



City of Billings South Billings Boulevard
Urban Renewal District

Tax Increment Finance Assistance
Application

For Public/Private Development Projects

Information & Application

Please return to:

South Billings Urban Renewal Association
PO Box 21271
Billings, MT 59104

Tax Increment Finance (TIF) assistance application process for public infrastructure assistance

IMPORTANT: The material below outlines the Tax Increment Finance Assistance application process and the responsibilities of the Applicant and the South Billings Urban Renewal Association, Inc. (SBURA). Please review this information carefully before submitting the application or finalizing your development plans.

Failure to receive approval of a completed application BEFORE construction begins may affect the Applicant's eligibility for Public Infrastructure Tax Increment Financing assistance from the City of Billings.

INTRODUCTION

In May 2019, City of Billings and the SBURA executed a Memorandum of Understanding pertaining to SBURA's management of the South Billings Boulevard District ("the District"), pursuant to Montana Urban Renewal Law Title 7 Chapter 15 Part 42 Montana Code Annotated, (MCA) "Urban Renewal." This Memorandum of Understanding is incorporated by reference to this application. Tax Increment Financing (TIF) is an important element in facilitating public urban renewal activities that assist and enhance private development opportunities within the District. A TIF program operates by first establishing a base year taxable value for all properties within the urban renewal district. Property taxes continue to be paid to all taxing jurisdictions based on the base year valuation. All increases in property taxes above this base valuation due to new development or reappraisals are assigned to the TIF District. These funds are then used for district revitalization activities.

The SBURA offers tax increment financing assistance for public infrastructure components of projects developed within the boundaries of the South Billings Boulevard TIFD.

TAX INCREMENT FINANCING ASSISTANCE PARAMETERS

Each project is unique. TIF assistance shall be based upon criteria outlined in the Criteria for Review section. TIF assistance may be awarded for eligible costs as defined in 2019 Montana Code Annotated Title 7, Chapter 15, Part 42. Generally, awards are limited to 20% of eligible costs (see Memorandum of Understanding) which reflects a 5 to 1 private-to-public dollar matching ratio.

ELIGIBLE ACTIVITIES

As specified by 2019 Montana Code Annotated Title 7, Chapter 15, Part 42, TIF funds may be used to complete certain urban renewal activities. The SBURA will place special emphasis on those projects that implement the South Billings Boulevard Urban Renewal Plan, particularly mixed-use developments.

APPLICATION PROCESS AND TIMELINE

Anyone seeking TIF assistance from the SBURA must submit a written application for each TIF-assisted project. The following procedure has been developed to expedite the review of TIF funding requests.

1. Initial Contact. Contact the SBURA Representative, Jim Tevlin at 406-670-5883 or via email at jtev1960@gmail.com, to discuss the project and determine preliminary eligibility for TIF assistance.
2. Prepare a Written Application. The Applicant must prepare a written application for each project assistance request. For all TIF requests, the Applicant must complete a "Developer's Statement of Qualification and Financial Responsibility" which includes submittal of personal financial statements.
3. SBURA Staff Review. Upon submittal of all necessary information, SBURA staff will review the project and the need for funding. At any point in the review process the staff may request more information of the Applicant or solicit comment on the project from other public agencies. Items included in personal financial statements will not be subject to public review or presentation to or comment by other public entities.
4. SBURA Board Review. The SBURA Board will review the application and staff recommendations. The Board reserves the right to seek additional project review from other public agencies. The Board will issue preliminary approval/disapproval of the assistance request or any part thereof and will make a recommendation to the City Council.

5. City Council Review. Projects receiving approval by the SBURA Board will be forwarded to the Billings City Council through the City of Billings Planning and Community Services Department for final approval and consideration of a Development Agreement that will clearly describe the public investment required to be applied towards public infrastructure and/or development improvements within the public right of way. City Council approval is required before the City will enter a Development Agreement with the Applicant.

