

PHA Plans

Streamlined Annual Version

U.S. Department of Housing and
Urban Development
Office of Public and Indian
Housing

OMB No. 2577-0226
(exp. 05/31/2006)

This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937 that introduced 5-year and annual PHA Plans. The full PHA plan provides a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission and strategies for serving the needs of low-income and very low-income families. This form allows eligible PHAs to make a streamlined annual Plan submission to HUD consistent with HUD's efforts to provide regulatory relief for certain types of PHAs. Public reporting burden for this information collection is estimated to average 11.7 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Act Notice. The United States Department of Housing and Urban Development, Federal Housing Administration, is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Information in PHA plans is publicly available.

Streamlined Annual PHA Plan for Fiscal Year: 2006

PHA Name: Housing Authority of the City of Aurora

NOTE: This PHA Plan template (HUD-50075-SA) is to be completed in accordance with instructions contained in previous Notices PIH 99-33 (HA), 99-51 (HA), 2000-22 (HA), 2000-36 (HA), 2000-43 (HA), 2001-4 (HA), 2001-26 (HA), 2003-7 (HA), and any related notices HUD may subsequently issue.

Streamlined Annual PHA Plan Agency Identification

PHA Name: Housing Authority of the City of Aurora **PHA Number:** CO0052

PHA Fiscal Year Beginning: 01/2006

PHA Programs Administered:

Public Housing and Section 8 **Section 8 Only** **Public Housing Only**
 Number of public housing units: 201 Number of S8 units: Number of public housing units:
 Number of S8 units: 1090

PHA Consortia: (check box if submitting a joint PHA Plan and complete table)

Participating PHAs	PHA Code	Program(s) Included in the Consortium	Programs Not in the Consortium	# of Units Each Program
Participating PHA 1:				
Participating PHA 2:				
Participating PHA 3:				

PHA Plan Contact Information:

Name: Teri Marquantte Phone: 720-251-2090
 TDD: 303-341-7639 Email (if available): tmarquantte@aurorahousing.org

Public Access to Information

Information regarding any activities outlined in this plan can be obtained by contacting:
 (select all that apply)

PHA's main administrative office PHA's development management offices

Display Locations For PHA Plans and Supporting Documents

The PHA Plan revised policies or program changes (including attachments) are available for public review and inspection. X Yes No.

If yes, select all that apply:

- X Main administrative office of the PHA
- PHA development management offices
- Main administrative office of the local, county or State government
- Public library PHA website Other (list below)

PHA Plan Supporting Documents are available for inspection at: (select all that apply)

- X Main business office of the PHA PHA development management offices
- Other (list below)

Streamlined Annual PHA Plan
Fiscal Year 2006
[24 CFR Part 903.12(c)]

Table of Contents
[24 CFR 903.7(r)]

Provide a table of contents for the Plan, including applicable additional requirements, and a list of supporting documents available for public inspection.

A. PHA PLAN COMPONENTS

- X 1. Site-Based Waiting List Policies
903.7(b)(2) Policies on Eligibility, Selection, and Admissions
- X 2. Capital Improvement Needs
903.7(g) Statement of Capital Improvements Needed
- X 3. Section 8(y) Homeownership
903.7(k)(1)(i) Statement of Homeownership Programs
- X 4. Project-Based Voucher Programs
- X 5. PHA Statement of Consistency with Consolidated Plan. Complete only if PHA has changed any policies, programs, or plan components from its last Annual Plan.
- X 6. Supporting Documents Available for Review
- X 7. Capital Fund Program and Capital Fund Program Replacement Housing Factor, Annual Statement/Performance and Evaluation Report
- X 8. Addendum to Streamlined Annual PHA Plan
- X 9. Capital Fund Program 5-Year Action Plan

B. SEPARATE HARD COPY SUBMISSIONS TO LOCAL HUD FIELD OFFICE

Form HUD-50076, PHA Certifications of Compliance with the PHA Plans and Related Regulations: Board Resolution to Accompany the Streamlined Annual Plan identifying policies or programs the PHA has revised since submission of its last Annual Plan, and including Civil Rights certifications and assurances the changed policies were presented to the Resident Advisory Board for review and comment, approved by the PHA governing board, and made available for review and inspection at the PHA's principal office;

For PHAs Applying for Formula Capital Fund Program (CFP) Grants:

Form HUD-50070, Certification for a Drug-Free Workplace;

Form HUD-50071, Certification of Payments to Influence Federal Transactions; and

Form SF-LLL & SF-LLLa, Disclosure of Lobbying Activities.

1. Site-Based Waiting Lists (Eligibility, Selection, Admissions Policies)

[24 CFR Part 903.12(c), 903.7(b)(2)]

Exemptions: Section 8 only PHAs are not required to complete this component.

A. Site-Based Waiting Lists-Previous Year

1. Has the PHA operated one or more site-based waiting lists in the previous year? If yes, complete the following table; if not skip to B.

Site-Based Waiting Lists				
Development Information: (Name, number, location)	Date Initiated	Initial mix of Racial, Ethnic or Disability Demographics	Current mix of Racial, Ethnic or Disability Demographics since Initiation of SBWL	Percent change between initial and current mix of Racial, Ethnic, or Disability demographics

2. What is the number of site based waiting list developments to which families may apply at one time?
3. How many unit offers may an applicant turn down before being removed from the site-based waiting list?
4. Yes No: Is the PHA the subject of any pending fair housing complaint by HUD or any court order or settlement agreement? If yes, describe the order, agreement or complaint and describe how use of a site-based waiting list will not violate or be inconsistent with the order, agreement or complaint below:

B. Site-Based Waiting Lists – Coming Year

If the PHA plans to operate one or more site-based waiting lists in the coming year, answer each of the following questions; if not, skip to next component.

1. How many site-based waiting lists will the PHA operate in the coming year? 4
2. X Yes No: Are any or all of the PHA’s site-based waiting lists new for the upcoming year (that is, they are not part of a previously-HUD-approved site based waiting list plan)?
 If yes, how many lists? 2

3. X Yes No: May families be on more than one list simultaneously
If yes, how many lists? 3

4. Where can interested persons obtain more information about and sign up to be on the site-based waiting lists (select all that apply)?

- X PHA main administrative office
- All PHA development management offices
- X Management offices at developments with site-based waiting lists
- X At the development to which they would like to apply
- Other (list below)

2. Capital Improvement Needs

[24 CFR Part 903.12 (c), 903.7 (g)]

Exemptions: Section 8 only PHAs are not required to complete this component.

A. Capital Fund Program

- 1. Yes No Does the PHA plan to participate in the Capital Fund Program in the upcoming year? If yes, complete items 7 and 8 of this template (Capital Fund Program tables). If no, skip to B.

- 2. Yes No: Does the PHA propose to use any portion of its CFP funds to repay debt incurred to finance capital improvements? If so, the PHA must identify in its annual and 5-year capital plans the development(s) where such improvements will be made and show both how the proceeds of the financing will be used and the amount of the annual payments required to service the debt. (Note that separate HUD approval is required for such financing activities.).

B. HOPE VI and Public Housing Development and Replacement Activities (Non-Capital Fund)

Applicability: All PHAs administering public housing. Identify any approved HOPE VI and/or public housing development or replacement activities not described in the Capital Fund Program Annual Statement.

- 1. Yes No: Has the PHA received a HOPE VI revitalization grant? (if no, skip to #3; if yes, provide responses to the items on the chart located on the next page, copying and completing as many times as necessary).

2. Status of HOPE VI revitalization grant(s):

HOPE VI Revitalization Grant Status
a. Development Name:
b. Development Number:
c. Status of Grant:
<input type="checkbox"/> Revitalization Plan under development <input type="checkbox"/> Revitalization Plan submitted, pending approval <input type="checkbox"/> Revitalization Plan approved <input type="checkbox"/> Activities pursuant to an approved Revitalization Plan underway

- 3. Yes No: Does the PHA expect to apply for a HOPE VI Revitalization grant in the Plan year?

If yes, list development name(s) below:

4. Yes No: Will the PHA be engaging in any mixed-finance development activities for public housing in the Plan year? If yes, list developments or activities below:
5. Yes No: Will the PHA be conducting any other public housing development or replacement activities not discussed in the Capital Fund Program Annual Statement? If yes, list developments or activities below:

3. Section 8 Tenant Based Assistance--Section 8(y) Homeownership Program
(if applicable) [24 CFR Part 903.12(c), 903.7(k)(1)(i)]

1. Yes No: Does the PHA plan to administer a Section 8 Homeownership program pursuant to Section 8(y) of the U.S.H.A. of 1937, as implemented by 24 CFR part 982 ? (If "No", skip to the next component; if "yes", complete each program description below (copy and complete questions for each program identified.)

2. Program Description:

a. Size of Program

Yes No: Will the PHA limit the number of families participating in the Section 8 homeownership option?

If the answer to the question above was yes, what is the maximum number of participants this fiscal year?

b. PHA-established eligibility criteria

Yes No: Will the PHA's program have eligibility criteria for participation in its Section 8 Homeownership Option program in addition to HUD criteria? If yes, list criteria:

c. What actions will the PHA undertake to implement the program this year (list)?

3. Capacity of the PHA to Administer a Section 8 Homeownership Program:

The PHA has demonstrated its capacity to administer the program by (select all that apply):

- Establishing a minimum homeowner downpayment requirement of at least 3 percent of purchase price and requiring that at least 1 percent of the purchase price comes from the family's resources.
- Requiring that financing for purchase of a home under its Section 8 homeownership will be provided, insured or guaranteed by the state or Federal government; comply with secondary mortgage market underwriting requirements; or comply with generally accepted private sector underwriting standards.
- Partnering with a qualified agency or agencies to administer the program (list name(s) and years of experience below):
- Demonstrating that it has other relevant experience (list experience below):

4. Use of the Project-Based Voucher Program

Intent to Use Project-Based Assistance

Yes No: Does the PHA plan to “project-base” any tenant-based Section 8 vouchers in the coming year? If the answer is “no,” go to the next component. If yes, answer the following questions.

1. Yes No: Are there circumstances indicating that the project basing of the units, rather than tenant-basing of the same amount of assistance is an appropriate option? If yes, check which circumstances apply:

- low utilization rate for vouchers due to lack of suitable rental units
- access to neighborhoods outside of high poverty areas
- other (describe below:) Ability to provide on-site services to formally homeless families.

2. Indicate the number of units and general location of units (e.g. eligible census tracts or smaller areas within eligible census tracts): 10 units, census tract 70.03

5. PHA Statement of Consistency with the Consolidated Plan

[24 CFR Part 903.15]

For each applicable Consolidated Plan, make the following statement (copy questions as many times as necessary) only if the PHA has provided a certification listing program or policy changes from its last Annual Plan submission.

1. Consolidated Plan jurisdiction: City of Aurora

2. The PHA has taken the following steps to ensure consistency of this PHA Plan with the Consolidated Plan for the jurisdiction: (select all that apply)

- The PHA has based its statement of needs of families on its waiting lists on the needs expressed in the Consolidated Plan/s.
- X The PHA has participated in any consultation process organized and offered by the Consolidated Plan agency in the development of the Consolidated Plan.
- X The PHA has consulted with the Consolidated Plan agency during the development of this PHA Plan.
- X Activities to be undertaken by the PHA in the coming year are consistent with the initiatives contained in the Consolidated Plan. (list below)
- Other: (list below)

3. The Consolidated Plan of the jurisdiction supports the PHA Plan with the following actions and commitments: (taken from the Consolidated Plan of the City of Aurora, Pages 50 through 60 and 72 through 74).

Priority # 1.1 Maintain and develop quality affordable housing.

Priority # 1.2 Increase access to affordable housing options for Aurora residents.

Priority # 1.3 Prevent Homelessness.

- Strategy #1: Commit Aurora Housing Authority resources to support housing authority families in their efforts to achieve self-sufficiency
- Strategy #2: To promote the highest quality of live economically feasible, the Aurora Housing Authority will, on an annual basis, identify and assess the quality and level of services provided to residents.
- Strategy #3: Provide staff and commissioners with the tools necessary to effectively and efficiently execute their roles and responsibilities specific to the Aurora Housing Authority.
- Strategy #4: Aurora Housing Authority will develop and nurture a positive image in our community.
- Strategy #5: Develop and create additional affordable housing units.
- Strategy #6: Increase the financial strength of the agency.

6. Supporting Documents Available for Review for Streamlined Annual PHA Plans

PHAs are to indicate which documents are available for public review by placing a mark in the “Applicable & On Display” column in the appropriate rows. All listed documents must be on display if applicable to the program activities conducted by the PHA.

List of Supporting Documents Available for Review		
Applicable & On Display	Supporting Document	Related Plan Component
	<i>PHA Certifications of Compliance with the PHA Plans and Related Regulations and Board Resolution to Accompany the Standard Annual, Standard Five-Year, and Streamlined Five-Year/Annual Plans;</i>	5 Year and Annual Plans
A	<i>PHA Certifications of Compliance with the PHA Plans and Related Regulations and Board Resolution to Accompany the Streamlined Annual Plan</i>	Streamlined Annual Plans
B	<i>Certification by State or Local Official of PHA Plan Consistency with Consolidated Plan.</i>	5 Year and standard Annual Plans
X	Fair Housing Documentation Supporting Fair Housing Certifications: Records reflecting that the PHA has examined its programs or proposed programs, identified any impediments to fair housing choice in those programs, addressed or is addressing those impediments in a reasonable fashion in view of the resources available, and worked or is working with local jurisdictions to implement any of the jurisdictions’ initiatives to affirmatively further fair housing that require the PHA’s involvement.	5 Year and Annual Plans
X	Housing Needs Statement of the Consolidated Plan for the jurisdiction(s) in which the PHA is located and any additional backup data to support statement of housing needs for families on the PHA’s public housing and Section 8 tenant-based waiting lists.	Annual Plan: Housing Needs
C	Most recent board-approved operating budget for the public housing program	Annual Plan: Financial Resources
X	Public Housing Admissions and (Continued) Occupancy Policy (A&O/ACOP), which includes the Tenant Selection and Assignment Plan [TSAP] and the Site-Based Waiting List Procedure.	Annual Plan: Eligibility, Selection, and Admissions Policies
X	Deconcentration Income Analysis	Annual Plan: Eligibility, Selection, and Admissions Policies
	Any policy governing occupancy of Police Officers and Over-Income Tenants in Public Housing. X Check here if included in the public housing A&O Policy.	Annual Plan: Eligibility, Selection, and Admissions Policies
D	Section 8 Administrative Plan Amendments	Annual Plan: Eligibility, Selection, and Admissions Policies
X	Public housing rent determination policies, including the method for setting public housing flat rents. X Check here if included in the public housing A & O Policy.	Annual Plan: Rent Determination
X	Schedule of flat rents offered at each public housing development. X Check here if included in the public housing A & O Policy.	Annual Plan: Rent Determination
X	Section 8 rent determination (payment standard) policies (if included in plan, not necessary as a supporting document) and written analysis of Section 8 payment standard policies. X Check here if included in Section 8 Administrative Plan.	Annual Plan: Rent Determination
	Public housing management and maintenance policy documents, including policies for the prevention or eradication of pest infestation (including cockroach infestation).	Annual Plan: Operations and Maintenance
E	Results of latest Public Housing Assessment System (PHAS) Assessment (or other applicable assessment).	Annual Plan: Management and Operations
F	Follow-up Plan to Results of the PHAS Resident Satisfaction Survey (if necessary)	Annual Plan: Operations and Maintenance and Community Service & Self-

List of Supporting Documents Available for Review		
Applicable & On Display	Supporting Document	Related Plan Component
		Sufficiency
G	Results of latest Section 8 Management Assessment System (SEMAP)	Annual Plan: Management and Operations
X	Any policies governing any Section 8 special housing types X Check here if included in Section 8 Administrative Plan	Annual Plan: Operations and Maintenance
X	Public housing grievance procedures X Check here if included in the public housing A & O Policy	Annual Plan: Grievance Procedures
X	Section 8 informal review and hearing procedures. X Check here if included in Section 8 Administrative Plan.	Annual Plan: Grievance Procedures
II	The Capital Fund/Comprehensive Grant Program Annual Statement /Performance and Evaluation Report for any active grant year.	Annual Plan: Capital Needs
I	Certifications for Capital Funds: HUD-50070, HUD-50071, SF-LLL	Annual Plan: Capital Needs
X	Approved HOPE VI applications or, if more recent, approved or submitted HOPE VI Revitalization Plans, or any other approved proposal for development of public housing.	Annual Plan: Capital Needs
X	Self-evaluation, Needs Assessment and Transition Plan required by regulations implementing Section 504 of the Rehabilitation Act and the Americans with Disabilities Act. See PIH Notice 99-52 (HA).	Annual Plan: Capital Needs
X	Approved or submitted applications for demolition and/or disposition of public housing.	Annual Plan: Demolition and Disposition
X	Approved or submitted applications for designation of public housing (Designated Housing Plans).	Annual Plan: Designation of Public Housing
X	Approved or submitted assessments of reasonable revitalization of public housing and approved or submitted conversion plans prepared pursuant to section 202 of the 1996 HUD Appropriations Act, Section 22 of the US Housing Act of 1937, or Section 33 of the US Housing Act of 1937.	Annual Plan: Conversion of Public Housing
X	Documentation for required Initial Assessment and any additional information required by HUD for Voluntary Conversion.	Annual Plan: Voluntary Conversion of Public Housing
X	Approved or submitted public housing homeownership programs/plans.	Annual Plan: Homeownership
X	Policies governing any Section 8 Homeownership program (Section _____ of the Section 8 Administrative Plan)	Annual Plan: Homeownership
X	Public Housing Community Service Policy/Programs X Check here if included in Public Housing A & O Policy	Annual Plan: Community Service & Self-Sufficiency
X	Cooperative agreement between the PHA and the TANF agency and between the PHA and local employment and training service agencies.	Annual Plan: Community Service & Self-Sufficiency
X	FSS Action Plan(s) for public housing and/or Section 8.	Annual Plan: Community Service & Self-Sufficiency
X	Section 3 documentation required by 24 CFR Part 135, Subpart E for public housing.	Annual Plan: Community Service & Self-Sufficiency
X	Most recent self-sufficiency (ED/SS, TOP or ROSS or other resident services grant) grant program reports for public housing.	Annual Plan: Community Service & Self-Sufficiency
X	Policy on Ownership of Pets in Public Housing Family Developments (as required by regulation at 24 CFR Part 960, Subpart G). <input type="checkbox"/> Check here if included in the public housing A & O Policy.	Annual Plan: Pet Policy
J	The results of the most recent fiscal year audit of the PHA conducted under the Single Audit Act as implemented by OMB Circular A-133, the results of that audit and the PHA's response to any findings.	Annual Plan: Annual Audit
X	Other supporting documents (optional) (list individually; use as many lines as necessary)	(specify as needed)
X	Consortium agreement(s) and for Consortium Joint PHA Plans <u>Only</u> : Certification that consortium agreement is in compliance with 24 CFR Part 943 pursuant to an opinion of counsel on file and available for inspection.	Joint Annual PHA Plan for Consortia: Agency Identification and Annual Management and Operations

