

**HOUSING AUTHORITY OF THE CITY OF
FORT LUPTON, COLORADO**

**BASIC FINANCIAL STATEMENTS,
REQUIRED SUPPLEMENTAL INFORMATION
AND
SUPPLEMENTAL INFORMATION**

Year Ended December 31, 2021

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**REQUIRED SUPPLEMENTAL INFORMATION-
MANAGEMENT'S DISCUSSION AND ANALYSIS**



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MANAGEMENT'S DISCUSSION AND ANALYSIS

Year Ended December 31, 2021

This section of the Housing Authority of the City of Fort Lupton, Colorado's annual financial report presents our discussion and analysis of the Authority's financial performance during the fiscal year ended on December 31, 2021. This discussion and analysis is designed to assist the reader in focusing on the significant financial issues and activities and to identify any significant changes in financial position. Please read and consider the information presented in conjunction with the basic financial statements as a whole.

FINANCIAL HIGHLIGHTS

The term "Net Position" refers to the difference between assets and liabilities. The Authority's total net position as of December 31, 2021 was \$1,510,421. The net position increased by \$41,183, an increase of 3% over the prior year. Of this amount, \$468,656 was reported as "unrestricted net position". Unrestricted net position represents the amount available to be used to meet the Authority's ongoing obligations to creditors and operations of facilities.

Operating income for the Authority was \$801,240 for the year ended December 31, 2021. This was an increase of \$11,647 or 1.5% over the prior year.

Operating expenses for the Authority were \$921,283 for the year ended December 31, 2021. This was a decrease of (\$5,710) or less than 1% from the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report includes this *Management's Discussion and Analysis* report, the *Financial Statements* and the *Notes to Financial Statements*. This report also contains the Financial Data Schedule (FDS) as referenced in the section of supplemental information. Since the Authority is comprised of all enterprise funds, no entity-wide basic financial statements are shown.

Required Financial Statements

Proprietary Fund Financial Statements - The basic financial statements of the Housing Authority report information of the Authority using accounting methods similar to those used by private sector companies. These statements offer short- and long-term financial information about its activities. The Statement of Net Position includes all the Authority's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and obligations of the Authority creditors (liabilities). It also provides the basis for evaluating the capital structure of the Authority and assessing the liquidity and financial flexibility of the Authority.

All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses, and Changes in Fund Net Position. This statement measures the success of the Authority's operations over the past year and can be used to determine whether the Authority has successfully recovered all its costs through its user fees and other charges, profitability and credit worthiness.

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended December 31, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONT'D)

The final required financial statement is the Statement of Cash Flows. The statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing and financing activities and provides answers to such questions as where cash come from, what was cash used for, and what was the change in the cash balance during the reporting period.

The Authority combines all of its programs into a single enterprise fund. The Authority has no nonmajor funds.

Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements and provide more detailed data.

Supplemental Information

This report also contains the Financial Data Schedule (FDS) as referenced in the section of *supplemental information*. HUD has established *Uniform Financial Reporting Standards* that require Housing Authorities to submit financial information electronically to HUD using the FDS format. The submitted financial information transmitted to the Real Estate Assessment Center (REAC) for the year ended December 31, 2021 is required to be included in the audit reporting package.

FINANCIAL ANALYSIS

CONDENSED STATEMENT OF NET POSITION

	FY 2021	FY 2020	Dollar Change	Percent Change
Current and other assets	\$ 643,485	\$ 569,295	\$ 74,190	13%
Capital assets	1,695,234	1,793,622	(98,388)	-5%
Total Assets	<u>2,338,719</u>	<u>2,362,917</u>	<u>(24,198)</u>	<u>-1%</u>
Current liabilities	174,715	170,869	3,846	2%
Other liabilities	3,925	1,717	2,208	129%
Long-term debt outstanding	649,658	721,093	(71,435)	-10%
Total Liabilities	<u>828,298</u>	<u>893,679</u>	<u>(65,381)</u>	<u>-7%</u>
Net Position				
Net investment in capital assets	974,140	1,003,232	(29,092)	-3%
Restricted	67,625	61,435	6,190	10%
Unrestricted	468,656	404,571	64,085	16%
Total Net Position	<u>\$ 1,510,421</u>	<u>\$ 1,469,238</u>	<u>\$ 41,183</u>	<u>3%</u>

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended December 31, 2021**

FINANCIAL ANALYSIS (CONT'D)

Net Position may serve, over time, as a useful indicator of a government's financial position. In the case of the Authority, assets exceeded liabilities by \$1,510,421 at the close of the year ended December 31, 2021. This represents an increase of \$41,183 over the prior year. The majority of the increase is the result of operations for the year ended December 31, 2021.

Current and other assets increased by \$74,190, a 13% change over the prior year. This was attributed to operations before depreciation, and cash provided from financing activities which resulted in a net increase in cash of \$81,357. In addition accounts receivable decreased by (\$4,241) and the amount Due from HUD decreased by (\$2,926).

Current liabilities increased by \$3,846. The increase was the result of when payments are made to vendors and contractors and employees. Long-term debt decreased by (\$71,435) which is the reduction in notes payable from current year debt payments.

The largest portion of the Authority's net position reflects its net investment in capital assets (e.g. land, buildings and equipment less accumulated depreciation) and less any related debt used to acquire those assets that is still outstanding. The Authority uses these capital assets to provide service and consequently these assets are not available to liquidate liabilities or other spending.

Unrestricted net position as of December 31, 2021 was \$468,656. Unrestricted net position represents the amount available to be used to meet the Authority's ongoing obligations to creditors and operations of facilities. The Authority has sufficient funds to meet requirements for cash outlays in the next fiscal year as well as the financial capacity to sustain operations. At the end of the current fiscal year, the Authority is able to report positive balances in all categories of net position. The same situation held true for the prior fiscal year.