6. Development Agreement. The City and the Applicant must execute a mutual agreeable legally binding Development Agreement which establishes the terms and conditions of TIF assistance. Sample Development Agreements are available at the City/County Planning Division office for reference. The Development Agreement may include, but is not limited to, the following:
 - Complete architectural design specifications and site plan
 - Time frame for project development, construction and completion
 - Specifications for release of funds related to public infrastructure
 - Cash flow and pro forma statements for a minimum of five years of the development
 - Terms and conditions of the various financings
 - Commitment letters and loan documents related to the various financings
 - Ownership of completed development
 - Events of default; remedies
 - Zoning approval
 - Tenant commitments
 - Non-liability of city officials
 - Cause for termination

7. Timing. SBURA staff will expedite processing of fully completed applications when received.

COMMITMENT OF FUNDS

Upon City Council approval of a project, the approved funds will be budgeted. Budgeted funds will be encumbered for a grace period of 180 days, by which time construction must have commenced. Commencement of construction means the date on which the first building permit is issued. Projects that have not commenced construction within 180 days are at risk for losing the committed funds.

Funds will be released as specified by the Development Agreement. Depending on the nature of each individual project, funds may be released as a lump sum payment or multiple payments made over subsequent fiscal years. The Development Agreement will specify the payment terms. Funds may be released according to one of the following methods.

1. Release of funds following project completion. Funds will be released upon the project's receipt of a Certificate of Occupancy from the City of Billings' Building

Division. If necessary, the City will encumber funds for additional fiscal years to accommodate construction schedules.

2. Release of funds over a multi-year repayment schedule. Prior to a project receiving a TIF assistance payment, a Certificate of Occupancy shall be provided to the project by the City of Billings Building Division. Subject to payment amounts and funding availability, multiple payments may be required. TIF assistance payments may be made according to an agreed upon payment schedule. This schedule will be contained within the Development Agreement.

Funds will be released only if the project is developed and constructed essentially as presented in the Development Agreement.

SBURA TAX INCREMENT FINANCING ASSISTANCE APPLICATION

Project Name: South Hills Commons

Date Submitted: 3/20/2026

APPLICANT INFORMATION

1. **Name:** HAB Development
2. **Address:** 2415 First Ave N, Billings, MT 59101
3. **Telephone Number:** (406) 850-4408

PROJECT INFORMATION

1. **Building Address:** South Hills Commons Development Site, (4317 King Ave E)
2. **Legal Description:** S09, T01 S, R26 E, C.O.S. 2128M, PARCEL 2A, 2ND AMND TR 2
4.427 AC
3. **Ownership:** HAB Development Corporation
4. **Address:** 2415 First Ave, Billings, MT 59101
5. **If property is not owned by the applicant, list interests (attach evidentiary materials)**
Lessor's name: NA
Lessor's Address: NA
6. **Existing / Proposed Businesses:** Residential Home Ownership
7. **Business Description:** 1,299 to 1,676 sqf., 3 Bedrooms, 2-2.5 Baths, 2 Car Garages
8. **Employment: Existing FTE Jobs:** NA
9. **New Permanent FTE jobs created by projects:** 0 **Construction FTE Jobs:** 45-60
10. **Architectural Firm:** Springer Group Architects
Address: 626 E Cotton Wood St A, Bozeman, MT 59715

Representative: Gene Mickolio

11. Description of Project: (attach narrative explanation)

See attached (previously submitted application document).

12. Rehabilitation / Construction Plans: (Attach schematics, site and landscaping plans)

See attached (all drawings and specs emailed to SBURA board).

CRITERIA FOR REVIEW

Materials contained in TIF Assistance applications are used to assess the merits of projects in relation to the goals and objectives of the South Billings Urban Renewal Master Plan and in relation to other District development and urban renewal projects. Projects will be evaluated based on the following criteria.

For items 1-11 listed below, see attached (previously submitted application document) for further explanation

1. **Relevance to the South Billings Urban Renewal Master Plan** - This document is available on SBURA's website (www.southbillings.org)
2. **Economic Stimulus** - The amount of economic activity to be generated by the project.
3. **Tax Generation** - The increase in taxable value due to new construction/rehabilitation as estimated by the County Assessor's office.
4. **Employment Generation** - Total employment generated by the project assessed in terms of new payment and part-time jobs and construction jobs.
5. **Elimination of Blight** - The project's direct and indirect impact on the physical and fiscal condition within the District.