7. Capital Fund Program Annual Statement/Performance and Evaluation Report and Replacement Housing Factor

Annual Statement/Performance and Evaluation Report		Grant Type and Number		Federal FY of Grant:		
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I:		Capital Fund Program Grant No: CO06PO5250106		2006		
PHA Name: Housing Authority of the City of Aurora, CO		Replacement Housing Factor Grant No:		PHA Year: 2007		
Original Annual Statement Reserve for Disasters/ Emergencies Revised Annual Statement (revision no:)						
Performance and Evaluation Report for Period Ending: Final Performance and Evaluation Report						
Line No.	Summary by Development Account	Total Estimated Cost			Total Actual Cost	
		Original	Revised	Obligated	Expended	
1	Total non-CFP Funds					
2	1406 Operations	35,000				
3	1408 Management Improvements	2,000				
4	1410 Administration					
5	1411 Audit					
6	1415 Liquidated Damages					
7	1430 Fees and Costs	10,000				
8	1440 Site Acquisition					
9	1450 Site Improvement	25,500				
10	1460 Dwelling Structures	119,500				
11	1465.1 Dwelling Equipment – Nonexpendable					
12	1470 Nondwelling Structures					
13	1475 Nondwelling Equipment					
14	1485 Demolition					
15	1490 Replacement Reserve					
16	1492 Moving to Work Demonstration					
17	1495.1 Relocation Costs	150,000				
18	1499 Development Activities					
19	1501 Collateralization or Debt Service					
20	1502 Contingency					
21	Amount of Annual Grant: (sum of lines 2 – 20)	342,000				
22	Amount of line 21 Related to LBP Activities					
23	Amount of line 21 Related to Section 504 compliance					
24	Amount of line 21 Related to Security – Soft Costs					
25	Amount of Line 21 Related to Security – Hard Costs					
26	Amount of line 21 Related to Energy Conservation Measures					

Addendum to Streamlined Annual PHA Plan
For Fiscal Year: 2006
PHA Name: Housing Authority of the City of Aurora

8. Demolition and Disposition

[24 CFR Part 903.7 9 (h)]

Applicability of component 8: Section 8 only PHAs are not required to complete this section.

1. Yes No: Does the PHA plan to conduct any demolition or disposition activities (pursuant to section 18 of the U.S. Housing Act of 1937 (42 U.S.C. 1437p)) in the plan Fiscal Year? (If “No”, skip to component 9; if “yes”, complete one activity description for each development.)

2. Activity Description

Yes No: Has the PHA provided the activities description information in the **optional** Public Housing Asset Management Table? (If “yes”, skip to component 9. If “No”, complete the Activity Description table below.)

Demolition/Disposition Activity Description
1a. Development name: AURORA 1b. Development (project) number: CO052002
2. Activity type: Demolition <input type="checkbox"/> Disposition <input checked="" type="checkbox"/>
3. Application status (select one) Approved <input type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application <input checked="" type="checkbox"/>
4. Date application approved, submitted, or planned for submission: (01/30/2006)
5. Number of units affected: 30
6. Coverage of action (select one) <input type="checkbox"/> Part of the development <input checked="" type="checkbox"/> Total development
7. Timeline for activity: a. Actual or projected start date of activity: January 2006 b. Projected end date of activity: March 2007

Demolition/Disposition Activity Description	
1a. Development name:	AURORA HOUSING AUTHORITY
1b. Development (project) number:	CO052007
2. Activity type:	Demolition <input type="checkbox"/> Disposition <input checked="" type="checkbox"/>
3. Application status (select one)	Approved <input type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application <input checked="" type="checkbox"/>
4. Date application approved, submitted, or planned for submission:	(3/31/2006)
5. Number of units affected:	20
6. Coverage of action (select one)	<input type="checkbox"/> Part of the development <input checked="" type="checkbox"/> Total development
7. Timeline for activity:	a. Actual or projected start date of activity: March 2006 b. Projected end date of activity: March 2007

Demolition/Disposition Activity Description	
1a. Development name: Aurora Housing Authority	
1b. Development (project) number: CO052008	
2. Activity type: Demolition <input type="checkbox"/>	
Disposition <input checked="" type="checkbox"/>	
3. Application status (select one)	
Approved <input type="checkbox"/>	
Submitted, pending approval <input type="checkbox"/>	
Planned application <input checked="" type="checkbox"/>	
4. Date application approved, submitted, or planned for submission: (06/30/2006)	
5. Number of units affected: 20	
6. Coverage of action (select one)	
<input type="checkbox"/> Part of the development	
<input checked="" type="checkbox"/> Total development	
7. Timeline for activity:	
a. Actual or projected start date of activity: June 2006	
b. Projected end date of activity: June 2007	

Demolition/Disposition Activity Description	
1a. Development name:	Buckingham Gardens
1b. Development (project) number:	CO052001
2. Activity type:	Demolition <input type="checkbox"/> Disposition <input checked="" type="checkbox"/>
3. Application status (select one)	Approved <input type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application <input checked="" type="checkbox"/>
4. Date application approved, submitted, or planned for submission:	(06/01/2006)
5. Number of units affected:	131
6. Coverage of action (select one)	<input type="checkbox"/> Part of the development <input checked="" type="checkbox"/> Total development
7. Timeline for activity:	a. Actual or projected start date of activity: June 2006 b. Projected end date of activity: June 2007

9. Capital Fund Program Five-Year Action Plan

Capital Fund Program Five-Year Action Plan					
Part I: Summary					
PHA Name: Housing Authority for the City of Aurora, Colorado					
Development Number Name/HA Wide	Year 1	Work Statement for Year 2	Work Statement for Year 3	Work Statement for Year 4	Work Statement for Year 5
	Revision No:				
	Annual Statement	FFY Grant: 2007 PHA FY: 2008	FFY Grant: 2008 PHA FY: 2009	FFY Grant: 2010 PHA FY: 2011	FFY Grant: 2011 PHA FY: 2012
CO51 Buckingham Gardens	229,500.00	0.00	0.00	0.00	0.00
Family Housing 02-07-08	42,500.00	0.00	0.00	0.00	0.00
CFP Funds Listed for 5-year planning		272,000.00	0.00	0.00	0.00
Replacement Housing Factor Funds					

Attachment A	<i>PHA Certifications of Compliance with the PHA Plans and Related Regulations and Board Resolution to Accompany the Streamlined Annual Plan</i>
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**PHA Certifications of Compliance with the PHA Plans and Related Regulations:
Board Resolution to Accompany the *Streamlined Annual PHA Plan***

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the streamlined Annual PHA Plan for PHA fiscal year beginning 2006, hereinafter referred to as the Streamlined Annual Plan, of which this document is a part and make the following certifications, agreements with, and assurances to the Department of Housing and Urban Development (HUD) in connection with the submission of the Streamlined Plan and implementation thereof:

1. The streamlined Annual Plan is consistent with the applicable comprehensive housing affordability strategy (or any streamlined Plan incorporating such strategy) for the jurisdiction in which the PHA is located.
2. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, and provided this Board or Boards an opportunity to review and comment on any program and policy changes since submission of the last Annual Plan.
3. The PHA made the proposed streamlined Annual Plan, including policy and program revisions since submission of the last Annual Plan, and all information relevant to the public hearing available for public inspection at least 45 days before the hearing, published a notice that a hearing would be held and conducted a hearing to discuss the streamlined Plan and invited public comment.
4. The PHA will carry out the streamlined Annual Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
5. The PHA will affirmatively further fair housing by examining their programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions.
6. For streamlined Annual Plans that include a policy or change in policy for site-based waiting lists:
The PHA regularly submits required data to HUD's MTCS in an accurate, complete and timely manner (as specified in PIH Notice 99-2);
 - The system of site-based waiting lists provides for full disclosure to each applicant in the selection of the development in which to reside, including basic information about available sites; and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types at each site;
 - Adoption of site-based waiting list would not violate any court order or settlement agreement or be inconsistent with a pending complaint brought by HUD;
 - The PHA shall take reasonable measures to assure that such waiting list is consistent with affirmatively furthering fair housing;
 - The PHA provides for review of its site-based waiting list policy to determine if it is consistent with civil rights laws and certifications, as specified in 24 CFR part 903.7(b)(2).
7. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
8. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
9. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
10. The PHA has submitted with the streamlined Plan a certification with regard to a drug-free workplace required by 24 CFR Part 24, Subpart F.
11. The PHA has submitted with the streamlined Plan a certification with regard to compliance with restrictions on lobbying required by 24 CFR Part 87, together with disclosure forms if required by this Part, and with restrictions on payments to influence Federal Transactions, in accordance with the Byrd Amendment and implementing regulations at 49 CFR Part 24.
12. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.
13. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
14. The PHA will provide HUD or the responsible entity any documentation that the Department needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58.
15. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
16. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.

Attachment B	State/Local Government Certification of Consistency with the Consolidated Plan.
-----------------	--

**Certification by State or Local Official of PHA Plans Consistency with
the Consolidated Plan**

I, Frank Ragan the Deputy City Manager certify
that the Five Year and Annual PHA Plan of the Aurora Housing Authority is
consistent with the Consolidated Plan of the City of Aurora, Colorado prepared
pursuant to 24 CFR Part 91.



Signed / Dated by Appropriate State or Local Official 10/05/2005

Attachment C	Most Recent Board-Approved Operating Budget For The Public Housing Program
-----------------	--

Budget 2006 Public Housing

Public Housing 2006		2006 Budget
Number of Units	200	200
		2006
INCOME ACCOUNTS		
-3420.000	Dwelling Rentals	\$512,205
-3421.000	Excess Utilities	\$200
-3422.020	Lock Out Charges	\$852
-3422.030	Work Orders	\$1,000
-3450.000	Nondwelling Rental	\$0
-3600.000	Interest Income	\$425
-3600.010	Interest - Residual Receipts	
-3600.020	Interest on Money Market	\$5
-3680.000	Laundry Income	\$4,000
-3681.000	Application Fees	\$525
-3684.000	Late Charges	\$1,225
-3685.000	Return Check Fee	\$150
-3690.000	Other Income	\$3,200
-3690.040	Utility Reimbursement	
-3691.000	Operating Subsidy	\$197,230
-3691.000	Gain on Sale of Property	
-3691.010	Subsidy	
Income Total		\$721,017
ADMINISTRATIVE ACCOUNTS		
-4110.000	Office Salaries	\$158,298
-4130.000	Legal	\$1,000
-4140.000	Staff Training	\$4,000
-4150.000	Travel	\$7,500
-4150.010	Mileage	\$800
-4160.000	Management Fee	
-4171.000	Auditing Fees	\$800
-4171.010	Bank Charges	
-4182.000	Payroll benefit	\$78,720
-4190.000	Sundry	\$3,000
-4191.000	Telephone	\$7,300
-4191.010	Telephone (Celluar)	\$1,750
-4191.020	Telephone (Paging)	\$150
-4192.000	Postage	\$2,000
-4193.000	Printing	\$2,000
-4194.000	Dues & Subscriptions	\$2,600
-4191.010	Annual Report	\$400
-4195.000	Office Expense / Supplies	\$4,000
-4196.000	Tenant Check Services	\$600
-4196.010	CBI Fees	\$575
-4197.000	Office Equipment	\$3,500
-4197.010	Office Equipment - Contract / Repair	\$6,000
-4210.000	Caretaker Salary	\$2,400
-4210.020	Contract Cost, Ace	\$2,100
-4210.010	Residential Promotions	\$3,500
-4210.040	Advertising Expense	\$1,700
-4210.060	Rent Concessions	\$0
-4230.000	Contract Cost, Training & Other	\$4,250
	Public Relations	\$0
Expense subtotal		\$298,943
UTILITY ACCOUNTS		
-4310.000	Water	\$53,735
-4320.000	Electricity	\$142,939
-4330.000	Gas	\$10,696
-4390.000	Sewer - Other	\$32,936
Expense subtotal		\$240,306

Budget 2006 Public Housing

Number of Units		2006 Budget
		200
		2006
	MAINTENANCE ACCOUNTS	
-4410.000	Maintenance Payroll	\$92,340
-4416.000	Carpenter Payroll	\$750
-4420.000	Materials	\$26,447
-4420.010	Shop Items	\$850
-4420.020	Cleaning - Common Area	\$5,250
-4425.010	Contract Costs - Turnover	
-4425.020	Cleaning Units - Turnover	\$4,250
-4425.030	Painting Units - Turnover	\$5,000
-4425.040	Materials - Turnover	\$2,500
-4434.000	Fire Prevention Equipment	\$3,000
-4430.150	Courtesy Patrol	
-4430.000	Contractor Cost	\$18,000
-4430.010	Contractor Cost - Exterminating	\$3,600
-4430.020	Contractor Cost - Snow Removal	\$1,250
-4430.030	Contractor Cost - Plumbing	\$1,250
-4430.040	Contractor Cost - Heating/Cooling	\$2,800
-4430.060	Contractor Cost - Carpet Cleaning	\$6,800
-4430.080	Contractor Cost - Electrical	\$2,800
-4430.090	Contractor Cost - Occupied Scheduled Painting	\$0
-4430.070	Contractor Cost - Grounds Maint. Contract	\$25,000
-4430.120	Repairs of Unit & Complex Appliances	\$1,500
-4430.140	Contractor Cost - Repairs	\$1,500
-4431.000	Contractor Cost - Garbage Removal	\$32,000
-4432.010	Cleaning Supplies	\$0
-4432.020	Ground Supplies	\$750
-4430.050	Vehicle & Maint. Equipment	\$3,800
	Expense subtotal	\$241,437
	GENERAL EXPENSE ACCOUNTS	
-4510.000	Property and Liability Insurance	\$45,512
-4510.010	Worker's Compensation	\$11,625
-4510.020	Boiler Insurance	\$65
-4580.000	Bad Debt	\$7,500
	Vehicle Insurance	\$1,600
	Extraordinary Maintenance	\$1,000
	PILOT	\$35,000
		\$0
		\$0
	Expense subtotal	\$102,302
	NONROUTINE ACCOUNTS	
-4800.000	Depreciation Expense	\$0
-7520.000	Replacement of Nonexpendable	\$0
-7540.000	Property Betterment's and Additions	\$0
-7540.010	Appliance	\$550
-7540.020	Floor Covering	\$2,500
-7540.030	Window Covering	\$300
-7540.040	Capitol Expenditure	\$0
	Expense subtotal	\$3,350
	Total Expenses	\$886,338
	Income (Loss)	(\$165,321)

Attachment D	Section 8 Amendments
-----------------	----------------------

RESOLUTION NO. 358/AHA

RESOLUTION TO APPROVE AMENDMENT VII
TO THE SECTION 8 ADMINISTRATIVE PLAN

Zero Income

WHEREAS, The United States Housing Act of 1937 provides that there shall be a local determination of the need for low-rent housing to meet the needs not being adequately met by private enterprise; and

WHEREAS, under provisions of the United States Housing Act of 1937, the Secretary of Housing and Urban Development is authorized to provide financial assistance to public housing agencies for low-rent housing; and

WHEREAS, the City has by Resolution 75-19, created the Housing Authority of the City of Aurora, Colorado with purposes including the undertaking and carrying out of preliminary planning and development of low-rent housing projects to assist in meeting goals of eliminating substandard and other inadequate housing; and

WHEREAS, the Housing Authority administers a federally funded Housing Choice Voucher program; and

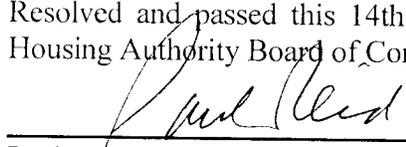
WHEREAS, the Housing Authority is required to provide a written administrative plan for discretionary policies pursuant to administration of the Housing Choice Voucher program; and

WHEREAS, a policy to address zero income participants is necessary to control the per unit cost of the Housing Choice Voucher program; and

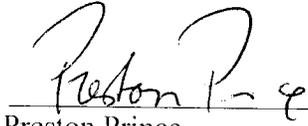
WHEREAS, this policy is intended to encourage families who are reporting zero income to participate in self-sufficiency programs that provide opportunities for greater economic success thereby increasing their income and reducing the HAP.