As of December 31, 2021, the Authority had net position of \$67,625 restricted for the Weld County NSP program for which the transfer of these properties has not occurred as of December 31, 2021.

While the Statement of Net Position shows the change in financial position, the Statement of Revenues, Expenses, and Changes in Net Position provides answers as to the nature and source of these changes.

As can be seen on the next page, total revenues decreased by (\$105,112), primarily due to the decrease of (\$119,861) in Federal operating grants and a decrease of (\$13,257) in other income. This was offset by an increase of \$28,241 or 5% in rental income which was attributed the changes in occupancy and rent compositions for the year ended December 31, 2021.

HUD operating subsidy for the Authority was \$172,114 for the year ended December 31, 2021. This was an increase of \$6,024 over the prior year. The operating subsidy funding is determined by HUD on an annual basis and is primarily based on income and utility expenses. The Authority also expended \$111,583 of HUD capital grants for operations in the prior year compared to zero for the fiscal year ended December 31, 2021. This amount will vary on the approved budget by HUD. The Authority has flexibility in the use of these funds.

The Authority also recognized \$1,894 in CARES Act funding from HUD as a result of COVID-19 compared to \$12,859 in the previous year.

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended December 31, 2021**

FINANCIAL ANALYSIS (CONT'D)

**CONDENSED STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION**

	FY 2021	FY 2020	Dollar Change	Percent Change
Revenues				
Program revenues				
Rental	\$ 561,769	\$ 533,528	\$ 28,241	5%
HUD program revenue	387,149	507,010	(119,861)	-24%
Other revenue	26,330	39,587	(13,257)	-33%
General revenues				
Interest	97	332	(235)	-71%
Total Revenues	<u>975,345</u>	<u>1,080,457</u>	<u>(105,112)</u>	<u>-10%</u>
Expenses				
Depreciation	207,071	213,814	(6,743)	-3%
Operating	714,212	713,179	1,033	0%
Nonoperating	23,689	30,242	(6,553)	-22%
Total Expenses	<u>944,972</u>	<u>957,235</u>	<u>(12,263)</u>	<u>-1%</u>
Excess (deficiency) before contributions	30,373	123,222	(92,849)	
Capital Contributions	10,810	-	10,810	
Changes in Net Position	<u>41,183</u>	<u>123,222</u>	<u>(82,039)</u>	
Beginning Net Position	1,469,238	1,346,016	123,222	
Ending Net Position \$	<u>\$ 1,510,421</u>	<u>\$ 1,469,238</u>	<u>\$ 41,183</u>	

Operating expenses for the Authority were \$714,212 for the year ended December 31, 2021. This was an increase of \$1,033 or less than 1% over the prior year. . The following expense categories had significant changes from the prior year:

- Administrative increased by \$23,766
- Tenant services decreased by (\$17,677)
- Utilities increased by \$11,128
- Maintenance decreased by (\$25,504)

The Administrative showed an increase of \$23,766 due to several factors. The outgoing Executive Director received an exit package of \$6,866 and cashed out his personal time for \$1,800. We had a significant increase in Health care premiums which have doubled over the prior fiscal year. We also had a Yardi software charge of \$2,000 that was not charged the prior year. Tenant Services decreased by \$17,677. We discontinued providing WiFi for the residents. Due to Covid precautions, there were no parties/activities scheduled for the fiscal year. The Utilities had a significant increase of \$11,128. This is due to the City of Fort Lupton tripling the sewer fees. Also of note, our maintenance decreased by \$25,504. For six months of 2021 we only had one maintenance person and he could only do so much.

The Authority recognized \$10,810 in CARES Act funding from HUD used for capital related costs as a result of COVID-19.

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended December 31, 2021**

OCCUPANCY

The Public Housing Program has 50 units of housing or 600-unit months available. There were 34 vacancy months resulting in 566 months leased for the year, a 94.3% occupancy rate.

The Columbine Court program has 30 units of housing for 360-unit months available. There were 17 vacancy months for a total of 343-unit months leased for the year, a 95.3% occupancy rate.

The Market Rentals have 15 Units with 180-unit months available. There were 18 vacancy months for a total of 162-unit months leased for the year, a 90.0% occupancy rate.

The Weld County NSP program has 2 houses or 24-unit months available. There were zero vacancy months for a total of 24-unit months leased for the year, a 100.0% occupancy rate.

The authority has a total of 97 units of housing or 1,164-unit months available. There were 69 vacancy months resulting in a total of 1,095-unit months leased for the year, a 94.0% occupancy rate for the Authority.

CAPITAL ASSETS

The Authority's capital assets as of December 31, 2021 amounts to \$1,695,234. This includes land, buildings, improvements, equipment and construction in progress, less accumulated depreciation.

The total decrease in the Authority's net investment in capital assets for the current fiscal year was 5% in terms of net book value. The actual amount to purchase or construct capital assets was \$120,913 for the year. Depreciation charges for the year totaled \$207,071. Additional information on the Authority's capital assets can be found in Note D of the notes to financial statements of this report.

The Authority continues to make an effort to modernize units as tenants move out. For FYE 12/31/21 for units were modernized. Two units at Columbine and two units at Crane. We started the process of 4 units in our PH family units. The process has been extremely slow due to being short a maintenance person for 6 months of the year and supply chain issues with appliances and other materials. We will continue our efforts to rehab units with flooring, LED light fixtures, doors, interior paint, countertops, cabinets, plumbing, and appliances.

DEBT ADMINISTRATION

The Authority has outstanding mortgages payable of \$721,094 for real property. The revenue from the Columbine Court Program and Market Rentals are pledged to repay the mortgages. Additional information on the Authority's long-term debt can be found in Note I of the notes to financial statements of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Board of Commissioners and Management of the Housing Authority considered many factors when approving the fiscal year 2022 budget. The user charges are based on a tenant's income as established by HUD guidelines and are not adjustable. Operating subsidy is based on rental income, other income and utility consumption and costs. The amount of funding is also established and approved by HUD. In projecting the amount of rental income, the Authority considered prior year rental income and occupancy rates. The operating expenses are expected to increase by the economy's inflation rate.