6. **Special or Unique Opportunities** - The extent to which the project represents a unique opportunity, meets a special need, or addresses community goals. The provision of public space or workforce housing are examples of special and unique opportunities.
7. **Impact Assessment** - The extent of both positive and negative environmental impacts appropriateness of the project design, and impact on existing businesses or residents.
8. **Financial Assistance** - Other forms of financing available to the Applicant i.e. lender participation and state and federal grant monies.
9. **Project Feasibility** - Demonstration of market demand for the project.
10. **Developer's Ability to Perform** - Applicant's capability to undertake the relative complexities of the project based on past performance on similar or comparable projects.
11. **Timely Completion** - The feasibility of completing the project according to the Applicant's project schedule.

PROJECT COSTS

Land and Site Improvements (Itemized)

| | |
|---------------------------------|-----------------------|
| 1. Equity in Land and Buildings | \$600,000.00 |
| 2. Site Improvements | \$2,497,457.50 |
| 3. Utility Services | \$96,000 |
| 4. | \$0 |
| Subtotal | \$3,193,457.50 |

Construction / Rehabilitation Costs (or attach separate statement) See Attached.

| | |
|-------------------------------|------------------------|
| 1. Mayfly (1,299 sq ft) X 4 | \$1,508,199.36 |
| 2. Caddis (1,348 sq ft) X 6 | \$2,265,659.04 |
| 3. Nymph (1,378 sq ft) X 5 | \$1,897,569.20 |
| 4. Duplex (1,676 sq ft) X 2 | \$771,011.68 |
| 5. Triplex (1,676 sq ft) X 18 | \$6,949,588.32 |
| Subtotal | \$13,392,027.60 |

Fees

| | |
|---------------------------------------|----|
| 1. Architectural Design / Supervision | NA |
| 2. Permits | NA |
| 3. Other Fees | NA |
| Subtotal | NA |

PROJECT FINANCING

Please complete sources of Funds detail and summarize below.

Developer Equity

| | |
|------------------|-------------------------------------|
| Cash Invested | \$2,593,457.50 |
| Land & Buildings | \$600,000 |
| Other (Specify) | \$10,198,570.10 |
| | See attached financial statement |
| Subtotal | \$13,392,027.60 |

Lender Commitments (Attach evidence i.e. letters of credit or other documentation)

Lender participation and commitment letters for vertical construction will be provided prior to completion of site improvements.

| Lender | Loan Amount | Interest | Term | |
|-------------------|-------------|----------|-----------|-----------------|
| Payment / Period | | | | |
| _____ | \$ _____ | _____ % | _____ yrs | \$ _____ /month |
| _____ | \$ _____ | _____ % | _____ yrs | \$ _____ /month |
| Total loan amount | | | | \$ _____ |

DEVELOPER STATEMENT OF QUALIFICATIONS & FINANCIAL RESPONSIBILITY

Applicant

1. Name: HAB Development
Address: 2415 First Ave N, Billings MT, 59101
2. If the applicant is not an individual doing business under his/her own name, the applicant has the status indicated below and is organized or operating under the laws of Montana.
3. The Applicant is:
_____ A corporation
 A nonprofit or charitable institution or corporation
_____ A partnership known as _____
_____ Other (Explain): _____
Date of organization: 5/18/1994
4. Name, Address, title of position (if any), and nature and extent of the interest of the officers and principal members, principal shareholders, investors, or partners of the applicant.