NOW, THEREFORE BE IT RESOLVED, that the Commissioners of the Housing Authority of the City of Aurora do hereby approve amendment VII to the Section 8 Administrative Plan.

Resolved and passed this 14th day of April, 2005 at the regular meeting of the Aurora Housing Authority Board of Commissioners.



Paul Reid, Chairman
Aurora Housing Authority



Preston Prince
Executive Director/Secretary

Amendment VII to the
Section 8 Administration Plan

Zero Income – Housing Authority participants who are **not** disabled or elderly and are reporting “zero income” will be required to participate in Stride’s Project Self-Sufficiency. The participant must contact a case manager within 30 days of reporting zero income and develop a individualized service plan for enhancing job skills and employment opportunities. Failure to successfully complete the self-sufficiency program is grounds for termination. The participant must be appropriately and adequately involved in the self-sufficiently program for the duration of the time they are reporting zero income. An interim reexamination will be scheduled every 6 months until the participant reports an income.

Participants who have filed for Social Security disability, unemployment, etc must show proof that they have filed an appeal or are waiting for a decision.

RESOLUTION NO. 359/AHA

RESOLUTION TO APPROVE AMENDMENT VIII
TO THE SECTION 8 ADMINISTRATIVE PLAN
Portability

WHEREAS, The United States Housing Act of 1937 provides that there shall be a local determination of the need for low-rent housing to meet the needs not being adequately met by private enterprise; and

WHEREAS, under provisions of the United States Housing Act of 1937, the Secretary of Housing and Urban Development is authorized to provide financial assistance to public housing agencies for low-rent housing; and

WHEREAS, the City has by Resolution 75-19, created the Housing Authority of the City of Aurora, Colorado with purposes including the undertaking and carrying out of preliminary planning and development of low-rent housing projects to assist in meeting goals of eliminating substandard and other inadequate housing; and

WHEREAS, the Housing Authority administers a federally funded Housing Choice Voucher program; and

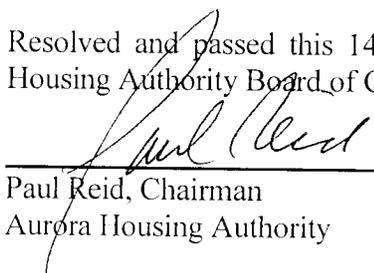
WHEREAS, the Housing Authority is required to provide a written administrative plan for discretionary policies pursuant to administration of the Housing Choice Voucher program; and

WHEREAS, on February 25, 2005, HUD issued Notice PIH 2005-9 (HA) that provides guidance on administrative flexibility and actions PHAs may take to reduce costs in the Housing Choice Voucher Program in accordance with the Consolidated Appropriations Act, 2005 (Public Law 108-447); and

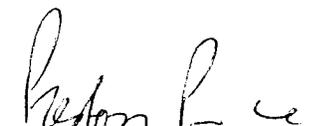
WHEREAS, the Housing Authority wishes to control is per unit cost for the Housing Choice Voucher Program by denying portability to higher cost areas if there are not sufficient funds in the current budget to subsidize the family in a higher cost area.

NOW, THEREFORE BE IT RESOLVED, that the Commissioners of the Housing Authority of the City of Aurora do hereby approve amendment VIII to the Section 8 Administrative Plan.

Resolved and passed this 14th day of April, 2005 at the regular meeting of the Aurora Housing Authority Board of Commissioners.



Paul Reid, Chairman
Aurora Housing Authority



Preston Prince
Executive Director/Secretary

Amendment VIII
to the Section 8 Administration Plan
4/5/05

Portability (982.314(e)(1)– Families will not be permitted to exercise portability if the HA does not have sufficient funds under its calendar year budget to subsidize families that move to a higher cost area. “Higher cost area” is defined as an area where a higher subsidy amount will be paid for a family because of higher payment standard or an area with “more generous” subsidy standards (e.g. the receiving PHA issues a 3-bedroom voucher to a family that received a 2-bedroom voucher from the initial PHA). The HA will need to contact the receiving PHA and confirm that the receiving PHA will not absorb the family. If the receiving PHA is willing to absorb, there are no grounds to deny the portability move.

The above denial will be based on the following formula:

Funding amount for current year divide by the number of vouchers available equaling a per unit cost of more than \$775.00 per month, will be denied as portability to a “higher cost area”.

A family whose voucher is funded by the HA may use the portability function of the housing choice voucher to move to an equal or lower cost jurisdiction.

Attachment E	Results of latest Public Housing Assessment System (PHAS) Assessment
-----------------	--



integrated assessment subsystem (nass)

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U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

June 04, 2005

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[individual reports](#)

PHAS Score Report for Fiscal Year 2004

PHA Information

PHA Code:	CO052	PHA Name:	Aurora Housing Authority	Fiscal Year End:	12/31
------------------	-------	------------------	--	-------------------------	-------

PHAS Score: 87 **Designation Status:** *Standard Performer* **PHAS Status:** *Released*

Select a PHAS indicator to view details relating to the composite score.

PHAS Indicator	Original Score	Maximum Score	Indicator/PHAS Explanation
Physical	26	30	Explanation
Financial	27	30	Explanation
Management	25	30	Explanation
Resident	9	10	Explanation
PHAS Total Score	87	100	

Last Updated: 05/19/2005

[PHAS Score Report](#)

[PHAS Scoring Packet \(printable version\)](#)

The sum of the indicators as displayed may not equal the composite PHAS score shown due to rounding.



[Download Acrobat Reader](#)

Comments or Questions? Contact the [REAC Technical Assistance Center](#).



Real Estate Assessment Center

PHAS Scoring Packet

Aurora Housing Authority

Fiscal Year 2004

Jun 4 2005 4:45PM

PHAS Physical Score Report For Fiscal Year 2004

Report Date: Jun 4 2005 4:45PM

PHAS Information

PHAS Code:	CO052	PHA Name:	Aurora Housing Authority	Fiscal Year End:	12/31
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Physical Score (rounded): 26

Number of Projects: 4

Inspection Release Date	Project ID	Inspection Number	Unit Count	Property (Development)	100 - Point Basis	30 - Point Basis
04/05/2005	CO06P052001	209831	131	BUCKINGHAM GARDENS PROJ 001	94c	28.1
04/05/2005	CO06P052007	209829	20	AURORA HOUSING AUTHORITY PROJ 007	84c*	25.1
03/30/2005	CO06P052008	209830	20	AURORA HOUSING AUTHORITY PROJ 008	70c*	21.1
03/28/2005	CO06P052002	209828	30	AURORA HOUSING AUTHORITY PROJ-002	60c*	18.0

The sum of sub_indicator scores may not be equal to the overall indicator score due to rounding.
 (1) Includes an adjustment for physical condition and neighborhood environment, where applicable.

* Smoke detector violation.

The letter "a" is given if no health and safety deficiencies were observed other than smoke detectors.
 The letter "b" is given if no one or more non-life threatening HS deficiencies, but no life threatening HS deficiencies were observed other than smoke detectors..
 The letter "c" is given if there were no one or more non-life threatening HS deficiencies observed.

PHAS Management Score Report For Fiscal Year 2004

Report Date: Jun 4 2005 4:45PM

PHAS Information

PHAS Code:	C0052	PHA Name:	Aurora Housing Authority	Fiscal Year End:	12/31
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Management Score (rounded): 25

Management Sub-Indicator (2)		Actual Score	Maximum Score
1	Vacant Unit Turnaround Time	2.61	5.22
2	Capital Fund	9.13	9.13
	Unexpended Funds Over Three Federal Fiscal Years (FFYs) Old	0.00	0.00
	Timeliness of Fund Obligation	3.04	3.04
	Adequacy of Contract Administration	1.52	1.52
	Quality of the Physical Work	3.04	3.04
	Adequacy of Budget Controls	1.52	1.52
3	Work Orders	2.61	5.22
	Emergency Work Orders	0.00	2.61
	Non-Emergency Work Orders	2.61	2.61
4	Annual Inspection of Dwelling Units and Systems	5.22	5.22
	Annual Inspection of Dwelling Units	2.61	2.61
	Annual Inspection of Systems Including Common Areas and Non-Dwelling Space	2.61	2.61
5	Security	5.22	5.22
	Tracking and Reporting Crime-Related Problems	1.74	1.74
	Screening of Applicants	1.74	1.74
	Lease Enforcement	1.74	1.74
	Drug Prevention and/or Crime Reduction Program Goals	0.00	0.00
6	Economic Self-Sufficiency	0.00	0.00
Total Management Scores		24.78	30.00

The sum of sub_indicator scores may not be equal to the overall indicator score due to rounding.

(2) 'Excluded' will be displayed in both the Actual and Maximum score columns when the PHA does not use the optional sub-indicators/components. The points will be reallocated to other sub-indicators/components by way of renormalization.

The Real Assessment Center calculated the PHAS score after an assessment of the physical condition of all PHA properties had been performed and upon receipt of all required PHA information.

Aurora Housing Authority

Fiscal Year 2004

Public Housing Assessment System Score

87

Designation Status

Standard Performer

Attachment F	Follow-up Plan to Results of the PHAS Resident Satisfaction Survey
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Follow-up Plan: CO052 - City of Aurora Housing Authority

Problem Identified: Resident Communications

The Aurora Housing Authority Staff is committed to improvement in this area as well as other areas of Customer Service and Satisfaction. In the area of Communications, we began a monthly newsletter in October of 2004 focused on our 120 units of near senior Public Housing development called Buckingham Gardens. We are in the process of initiating a bi-monthly newsletter focused on our Public Housing family scattered sites. This news letter is intended to share information on procedures and phone numbers to contact for various questions and maintenance problems; upcoming events in the City geared towards our neighborhoods and our children; job opportunities within our area and our Housing Authority; tid-bits on new-developments, property acquisitions or other news regarding the Housing Authority; reminders of rules and regulations and changes if they have occurred; notices of inspections for preventative maintenance and housekeeping; maintenance information/reminders such as what to do when we have severely cold weather, smoke detector reminders; and other information on a issue per issue basis. This cost of this newsletter will come out of our operating budget.

The Aurora Housing Authority is also in the process of the initiation of a web site that will have a resident and program participant section accessible by residents with a computer. The newsletter mentioned above will also be on the web site. The cost of the web-site will be part of the Housing Authority overhead operations.

In the Aurora Housing Authority's 5-year plan submitted in 2004, we stated we were going to initiate a Resident Advisory Committee comprised of participants of our programs as well as residents for our Public Housing, both senior and family. In the past we had used our senior property's resident council, Buckingham Gardens Resident Association, as our resident representative. We have made this change with the intention of hearing from a wider range of residents and participants than just this small senior population. This change will hopefully result in better communications with all participants.



RESIDENT ASSESSMENT

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FOLLOW UP PLAN CERTIFICATION

PHA Name: **AURORA HOUSING AUTHORITY** PHA Code: **CO052**

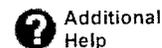
You have just certified the Follow-up Plan for your PHA. The final information for this fiscal year is displayed below. This information cannot be modified again during this assessment period. Please create a print-out of this screen for your records and as proof of your certification.

CO052 - AURORA HOUSING AUTHORITY Certified Follow up Plan

Fiscal Year End: December 31, 2004

Survey Section	Score	Date to be completed in the annual plan.	Source(s) of Funding
Maintenance and Repair	85.7%		
Communication	69.3%	03/23/2005	
Safety	79.1%		
Services	93.2%		
Neighborhood Appearance	76.3%		

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For Comments or Questions click here for the [REAC Technical Assistance Center](#)

If you experienced difficulties with screen accessibility, please call (888) 245-4860, or e-mail PHA_Survey_Feedback@hud.gov.

Attachment G	Results of latest Section 8 Management Assessment System (SEMAP)
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AURORA HOUSING AUTHORITY

Celebrating
30 *Years*

June 8, 2005

Ms. Linda Camblin
Director – Office of Public Housing
U.S. Department of Housing and Urban Development
1670 Broadway
Denver, CO 80202-4801

Dear Ms. Camblin:

This letter is in response to your correspondence dated May 5, 2005 that addressed the completion of the Section 8 Management Assessment Program (SEMAP) evaluation for the fiscal year ended (FYE) December 31, 2004 for the Aurora Housing Authority.

We received a final score of 79% and a score of “zero” (which is considered a SEMAP deficiency) on the following indicators:

- 3 – Determination of Adjusted Income
- 5 – HQS Quality Control

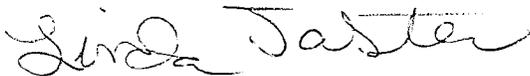
The Aurora Housing Authority has implemented procedures to correct these deficiencies for fiscal year 2005 and future reporting. The following are procedures adopted by the Aurora Housing Authority:

Indicator #3 – The Director of Assisted Housing (or designee) will perform QC audits monthly to determine if at the time of admission and reexamination, the AHA: verifies, correctly determines and validates through a third party, the adjusted annual income for each assisted family and whether the AHA uses the appropriate utility allowance for the unit leased in determining the gross rent. These audits will represent annual re-certifications, new lease-ups, and interim adjustments performed by each housing specialist to determine quality of work submitted, timely submission, and accuracy. The Aurora Housing Authority will be providing training for housing specialist for rent calculation to insure accuracy in the future.

Indicator #5 – The Director of Assisted Housing will perform HQS Quality Control inspections monthly on ten (10) units. Additionally a qualified person from the contract inspection agency will perform re-inspections during the fiscal year which meets the minimum sample size requirement for quality control purposes. These units will represent a cross-section of new lease-ups, annuals, pass/failed inspections.

The above actions have been taken to correct the SEMAP deficiencies. If you have any questions regarding these actions please feel free to call myself at (720) 251-2077 or Verna McIntosh, Director of Assisted Housing at (720)251-2080.

Sincerely,



 Preston Prince
Executive Director



**U.S. DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT**
REGION VIII, DENVER
1670 BROADWAY
DENVER, COLORADO 80202-4801

Office of Public Housing

May 5, 2005

Mr. Preston Prince
Executive Director
Aurora Housing Authority
10745 E., Kentucky Avenue
Aurora, CO 80012

Dear Mr. Prince:

The Department of Housing and Urban Development (HUD) has completed the Section 8 Management Assessment Program (SEMAP) evaluation of Aurora Housing Authority for your fiscal year ended (FYE) December 31, 2004.

You have a final score of 79 percent, as shown on the enclosed Scoring Report. The report also includes the score for each indicator.

Because your score fell between 60.00 and 89.99, Aurora Housing Authority is designated a Standard Performer.

The following individual indicators received a score of "zero" and is considered a SEMAP deficiency:

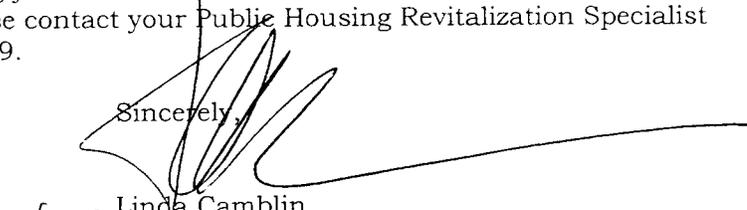
- 3 - Determination of Adjusted Income
- 5 - HQS Quality Control

Aurora Housing Authority may appeal its overall SEMAP rating by providing the reasons and supporting justification to OPH within 30 days of the receipt of this letter. If you do not appeal, this letter will serve as the final notification letter of your SEMAP score and status.

You must correct any SEMAP deficiency within 45 calendar days after receipt of this letter or receipt of the final resolution of an appeal and submit evidence of the actions taken to OPH. If you fail to correct the deficiency within 45 calendar days, a corrective action plan describing steps to be taken to correct the deficiency may be required.

If you have any questions regarding your SEMAP assessment or would like assistance in correcting any deficiencies, please contact your Public Housing Revitalization Specialist at (303) 672-5383 or (800) 377-2019.

