	189,891	67,572	4,979	7.4%
Non-Operating	(206,339)	(244,740)	38,401	(189,460)	(16,879)	8.9%

WALNUT PARK	2023 Actual	2023 Budget	Budget Variance	2022 Actual	\$ Change	% Change
Operating Cash Balance	970,865		N/A	637,598	333,267	52.3%
Operating Revenues	1,254,600	822,433	432,167	660,982	593,617	89.8%
Operating Expenses	620,519	663,584	(43,065)	389,214	231,305	59.4%
Net Operating Income	634,081	158,849	475,232	271,769	362,312	133.3%
Net Income	524,922	42,982	481,940	263,224	261,698	99.4%
Non-Operating	(109,159)	(115,867)	6,708	(8,545)	(100,615)	1178%

NELLIE BECHTEL	2023 Actual	2023 Budget	Budget Variance	2022 Actual	\$ Change	% Change
Operating Cash Balance	303,881		N/A	273,002	30,879	11.3%
Operating Revenues	920,154	821,261	98,893	692,638	227,516	32.8%
Operating Expenses	559,989	634,015	(74,026)	386,665	173,324	44.8%
Net Operating Income	360,164	187,246	172,918	305,973	54,191	17.7%
Net Income	(1,561)	(178,134)	176,573	87,996	(89,556)	-101.8%
Non-Operating	(361,725)	(365,380)	3,655	(217,977)	(143,748)	65.9%

CRYSTAL BROOK	2023 Actual	2023 Budget	Budget Variance	2022 Actual	\$ Change	% Change
Operating Cash Balance	485,377		N/A	360,508	124,869	34.6%
Operating Revenues	396,512	370,125	26,387	289,367	107,145	37.0%
Operating Expenses	294,769	293,823	946	158,923	135,845	85.5%
Net Operating Income	101,743	76,302	25,441	130,443	(28,700)	-22.0%
Net Income	(22,494)	(68,809)	46,315	22,011	(44,505)	-202.2%
Non-Operating	(124,237)	(145,111)	20,874	(108,432)	(15,805)	14.6%

LINDEN POINTE	2023 Actual	2023 Budget	Budget Variance	2022 Actual	\$ Change	% Change
Operating Cash Balance	372,608		N/A	351,246	21,362	6.1%
Operating Revenues	881,052	826,072	54,980	659,836	221,216	33.5%
Operating Expenses	574,377	588,530	(14,153)	369,011	205,366	55.7%
Net Operating Income	306,675	237,542	69,133	290,825	15,850	5.5%
Net Income	159,646	(340,419)	500,065	144,523	15,124	10.5%
Non-Operating	(147,029)	(577,961)	430,932	(146,303)	(727)	0.5%

MONUMENT BUS. CENTER	2023 Actual	2023 Budget	Budget Variance	2022 Actual	\$ Change	% Change
Operating Cash Balance	110,456		N/A	59,486	50,970	85.7%
Operating Revenues	132,819	132,498	321	94,580	38,239	40.4%
Operating Expenses	5,086	18,670	(13,584)	4,952	134	2.7%
Net Operating Income	127,733	113,828	13,905	89,628	38,105	42.5%
Net Income	55,173	40,661	14,512	33,341	21,831	65.5%
Non-Operating	(72,560)	(73,167)	607	(56,286)	(16,274)	28.9%

GJHA Properties Debt Service Coverage Ratio as of 12.31.23					
GJHA Properties	Ratekin	Walnut Park	Nellie Bechtel	Crystal Brook	Linden
NOI Annualized	278,890	293,389	360,164	101,743	306,675
Monthly pmt	8,026	12,369	18,670	2,541	13,113
Debt Service	96,309	148,433	224,040	30,489	157,353
DSCR	2.90	1.98	1.61	3.34	1.95

## Occupancy

The five properties within the GJHA portfolio (excluding Monument Business Center) have a combined total of 425 units. The 2023 average annual occupancy ratio for these units was 96.4%. The individual property occupancy ratios ranged from 91.84% at Linden Pointe to 99.37% at Walnut Park.

## Doors2Success

Doors2Success ended 2023 with \$32k in operating cash and \$47k in reserved cash, consisting of grants received from Colorado Realtor Foundation (\$10k), Western Colorado Community Foundation (\$25k), Center for Enriched Community (\$1k), and Rocky Mountain Health Foundation (\$11k). In-kind donation income was over budget \$14.5k for the year, but this was offset with over budget in-kind donation expense. Overall, Net Operating income was very close to budget for 2023. Doors transferred \$66,508 to the supportive services programs in 2023.

# Key Definitions

## Net Income

Net income ("NI"), also called net earnings, is calculated as sales minus cost of goods sold, selling, general and administrative expenses, operating expenses, depreciation, interest, taxes, and other expenses. It is a useful number for investors to assess how much revenue exceeds the expenses of an organization. This number appears on a company's income statement and is also an indicator of a company's profitability. (Investopedia, 2021)

## Net Operating Income

Net operating income (NOI) is a calculation used to analyze the profitability of real estate investments and organizations. NOI equals all revenue from the property, minus all reasonably necessary operating expenses.

NOI is a before-tax figure, appearing on a property's income and cash flow statement, that excludes principal and interest payments on loans, capital expenditures, depreciation, and amortization. When this metric is used in other industries, it is referred to as "earnings before interest, taxes, depreciation and amortization" (EBITDA). In our presentations we utilize the NOI term exclusively.