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended December 31, 2021**

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report, or request for additional financial information, should be addressed to the Executive Director, Housing Authority of the City of Fort Lupton, 400 2nd Street, Fort Lupton, CO 80621.

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Housing Authority of the City of Fort Lupton, Colorado

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the major fund of the Housing Authority of the City of Fort Lupton, Colorado, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of Fort Lupton, Colorado'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 financial position of the Housing Authority of the City of Fort Lupton, Colorado as of December 31, 2021, and the changes in financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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. 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 Housing Authority of the City of Fort Lupton, Colorado, 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 opinion.

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 Housing Authority of the City of Fort Lupton, Colorado's ability to continue as a going concern for twelve months beyond the financial date, including any currently know 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 opinion. 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 purposes of expressing an opinion on the effectiveness of the Housing Authority of the City of Fort Lupton, Colorado'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 Housing Authority of the City of Fort Lupton, Colorado'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, amount 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 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 inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, 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 limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the Housing Authority of the City of Fort Lupton, Colorado's basic financial statements. The Program Financial Schedules and Financial Data Schedule are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Program Financial Schedules and Financial Data Schedule are the responsibility of management and were 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 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 themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Program Financial Schedules and Financial Data Schedule are fairly stated, in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 24, 2022 on our consideration of the Housing Authority of the City of Fort Lupton, Colorado'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 the Housing Authority of the City of Fort Lupton, Colorado'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 Housing Authority of the City of Fort Lupton, Colorado's internal control over financial reporting and compliance.

Niewedde & Wiens, CPA's

York, Nebraska
March 24, 2022

BASIC FINANCIAL STATEMENTS

HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO
STATEMENT OF NET POSITION - PROPRIETARY FUND
December 31, 2021

ASSETS	<u>Housing</u>
CURRENT ASSETS:	
Cash and cash equivalents	\$ 529,234
Accounts receivable, net	4,219
Materials Inventory, net	885
<i>Restricted:</i>	
Cash and cash equivalents	109,147
TOTAL CURRENT ASSETS	<u>643,485</u>
NONCURRENT ASSETS:	
Capital Assets, non-depreciable	516,498
Capital Assets, depreciable, net	1,178,736
TOTAL NONCURRENT ASSETS	<u>1,695,234</u>
TOTAL ASSETS	<u>\$ 2,338,719</u>
LIABILITIES	
CURRENT LIABILITIES:	
Accounts payable	\$ 35,291
Accrued payroll and benefits	10,184
Compensated absence payable	2,113
Unearned revenue	12,531
Accrued interest payable	1,638
Tenant security deposit payable	41,522
Current-portion, notes payable	71,436
TOTAL CURRENT LIABILITIES	<u>174,715</u>
NONCURRENT LIABILITIES:	
Compensated absence payable	3,925
Notes payable	649,658
TOTAL NONCURRENT LIABILITIES	<u>653,583</u>
TOTAL LIABILITIES	<u>828,298</u>
NET POSITION	
Net investment in capital assets	974,140
Restricted	67,625
Unrestricted	468,656
TOTAL NET POSITION	<u>\$ 1,510,421</u>

HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
FUND NET POSITION - PROPRIETARY FUND
Year Ended December 31, 2021

		<u>Housing</u>
OPERATING REVENUES		
Rental income	\$	561,769
HUD program revenue		213,141
Other income		<u>26,330</u>
TOTAL OPERATING REVENUES		801,240
OPERATING EXPENSES		
Administrative		215,851
Tenant Services		19,650
Utilities		161,158
Ordinary maintenance and operations		232,134
General expense		85,419
Depreciation		<u>207,071</u>
TOTAL OPERATING EXPENSES		<u>921,283</u>
OPERATING INCOME (LOSS)		<u>(120,043)</u>
NONOPERATING REVENUES (EXPENSES)		
HUD operating subsidy		172,114
HUD CARES Act subsidy		1,894
Interest income		97
Interest expense		(22,957)
Loss on capital asset dispositions		<u>(732)</u>
TOTAL NONOPERATING REVENUES (EXPENSES)		<u>150,416</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS		30,373
CAPITAL CONTRIBUTIONS		
HUD CARES Act - capital		<u>10,810</u>
INCREASE (DECREASE) IN NET POSITION		41,183
NET POSITION:		
Net position, beginning balance		<u>1,469,238</u>
NET POSITION - ENDING BALANCE	\$	<u><u>1,510,421</u></u>

HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO
STATEMENT OF CASH FLOWS - PROPRIETARY FUND
Year Ended December 31, 2021

	Housing
CASH FLOWS FROM OPERATING ACTIVITIES:	
Rental receipts	\$ 561,769
HUD receipts	213,141
Other receipts	26,330
Tenant security deposits	(1,284)
Cash payments for goods and services	(406,878)
Cash payments to employees for services	(294,511)
	98,567
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
HUD operating subsidy	172,114
HUD CARES Act subsidy	4,820
	176,934
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Purchases and construction of capital assets	(112,796)
HUD CARES Act - capital	10,810
Interest paid on capital debt	(22,957)
Principal paid on capital debt	(69,298)
	(194,241)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest received	97
	97
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	
NET INCREASE (DECREASE) IN CASH	81,357
CASH AND CASH EQUIVALENTS-BEGINNING	557,024
CASH AND CASH EQUIVALENTS-END OF YEAR	\$ 638,381

HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO
STATEMENT OF CASH FLOWS - PROPRIETARY FUND (CONT'D)
Year Ended December 31, 2021

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

	Housing
Operating income (loss)	\$ (120,043)
Adjustments to reconcile income from operations to net cash provided by operating activities:	
Depreciation	207,071
Change in assets and liabilities:	
(Increase) decrease in accounts receivable	4,241
Increase (decrease) in accounts payable	(4,891)
Increase (decrease) in accrued payroll and benefits	756
Increase (decrease) in tenant security deposits	(1,284)
Increase (decrease) in unearned revenue	9,801
Increase (decrease) in accrued leave	2,916
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 98,567

HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Authority was created under the laws of the State of Colorado. The purpose of the Authority is to administer the Housing programs authorized by the United States Housing Act of 1937 and amendments contained in the Quality Housing and Work Responsibility Act of 1998. These programs are subsidized by the Federal Government through the U.S. Department of Housing and Urban Development (HUD).