Sincerely,


Linda Camblin
Director
Office of Public Housing

Enclosure
cc: Paul Reid, Chairperson
Board of Commissioners

Section 8 Management Assessment Program Scoring Report

PHA Name: Aurora Housing Authority
 PHA Code: CO052
 Assessment Period End Date: 12/31/04

No.	Indicator	Points Achieved	Possible Score
1	Selection from Waiting List	15	15
2	Reasonable Rent	20	20
3	Determination of Adjusted Income	0	20
4	Utility Allowance Schedule	5	5
5	HQS Quality Control	0	5
6	HQS Enforcement	10	10
7	Expanding Housing Opportunities	5	5
8	Payment Standards	5	5
9	Timely Annual Reexaminations	10	10
10	Correct Tenant Rent Calculations	5	5
11	Pre-Contract HQS Inspections	NA	NA
12	Annual HQS Inspections	5	10
13	Lease-Up	20	20
14	Family Self-Sufficiency	10	10
15	Deconcentration Bonus-5 points possible	0	*
	Total Score	110	140
	Percent Score	79%	100%

Attachment H	Capital Fund Program Evaluation Report
-----------------	--

Annual Statement/Performance and Evaluation Report
 Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I: Summary

PHA Name: Housing Authority of the City of Aurora, CO
 Grant Type and Number: Capital Fund Program Grant No: CO06PO5250105
 Replacement Housing Factor Grant No: Revised Annual Statement (revision no:)
 Final Performance and Evaluation Report

Federal FY of Grant: 2005
 PHA Year: 2005

Line No.	Summary by Development Account	Total Estimated Cost			Total Actual Cost	
		Original	Revised	Obligated	Expended	
1	Total non-CFP Funds					
2	0110 Initial Budget	\$239,633				
3	1406 Operations	\$				
4	1408 Management Improvements	\$ 68,466				
5	1410 Administration	\$ 34,233				
6	1411 Audit					
7	1415 Liquidated Damages					
8	1430 Fees and Costs					
9	1440 Site Acquisition					
10	1450 Site Improvement	\$				
11	1460 Dwelling Structures	\$				
12	1465.1 Dwelling Equipment—Nonexpendable					
13	1470 Nondwelling Structures					
14	1475 Nondwelling Equipment					
15	1485 Demolition					
16	1490 Replacement Reserve					
17	1492 Moving to Work Demonstration					
18	1495.1 Relocation Costs					
19	1499 Development Activities					
20	1501 Collateralization or Debt Service					
21	1502 Contingency					
23	Amount of Annual Grant: (sum of lines 2 – 20)	\$342,332.00				
24	Amount of line 21 Related to LBP Activities					
25	Amount of line 21 Related to Section 504 compliance					
26	Amount of line 21 Related to Security – Soft Costs					
27	Amount of line 21 Related to Security – Hard Costs					
	Amount of line 21 Related to Energy Conservation Measures	\$				

Annual Statement/Performance and Evaluation Report		Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I: Summary		Federal FY of Grant:	
PHA Name: Housing Authority of the City of Aurora, CO		Grant Type and Number Capital Fund Program Grant No: CO06PO5250104 Replacement Housing Factor Grant No:		2004 PHA Year: 2004	
<input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/ Emergencies <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 08/31/05		<input type="checkbox"/> Revised Annual Statement (revision no:) <input type="checkbox"/> Final Performance and Evaluation Report		Total Actual Cost	
Line No.	Summary by Development Account	Original	Revised	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations	\$ 64,153	\$	0	0
3	1408 Management Improvements	\$ 27,000	\$		
4	1410 Administration				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement	\$ 63,949	\$	0	0
10	1460 Dwelling Structures	\$195,700	\$	0	0
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Nondwelling Structures				
13	1475 Nondwelling Equipment				
14	1485 Demolition				
15	1490 Replacement Reserve				
16	1492 Moving to Work Demonstration				
17	1495.1 Relocation Costs				
18	1499 Development Activities				
19	1501 Collateralization or Debt Service				
20	1502 Contingency				
21	Amount of Annual Grant: (sum of lines 2 – 20)	\$350,802.00	\$	0	0
22	Amount of line 21 Related to LBP Activities				
23	Amount of line 21 Related to Section 504 compliance				
24	Amount of line 21 Related to Security – Soft Costs				
25	Amount of Line 21 Related to Security – Hard Costs				
26	Amount of line 21 Related to Energy Conservation Measures	\$			

Statement/Performance and Evaluation Report
 Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I: Summary
 Grant Name: Housing Authority of the City of Aurora, CO

Grant Type and Number
 Capital Fund Program Grant No: CO06/PO5250103
 Replacement Housing Factor Grant No:

Federal FY of Grant:
 2003
 PHA Year: 2004

Original Annual Statement Reserve for Disasters/ Emergencies
 Performance and Evaluation Report for Period Ending: 08/31/05
 Revised Annual Statement (revision no:)
 Final Performance and Evaluation Report

Summary by Development Account

	Total Estimated Cost			Total Actual Cost	
	Original	Revised	Obligated	Obligated	Expended
Total non-CFP Funds					
1406 Operations					
1408 Management Improvements	\$ 123,000	53,000	53,000		23,847.79
1410 Administration	\$ 23,500	15,860	15,860		
1411 Audit					
1415 Liquidated Damages					
1430 Fees and Costs					
1440 Site Acquisition					
1450 Site Improvement	\$ 51,000	62,000	62,000		15,546.55
1460 Dwelling Structures	\$105,410	172,050	172,050		39,725.88
1465.1 Dwelling Equipment—Nonexpendable					
1470 Nondwelling Structures					
1475 Nondwelling Equipment					
1485 Demolition					
1490 Replacement Reserve					
1492 Moving to Work Demonstration					
1495.1 Relocation Costs					
1499 Development Activities					
1501 Collateralization or Debt Service					
1502 Contingency					
Amount of Annual Grant: (sum of lines 2 – 20)	\$302,910	302,910	302,910		79,120.22
Amount of line 21 Related to LBP Activities					
Amount of line 21 Related to Section 504 compliance					
Amount of line 21 Related to Security – Soft Costs					
Amount of Line 21 Related to Security – Hard Costs					
Amount of line 21 Related to Energy Conservation Measures					
					\$

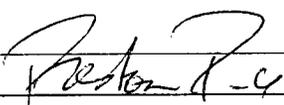
Attachment
I

Certifications for Capital Funds: HUD-50070, HUD-50071, SF-LLL

DISCLOSURE OF LOBBYING ACTIVITIES

Approved by OMB
0348-0046

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352
(See reverse for public burden disclosure.)

1. Type of Federal Action: <input checked="" type="checkbox"/> a. contract <input type="checkbox"/> b. grant <input type="checkbox"/> c. cooperative agreement <input type="checkbox"/> d. loan <input type="checkbox"/> e. loan guarantee <input type="checkbox"/> f. loan insurance	2. Status of Federal Action: <input checked="" type="checkbox"/> a. bid/offer/application <input type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award	3. Report Type: <input checked="" type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change For Material Change Only: year _____ quarter _____ date of last report _____
4. Name and Address of Reporting Entity: <input checked="" type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier _____, if known: Housing Authority of the City of Aurora 10745 E. Kentucky Ave. Aurora, CO 80012 Congressional District, if known:	5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime: Congressional District, if known:	
6. Federal Department/Agency: U.S. Dept. of Housing and Urban Development	7. Federal Program Name/Description: Capital Fund Program CFDA Number, if applicable: _____	
8. Federal Action Number, if known:	9. Award Amount, if known: \$	
10. a. Name and Address of Lobbying Registrant (if individual, last name, first name, MI):	b. Individuals Performing Services (including address if different from No. 10a) (last name, first name, MI): N/A	
11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.	Signature: <u></u> Print Name: <u>Preston Prince</u> Title: <u>Executive Director</u> Telephone No.: <u>720-251-2077</u> Date: <u>9/30/05</u>	
Federal Use Only:		Authorized for Local Reproduction Standard Form LLL (Rev. 7-97)

**Certification of Payments
to Influence Federal Transactions**

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

Applicant Name

Housing Authority of the City of Aurora

Program/Activity Receiving Federal Grant Funding

Capital Fund Program

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

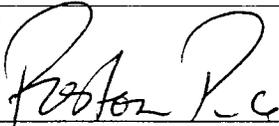
(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying, in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties.
(18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official	Title
Preston Prince	Executive Director
Signature	Date (mm/dd/yyyy)
	September 30, 2005

Certification for a Drug-Free Workplace

U.S. Department of Housing and Urban Development

Applicant Name

HOUSING Authority of the City of Aurora

Program/Activity Receiving Federal Grant Funding

Capital Fund Program

Acting on behalf of the above named Applicant as its Authorized Official, I make the following certifications and agreements to the Department of Housing and Urban Development (HUD) regarding the sites listed below:

I certify that the above named Applicant will or will continue to provide a drug-free workplace by:

a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Applicant's workplace and specifying the actions that will be taken against employees for violation of such prohibition.

b. Establishing an on-going drug-free awareness program to inform employees ---

- (1) The dangers of drug abuse in the workplace;
- (2) The Applicant's policy of maintaining a drug-free workplace;
- (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
- (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.

c. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph a.;

d. Notifying the employee in the statement required by paragraph a. that, as a condition of employment under the grant, the employee will ---

(1) Abide by the terms of the statement; and

(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

e. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph d.(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

f. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph d.(2), with respect to any employee who is so convicted ---

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs a. thru f.

2. Sites for Work Performance. The Applicant shall list (on separate pages) the site(s) for the performance of work done in connection with the HUD funding of the program/activity shown above: Place of Performance shall include the street address, city, county, State, and zip code. Identify each sheet with the Applicant name and address and the program/activity receiving grant funding.)

10745 East Kentucky Avenue
Aurora, Arapahoe County, CO 80012

Check here if there are workplaces on file that are not identified on the attached sheets.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

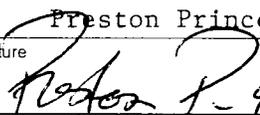
Name of Authorized Official

Preston Prince

Title

Executive Director

Signature

X 

Date

September 30, 2005

Attachment J	Results of most Recent Fiscal Year Audit of the PHA Conducted Under the Single Audit Act as Implemented by OMB Circular A-133, The Results of that Audit and the PHA's Response to Any Findings
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AURORA HOUSING AUTHORITY
BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2004

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INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the business-type activities and the major fund, of the Aurora Housing Authority, as of December 31, 2004, and for the year ended December 31, 2004, which collectively comprise the Authority's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Aurora Housing Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

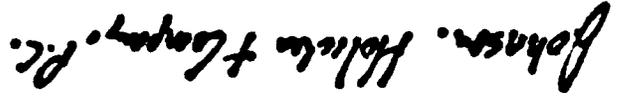
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, and major fund of the Aurora Housing Authority, as of December 31, 2004, and the respective change in financial position and cash flows, were applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated August 26, 2005 on our consideration of the Aurora Housing Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The management's discussion and analysis and other schedules shown as required supplementary information in the table of contents, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Aurora Housing Authority's basic financial statements. The additional supplementary information, including the Schedule of Federal Awards, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The additional supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.



August 26, 2005

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
(Required Supplementary Information)

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
Required Supplementary Information (RSI)
December 31, 2004

The discussion and analysis of the Aurora Housing Authority financial performance provides an overall review of the Authority's financial activities for the year ended December 31, 2004. The intent of this discussion and analysis is to look at the Authority's financial performance as a whole. Readers should also review notes to the financial statements and financial statements to broaden their understanding of the Authority's financial performance.

The Management Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments, issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

Financial Highlights

The Aurora Housing Authority is a .01% partner with two tax credit properties: the Residences at 6th Avenue and the Residences at Willow Park. The Residences at 6th Avenue is a two building apartment complex with 68 units with an average occupancy of 97% in 2004. The Residences at Willow Park is also a 68-unit complex located in southeast Aurora with an average occupancy of 99% in 2004.

In December 2004, Aurora Housing Authority acquired Summersong Townhomes which is located at 10052 East Evans Avenue. This is a 50-unit complex with an average occupancy of 100%.

Using the Basic Financial Statements

The Basic Financial Statements consists of Management Discussion and Analysis (this section) and a series of financial statements and notes to those statements. These statements are organized so that the reader can understand the Aurora Housing Authority as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The first two statements are government-wide financial statements - the Statement of Net Assets and the Statement of Activities. Both provide long and short-term information about the Authority's overall financial status.

The remaining statements are fund financial statements that focus on individual parts of the Authority's operations in more detail. The governmental fund statements would tell how general Authority services were financed in the short term as well as what remains for future spending. The Authority does not have any governmental funds. Proprietary fund statements offer short and long-term financial information about the activities that the Authority operates as a business. The Authority operates as a single proprietary fund with multiple departments. Fiduciary fund statements provide information about financial relationships where the Authority acts solely as a trustee or agent for the benefit of others to whom the resources in question belong. The Authority does not have any fiduciary funds.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

Financial Analysis of the Authority as a Whole

The Authority's total net assets were \$19,288,533 as of December 31, 2004 and \$17,471,267 as of December 31, 2003. This represents a change of \$1,817,266 or 10%. The increase is due to investment and development activities. The Authority's unrestricted net assets of \$5,193,786 represent 22.4% of total government-wide expenditures for the year ended December 31, 2004. As of December 31, 2003, this unrestricted net assets represented 31.4% of total government-wide expenditures.

The Authority's net capital assets increased by \$3,253,908 from 2003 to 2004. The majority of the increase is related to capital improvements to the existing portfolio.

Government-Wide Financial Statements

The government-wide statements report information about the Authority as a whole using accounting methods similar to those used by private businesses. The statements of net assets include all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the Authority's net assets and how they have changed. The change in net assets is important because it tells the reader that for the Authority as a whole, the financial position of the Authority has improved or diminished. The causes of this change may be the result of various factors, some financial, some not.

In the Statement of Net Assets and the Statement of Activities, the Authority is divided into two distinct kinds of activities:

Governmental Activities – All of the Authority's programs and services are reported here including instruction, support services, operations and maintenance of plant, pupil transportation and extracurricular activities. The Authority does not have any governmental activities, therefore this information is not shown.

Business-Type Activities – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The Authority treats all of its operations as Business-Type Activities.

CONDENSED STATEMENT OF NET ASSETS

TABLE 1

Business-Type Activities	
2004	2003
ASSETS	
Current Assets	\$ 3,524,903
Deposits Held In Trust	189,148
Restricted Deposits	1,266,535
Net Capital Assets	25,693,583
Other Long-Term Assets	5,151,570
Total Assets	<u>35,825,739</u>
LIABILITIES	
Current Liabilities	3,673,628
Deposits and Prepayment Liabilities	124,374
Long-Term Liabilities	12,739,204
Total Liabilities	<u>16,537,206</u>
NET ASSETS	
Invested in Capital Assets Net of Related Debt	12,639,064
Restricted Net Assets	1,455,683
Unrestricted Net Assets	5,193,786
Total Net Assets	<u>\$ 19,288,533</u>
Invested in Capital Assets Net of Related Debt	9,991,939
Restricted Net Assets	831,679
Unrestricted Net Assets	6,647,649
Total Net Assets	<u>\$ 17,471,267</u>

In December 2004, Aurora Housing Authority acquired the 50-unit Summersong Townhomes. This property was acquired using a combination of debt and equity sources. The investment of debt and equity will allow Aurora Housing Authority to preserve the subsidized housing and be able to perform \$19,000 per unit in renovations.

TABLE 2
CONDENSED STATEMENT OF ACTIVITIES AND
CHANGES IN NET ASSETS

	<u>Business-Type Activities</u>	
	<u>2004</u>	<u>2003</u>
REVENUES		
Program Revenues - HUD Programs		
Charges for Services	\$ 5,334,621	\$ 4,062,248
Operating Grants and Contributions	14,246,176	13,647,369
Capital Grants and Contributions	336,230	219,197
Total Program Revenues - HUD Programs	<u>19,917,027</u>	<u>17,928,814</u>
Program Revenues - Non-Assisted Programs		
Charges for Services	2,620,476	3,971,586
Operating Grants and Contributions	34,785	78,167
Capital Grants and Contributions	1,461,729	-
Total Program Revenues - Non-Assisted Programs	<u>4,116,990</u>	<u>4,049,753</u>
Total Program Revenues	<u>24,034,017</u>	<u>21,978,567</u>
EXPENSES		
HUD Programs	19,222,351	18,453,931
Non-Assisted Programs	2,994,400	2,733,247
Total Expenses	<u>22,216,751</u>	<u>21,187,178</u>
Change in Net Assets	1,817,266	791,389
Net Assets - Beginning	<u>17,471,267</u>	<u>16,679,878</u>
Net Assets - Ending	<u>\$ 19,288,533</u>	<u>\$ 17,471,267</u>

Several factors led to the increased amount of money spent on HUD programs. Compared to the previous year, Aurora Housing Authority assisted more families in the community. Also, during 2004, many participants either were unemployed or had their wages severely reduced and therefore their portion of the rent decreased while the housing assistance payment increased.

Reporting the Authority's Most Significant Funds

The analysis of the Authority's major funds begins immediately following the government wide financial statements. Fund financial reports provide detailed information about the Authority's major funds. The Authority's major fund is its Proprietary Fund.

Proprietary Funds - Proprietary funds have historically operated as enterprise funds using the same basis of accounting as business-type activities; therefore, these statements will essentially match the information provided in the statements for the Authority as a whole. As the Authority has only one fund, the narrative description of the changes in the government-wide financial statements is the same as those that would be presented on a fund level.

Capital Assets

As of December 31, 2004, the Authority had \$33,054,440 invested in a broad range of capital assets, including sites, buildings, and equipment. As of December 31, 2003, this amount was \$29,125,160. Total capital assets increased by \$3,929,281, while accumulated depreciation increased \$675,372.

TABLE 3
CAPITAL ASSETS

Business-Type Activities	
2004	2003
\$ 5,290,756	\$ 5,290,756
26,388,115	22,707,185
255,025	255,025
419,391	432,056
701,153	435,796
33,054,440	29,120,818
(7,360,857)	(6,681,143)
\$ 25,693,583	\$ 22,439,675

The combination of the acquisition of Summersong Townhomes and capital improvements made to existing properties contributed to the increase in capital assets.

Debt Administration

As of December 31, 2004 and 2003, the Authority had \$15,602,306 and \$12,447,736, respectively, of outstanding lines of credit and mortgages payable for a net change of \$3,154,570. The change is due to net line of credit advances totaling \$2,547,788, the acquisition of Summersong with a assumption of a \$1,461,729 HUD mortgage, and mortgage principal payments of \$653,597. Details of the mortgage and line of credit transactions can be found in Note 4 of the financial statements.

Contacting the Authority's Financial Management

This financial report is designed to provide a general overview of the Authority's finances, comply with finance-related laws and regulations and demonstrate the Authority's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the Authority's Administrative Office, 10745 East Kentucky Avenue, Aurora CO 80012.