Name and Address

Patti webster _____

Nature and Extent of Interest

CEO _____

Financial Condition

1. Provide a current financial statement for each private entity involved in the project documentation of financial capacity may include net worth statements, balance sheets, or profit and loss statements.
2. Has the applicant or any individual or entity affiliated with the development of this project been adjusted bankrupt, either voluntary or involuntary, within the past ten years?
No Yes ___ If yes, give date, place, and under what name:

3. Has the applicant or any individual or entity affiliated with the development of this project been indicted for or convicted of any felony within the past ten years:
No Yes ___ If yes, give date, charge, place, court and action taken for each case:

CONSTRUCTION CONTRACTOR

1. Identify the construction contractor or builder who will undertake this project.
Name: Knife River
Address: 4014 Hesper Rd, Billings, MT 59106
2. Has such contractor or builder ever failed to qualify as a responsible bidder, refused to enter into a contract after award has been made, or failed to complete a construction or development contract within the last ten years?
No Yes ___ If yes, explain:

Please return to:

South Billings Urban Renewal Association
PO Box 21271
Billings, MT 59104



Independent Auditor's Report

Board of Commissioners
Housing Authority of Billings, Montana
Billings, Montana

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and fiduciary activities of the Housing Authority of Billings, Montana (the Authority) as of and for the year ended June 30, 2025, and the discretely presented component unit of the Authority as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and fiduciary activities of the Authority as of June 30, 2025 and the discretely presented component unit as of December 31, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the years ended June 30, 2025 and December 31, 2024 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of Red Fox Apartments, LLLP were not audited in accordance with *Government Auditing Standards*.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedules of employer's share of the net pension liability and the employer's contributions as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority of Billings, Montana's basic financial statements. The Schedule of Financial Position by Program and the Schedule of Revenue, Expenses and Changes in Net Position by Program are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards as required by *Title 2 U.S. Code of Federal Regulations Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Financial Data Schedules (FDS) are presented for purposes of additional analysis as required by Housing and Urban Development Real Estate Assessment Center (REAC) and are also not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Financial Position by Program, the Schedule of Revenue, Expenses and Changes in Net Position by Program, the schedule of expenditures of federal awards, and the Financial Data Schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2025 on our consideration of Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Eide Sallee LLP

Fargo, North Dakota
December 23, 2025

This discussion and analysis of the Housing Authority of Billings provides a narrative overview and analysis of the financial activity of the Authority for the year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with the Authority's basic financial statements.

Financial Highlights

- Net Position of the Authority increased \$1,053,454 in the fiscal year ending June 30, 2025.
- Operating revenue of the Authority increased \$2,392,515 from the prior year. Major revenue increase was \$1,031,250 in other government grants. Major revenue increase was \$1,517,077 in housing assistance in the HUD Section 8 Housing Choice Voucher Program. Major revenue increase was \$83,665 in other income.
- The Authority had intergovernmental revenues consisting of HUD Low Rent Public Housing Operating and Capital Funds of \$1,617,554, HUD Section 8 Housing Choice and Mainstream Voucher Program Grants of \$7,741,178, HUD FSS Coordinator Program Grants of \$80,128, Montana State Department of Commerce Section 8 Program administrative fees of \$203,654, HUD Section 8 New Construction Grants for Pleasantview Apartments of \$630,704, and HUD Section 8 New Construction Grants for Laurel Gardens of \$91,868.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements comprise 3 components: 1) the enterprise fund financial statements, 2) the fiduciary fund financial statements, and 3) the notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. The basic financial statements include a balance sheet, statements of revenues, expenses and changes in net position, and statements of cash flows. The Authority only has 1 nonfiduciary fund, an enterprise fund, thus the entity-wide and the fund presentation information is the same. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support Authority's own programs.

- The basic financial statements consist of fund financial statements of the Authority's enterprise funds, which operate similar to business activities and for which the Authority follows an accrual basis of accounting.
- The basic financial statements also include a "Notes to the Financial Statements" section that explains some of the information in the fund financial statements and provides more detailed data.
- The Notes to the Financial Statements are followed by a "Supplementary Information" section, which presents the financial data schedule of the Authority required by the U.S. Dept. of Housing and Urban Development (HUD).

The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of these statements.