The financial statements of the Authority have been prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the standard-setting body for governmental accounting and financial reporting.

Financial Reporting Entity

In determining how to define the reporting entity, management has considered all potential component units. The decision to include a component unit in the reporting entity was made by applying the criteria set forth in Section 2100 and 2600 of the Government Accounting Standards Board Codification. These criteria state that the financial reporting entity consists of the primary government and organizations for which the primary government is financially accountable. In addition, the primary government may determine, through exercise of management's professional judgment, that the inclusion of an organization that does not meet the financial accountability criteria is necessary in order to prevent the reporting entity's financial statements from being misleading. In such instances, that organization should be included as a component unit. Based on these criteria, there are no additional agencies or entities which should be included in the financial statements of the Authority.

Basis of accounting, measurement focus, and financial statement presentation

The accounts of the Authority are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues and expenditures or expenses, as appropriate.

Proprietary funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included in the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

The Authority distinguishes between operating and nonoperating revenues and expenses in its Statement of Revenues, Expenses and Changes in Fund Net Position. For this purpose, the Authority's operating revenues result from providing low-income housing services such as tenant rent, rental assistance and other tenant charges. Operating expenses include the cost attributed to administration, tenant services, utilities, maintenance and operations, debt service and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses. Proprietary Fund Financial Statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and non-major funds aggregated.

HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

The model as defined in Statement No. 34 establishes criteria (percentage of the assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for determination of major Funds. If non-major funds exist, these funds are combined in a single column in the fund financial statements.

The Authority has a sole enterprise fund which includes the activities of the following programs:

Public Housing Program - This program accounts for the operation, maintenance, and development of 20 apartments called Crane Court and 30 family scattered site units for HUD. The development of the projects was funded primarily by the U.S. Department of Housing and Urban Development through loans and bonds. The loans have been forgiven by HUD and the bond debt service and repayment requirements are the responsibility of HUD and therefore no outstanding liabilities are recorded. The program is subsidized annually by operating subsidy from HUD and through Capital Grants for capital improvements.

Columbine Court - This program accounts for the operation and maintenance of 30 housing units known as Columbine Court which are owned by the Authority and was originally funded under the Section 221(d) (3) the program and with rental assistance through the Section 8 Program provided by the U.S. Department of Housing and Urban Development. During the year ended December 31, 2016, the Authority refinanced a loan from the Bank of Colorado which was obtained to pay off a mortgage held by the Colorado Housing and Finance Authority (CHFA) and secured with the property

Market Rentals - This program accounts for the operation and maintenance of 15 housing units which are owned by the Authority. The program is primarily funded by tenant rents.

Weld Co. NSP - This program accounts for the operation and maintenance of 2 individual houses that were purchased and renovated through the Neighborhood Stabilization Program. The program is primarily funded by tenant rents. As of December 31, 2021, the deed to the properties has not been transferred to the Authority.

Budgetary Process

The Authority establishes a budget for the fiscal year and is adopted by the Board of Commissioners.

Cash and Investments

All investments are recorded at fair value based on quoted market prices. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties. Cash and Cash Investments are available upon demand and are considered to be "cash equivalents" when preparing these financial statements. In addition, any marketable securities that are owned by a specific amount and that are purchased with a maturity of ninety days or less are also considered to be "cash equivalents".

The Authority's deposits can only be invested in the following HUD approved investments: direct obligations of the federal government backed by the full faith and credit of the United States, obligations of federal government agencies, securities of government-sponsored agencies, demand and savings deposits, money-market deposit accounts, municipal depository fund, super now accounts, certificate of deposit, repurchase agreements, sweep accounts, separate trading of

HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

registered interest and principal securities (STRIPS), and mutual funds that consist of securities purchased from the HUD approved list.

Accounts Receivable

All receivables are current and therefore due within one year. Receivables are reported net of an allowance for uncollectible accounts and revenues net of uncollectibles. Allowances are reported when accounts are proven to be uncollectible.

Prepaid Items

Prepaid balances are for payments made by the Authority in the current year to provide services occurring in the subsequent fiscal year.

Capital Assets and Depreciation

Property and equipment are stated at actual or estimated historical cost, net of accumulated depreciation. Contributions of assets are recorded at acquisition value at the date received. The Authority generally capitalized assets with a cost of \$500 or more as purchases and construction outlays occur.

Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Buildings	20-40 years
Building improvements	10-40 years
Furniture and fixtures	5-10 years
Equipment	3-10 years

Grant Revenue

The Authority, a recipient of grant revenues, recognizes revenues (net of estimated uncollectible amounts, if any), when all applicable eligibility requirements, including time requirements are met in accordance with GASB Statement No. 33. Resources transmitted to the Authority before the eligibility requirements are met are reported as unearned revenue.

Use of Restricted/Unrestricted Net Position

When an expense is incurred for purposes for which both restricted and unrestricted net position is available, the Authority's policy is to apply the restricted component of net position first.

Inventory

Inventories consist of supplies and are recorded at the lower of cost or market on a first-in, first-out basis.

HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions that affect the reported amounts of certain assets, deferred outflows, liabilities, deferred inflows, revenues, expenditures, expenses, and other disclosures. Accordingly, actual results could differ from those estimates.