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BASIC FINANCIAL STATEMENTS

AURORA HOUSING AUTHORITY

STATEMENT OF NET ASSETS

December 31, 2004

With Comparative Totals for December 31, 2003

GOVERNMENT-WIDE		Business-Type Activities	
2004		2003	
Cash	\$ 778,513	\$ 565,118	1,859,739
Investments	1,914,554		
Receivables:			
Tenant Receivables	79,150	27,854	231,331
Housing and Urban Development	151,337	172,206	245,048
Other	244,121	172,206	66,808
Due from Affiliates	293,045	245,048	
Prepaid Expenses	64,183	66,808	
TOTAL CURRENT ASSETS	3,524,903	3,168,104	
DEPOSITS HELD IN TRUST	189,148	174,095	
Tenant Security Deposits			
RESTRICTED DEPOSITS AND FUNDED RESERVES	1,266,535	657,584	
CAPITAL ASSETS	5,290,756	5,290,756	
Land & Improvements	26,388,115	22,707,185	
Buildings & Improvements	255,025	255,025	
Furniture and Equipment - Dwellings	419,391	432,056	
Furniture and Equipment - Admin	701,153	435,796	
Construction in Progress	33,054,440	29,120,818	
Less: Accumulated Depreciation	(7,360,857)	(6,681,143)	
TOTAL CAPITAL ASSETS	25,693,583	22,439,675	
OTHER ASSETS	118,372	529,028	
Investment in Partnerships	1,521,079	1,521,079	
Development Fees Receivable	168,598	168,598	
Construction Management Fees Receivable	3,343,521	1,881,792	
Note, Loans and Mortgages Receivable	5,151,570	4,100,497	
TOTAL OTHER ASSETS	5,151,570	4,100,497	
TOTAL ASSETS	35,825,739	30,539,955	

The accompanying notes are an integral part of the financial statements.

	GOVERNMENT-WIDE	
	Business-Type Activities	
	2004	2003
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable	\$ 282,479	\$ 47,861
Accounts Payable - HUD	269,664	54,127
Due to Affiliates	-	1,021
Mortgage Payable - Current	2,863,103	287,870
Accrued Salaries and Benefits	81,200	61,738
Accrued Leave	80,017	88,762
Accrued Interest	8,538	15,701
Accrued Liabilities - Other	88,627	211,339
TOTAL CURRENT LIABILITIES	3,673,628	768,419
DEPOSIT AND PREPAYMENT LIABILITIES		
Tenant Security Deposit	124,374	140,403
LONG-TERM LIABILITIES		
Mortgage Payable - Less Current Portion	12,739,204	12,159,866
TOTAL LIABILITIES	16,537,206	13,068,688
NET ASSETS		
Invested in Capital Assets Net of Related Debt	12,639,064	9,991,939
Restricted - Expendable	1,455,683	831,679
Unrestricted	5,193,786	6,647,649
TOTAL NET ASSETS	\$ 19,288,533	\$ 17,471,267

AURORA HOUSING AUTHORITY

STATEMENT OF ACTIVITIES

Year Ended December 31, 2004
 With Comparative Totals for the Year Ended December 31, 2003

		2004				2003			
NET (EXPENSES) REVENUES AND CHANGES IN NET ASSETS - BUSINESS - TYPE ACTIVITIES		EXPENSES	CHARGES FOR SERVICES	OPERATING REVENUES	GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS	NET ASSETS - BUSINESS - TYPE ACTIVITIES	NET ASSETS, Beginning	NET ASSETS, Ending
FUNCTIONS/PROGRAMS		\$ 19,222,351	\$ 5,334,621	\$ 14,246,176	\$ 34,785	\$ 336,230	\$ 694,676	\$ 22,216,751	\$ 19,288,533
Business - Type Activities									
HUD Programs		2,994,400	2,620,476	14,246,176	34,785	1,461,729	1,122,590	2,216,751	2,216,751
Non-Assisted Programs							1,817,266		
TOTAL GOVERNMENT		\$ 22,216,751	\$ 7,955,097	\$ 14,280,961	\$ 14,280,961	\$ 1,797,959	17,471,267	17,471,267	17,471,267
NET ASSETS, Beginning							17,471,267	17,471,267	17,471,267
NET ASSETS, Ending							\$ 19,288,533		\$ 19,288,533
FUNCTIONS/PROGRAMS		\$ 18,453,931	\$ 4,062,248	\$ 13,647,369	\$ 78,167	\$ 219,197	\$ (525,117)	\$ 21,187,178	\$ 17,471,267
Business - Type Activities									
HUD Programs		2,733,247	3,971,586	13,647,369	78,167	219,197	1,316,506	8,033,834	8,033,834
Non-Assisted Programs							791,389		
TOTAL GOVERNMENT		\$ 21,187,178	\$ 8,033,834	\$ 13,725,536	\$ 13,725,536	\$ 219,197	16,679,878	16,679,878	16,679,878
NET ASSETS, Beginning							16,679,878	16,679,878	16,679,878
NET ASSETS, Ending							\$ 17,471,267		\$ 17,471,267

The accompanying notes are an integral part of the financial statements.

AURORA HOUSING AUTHORITY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS -
 PROPRIETARY FUND

Year Ended December 31, 2004

With Comparative Totals for the Year Ended December 31, 2003

	2004	2003
OPERATING REVENUES		
Rental Income - Net	\$ 2,920,926	\$ 3,087,806
Other Tenant Revenue	67,877	90,082
TOTAL OPERATING INCOME	2,988,803	3,177,888
OPERATING EXPENSES		
Administrative Salaries	1,230,850	1,261,910
Auditing	10,876	8,949
Employee Benefits	365,664	345,176
Other Operating - Administrative	432,604	417,506
Tenant Services - Salaries	73,030	28,167
Water	133,989	111,645
Electricity	140,192	147,702
Gas	62,543	63,526
Fuel	274	480
O&M - Labor	156,231	228,674
O&M - Materials	73,329	85,862
O&M - Contracts	451,413	408,991
Insurance	162,504	142,351
Other General Expenses	246,650	229,485
Payments in Lieu of Taxes	29,572	37,623
Bad Debts - Tenant Rents	113,461	116,989
Interest Expense	753,435	788,656
Extraordinary Maintenance	81,255	130,560
Construction Projects	46,300	-
Housing Assistance Payments	16,952,223	15,964,526
TOTAL OPERATING EXPENSES	21,516,395	20,518,778
INCOME (LOSS) FROM OPERATIONS BEFORE DEPRECIATION	(18,527,592)	(17,340,890)
Depreciation	(700,356)	(668,400)
INCOME (LOSS) FROM OPERATIONS	(19,227,948)	(18,009,290)
OTHER INCOME (EXPENSES)		
HUD ACC & Subsidies	14,280,961	13,675,536
Capital Grant	336,230	219,197
Interest Income - Operations	85,039	44,836
Gain of Sale of Assets	-	469,200
Other Revenue	409,784	326,824
Portable Revenues	4,197,298	2,892,034
Management/Administrative Fees	241,574	223,375
Mortgage Assignment	1,461,729	-
Contributions from Related Party	-	50,000
Developer Fee Revenue	32,599	731,079
Construction Management Fees	-	168,598
TOTAL OTHER INCOME (EXPENSES)	21,045,214	18,800,679
NET INCOME (LOSS)	1,817,266	791,389
NET ASSETS, Beginning	17,471,267	16,679,878
NET ASSETS, Ending	\$ 19,288,533	\$ 17,471,267

The accompanying notes are an integral part of the financial statements.

AURORA HOUSING AUTHORITY

STATEMENT OF CASH FLOWS - PROPRIETARY FUND

Year Ended December 31, 2004
 With Comparative Totals for the Year Ended December 31, 2003
 Increase (Decrease) in Cash and Cash Equivalents

	2004	2003
Cash Flows From Operating Activities:		
Cash From Tenants & Others	\$ 3,096,079	\$ 2,988,195
Cash Paid Vendors & Others	(22,362,389)	(22,070,721)
Net Cash Flows Provided (Used) by Operating Activities	(19,266,310)	(19,082,526)
Cash Flows From Investing Activities:		
Purchase of Investments	(54,816)	122,792
Investment in Partnerships	410,656	(4,973)
Issuance of Notes Receivable	85,039	44,836
Interest Income	-	(468,000)
Net Cash Flows Provided (Used) by Investing Activities	440,879	(305,345)
Cash Flows From Capital and Related Financing Activities:		
Purchase of Fixed Assets	(3,954,262)	(777,622)
Other Non-Operating Revenues	5,845,330	4,946,629
(Repayment)/Issuance of Debt - net	3,154,571	228,131
Cash Transfers/Contributions	-	50,000
Net Cash Flows Provided (Used) by Capital and Related Financing Activities	5,045,639	4,447,138
Cash Flows From Non-Capital Financing Activities:		
Capital Grants	336,230	219,197
HUD - ACC Subsidy	14,015,994	13,511,711
HUD - Operating Subsidy	264,967	163,825
Net Cash Flows Provided (Used) by Non-Capital Financing Activities	14,617,191	13,894,733
Net Increase (Decrease) in Cash and Cash Equivalents	837,399	(1,046,000)
Cash and Cash Equivalents, Beginning	1,396,797	2,442,794
Cash and Cash Equivalents, Ending	\$ 2,234,196	\$ 1,396,794
Cash - Unrestricted	\$ 778,513	\$ 565,115
Cash - Tenant Security Deposits	189,148	174,095
Cash - Other Restricted	1,266,535	657,584
Total Cash and Cash Equivalents	\$ 2,234,196	\$ 1,396,794

(Continued)

The accompanying notes are an integral part of the financial statements.

AURORA HOUSING AUTHORITY

STATEMENT OF CASH FLOWS - PROPRIETARY FUND

Year Ended December 31, 2004

With Comparative Totals for the Year Ended December 31, 2003
Increase (Decrease) in Cash and Cash Equivalents

	2004	2003
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ (20,192,023)	\$ (19,090,371)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation	700,356	668,400
Changes in Assets and Liabilities:		
(Increase)/Decrease in:		
Net Receivables	(43,215)	(178,410)
Prepaid Assets	2,624	(22,444)
Interprogram Due From Due from Affiliates	(591,744)	(924,330)
Due from Affiliates	(47,997)	(41,145)
Increase/(Decrease) in:		
Accounts Payable	116,826	(7,870)
Accrued Wage/Payroll Taxes Payable	19,459	(436,751)
Accrued Compensated Absences - Current	(8,745)	13,872
Accrued Interest Payable	(7,164)	9,662
Accounts Payable - HUD	215,537	(61,770)
Tenant Security Deposits	(16,029)	(11,283)
Accrued Liabilities - Other	(4,919)	23,924
Interprogram Due To Due to Affiliates	591,745	983,392
	(1,021)	(7,402)
Total Adjustments	925,713	7,845
Net Cash Provided (Used) for Operating Activities	\$ (19,266,310)	\$ (19,082,526)

The accompanying notes are an integral part of the financial statements.

AURORA HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS

December 31, 2004

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Aurora Housing Authority (the Authority) conform to generally accepted accounting principles as applicable to governments.

The more significant of the Authority's policies are described below.

Reporting Entity

In evaluating how to define the government, for financial reporting purposes, the Authority's management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in Governmental Accounting Standards Board ("GASB") Statement No. 14, "The Financial Reporting Entity."

Based upon the application of these criteria, no entities will be included in the Authority's reporting entity.

The Aurora Housing Authority is not a component unit of the City of Aurora. The City contracts with the Authority to perform certain housing functions. The City does not exercise management control over the Authority.

Basis of Presentation

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) present financial information of the Authority as a whole. The reporting information includes all of the non-fiduciary activities of the Authority. For the most part, the effect of interdepartmental activity has been removed from these statements. These statements are to distinguish between the governmental and business-type activities of the Authority. Governmental activities normally are supported by taxes and intergovernmental revenues, and are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The Authority does not maintain any governmental activities.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the Authority. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include fees and charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program.

AURORA HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2004

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

Revenues that are not classified as program revenues are presented as general revenues. The effects of interfund activity have been eliminated from the government-wide financial statements.

Fund Financial Statements

The fund financial statements provide information about the Authority's funds. Separate statements for each fund category – governmental, proprietary and fiduciary – are normally presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds would be aggregated and reported as non-major funds. The fiduciary funds are presented separately. The Authority presently maintains only one proprietary fund consisting of multiple departments. The Authority treats this fund as a major fund.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

Measurement Focus and Basis of Accounting

Government-Wide and Proprietary Fund Financial Statements

Government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the same time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions in which the Authority gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants and donations. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

AURORA HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS

December 31, 2004

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus and Basis of Accounting (Continued)

All business-type activities and proprietary funds of the Authority follow FASB Statements and interpretations issued on or before November 30, 1989. Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

The Authority has implemented GASB Statement No. 34 *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*, and related standards. These new standards provide for significant changes in terminology and presentation and for the inclusion of Management’s Discussion and Analysis as required supplemental information.

Budgets and Budgetary Accounting

For the year ended December 31, 2004, budgets were adopted for all departments.

Prior to the end of the fiscal year, the Executive Director submits to the Board of Directors a proposed operating budget for the year commencing the following January 1. Budget includes proposed expenditures and the means of financing them.

The budget is legally enacted through approval of the Board. Any supplemental appropriations require approval of the Board.

The budgets are prepared using a non-GAAP basis. Capital expenditures are not budgeted but non-cash items such as depreciation and amortization are not included in the budget. Appropriations lapse at the end of each year.

Encumbrances

Encumbrance accounting is not utilized.

Property and Equipment

Property, plant and equipment are recorded at cost or at estimated cost where no historical records exist. Contributed assets are valued at estimated fair market value on the date received. Depreciation of assets is computed using the straight-line method over the estimated useful lives of the assets.

AURORA HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2004

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated Absences

The Authority accrues unused vacation, sick leave and personal leave. Employees earn 8 hours of personal leave per month and 12 hours after 5 years of employment with the Authority. Upon termination of employment, employees are paid for a maximum of 480 total hours of unused leave, according to personal policy. Total leave accrued at December 31, 2004 was \$80,017.

Short-Term Interfund Receivables/Payables

During the course of operations, transactions may occur between individual departments for the goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet. All amounts have been eliminated in the government wide financial statements. The Authority has also eliminated all interfund management fees in the fund level presentation.

Cash and Investments

Cash and cash equivalents include amounts in deposit accounts and short-term investments with a maturity of three months or less.

Accounts Receivable

Tenant accounts receivable are expensed as bad debts at the time they are determined to be uncollectible. No allowance for doubtful accounts has been established at December 31, 2004, as management believes all remaining amounts are substantially collectible.

Comparative Data

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the Authority's financial position and operations. However, comparative data has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to understand.

AURORA HOUSING AUTHORITY

**NOTES TO FINANCIAL STATEMENTS
December 31, 2004**

NOTE 2: CASH AND INVESTMENTS

Cash and investments at December 31, 2004, consisted of the following:

Cash - Unrestricted	\$ 778,513
Investments - Unrestricted	1,914,554
Tenant Security Deposits	189,148
Other Reserves	1,266,535
Total Cash and Investments	\$ 4,148,750

Cash Deposits

The Colorado Public Deposit Protection Act (PDPA), requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral determined by the PDPA. The institution is allowed to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. The Authority's deposits are categorized for credit risk as follows:

Category 1 - Deposits insured or collateralized with securities held by the Authority or by its agent in the Authority's name.

Category 2 - Deposits collateralized with securities held by the pledging financial institution's trust department or agent in the Authority's name.

Category 3 - Any deposit that is collateralized with securities held by the pledging institution, or by its trust department or agent but not in the Authority's name.

At December 31, 2004, the Authority's deposits had a carrying balance of \$2,234,196 and a corresponding bank balance as follows:

Insured	\$ 217,238
Collateralized in Single Institution Pool(s)	2,231,217
Total Cash Deposits	\$ 2,448,455
Bank	Balance

AURORA HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2004

NOTE 2: CASH AND INVESTMENTS (Continued)

Investments

Colorado statutes specify in which instruments the units of local government may invest, which include:

- Repurchase Agreements,
- Obligations of the United States or obligations unconditionally guaranteed by the United States,
- Obligations of the State of Colorado and most general obligations of units of local government,
- Federally insured mortgages and student loans,
- Participation with other local governments in pooled investment funds (trusts), these trusts are supervised by participating governments, and must comply with the same restrictions on cash deposits and investments.

The Authority's investments are categorized below to give an indication of the level of security assumed at year end.

Category 1 - Investments that are insured or registered or for which the securities are held by the Authority or its agent in the Authority's name.

Category 2 - Uninsured and unregistered investments for which the securities are held by the counter party's trust department or agent in the Authority's name.

Category 3 - Uninsured and unregistered investments for which the securities are held by the counter party or by its trust department or agent, but not in the Authority's name.

	<u>Category</u>			<u>Carrying Amount</u>	<u>Fair Value</u>
	<u>1</u>	<u>2</u>	<u>3</u>		
U.S. Agency Securities	<u>\$ -</u>	<u>\$ 1,783,795</u>	<u>\$ -</u>	<u>\$ 1,783,795</u>	<u>\$ 1,783,795</u>

The Authority also has \$130,759 invested in various money market mutual funds for which the underlying holdings can not be categorized.