Basic Financial Statements

The basic financial statements provide detailed information about the Authority's most significant funds. The Authority has only two kinds of fund:

- Enterprise fund - The Authority's activities are in its enterprise fund, activities that are accounted for in a manner similar to businesses operating in the public sector. Funding has primarily come from HUD grant income. The net position of these fund represents accumulated earnings since their inception and is generally restricted for program purposes.

The basic enterprise fund financial statements can be found on pages 13-17 of this report.

- Fiduciary Fund - Fiduciary funds are used to account for resources held for the benefit of parties outside the Authority. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support Authority's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 18-19 of this report.

Condensed Financial Information

| | <u>2025</u> | <u>2024</u> | <u>Change</u> |
|---------------------------------------|----------------------|----------------------|------------------|
| Assets | | | |
| Cash | \$ 11,485,853 | \$ 11,601,906 | \$ (116,053) |
| Investments - certificates of deposit | 774,912 | 758,920 | 15,992 |
| Accounts receivable (net) | 174,100 | 294,575 | (120,475) |
| Prepaid expenses | - | 37,977 | (37,977) |
| | <u>12,434,865</u> | <u>12,693,378</u> | <u>(258,513)</u> |
| Other Assets | 2,012,775 | 2,000,458 | 12,317 |
| Capital Assets (net of depreciation) | 25,065,152 | 24,827,119 | 238,033 |
| Total non-current assets | <u>27,077,927</u> | <u>26,827,577</u> | <u>250,350</u> |
| Total Assets | 39,512,792 | 39,520,955 | (8,163) |
| Deferred Outflow of Resources | <u>340,859</u> | <u>309,560</u> | <u>31,299</u> |
| Total Assets and Deferred Outflows | <u>\$ 39,853,651</u> | <u>\$ 39,830,515</u> | <u>\$ 23,136</u> |

Housing Authority of Billings, Montana
Management's Discussion and Analysis
For the Year Ended June 30, 2025

| | <u>2025</u> | <u>2024</u> | <u>Change</u> |
|---|----------------------|----------------------|--------------------|
| Liabilities and Net Position | | | |
| Liabilities | | | |
| Accounts payable | \$ 216,159 | \$ 272,950 | \$ (56,791) |
| Other liabilities | 526,889 | 1,504,689 | (977,800) |
| Total current liabilities | <u>743,048</u> | <u>1,777,639</u> | <u>(1,034,591)</u> |
| Non-Current Liabilities | <u>3,119,926</u> | <u>3,091,649</u> | <u>28,277</u> |
| Total Liabilities | <u>3,862,974</u> | <u>4,869,288</u> | <u>(1,006,314)</u> |
| Deferred Inflow of Resources | <u>45,421</u> | <u>69,425</u> | <u>(24,004)</u> |
| Net Position | | | |
| Invested in capital assets | 24,032,112 | 23,723,556 | 308,556 |
| Restricted | 7,390,560 | 8,285,793 | (895,233) |
| Unrestricted | 4,522,584 | 2,882,453 | 1,640,131 |
| Total net position | <u>35,945,256</u> | <u>34,891,802</u> | <u>1,053,454</u> |
| Total Liabilities, Deferred Inflows, and Net Position | <u>\$ 39,853,651</u> | <u>\$ 39,830,515</u> | <u>\$ 23,136</u> |

Major factors affecting the condensed Statement of Net Position

During 2025, assets stayed about the same as the previous year.

Liabilities decreased \$1,006,314 mainly due to paying off the line of credit.

In 2015, the Authority was required to implement GASB 68 to account for its retirement plan. This resulted in recording a Net Pension Liability of \$2,042,492 in 2025, an increase of \$96,109 from 2024. The Net Pension Liability represents the unfunded portion of anticipated future retirement payments. Deferred inflows and outflows represent amounts that will be factored into future computations of the net pension liability.

Restricted Net Position represents funds restricted for use as housing assistance payments under the Housing Choice Voucher and Mainstream Voucher programs and unspent Section 18 disposition proceeds in the Public Housing program. A corresponding amount of restricted cash is included in the cash balance.