Compensated Absences

The current policy will allow employees to earn 120 hours of paid time off and the Executive Director to earn 160 hours of paid time off per year. Employees can cash out half of the accrued leave and half can be accrued for the following year. Only 180 hours may be accrued at any given time.

Postemployment Benefits Other Than Pensions (OPEB)

OPEB benefits are part of an exchange of salaries and/or benefits in a future period as the result of employee services rendered during employment. In accordance with the accrual basis of accounting, generally benefits should be associated with the periods in which the exchange occurs, rather than with the periods when benefits are paid or provided. The Authority has not incurred, adopted a plan or obligated resources to other postemployment benefits as defined in GASB Statement No. 75.

Income Taxes

The Authority is a governmental subdivision of the State of Colorado and is exempt from Federal and State income taxes.

Taxpayer's Bill of Rights

In November, 1992, the voters of the State of Colorado approved an amendment to the State's Constitution limiting the amount of revenue which may be spent or retained by Colorado governmental entities. The amendment is in effect for most governmental entities for the years beginning after 1992, but exempts "enterprise" funds from the limitations. The Board of Commissioners of the Authority believes it is exempt from the provisions of the TABOR amendment because it is an "enterprise" (a business operation able to issue its own revenue bonds and receiving less than 10% of its revenue from state and local grants) as defined in the constitutional amendment. The Board also believes it is not subject to the provisions of TABOR because the governing board is not an elected board, does not have an electoral constituency, and does not have the power to impose taxes, all basic operational requirements of TABOR.

NOTE B - DEPOSITS AND INVESTMENTS

At December 31, 2021, the Authority's carrying amount of deposits was \$638,381 and the bank balances were \$648,623. As required by the Colorado Public Deposit Protection Act (PDPA), any amount in excess of \$250,000 (including accrued interest) shall be collateralized as required by the Public Deposit Protection Acts, article 10.5 of title 11, C.R.S., as amended or article 47 of title 11, C.R.S, as amended. Of the balance \$250,000 was covered by federal depository insurance and \$398,623 was collateralized by the Public Deposit Protection Act.

HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE C – ACCOUNTS RECEIVABLE

A summary of accounts receivable as presented in the Statement of Net Position at December 31, 2021 is as follows:

Tenants	\$	4,219
Allowance for doubtful accounts		—
	\$	<u>4,219</u>

NOTE D – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2021 was as follows:

	Balance 1/1/2021	Increases	Decreases	Balance 12/31/2021
Non-depreciable assets:				
Land	\$ 516,498	\$ -	\$ -	\$ 516,498
Construction in progress	-	-	-	-
Total non-depreciable assets	<u>516,498</u>	<u>-</u>	<u>-</u>	<u>516,498</u>
Depreciable assets				
Buildings	4,778,068	110,591	(20,106)	4,868,553
Equipment - Dwelling	139,925	6,603	(1,626)	144,902
Equipment - Administration	87,088	3,719	(25)	90,782
Total depreciable assets	<u>5,005,081</u>	<u>120,913</u>	<u>(21,757)</u>	<u>5,104,237</u>
Total Capital Assets	<u>5,521,579</u>	<u>120,913</u>	<u>(21,757)</u>	<u>5,620,735</u>
Accumulated depreciation				
Buildings	3,540,734	192,875	(8,633)	3,724,976
Equipment - Dwelling	108,960	10,173	(894)	118,239
Equipment - Administration	78,264	4,023	-	82,287
Total accumulated depreciation	<u>3,727,958</u>	<u>207,071</u>	<u>(9,527)</u>	<u>3,925,502</u>
Depreciable assets, net	<u>1,277,123</u>	<u>(86,158)</u>	<u>(12,230)</u>	<u>1,178,736</u>
Capital assets, net	<u>\$ 1,793,621</u>	<u>\$ (86,158)</u>	<u>\$ (12,230)</u>	<u>\$ 1,695,234</u>

NOTE E – RESTRICTED ASSETS

Cash and cash equivalents of \$109,147 at December 31, 2021 are restricted for Tenant Security Deposits in the amount of \$41,522 and \$67,625 is restricted for the Weld County NSP Program as further detailed in Note J.

HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE F – ACCOUNTS PAYABLE

A summary of accounts payable as presented in the Statement of Net Position at December 31, 2021 is as follows:

Vendors and contractors	\$ <u>35,291</u>
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NOTE G – UNEARNED REVENUE

A summary of unearned revenue as presented in the Statement of Net Position at December 31, 2021 is as follows:

Tenant prepaid rents	\$ <u>12,531</u>
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NOTE H—ACCRUED COMPENSATED ABSENCES

A summary of accrued compensated absences as presented in the Statement of Net Position as of December 31, 2021 is as follows:

	<u>Beginning Balance</u>	<u>Net increase</u>	<u>Ending Balance</u>	<u>Due within One Year</u>
Compensated absences	\$ <u>3,123</u>	\$ <u>2,915</u>	\$ <u>6,038</u>	\$ <u>2,113</u>

NOTE I – LONG-TERM LIABILITIES

Direct Borrowings:

On November 20, 2020, the Authority refinanced a loan from a local financial institution for the financing of market rate rental known as 400 2nd Street and secured with the property known as Columbine Court, a thirty-unit rental property. The loan had an original amount of \$137,924 which bears interest at 3%. The loan requires monthly principal and interest payments of \$2,830 and matures April 2025. The balance due at December 31, 2021 was \$105,077.

On November 23, 2020, the Authority obtained a mortgage from a local financial institution for the financing of market rate rental known as 210 Harrison. The loan had an original amount of \$38,802 which bears interest at 3% adjustable on December 1, 2025. The loan requires monthly principal and interest payments of \$336 and matures June 2032. The balance due at December 31, 2021 was \$35,588.

On November 23, 2020, the Authority obtained a mortgage from a local financial institution for the financing of 7 market rate rentals known as 200 1st Street. The loan had an original amount of \$536,169 which bears interest at 3 % adjustable on December 1, 2025. The loan requires monthly principal and interest payments of \$3,150 and matures April 2041. The balance due at December 31, 2021 was \$511,497.

HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE I – LONG-TERM LIABILITIES (CONT'D)

On November 23, 2020, the Authority obtained a mortgage from a local financial institution for the financing of a 5-acre tract of land known as 911 S. Denver. The loan had an original amount of \$84,403 which bears interest at 3% adjustable on December 15, 2025. The loan requires monthly principal and interest payments of \$1,381 and matures July 2026. The balance due at December 31, 2021 was \$68,932.

A summary of changes in Notes Payable - Properties for the year ended December 31, 2021 are as follows:

Description	Balance 1/1/2021	Additions	Retired	Balance 12/31/2021	Due Within One Year
Mortgage-Columbine	\$ 135,346	\$ -	\$ (30,269)	\$ 105,077	\$ 31,203
Mortgage-210 Harrison	38,491	-	(2,903)	35,588	2,900
Mortgage-200 1st Street	533,377	-	(21,880)	511,497	18,470
Mortgage-911 S. Denver	83,176	-	(14,244)	68,932	18,863
Total	<u>\$ 790,390</u>	<u>\$ -</u>	<u>\$ (69,296)</u>	<u>\$ 721,094</u>	<u>\$ 71,436</u>
			Less current maturities	(71,436)	
			Long-term portion	<u>\$ 649,658</u>	

Principal and interest requirements for the notes are as follows:

Fiscal Year	Principal	Interest	Total
2022	\$ 71,436	\$ 20,941	\$ 92,377
2023	68,539	23,838	92,377
2024	71,114	21,263	92,377
2025	49,165	20,568	69,733
2026	28,972	22,529	51,501
2027-2031	138,837	70,333	209,170
2032-2036	147,586	43,431	191,017
2037-2041	145,445	18,355	163,800
	<u>\$ 721,094</u>	<u>\$ 241,258</u>	<u>\$ 962,352</u>

NOTE J—NET POSITION

The fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

- **Net Investment in Capital Assets** – This component groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- **Restricted** – This category represents net position of the Agency that is restricted externally by creditors, grantors, contributors, laws or regulations of other governments, imposed by law through constitutional provisions or enabling legislation.

HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE J—NET POSITION (CONT'D)

- **Unrestricted** – This category represents net position of the Agency, not restricted for any project or other purposes.

A summary of restricted net position as of December 31, 2021 is as follows:

Weld County NSP Program \$67,625 – On June 9, 2014, the Authority signed a lease with the Weld County Housing Authority whereas the Authority would receive 2 NSP (Neighborhood Stabilization Program) Houses. According to the agreement the Authority would receive all the benefits until the time of the Deed Restriction transfer documents had occurred. In addition, the Authority is required to deposit any moneys received for rent are to be held in a separate account until such time as the terms of the Deed Restriction (transfer documents) have been defined. As of December 31, 2021, the transfer of the properties has not occurred, and the net position is being reported as restricted.

NOTE K – CONTINGENCIES

The Authority recognizes as revenue grant monies received as reimbursement for costs incurred in certain Federal and State programs it administers. Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any of expenditures which may be disallowed by the grantor cannot be determined at this time although the Authority expects such amounts, if any to be immaterial.

NOTE L - 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 for which the Authority purchases commercial insurance.

During the year ended December 31, 2021, the Authority did not reduce insurance coverage from levels in place during the prior year. No settlements have exceeded coverage levels in place during the past three fiscal years.

NOTE M – SUBSEQUENT EVENTS

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) originated in Wuhan, China and has since spread to other countries, including the U.S. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the U.S. have declared a state of emergency. It is anticipated that these impacts will continue for some time. There has been no immediate impact to the Authority's operations. Future potential impacts may include disruptions or restrictions on our employees' ability to work or the tenant's ability to pay the required monthly rent. Operating functions that may be changed include intake, recertifications and maintenance. Changes to the operating environment may increase operating costs. Additional impacts may include the ability of tenants to continue making rental payments as a result of job loss or other pandemic related issues. The future effects of these issues are unknown.

**SUPPLEMENTAL INFORMATION-
PROGRAM FINANCIAL SCHEDULES**

HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO
PROGRAM SCHEDULE OF NET POSITION
December 31, 2021

ASSETS	Public Housing	Columbine Court	Market Rentals	Weld Co. NSP	Totals
CURRENT ASSETS:					
Cash and cash equivalents	\$ 286,578	\$ 139,579	\$ 102,289	\$ 788	\$ 529,234
Accounts receivable, net	44	2,965	1,177	33	4,219
Materials inventory, net	-	885	-	-	885
<i>Restricted:</i>					
Cash and cash equivalents	17,763	8,832	13,171	69,381	109,147
TOTAL CURRENT ASSETS	304,385	152,261	116,637	70,202	643,485
NONCURRENT ASSETS:					
Capital Assets, non-depreciable	119,640	65,000	331,858	-	516,498
Capital Assets, depreciable, net	466,435	155,776	556,212	313	1,178,736
TOTAL NONCURRENT ASSETS	586,075	220,776	888,070	313	1,695,234
TOTAL ASSETS	\$ 890,460	\$ 373,037	\$ 1,004,707	\$ 70,515	\$ 2,338,719
LIABILITIES					
CURRENT LIABILITIES:					
Accounts payable	\$ 17,311	\$ 11,476	\$ 5,988	\$ 516	\$ 35,291
Accrued payroll and benefits	5,716	3,380	958	130	10,184
Compensated absence payable	1,099	655	317	42	2,113
Unearned revenue	3,083	4,636	4,757	55	12,531
Accrued interest payable	-	136	1,502	-	1,638
Tenant security deposit payable	17,763	8,832	13,171	1,756	41,522
Current-portion, notes payable	-	31,203	40,233	-	71,436
TOTAL CURRENT LIABILITIES	44,972	60,318	66,926	2,499	174,715
NONCURRENT LIABILITIES:					
Compensated absence payable	2,041	1,217	589	78	3,925
Notes payable	-	73,875	575,783	-	649,658
TOTAL NONCURRENT LIABILITIES	2,041	75,092	576,372	78	653,583
TOTAL LIABILITIES	47,013	135,410	643,298	2,577	828,298
NET POSITION					
Net investment in capital assets	586,075	115,698	272,054	313	974,140
Restricted	-	-	-	67,625	67,625
Unrestricted	257,372	121,929	89,355	-	468,656
TOTAL NET POSITION	\$ 843,447	\$ 237,627	\$ 361,409	\$ 67,938	\$ 1,510,421

HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO
PROGRAM SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
Year Ended December 31, 2021

	<u>Public Housing</u>	<u>Columbine Court</u>	<u>Market Rentals</u>	<u>Weld Co. NSP</u>	<u>Totals</u>
OPERATING REVENUES					
Rental income	\$ 262,479	\$ 117,015	\$ 161,126	\$ 21,149	\$ 561,769
HUD program revenue	-	213,141	-	-	213,141
Other income	985	2,653	46,175	-	49,813
TOTAL OPERATING REVENUES	<u>263,464</u>	<u>332,809</u>	<u>207,301</u>	<u>21,149</u>	<u>824,723</u>
OPERATING EXPENSES					
Administrative	112,103	68,021	31,586	6,261	217,971
Tenant Services	8,084	11,494	72	-	19,650
Utilities	85,885	52,006	19,805	3,462	161,158
Ordinary maintenance and operations	142,237	80,331	28,856	2,073	253,497
General expense	42,922	21,738	17,637	3,122	85,419
Depreciation	120,908	46,236	39,340	587	207,071
TOTAL OPERATING EXPENSES	<u>512,139</u>	<u>279,826</u>	<u>137,296</u>	<u>15,505</u>	<u>944,766</u>
OPERATING INCOME (LOSS)	<u>(248,675)</u>	<u>52,983</u>	<u>70,005</u>	<u>5,644</u>	<u>(120,043)</u>
NONOPERATING REVENUES (EXPENSES)					
HUD operating subsidy	172,114	-	-	-	172,114
HUD CARES Act subsidy	1,894	-	-	-	1,894
Interest income	76	8	7	6	97
Interest expense	-	(3,657)	(19,300)	-	(22,957)
Loss on capital asset dispositions	-	(732)	-	-	(732)
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>174,084</u>	<u>(4,381)</u>	<u>(19,293)</u>	<u>6</u>	<u>150,416</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	<u>(74,591)</u>	<u>48,602</u>	<u>50,712</u>	<u>5,650</u>	<u>30,373</u>
CAPITAL CONTRIBUTIONS					
HUD CARES Act - capital	10,810	-	-	-	10,810
TRANSFERS					
Transfers in	3,748	-	-	-	3,748
Transfers out	-	-	(3,748)	-	(3,748)
INCREASE (DECREASE) IN NET POSITION	<u>(60,033)</u>	<u>48,602</u>	<u>46,964</u>	<u>5,650</u>	<u>41,183</u>
NET POSITION:					
Net position, beginning balance	903,480	189,025	314,445	62,288	1,469,238
NET POSITION - ENDING BALANCE	<u>\$ 843,447</u>	<u>\$ 237,627</u>	<u>\$ 361,409</u>	<u>\$ 67,938</u>	<u>\$ 1,510,421</u>

HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO
PROGRAM SCHEDULE OF CASH FLOWS
Year Ended December 31, 2021

	<u>Public Housing</u>	<u>Columbine Court</u>	<u>Market Rentals</u>	<u>Weld Co. NSP</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES:					
Rental receipts	\$ 262,479	\$ 117,015	\$ 161,126	\$ 21,149	\$ 561,769
HUD receipts	-	213,141	-	-	213,141
Other receipts	985	2,653	46,175	-	49,813
Tenant security deposits	(2,099)	(309)	1,124	-	(1,284)
Cash payments for goods and services	(231,583)	(131,177)	(57,409)	(10,192)	(430,361)
Cash payments to employees for services	(158,059)	(96,742)	(35,606)	(4,104)	(294,511)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(128,277)	104,581	115,410	6,853	98,567
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
HUD operating subsidy	172,114	-	-	-	172,114
HUD CARES Act subsidy	4,820	-	-	-	4,820
Transfers in (out)	3,748	-	(3,748)	-	-
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	180,682	-	(3,748)	-	176,934
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Purchases and construction of capital assets	(64,898)	(27,702)	(20,147)	(49)	(112,796)
HUD CARES Act - capital	10,810	-	-	-	10,810
Interest paid on capital debt	-	(3,657)	(19,300)	-	(22,957)
Principal paid on capital debt	-	(30,269)	(39,029)	-	(69,298)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(54,088)	(61,628)	(78,476)	(49)	(194,241)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest received	76	8	7	6	97
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	76	8	7	6	97
NET INCREASE (DECREASE) IN CASH	(1,607)	42,961	33,193	6,810	81,357
CASH AND CASH EQUIVALENTS-BEGINNING	305,948	105,450	82,267	63,359	557,024
CASH AND CASH EQUIVALENTS-END OF YEAR	\$ 304,341	\$ 148,411	\$ 115,460	\$ 70,169	\$ 638,381

HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO
PROGRAM SCHEDULE OF CASH FLOWS (CONT'D)
Year Ended December 31, 2021