AURORA HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS

December 31, 2004

NOTE 3: CAPITAL ASSETS

The following is the changes in business-type activity capital assets for the year ended December 31, 2004:

	Balance 12/31/2003	Additions	Deletions	Balance 12/31/2004
Land & Improvements	\$ 5,290,756	\$ -	\$ -	\$ 5,290,756
Buildings & Improvements	22,707,185	3,680,930	-	26,388,115
Building Equipment	255,025	-	-	255,025
Miscellaneous Equipment	432,056	4,249	16,914	419,391
Construction in Progress	435,796	701,153	435,796	701,153
Total Capital Assets	29,120,818	4,386,332	452,710	33,054,440
Less Accumulated Depreciation	(6,681,143)	(696,628)	(16,914)	(7,360,857)
Net Capital Assets	\$ 22,439,675	\$ 3,689,703	\$ 435,796	\$ 25,693,583

NOTE 4: LONG-TERM DEBT

A summary of changes in the Authority's long-term debt for the year ended December 31, 2004 is presented below:

	Balance 12/31/03	Additions	Payments	Balance 12/31/04
Mortgages Payable	\$ 11,491,808	\$ 754,579	\$ 653,597	\$ 11,592,790
Discretionary Line of Credit	-	1,745,500	-	1,745,500
Line of Credit Payable	961,928	777,934	937,574	802,288
Total Long-Term Debt	\$ 12,453,736	\$ 3,278,013	\$ 1,591,171	\$ 14,140,578

Mortgages payable consist of the following at December 31, 2004:

Mortgage payable - Fletcher Gardens, Citywide Banks, payable in monthly installments of \$14,046, including interest at 5.75%, matures July 2017. Secured by building and land. This note was a refinancing of an existing note during 2002. The current portion of this debt is \$83,706.

\$ 1,493,478

Mortgage payable - Kimberly Apartments, Citywide Banks, payable in monthly installments of \$2,325, including interest at 4.95%, matures August, 2024. Secured by building and land. The current portion of this debt is \$17,501.

570,839

AURORA HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2004

NOTE 4: LONG-TERM DEBT (Continued)

Mortgage payable - St. Croix Apartments, Citywide Banks, payable in monthly installments of \$1,809, including interest at 3.75%, matures November 2009. Secured by building and land. The current portion of this debt is \$14,812.	177,642
Mortgage payable - Kenton – First Avenue Apartments, Citywide Banks, payable in monthly installments of \$14,098 including interest at 5.75%, matures March 2017. Secured by building and land. The current portion of this debt is \$85,245.	1,477,658
Mortgage payable - First Avenue Apartments, Colorado Housing and Finance Authority, payable in monthly installments of \$38,826, including interest at 7%, matures September 2036. Secured by building and land. The current portion of this debt is \$52,179.	5,936,394
Mortgage payable - Ivy Hill Apartments, US Bank, payable in monthly installments of \$13,897, including interest at 5.48%, matures November 2008. Secured by building and land. The current portion of this debt is \$61,872.	1,936,779
Discretionary Line of Credit payable - \$9,000,000 line of credit maturing in December 2005. Interest rate as described in Note 14. This advance was repaid through the acquisition of permanent financing for the Summersong property in April 2005.	1,745,500
Mortgage Payable – HUD – Assigned to the Authority. Note is dated March 19, 2004 and bears interest at 1.5% per annum. Loan is payable from surplus cash. Secured by Summersong property. Matures April 1, 2034.	1,461,729
Line of Credit payable - \$1,000,000 line of credit maturing June 2005. Variable interest rate at one month reserve adjusted LIBOR plus 125 basis points per annum. Interest due quarterly.	<u>802,288</u>
Total Debt	15,602,306
Less: Current Portion	(315,315)
Line of Credit	<u>(2,547,788)</u>
Long-Term Portion	<u>\$ 12,739,204</u>

AURORA HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS

December 31, 2004

NOTE 4: LONG-TERM DEBT (Continued)

Mortgage debt service payments are due as follows:

Year ended December 31,	Principal	Interest	Total
2005	\$ 315,315	\$ 732,020	\$ 1,047,335
2006	334,153	713,177	1,047,330
2007	354,133	693,202	1,047,335
2008	374,811	672,524	1,047,335
2009	495,442	648,453	1,143,895
2010-14	2,279,840	2,801,861	5,081,701
2015-19	2,110,013	2,084,237	4,194,250
2020-24	1,586,048	1,791,180	3,377,228
2025-29	1,217,443	1,212,105	2,429,548
2030-34	3,187,607	604,490	3,792,097
2035-36	799,714	54,752	854,466
	<u>\$ 13,054,519</u>	<u>\$ 12,008,001</u>	<u>\$ 25,062,520</u>

NOTE 5: INTERDEPARTMENT ACCOUNTS

Due From	Due To
\$ 1,337	\$ 91,241
90,473	6,467
-	120,237
1,190	25,982
286,383	24,721
-	5,439
-	6,729
2	8,573
36,861	9,448
10,228	388,290
-	17,326
2,251,172	657,933
986,494	991,132
484,383	-
-	1,762,328
199,035	7,815
2,410	128,699
7,757	105,365
<u>\$ 4,357,725</u>	<u>\$ 4,357,725</u>

Public Housing
 Capital Fund Program
 Section 8 Vouchers
 Section 8 Portables
 Fletcher Gardens
 Section 8 Mod Rehab 002
 Section 8 Mod Rehab 003
 Section 8 Mod Rehab 004
 Kimberly
 St. Croix
 Single Family Homes
 Enterprise
 Management Fee
 Investment
 Summersong Townhomes
 Kenton 1st Ave. Apartments Phase I
 Kenton 1st Ave. Apartments Phase II
 Ivy Hill Apartments

Totals

AURORA HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2004

NOTE 6: DEFINED BENEFIT PENSION PLAN

Plan Description - The Authority contributes to the Municipal Division Trust Fund (MDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees Retirement Association of Colorado (PERA). MDTF provides retirement and disability, annual increases, and death benefits for members or their beneficiaries. All employees of the Authority are members of the MDTF. Title 24, Article 51 of the Colorado Revised Statutes (CRS), as amended, assigns the authority to establish benefit provisions to the State Legislature. PERA issues a publicly available annual financial report that includes financial statements and required supplementary information for the MDTF. That report may be obtained by writing to PERA of Colorado, 1300 Logan Street, Denver, Colorado 80203 or by calling PERA at 303-832-9550 or 1-800-759-PERA (7372).

Funding Policy - Plan members and the Authority are required to contribute at a rate set by statute. The contribution requirements of plan members and the Authority are established under Title 24, Article 51, Part 4 of the CRS, as amended. The contribution rate for members is 8.0% and for the Authority is 10% of covered salary. A portion of the authority's contribution is allocated for the Health Care Trust Fund (See Note 7). The Authority's contributions to MDTF for the years ending December 31, 2004, 2003, and 2002 were \$169,550, \$157,405, and \$151,228, respectively, equal to their required contributions for each year.

NOTE 7: POST EMPLOYMENT HEALTHCARE BENEFITS

Plan Description - The Authority contributes to the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer post employment healthcare plan administered by the PERA. The HCTF provides a health care premium subsidy to PERA participating benefit recipients and their eligible beneficiaries. Title 24, Article 51, Part 12 of the CRS, as amended, assigns the authority to establish the HCTF benefit provisions to the State Legislature. PERA issues a publicly available annual financial report that includes financial statements and required supplementary information for the HCTF. That report may be obtained by writing to PERA of Colorado, 1300 Logan Street, Denver, Colorado 80203 or by calling PERA at 303-832-9550 or 1-800-759-PERA (7372).

Funding Policy – For 2004, the Authority is required to contribute at a rate of 1.1% of covered salary for all PERA members for the period January 1, 2004 through June 30, 2004 and at 1.02% for the period July 1, 2004 through December 31, 2004 as set by statute. No member contributions are required. The contribution requirements for the Authority are established under Title 24, Article 51, Part 4 of the CRS, as amended. The apportionment of the contribution to the Health Care

AURORA HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS

December 31, 2004

NOTE 7: POST EMPLOYMENT HEALTHCARE BENEFITS (Continued)

Trust Fund is established under Title 24, Article 51, Section 208 of the Colorado Revised Statutes, as amended. The Authorities' contributions to HCTF for the years ending December 31, 2004, 2003, and 2002 were \$17,972, \$31,423, and \$38,013, respectively, equal to their required contributions for each year.

NOTE 8: NOTES RECEIVABLE

The Authority entered into a loan agreement with The Residences at 6th Avenue, LLC ("6th Avenue") in the amount of \$685,892. The Authority has a .01% equity interest in 6th Avenue and serves as managing member of the company. The loan bears interest at the rate of 2% per annum. Payments of principal and interest shall be paid annually from excess cash flows as defined in the 6th Avenue agreements. The unpaid principal and interest are due at maturity on December 31, 2018. The loan is secured by a deed of trust on the 6th Avenue property. As of December 31, 2004, the entire balance of the loan is outstanding.

The Authority entered into a loan agreement on February 1, 2001 with 6th Avenue in the amount of \$350,000. The loan was funded through a Community Development Block Grant received by the Authority from the City of Aurora. The loan bears interest at a rate of .5% per annum. Payments of principal and interest are deferred until maturity. The unpaid principal and accrued interest are due at maturity on December 31, 2018. The loan is secured by a deed of trust on the 6th Avenue property. As of December 31, 2004, the entire balance of the loan is outstanding.

The Authority entered into a loan agreement with 6th Avenue in the amount of \$377,900. The loan is non-interest bearing. The loan serves as a bridge loan. Payments of principal shall be made from the second and third capital contributions of the company's investor member as defined in the company agreements. An unpaid principal will be due and payable on January 31, 2004. As of the date of this report, payment had not been received. At December 31, 2004, the entire balance of the loan is outstanding.

The Authority entered into a loan agreement on December 27, 2002 with Mountainview Apartments, LLLP, (also known as the Residences at "Willow Park") in the amount of \$468,000. The Authority has a .01% equity interest in Willow Park and serves as managing member of the company. The loan bears interest at the rate of 4.92%. Payments of principal and interest shall be paid annually from excess cash flows as defined in the Willow Park agreements. The unpaid principal and interest are due at maturity on January 1, 2038. The loan is secured by a deed of trust on the Willow Park property. As of December 31, 2004, the entire balance of the loan is outstanding.

AURORA HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS

December 31, 2004

NOTE 8: NOTES RECEIVABLE (Continued)

The Authority is the beneficiary of a loan agreement owed by Summersong Townhomes, LLC. The Authority established a 100% subsidiary, Summersong Townhomes, LLC during 2004 which acquired property owned by Summersong Townhouses, L.P.. As part of the property settlement, Summersong Townhomes, LLC assumed a \$1,461,729 note payable owed to HUD. As part of the transaction, the Authority entered into a separate Agreement of Assignment whereby the Authority becomes the beneficiary of the HUD note agreement. The note bears simple interest at 1.5% per annum with payments to be made out of surplus cash as defined by the agreement. The Authority does not consider any portion of this note to be current. Summersong Townhomes, LLC sold the Summersong property to Summersong LLLP in April 2005 at which point Summersong LLLP assumed the HUD note payable. The Authority is a .01% partner in Summersong LLLP.

Note Receivable – 6 th Avenue	\$ 685,892
Note Receivable – 6 th Avenue - CDBG	350,000
Note Receivable – 6 th Avenue – Bridge	377,900
Note Receivable – Willow Park	468,000
Note Receivable – Summersong Townhomes, LLC	1,461,729
Total	<u>\$3,343,521</u>

NOTE 9: DEVELOPER FEES RECEIVABLE

On February 1, 2001, the Authority entered into a development services agreement with 6th Avenue, a related party, for services in connection with the development of the 6th Avenue project. The development services agreement provided for a fee of \$335,000. The agreement was subsequently amended during 2002 to provide for a fee to \$790,000. As of December 31, 2004, the Authority had earned the full \$790,000 fee; however, none of the amount had been paid.

In December 2002, the Authority entered into a amended development services agreement with Willow Park, a related party, for services in connection with the development of the Willow Park project. The development services agreement provides for a fee of \$731,079. As of December 31, 2004, the Authority had earned the \$731,079 fee; however, none of the amount had been paid.

Developer Fee Receivable – 6 th Avenue	\$ 790,000
Developer Fee Receivable – Willow Park	731,079
Total	<u>\$1,521,079</u>

AURORA HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS

December 31, 2004

NOTE 10: CONSTRUCTION MANAGEMENT FEE RECEIVABLE

The Authority assisted in the construction management of the Willow Park project. For providing these services the Authority earned a construction management fee of \$168,598, of which the entire balance was earned, but unpaid, at December 31, 2004.

NOTE 11: INVESTMENTS IN PARTNERSHIPS

The Authority has invested in two tax credit properties. The Authority has a .01% interest in both the 6th Avenue and Willow Park projects. These investments are shown using the equity method. The value of the investment in 6th Avenue at December 31, 2004 was a deficit of \$88, and the value of the investment in Willow Park was \$37,866. The Authority is also carrying an investment in Florence Square valued at \$80,594.

NOTE 12: RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority carries commercial insurance for these risks of loss.

NOTE 13: COMMITMENTS AND CONTINGENCIES

Claims and judgments - The Authority participates in a number of federal, state, and local programs that are fully or partially funded by grants received from other governmental units. Expenses financed by grants are subject to audit by the appropriate grantor government. If expenses are disallowed due to noncompliance with grant program regulations, the Authority may be required to reimburse the grantor government. As of December 31, 2004, significant amounts of grant expenses have not been audited, but the Authority believes that disallowed expenses, if any, based on subsequent audits will not have a material effect on any of the individual funds or the overall financial position of the Authority.

Tabor Amendment - Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local government. The Amendment is complex and subject to judicial interpretation. Management believes the Authority is exempt from the provisions of the Amendment.

AURORA HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS

December 31, 2004

NOTE 14: LINES OF CREDIT

Key Bank National Association has entered into two credit facility agreements with the Authority. The first facility is a secured line of credit for \$1,000,000. The agreement is collateralized by investments held by the Authority. The agreement requires different levels of collateral depending upon the type of security offered. These levels vary from \$1,000,000 of Key Bank time deposits for the \$1,000,000 line of credit to \$1,666,667 of pledged mutual funds to secure the line. The line matures June 20, 2005 and bears interest at the one month reserve adjusted LIBOR rate plus 125 basis points per annum. The loan requires quarterly interest payments. The Authority had total draws of \$777,933 on the line, had principal repayments of \$937,574, and a year end balance of \$802,288 (Note 4). The Authority paid \$20,583 of interest on the line.

The second facility is a \$9,000,000 discretionary secured line of credit. This line is to provide short-term bridge financing for residential housing projects in anticipation of permanent take-out financing. The financing can be used for site control, site due diligence, site acquisition, development, rehabilitation, and construction with respect to individual projects. It cannot be used for operations. Collateral will consist of a general revenue pledge as well as negative pledge on land and/or projects funded through the facility. All requests for funds must be reviewed and approved by the Bank. The Bank will require project documentation to meet internal lending requirements. The facility matures 12 months after closing. Principal will be due on demand. The line may be funded through taxable or tax-exempt issuances. The interest rate will vary based on the taxability of the issuance from an interest rate set at the one month reserve-adjusted LIBOR rate plus 200 basis points to a rate set at 65% of the sum of the one month reserve-adjusted LIBOR rate plus 384 basis points. Interest will be due monthly. The Authority has borrowed \$1,745,500 against this facility as of December 31, 2004, with the advance used in the acquisition of the Summersong Townhomes property. This advance was repaid as part of permanent financing obtained in April 2005.

ADDITIONAL SUPPLEMENTARY INFORMATION

COMBINING DEPARTMENTAL STATEMENTS

HUD PROGRAMS

SECTION 8 VOUCHERS DEN 940 V052	SECTION 8 PORTABLES	FLETCHER GARDENS	SECTION 8 MOD REHAB 002	SECTION 8 MOD REHAB 003	SECTION 8 MOD REHAB 004
\$ 33,689	\$ 12,337	\$ 66,109	\$ 34,741	\$ 206,500	\$ 573
-	-	-	-	-	-
-	-	21,166	-	-	-
3,387	-	-	-	-	8,579
-	86,845	-	-	-	-
-	-	105	-	-	-
-	-	-	-	-	-
-	-	4,873	-	-	-
-	1,190	286,383	-	-	2
-	-	-	-	-	-
<u>37,076</u>	<u>100,372</u>	<u>378,636</u>	<u>34,741</u>	<u>206,500</u>	<u>9,154</u>
-	-	92,278	-	-	-
-	-	2,803,368	-	-	-
-	-	89,373	-	-	-
-	-	52,686	-	-	-
-	-	-	-	-	-
-	-	3,037,705	-	-	-
-	-	(2,465,752)	-	-	-
-	-	571,953	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	571,953	-	-	-
<u>\$ 37,076</u>	<u>\$ 100,372</u>	<u>\$ 950,589</u>	<u>\$ 34,741</u>	<u>\$ 206,500</u>	<u>\$ 9,154</u>

HOUSING AUTHORITY OF THE CITY OF AURORA

COMBINING BALANCE SHEET (Continued)

December 31, 2004

NON-ASSISTED PROGRAMS

	KIMBERLY	ST. CROIX	SINGLE FAMILY HOMES	ENTERPRISE
ASSETS				
CURRENT ASSETS				
Cash - Unrestricted	\$ 2,186	\$ 687	\$ 1,020	\$ 839
Cash - Other Restricted	12,199	191,278	297	-
Cash - Tenant Security Deposits	11,853	5,538	571	-
Accounts Receivable - HUD	-	-	-	-
Accounts Receivable - Miscellaneous	-	-	-	-
Accounts Receivable - Tenants - Dwelling Rents	8,084	424	(300)	-
Investments - Unrestricted	-	-	-	-
Prepaid Assets	2,206	2,859	111	2,590
Interprogram Due From	36,861	10,228	-	2,251,172
Due from Affiliates	(1,469)	2,290	-	23,074
TOTAL CURRENT ASSETS	71,920	213,304	1,699	2,277,675
NONCURRENT ASSETS				
Land	-	-	-	-
Buildings	772,936	883,843	153,298	285,034
Furniture, Equipment and Machinery - Dwellings	764	12,303	-	-
Furniture, Equipment and Machinery - Administration	302	-	-	1,049
Construction in Progress	-	271,895	-	45,038
Total Capital Assets	774,002	1,168,041	153,298	331,121
Accumulated Depreciation	(303,708)	(165,731)	(40,186)	(64)
Net Capital Assets	470,294	1,002,310	113,112	331,057
Investments in Partnerships	-	-	-	80,594
Development Fees Receivable	-	-	-	-
Construction Management Fees Receivable	-	-	-	-
Notes, Loans and Mortgages Receivable - Non Current	-	-	-	-
TOTAL NONCURRENT ASSETS	470,294	1,002,310	113,112	411,651
TOTAL ASSETS	\$ 542,214	\$ 1,215,614	\$ 114,811	\$ 2,689,326

(Continued)

See the accompanying Independent Auditors' Report.

NON-ASSISTED PROGRAMS

MANAGEMENT ACCOUNT	INVESTMENT ACCOUNT	SUMMERSONG TOWNHOMES	KENTON 1ST AVE. APARTMENTS PHASE I	KENTON 1ST AVE. APARTMENTS PHASE II	IVY HILL APARTMENTS	TOTAL
\$ 236,391	\$ 60,599	\$ 55,915	\$ 34,338	\$ 20,711	\$ 7,893	\$ 778,513
87,979	-	293,107	42,913	525,073	46,904	1,266,535
-	-	7,726	21,487	47,651	19,215	189,148
-	-	-	-	-	-	151,337
81,860	75,416	-	-	-	-	244,121
-	-	(3,662)	6,908	14,011	14,182	79,150
-	1,914,554	-	-	-	-	1,914,554
9,262	-	6,498	4,256	9,476	3,653	64,183
986,494	484,383	-	199,035	2,410	7,757	4,357,725
267,561	-	-	-	-	-	293,045
<u>1,669,547</u>	<u>2,534,952</u>	<u>359,584</u>	<u>308,937</u>	<u>619,332</u>	<u>99,604</u>	<u>9,338,311</u>
-	-	-	-	950,000	450,470	5,290,756
546,712	96,881	2,894,381	2,809,152	5,316,170	2,578,118	26,388,115
-	-	-	-	-	-	255,025
127,144	-	-	50,011	52,208	18,223	419,391
-	-	-	-	-	-	701,153
673,856	96,881	2,894,381	2,859,163	6,318,378	3,046,811	33,054,440
(177,476)	(21,679)	-	(670,200)	(1,116,564)	(383,899)	(7,360,857)
496,380	75,202	2,894,381	2,188,963	5,201,814	2,662,912	25,693,583
-	37,778	-	-	-	-	118,372
-	1,521,079	-	-	-	-	1,521,079
-	168,598	-	-	-	-	168,598
-	3,343,521	-	-	-	-	3,343,521
<u>496,380</u>	<u>5,146,178</u>	<u>2,894,381</u>	<u>2,188,963</u>	<u>5,201,814</u>	<u>2,662,912</u>	<u>30,845,153</u>
\$ 2,165,927	\$ 7,681,130	\$ 3,253,965	\$ 2,497,900	\$ 5,821,146	\$ 2,762,516	\$ 40,183,464

HUD PROGRAMS

SECTION 8 VOUCHERS DEN 940 V052	SECTION 8 PORTABLES	FLETCHER GARDENS	SECTION 8 MOD REHAB 002	SECTION 8 MOD REHAB 003	SECTION 8 MOD REHAB 004
\$ 19,587	\$ 16,525	\$ 6,119	\$ -	\$ 1,870	\$ 780
-	-	5,957	-	-	-
-	7,825	7,754	-	-	-
-	-	4,705	-	-	-
-	-	-	28,504	196,859	-
-	-	19,420	-	-	-
-	-	83,706	-	-	-
-	-	-	-	-	-
<u>120,237</u>	<u>25,982</u>	<u>24,721</u>	<u>5,439</u>	<u>6,729</u>	<u>8,573</u>
<u>139,824</u>	<u>50,332</u>	<u>152,382</u>	<u>33,943</u>	<u>205,458</u>	<u>9,353</u>
-	-	1,409,772	-	-	-
<u>139,824</u>	<u>50,332</u>	<u>1,562,154</u>	<u>33,943</u>	<u>205,458</u>	<u>9,353</u>
-	-	(921,525)	-	-	-
-	-	21,166	-	-	-
<u>(102,748)</u>	<u>50,040</u>	<u>288,794</u>	<u>798</u>	<u>1,042</u>	<u>(199)</u>
<u>\$ (102,748)</u>	<u>\$ 50,040</u>	<u>\$ (611,565)</u>	<u>\$ 798</u>	<u>\$ 1,042</u>	<u>\$ (199)</u>

HOUSING AUTHORITY OF THE CITY OF AURORA

COMBINING BALANCE SHEET (Continued)

December 31, 2004

NON-ASSISTED PROGRAMS

	SINGLE FAMILY HOMES	ST. CROIX	KIMBERLY	ENTERPRISE
LIABILITIES				
CURRENT LIABILITIES				
Accounts Payable	\$ 61	\$ 74,421	\$ 1,898	\$ 799
Accrued Wage/Payroll Taxes Payable	87	6,937	1,576	9,097
Accrued Compensated Absences - Current	312	1,471	965	4,757
Accrued Interest Payable	-	-	-	-
Accounts Payable - HUD	-	-	-	-
Tenant Security Deposits	550	5,090	10,000	-
Current Portion of Long-Term Debt	-	14,812	17,501	2,547,788
Accrued Liabilities - Other	-	-	-	-
Interprogram Due To	17,326	388,290	9,448	657,933
TOTAL CURRENT LIABILITIES	18,336	491,021	41,388	3,220,374
LONG-TERM LIABILITIES				
Mortgage Payable - Less Current Portion	-	162,830	553,338	-
TOTAL LIABILITIES	18,336	653,851	594,726	3,220,374
NET ASSETS				
Invested in Capital Assets Net of Related Debt	113,112	824,668	(100,545)	331,057
Restricted	868	196,816	24,052	-
Unrestricted	(17,505)	(459,721)	23,981	(862,105)
NET ASSETS	\$ 96,475	\$ 561,763	\$ (52,512)	\$ (531,048)

See the accompanying Independent Auditors' Report.

NON-ASSISTED PROGRAMS

MANAGEMENT FEE ACCOUNT	INVESTMENT ACCOUNT	SUMMERSONG TOWNHOMES	KENTON 1ST AVE. APARTMENTS PHASE I	KENTON 1ST AVE. APARTMENTS PHASE II	IVY HILL APARTMENTS	TOTALS
\$ 37,273	\$ -	\$ 15,494	\$ 7,166	\$ 15,699	\$ 4,813	\$ 282,479
36,856	-	577	2,190	6,878	1,223	81,200
34,796	-	-	2,750	6,961	2,007	80,017
-	-	-	-	-	3,833	8,538
-	-	-	-	-	-	269,664
-	-	-	10,788	19,637	5,074	124,374
-	-	-	85,245	52,179	61,872	2,863,103
88,627	-	-	-	-	-	88,627
<u>991,132</u>	-	<u>1,762,328</u>	<u>7,815</u>	<u>128,699</u>	<u>105,365</u>	<u>4,357,725</u>
<u>1,188,684</u>	-	<u>1,778,399</u>	<u>115,954</u>	<u>230,053</u>	<u>184,187</u>	<u>8,155,727</u>
-	-	<u>1,461,729</u>	<u>1,392,413</u>	<u>5,884,215</u>	<u>1,874,907</u>	<u>12,739,204</u>
<u>1,188,684</u>	-	<u>3,240,128</u>	<u>1,508,367</u>	<u>6,114,268</u>	<u>2,059,094</u>	<u>20,894,931</u>
496,380	75,202	1,432,652	711,305	(734,580)	726,133	12,639,064
87,979	-	300,833	64,400	572,724	66,119	1,455,683
<u>392,884</u>	<u>7,605,928</u>	<u>(1,719,648)</u>	<u>213,828</u>	<u>(131,266)</u>	<u>(88,830)</u>	<u>5,193,786</u>
<u>\$ 977,243</u>	<u>\$ 7,681,130</u>	<u>\$ 13,837</u>	<u>\$ 989,533</u>	<u>\$ (293,122)</u>	<u>\$ 703,422</u>	<u>\$ 19,288,533</u>

HUD PROGRAMS

SECTION 8 VOUCHERS DEN 940 V052	SECTION 8 PORTABLES	FLETCHER GARDENS	SECTION 8 MOD REHAB 002	SECTION 8 MOD REHAB 003	SECTION 8 MOD REHAB 004
\$ -	\$ -	\$ 595,061	\$ -	\$ -	\$ -
-	-	13,282	-	-	-
-	-	608,343	-	-	-
-	7,825	90,408	-	-	-
4,499	-	386	521	631	411
600,645	-	53,712	65,909	81,810	51,759
-	-	30,813	-	-	-
-	-	8,683	-	-	-
34,785	-	-	-	-	-
-	-	12,684	-	-	-
-	-	24,774	-	-	-
-	-	22,353	-	-	-
-	-	274	-	-	-
-	-	16,736	-	-	-
-	-	7,744	-	-	-
-	-	56,045	-	-	-
-	-	17,349	-	-	-
-	-	16,625	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	89,507	-	-	-
-	-	5,242	-	-	-
-	-	-	-	-	-
10,400,423	4,148,734	-	727,005	1,030,207	645,854
11,040,352	4,156,559	453,335	793,435	1,112,648	698,024
(11,040,352)	(4,156,559)	155,008	(793,435)	(1,112,648)	(698,024)
-	-	(119,262)	-	-	-
(11,040,352)	(4,156,559)	35,746	(793,435)	(1,112,648)	(698,024)
11,377,295	-	-	793,397	1,112,500	698,017
-	-	-	-	-	-
480	-	330	38	148	9
-	-	386	-	-	-
-	4,197,298	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
11,377,775	4,197,298	716	793,435	1,112,648	698,026
337,423	40,739	36,462	-	-	2
-	-	-	-	-	-
(440,171)	9,301	(648,027)	798	1,042	(201)
\$ (102,748)	\$ 50,040	\$ (611,565)	\$ 798	\$ 1,042	\$ (199)

HOUSING AUTHORITY OF THE CITY OF AURORA

COMBINING STATEMENT OF INCOME, EXPENSES AND CHANGES IN NET ASSETS (Continued)

Year Ended December 31, 2004

NON-ASSISTED PROGRAMS

	KIMBERLY	ST. CROIX	SINGLE FAMILY HOMES	ENTERPRISE
OPERATING INCOME	\$ 130,526	\$ 76,251	\$ 10,172	\$ -
Rent Revenue - Net	4,156	2,635	465	-
Tenant Revenue Other	134,682	78,886	10,637	-
TOTAL OPERATING INCOME	138,838	81,522	11,102	-
OPERATING EXPENSES	9,784	12,413	998	189,360
Administrative Salaries	292	353	4	-
Auditing Fees	7,794	4,283	525	-
Employee Benefits - Administrative	7,882	6,955	244	41,396
Other Operating - Administrative	6,516	21,093	39	14,533
Tenant Services - Salaries	4,473	4,335	67	-
Water	3,782	3,754	596	-
Electricity	3,039	4,516	85	-
Gas	8,125	8,331	97	-
Fuel	-	-	-	-
O&M - Labor	10,433	10,943	9	6,888
O&M - Materials	3,238	5,922	808	6,968
O&M - Contracts	14,394	18,498	883	1,534
Insurance Premiums	8,066	8,707	283	-
Other General Expense	7,410	12,935	1,122	40,391
Payments in Lieu of Taxes	-	-	-	-
Bad Debt - Tenant Rents	6,253	8,674	328	-
Interest Expense	26,782	11,910	-	7,079
Extraordinary Maintenance	1,414	10,207	-	175
Construction Projects	-	-	-	46,300
Housing Assistance Payments	-	-	-	-
TOTAL OPERATING EXPENSES	129,677	153,829	6,088	354,624
INCOME (LOSS) FROM OPERATIONS	5,005	(74,943)	4,549	(354,624)
BEFORE DEPRECIATION	(89,459)	(30,685)	(14,094)	(64)
Depreciation Expense	(84,454)	(105,628)	(9,545)	(354,688)
INCOME (LOSS) FROM OPERATIONS	(84,454)	(105,628)	(9,545)	(354,688)
OTHER INCOME (EXPENSES)	-	-	-	-
HUD PHA Operating Grants	-	-	-	-
Capital Grants	-	-	-	-
Investment Income - Unrestricted	-	-	-	107
Other Revenue	1,440	262,890	3	57,467
Portable Revenue	-	-	-	-
Management/Administrative Fees	-	-	-	-
Mortgage Assignment	-	-	-	-
Developer Fee Revenue	-	-	-	32,599
TOTAL OTHER INCOME (EXPENSES)	1,440	262,890	3	90,173
NET INCOME (LOSS)	(83,014)	157,262	(9,542)	(264,515)
RESIDUAL EQUITY TRANSFERS	-	-	-	-
NET ASSETS, Beginning	30,502	404,501	106,017	(266,533)
NET ASSETS, Ending	(52,512)	561,763	96,475	(531,048)

See the accompanying Independent Auditors' Report.

NON-ASSISTED PROGRAMS

MANAGEMENT FEE ACCOUNT	INVESTMENT ACCOUNT	SUMMERSONG TOWNHOMES	KENTON 1ST AVE. APARTMENTS PHASE I	KENTON 1ST AVE. APARTMENTS PHASE II	IVY HILL APARTMENTS	TOTALS
\$ -	\$ -	\$ 14,640	\$ 430,796	\$ 837,539	\$ 310,553	\$ 2,920,926
-	-	-	8,949	19,790	7,857	67,877
-	-	14,640	439,745	857,329	318,410	2,988,803
749,679	-	119	19,308	46,739	14,858	1,230,850
-	-	-	1,970	532	450	10,876
-	-	-	26,674	51,776	19,188	964,075
182,876	-	58	11,069	25,225	7,162	365,664
279,079	592	-	13,011	26,786	12,633	432,604
28,425	-	-	-	-	-	73,030
-	-	-	14,225	27,338	10,467	133,989
73	-	-	4,783	12,017	3,263	140,192
1,801	-	-	4,306	8,415	3,269	62,543
-	-	-	-	-	-	274
1,114	-	400	22,606	49,286	13,169	156,231
416	-	-	6,799	15,213	3,855	73,329
69,193	-	(391)	42,014	99,363	32,550	451,413
28,305	-	591	12,892	27,353	10,571	162,504
400	-	28	20,202	47,304	17,774	246,650
-	-	-	-	-	-	29,572
-	-	-	17,015	60,083	13,838	113,461
-	-	-	88,229	432,205	97,723	753,435
-	-	-	21,818	29,216	9,773	81,255
-	-	-	-	-	-	46,300
-	-	-	-	-	-	16,952,223
1,341,361	592	805	326,921	958,851	270,543	22,480,470
(1,341,361)	(592)	13,835	112,824	(101,522)	47,867	(19,491,667)
(36,355)	(2,059)	-	(67,180)	(113,330)	(61,958)	(700,356)
(1,377,716)	(2,651)	13,835	45,644	(214,852)	(14,091)	(20,192,023)
34,785	-	-	-	-	-	14,280,961
-	-	-	-	-	-	336,230
768	77,013	2	457	5,199	200	85,039
2,844	25,648	-	10,296	37,127	10,513	409,784
-	-	-	-	-	-	4,197,298
1,205,649	-	-	-	-	-	1,205,649
-	1,461,729	-	-	-	-	1,461,729
-	-	-	-	-	-	32,599
1,244,046	1,564,390	2	10,753	42,326	10,713	22,009,289
(133,670)	1,561,739	13,837	56,397	(172,526)	(3,378)	1,817,266
-	-	-	-	-	-	-
1,110,913	6,119,391	-	933,136	(120,596)	706,800	17,471,267
\$ 977,243	\$ 7,681,130	\$ 13,837	\$ 989,533	\$ (293,122)	\$ 703,422	\$ 19,288,533

HUD PROGRAMS

SECTION 8 VOUCHERS DEN 940 V052	SECTION 8 PORTABLES	FLETCHER GARDENS	SECTION 8 MOD REHAB 002	SECTION 8 MOD REHAB 003	SECTION 8 MOD REHAB 004
\$ (264,023)	\$ (112,534)	\$ 465,910	\$ 10,919	\$ 204,368	\$ (646)
(11,084,430)	(4,137,544)	(455,555)	(794,559)	(1,114,917)	(698,938)
(11,348,453)	(4,250,078)	10,355	(783,640)	(910,549)	(699,584)
-	-	-	-	-	-
-	-	-	-	-	-
480	-	330	38	148	9
480	-	330	38	148	9
-	-	(11,159)	-	-	-
-	4,197,298	386	-	-	-
-	-	(78,731)	-	-	-
-	-	-	-	-	-
-	4,197,298	(89,504)	-	-	-
-	-	-	-	-	-
11,377,295	-	-	793,397	1,112,500	698,017
-	-	-	-	-	-
11,377,295	-	-	793,397	1,112,500	698,017
29,322	(52,780)	(78,819)	9,795	202,099	(1,558)
4,367	65,117	166,094	24,946	4,401	2,131
\$ 33,689	\$ 12,337	\$ 87,275	\$ 34,741	\$ 206,500	\$ 573
\$ 33,689	\$ 12,337	\$ 66,109	\$ 34,741	\$ 206,500	\$ 573
-	-	21,166	-	-	-
-	-	-	-	-	-
\$ 33,689	\$ 12,337	\$ 87,275	\$ 34,741	\$ 206,500	\$ 573

HOUSING AUTHORITY OF THE CITY OF AURORA

COMBINING STATEMENT OF CASH FLOWS (Continued)

Year Ended December 31, 2004

Increase (Decrease) in Cash and Cash Equivalents

NON-ASSISTED PROGRAMS

	SINGLE FAMILY HOMES	ST. CROIX	KIMBERLY	ENTERPRISE
Cash Flows From Operating Activities:				
Cash From Tenants & Others	\$ 5,782	\$ 153,857	\$ (135,274)	\$ (1,390,275)
Cash Paid Vendors & Others	(5,947)	(78,410)	(132,358)	(353,249)
Net Cash Flows Provided (Used) by Operating Activities	(165)	75,447	(267,632)	(1,743,524)
Cash Flows From Investing Activities:				
Purchase of Investments	-	-	-	-
Investment in Partnerships	-	-	-	393,451
Interest Income	-	-	-	107
Net Cash Flows Provided (Used) by Investing Activities	-	-	-	393,558
Cash Flows From Capital and Related Financing Activities:				
Cash Flows From Capital and Related Financing Activities:				
Purchase of Fixed Assets	(1,832)	(289,497)	-	(331,121)
Other Non-Operating Revenues	3	262,890	1,440	90,066
(Repayment)/Issuance of Debt - net	-	124,247	248,810	1,591,860
Cash Transfers/Contributions	-	-	-	-
Net Cash Flows Provided (Used) by Capital and Related Financing Activities	(1,829)	97,640	250,250	1,350,805
Cash Flows From Non-Capital Financing Activities:				
Capital and Other Government Grants	-	-	-	-
HUD - ACC Subsidy	-	-	-	-
HUD - Operating Subsidy	-	-	-	-
Net Cash Flows Provided (Used) by Non-Capital Financing Activities	-	-	-	-
Net Increase (Decrease) in Cash and Cash Equivalents	(1,994)	173,087	(17,382)	839
Cash and Cash Equivalents, Beginning	3,882	24,416	43,620	-
Cash and Cash Equivalents, Ending	\$ 1,888	\$ 197,503	\$ 26,238	\$ 839

(Continued)
See the accompanying Independent Auditors' Report.

NON-ASSISTED PROGRAMS

MANAGEMENT FEE ACCOUNT	INVESTMENT ACCOUNT	SUMMERSONG TOWNHOMES	KENTON 1ST AVE. APARTMENTS PHASE I	KENTON 1ST AVE. APARTMENTS PHASE II	IVY HILL APARTMENTS	TOTALS
\$ 243,358	\$ (96,806)	\$ 1,780,631	\$ 444,838	\$ 991,234	\$ 318,850	\$ 3,096,079
(1,318,441)	(592)	8,767	(318,851)	(939,328)	(270,371)	(22,362,389)
(1,075,083)	(97,398)	1,789,398	125,987	51,906	48,479	(19,266,310)
-	(54,816)	-	-	-	-	(54,816)
-	17,205	-	-	-	-	410,656
768	77,013	2	457	5,199	200	85,039
768	39,402	2	457	5,199	200	440,879
(1,390)	-	(2,894,381)	(47,268)	(16,170)	(13,500)	(3,954,262)
1,208,493	25,648	-	10,296	37,127	10,513	5,845,330
-	-	1,461,729	(80,950)	(48,661)	(63,733)	3,154,571
-	-	-	-	-	-	-
1,207,103	25,648	(1,432,652)	(117,922)	(27,704)	(66,720)	5,045,639
-	-	-	-	-	-	336,230
34,785	-	-	-	-	-	14,015,994
-	-	-	-	-	-	264,967
34,785	-	-	-	-	-	14,617,191
167,573	(32,348)	356,748	8,522	29,401	(18,041)	837,399
156,797	92,947	-	90,216	564,034	92,053	1,396,797
\$ 324,370	\$ 60,599	\$ 356,748	\$ 98,738	\$ 593,435	\$ 74,012	\$ 2,234,196
\$ 236,391	\$ 60,599	\$ 55,915	\$ 34,338	\$ 20,711	\$ 7,893	778,513
-	-	7,726	21,487	47,651	19,215	189,148
87,979	-	293,107	42,913	525,073	46,904	1,266,535
\$ 324,370	\$ 60,599	\$ 356,748	\$ 98,738	\$ 593,435	\$ 74,012	\$ 2,234,196

AURORA HOUSING AUTHORITY

COMBINING STATEMENT OF CASH FLOWS

Year Ended December 31, 2004

Increase (Decrease) in Cash and Cash Equivalents

HUD PROGRAMS

	PUBLIC HOUSING PROGRAM	FUND PROGRAM
	CAPITAL	

RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:

Operating Income (Loss) \$ (322,605) -

Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:

Depreciation 165,910 -

Changes in Assets and Liabilities: (Increase)/Decrease in:

Net Receivables (128,211) 98,304

Prepaid Assets -

(1,901) -

Interprogram Due From

83,279 (76,121)

Due from Affiliates

(1,589) -

Increase/(Decrease) in:

Accounts Payable (11,830) 36,769

Accrued Wage/Payroll Taxes Payable

4,811 (9,420)

Accrued Compensated Absences - Current

(3,269) -

Accrued Interest Payable

- 44,301

Accounts Payable - HUD

- 731

Tenant Security Deposits

- -

Accrued Liabilities - Other

22,898 (93,833)

Interprogram Due To

- -

Due to Affiliates

- 130,829

Total Adjustments

- -

Net Cash Provided (Used) for Operating Activities

\$ (191,776) -

HUD PROGRAMS

SECTION 8 VOUCHERS DEN 940 V052	SECTION 8 PORTABLES	FLETCHER GARDENS	SECTION 8 MOD REHAB 002	SECTION 8 MOD REHAB 003	SECTION 8 MOD REHAB 004
\$ (11,040,352)	\$ (4,156,559)	\$ 35,746	\$ (793,435)	\$ (1,112,648)	\$ (698,024)
-	-	119,262	-	-	-
(3,387)	(22,753)	1,001	-	1,622	79,664
-	-	3,802	-	-	-
101,405	(1,190)	(182,951)	31,766	-	-
-	-	-	-	-	-
(44,078)	11,190	(7,409)	(1,125)	(2,268)	(914)
-	-	1,870	-	-	-
-	7,825	(4)	-	-	-
-	-	(317)	-	-	-
-	-	-	(25,623)	196,859	-
-	-	(603)	-	-	-
-	-	(162)	1	(1)	-
(362,041)	(88,591)	40,120	4,776	5,887	(80,310)
-	-	-	-	-	-
(308,101)	(93,519)	(25,391)	9,795	202,099	(1,560)
\$ (11,348,453)	\$ (4,250,078)	\$ 10,355	\$ (783,640)	\$ (910,549)	\$ (699,584)

AURORA HOUSING AUTHORITY

COMBINING STATEMENT OF CASH FLOWS (Continued)

Year Ended December 31, 2004

Increase (Decrease) in Cash and Cash Equivalents

NON-ASSISTED PROGRAMS

	KIMBERLY	CROIX	HOMES	ENTERPRISE
	ST.		FAMILY	
	SINGLE			

RECONCILIATION OF OPERATING
INCOME (LOSS) TO NET CASH
PROVIDED (USED) BY OPERATING
ACTIVITIES:

Operating Income (Loss) \$ (84,454) \$ (105,628) \$ (9,545) \$ (354,688)

Adjustments to Reconcile Operating
Income (Loss) to Net Cash Provided
by Operating Activities:

Depreciation 89,459 30,685 14,094 64
Changes in Assets and Liabilities:
(Increase)/Decrease in:
Net Receivables (8,244) 2,208 (650) -
Prepaid Assets (50) (257) 18 (1,638)
Interprogram Due From (20,529) (229) - (1,786,935)
Due from Affiliates 1,469 (1,507) - (5,000)
Increase/(Decrease) in:
Accounts Payable (2,144) 68,831 (226) (1,457)
Accrued Wage/Payroll Taxes Payable 472 5,854 65 3,946
Accrued Compensated Absences - Current 585 990 283 523
Accrued Interest Payable (1,543) - - -
Accounts Payable - HUD - (1,543) - - -
Tenant Security Deposits (1,420) (589) (350) -
Accrued Liabilities - Other (1) 1 1 -
Interprogram Due To (241,232) 75,088 (3,855) 401,660
Due to Affiliates - (183,178) 181,075 9,380 (1,388,836)

Net Cash Provided (Used) for
Operating Activities

\$ (267,632) \$ 75,447 \$ (165) \$ (1,743,524)

See the accompanying Independent Auditors' Report.

NON-ASSISTED PROGRAMS

MANAGEMENT FEE ACCOUNT	INVESTMENT ACCOUNT	SUMMERSONG TOWNHOMES	KENTON 1ST AVE. APARTMENTS PHASE I	KENTON 1ST AVE. APARTMENTS PHASE II	IVY HILL APARTMENTS	TOTALS
\$ (1,377,716)	\$ (2,651)	\$ 13,835	\$ 45,644	\$ (214,852)	\$ (14,091)	\$ (20,192,023)
36,355	2,059	-	67,180	113,330	61,958	700,356
(10,361)	(39,161)	3,663	(1,128)	(6,048)	(9,734)	(43,215)
7,747	-	(6,498)	329	1,605	(533)	2,624
(461,081)	(37,940)	1,762,328	3,443	768	(7,757)	(591,744)
(41,370)	-	-	-	-	-	(47,997)
34,962	-	15,493	5,506	11,255	4,271	116,826
5,828	-	577	1,070	3,536	850	19,459
(20,856)	-	-	1,165	3,125	888	(8,745)
-	-	-	-	-	(5,304)	(7,164)
-	-	-	-	-	-	215,537
-	-	-	(2,766)	(9,230)	(1,802)	(16,029)
(4,761)	-	-	-	2	-	(4,919)
757,180	(19,705)	-	5,544	148,415	19,744	591,745
(1,010)	-	-	-	-	(11)	(1,021)
<u>302,633</u>	<u>(94,747)</u>	<u>1,775,563</u>	<u>80,343</u>	<u>266,758</u>	<u>62,570</u>	<u>925,713</u>
\$ (1,075,083)	\$ (97,398)	\$ 1,789,398	\$ 125,987	\$ 51,906	\$ 48,479	\$ (19,266,310)

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HUD REQUIRED INFORMATION

AURORA HOUSING AUTHORITY

December 31, 2004

ACTIVITIES OF THE PHA

The PHA had the following activities:

199	Public Housing Contract DEN-940
1,087	Section 8 Vouchers Annual Contributions Contract DEN-940 Project No.: V052-029 to 048
125	Moderate Rehab Annual Contributions Contract DEN-940 Project No.: C0052MR002
152	Moderate Rehab Annual Contributions Contract DEN-940 Project No.: C0052MR003
95	Moderate Rehab Annual Contributions Contract DEN-940 Project No.: C0052MR004
94	Fletcher Gardens Project No.: 101-35224

STATUS OF PRIOR YEAR AUDIT FINDINGS

No findings were reported in the prior year audit.

**Actual Comprehensive Grant
Cost Certificate**
Comprehensive Grant Program (CGP)

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

OMB Approval No. 477-0157
(Exp. 06/30/2005)

OFFICE OF PUBLIC HOUSING

PHA/IHA Name AURORA HOUSING AUTHORITY	Comprehensive Grant Number CO06P052501-01
	FFY of Grant Approval 2001

The PHA/IHA hereby certifies to the Department of Housing and Urban Development as follows:

1. That the total amount of Modernization Cost (herein called the "Actual Modernization Cost") of the Comprehensive Grant, is as shown below:

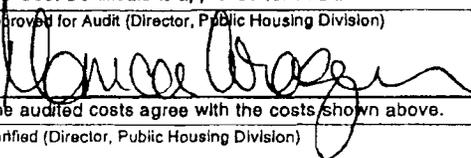
A. Original Funds Approved	\$ 387,806
B. Revised Funds Approved	\$ 387,806
C. Funds Advanced	\$ 387,806
D. Funds Expended (Actual Modernization Cost)	\$ 387,806
E. Amount to be Recaptured (A-D)	\$ 0
F. Excess of Funds Advanced (C-D)	\$ 0

2. That all modernization work in connection with the Comprehensive Grant has been completed;
3. That the entire Actual Modernization Cost or liabilities therefor incurred by the PHA have been fully paid;
4. That there are no undischarged mechanics', laborers', contractors', or material-men's liens against such modernization work on file in any public office where the same should be filed in order to be valid against such modernization work; and
5. That the time in which such liens could be filed has expired.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.
Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Signature 	Date 10/14/04
--	------------------

For HUD Use Only

The Cost Certificate is approved for audit.	
Approved for Audit (Director, Public Housing Division) 	Date 11/17/04
The audited costs agree with the costs shown above.	
Verified (Director, Public Housing Division)	Date
Approved (Field Office Manager)	Date

form HUD-52839 (2/92)
ref Handbook 7485.3

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
 HOUSING - FEDERAL HOUSING COMMISSIONER
 OFFICE OF MULTIFAMILY HOUSING MANAGEMENT AND OCCUPANCY

COMPUTATION OF SURPLUS CASH, DISTRIBUTIONS AND
 RESIDUAL RECEIPTS

PROJECT NAME First Avenue II
 FISCAL PERIOD ENDED 12/31/04
 PROJECT NUMBER 101-98017

PART A - COMPUTE SURPLUS CASH

1	Cash (Accounts 1110, 1120, 1191, 1192)	\$	68,361
2	Tenant subsidy vouchers due for period covered by financial statements		
3	Other (describe)		
(a)	Total Cash (Add lines 1, 2, and 3)	\$	68,361
4	Accrued mortgage interest payable	-	
5	Delinquent mortgage principal payments		
6	Delinquent deposits to reserve for replacements		
7	Accounts payable (due within 30 days)	15,699	
8	Loans and notes payable --		
	(due within 30 days)	4,210	
9	Deficient Tax Insurance or MIP Escrow Deposits	13,839	
10	Accrued expenses (not escrowed)	-	
11	Prepaid Rents (Account 2210)	19,637	
12	Tenant security deposits liability (Account 2191)		
13	Other (describe)		
(b)	Less Total Current Obligations (Add Lines 4 through 13)		53,385
(c)	Surplus Cash (Deficiency) (Line (a) minus Line (b))	\$	14,976
PART B - COMPUTE DISTRIBUTIONS TO OWNERS AND REQUIRED DEPOSIT TO RESIDUAL RECEIPTS			
1	Surplus Cash	\$	14,976
2a	Annual Distribution Earned During Fiscal Period Covered by the Statement		
2b	Distribution Accrued and Unpaid as of the End of the Prior Fiscal Period		
2c	Distributions Paid During Fiscal Period Covered by Statement Amount to be Carried on Balance Sheet as Distribution	-	
3	Earned but Unpaid (Line 2a plus 2b minus 2c)		
4	Amount Available for distribution during Next Fiscal Period	\$	14,976
5	Deposit Due Residual Receipts (must be deposited with Mortgagee within 60 days after Fiscal Period ends)		

PREPARED BY
 LOAN TECHNICIAN
 REVIEWED BY
 LOAN SERVICER
 DATE

**AURORA HOUSING AUTHORITY
 ADDITIONAL AUDIT REQUIREMENTS – FIRST AVENUE II
 December 31, 2004**

ACCOUNTS AND NOTES RECEIVABLE (Other than from Regular Tenants)

<u>Name of Borrower</u>	<u>Original Date</u>	<u>Terms</u>	<u>Original Amount</u>	<u>Balance Due</u>
None indicated				

DELINQUENT TENANT ACCOUNTS RECEIVABLE

	<u>Number of Tenants</u>	<u>Amount Past Due</u>
Accounts Receivable	\$ -	\$ -

MORTGAGE ESCROW DEPOSITS

Estimated amount required for futures payment of:

Mortgage Insurance		
Total		\$ 16,399
Total Confirmed		<u>16,399</u>
Amount of Deposit in Excess of Estimated Requirements		<u>\$ -</u>

TENANT SECURITY DEPOSITS

Tenant security deposits are held in a separate bank account in the name of the project. Tenant security deposits on deposit exceed the amount owed to tenants.

RESERVE FOR REPLACEMENTS

In accordance with the provisions of the regulatory agreement, restricted cash is held by Citywide Bank to be used for replacement of property with the approval of HUD as follows:

	<u>Replacement Reserve</u>	<u>Residual Receipts</u>
Beginning balance, December 31, 2003	\$ -	\$ 164,918
Deposits	-	31,991
Interest income	-	<u>1,853</u>
Ending balance, December 31, 2004 Confirmed by Mortgagor	<u>\$ -</u>	<u>\$ 198,762</u>

**AURORA HOUSING AUTHORITY
 ADDITIONAL AUDIT REQUIREMENTS – FIRST AVENUE II
 December 31, 2004**

ACCOUNTS PAYABLE (Other Than Trade Creditors)

Payable within 30 days

Detail of payable due in more than 60 days:

None indicated

ACCRUED TAXES

None

COMPENSATION OF PARTNERS

There are no partners and no compensation was made.

CHANGES IN CAPITAL ASSETS

Land
 Buildings
 Furniture, Equipment and Machinery - Administration
 Total Capital Assets
 Accumulated Depreciation
 Net Capital Assets

	Balance 12/31/03	Additions	Deletions	Balance 12/31/04
\$	950,000	\$ -	\$ -	\$ 950,000
	5,300,000	16,170	-	5,316,170
	52,208	-	-	52,208
	6,302,208	16,170	-	6,318,378
	(1,003,234)	(113,330)	-	(1,116,564)
\$	5,298,974	\$ (97,160)	\$ -	\$ 5,201,814