	<u>Public Housing</u>	<u>Columbine Court</u>	<u>Market Rentals</u>	<u>Weld Co. NSP</u>	<u>Totals</u>
RECONCILIATION OF INCOME (LOSS) FROM					
OPERATIONS TO NET CASH PROVIDED					
(USED) BY OPERATING ACTIVITIES:					
Operating income (loss)	\$ (248,675)	\$ 52,983	\$ 70,005	\$ 5,644	\$ (120,043)
Adjustments to reconcile income from operations to net cash provided by operating activities:					
Depreciation	120,908	46,236	39,340	587	207,071
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	4,354	(2,489)	2,123	253	4,241
Increase (decrease) in accounts payable	(2,118)	(8)	(2,891)	126	(4,891)
Increase (decrease) in accrued payroll and benefits	(3,729)	3,380	975	130	756
Increase (decrease) in tenant security deposits	(2,099)	(309)	1,124	-	(1,284)
Increase (decrease) in unearned revenue	1,566	3,883	4,297	55	9,801
Increase (decrease) in accrued leave	1,516	905	437	58	2,916
NET CASH PROVIDED (USED)					
BY OPERATING ACTIVITIES	\$ <u>(128,277)</u>	\$ <u>104,581</u>	\$ <u>115,410</u>	\$ <u>6,853</u>	\$ <u>98,567</u>

**SUPPLEMENTAL INFORMATION –
HUD FINANCIAL DATA SCHEDULE**

Housing Authority of the City of Fort Lupton (CO029)
FORT LUPTON, CO
Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2021

	Project Total	14,PHC Public Housing CARES Act Funding	14,182 NIC S/R Section 8 Programs	1 Business Activities	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$286,578		\$139,579	\$103,077	\$529,234		\$529,234
113 Cash - Other Restricted				\$67,625	\$67,625		\$67,625
114 Cash - Tenant Security Deposits	\$17,763		\$8,832	\$14,927	\$41,522		\$41,522
100 Total Cash	\$304,341	\$0	\$148,411	\$185,629	\$638,381		\$638,381
126 Accounts Receivable - Tenants	\$44		\$2,965	\$1,210	\$4,219		\$4,219
126.1 Allowance for Doubtful Accounts - Tenants	\$0		\$0	\$0	\$0		\$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$44	\$0	\$2,965	\$1,210	\$4,219		\$4,219
143 Inventories			\$885		\$885		\$885
143.1 Allowance for Obsolete Inventories			\$0		\$0		\$0
150 Total Current Assets	\$304,385	\$0	\$152,261	\$186,839	\$643,485		\$643,485
161 Land	\$119,640		\$65,000	\$331,858	\$516,498		\$516,498
162 Buildings	\$2,535,303		\$1,344,096	\$989,165	\$4,868,554		\$4,868,554
163 Furniture, Equipment & Machinery - Dwellings	\$45,253		\$49,132	\$50,516	\$144,901		\$144,901
164 Furniture, Equipment & Machinery - Administration	\$18,371		\$9,948	\$62,463	\$90,782		\$90,782
166 Accumulated Depreciation	-\$2,132,492		-\$1,247,400	-\$545,609	-\$3,925,501		-\$3,925,501
160 Total Capital Assets, Net of Accumulated Depreciation	\$586,075	\$0	\$220,776	\$888,383	\$1,695,234		\$1,695,234
180 Total Non-Current Assets	\$586,075	\$0	\$220,776	\$888,383	\$1,695,234		\$1,695,234
290 Total Assets and Deferred Outflow of Resources	\$890,460	\$0	\$373,037	\$1,075,222	\$2,338,719		\$2,338,719
312 Accounts Payable <= 90 Days	\$17,311		\$11,476	\$6,504	\$35,291		\$35,291
321 Accrued Wage/Payroll Taxes Payable	\$5,716		\$3,380	\$1,088	\$10,184		\$10,184
322 Accrued Compensated Absences - Current Portion	\$1,099		\$655	\$359	\$2,113		\$2,113
325 Accrued Interest Payable			\$136	\$1,502	\$1,638		\$1,638
341 Tenant Security Deposits	\$17,763		\$8,832	\$14,927	\$41,522		\$41,522
342 Unearned Revenue	\$3,083		\$4,636	\$4,812	\$12,531		\$12,531
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue			\$31,203	\$40,233	\$71,436		\$71,436
310 Total Current Liabilities	\$44,972	\$0	\$60,318	\$69,425	\$174,715		\$174,715
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue			\$73,875	\$575,783	\$649,658		\$649,658
354 Accrued Compensated Absences - Non Current	\$2,041		\$1,217	\$667	\$3,925		\$3,925
350 Total Non-Current Liabilities	\$2,041	\$0	\$75,092	\$576,450	\$653,583		\$653,583
300 Total Liabilities	\$47,013	\$0	\$135,410	\$645,875	\$828,298		\$828,298
508.4 Net Investment in Capital Assets	\$586,075	\$0	\$115,698	\$272,367	\$974,140		\$974,140
511.4 Restricted Net Position			\$0	\$67,625	\$67,625		\$67,625
512.4 Unrestricted Net Position	\$257,372	\$0	\$121,929	\$89,355	\$468,656		\$468,656
513 Total Equity - Net Assets / Position	\$843,447	\$0	\$237,627	\$429,347	\$1,510,421		\$1,510,421
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$890,460	\$0	\$373,037	\$1,075,222	\$2,338,719		\$2,338,719

Housing Authority of the City of Fort Lupton (CO029)

FORT LUPTON, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2021

	Project Total	14.PHC Public Housing CARES Act Funding	14.182 N/C S/R Section 8 Programs	Business Activities	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$256,380		\$109,139	\$182,275	\$547,794		\$547,794
70400 Tenant Revenue - Other	\$6,099		\$7,876		\$13,975		\$13,975
70500 Total Tenant Revenue	\$262,479	\$0	\$117,015	\$182,275	\$561,769	\$0	\$561,769
70800 HUD PHA Operating Grants	\$172,114	\$12,704	\$213,141		\$397,959		\$397,959
71100 Investment Income - Unrestricted	\$76		\$2	\$4	\$82		\$82
71500 Other Revenue	\$985		\$2,653	\$46,175	\$49,813	-\$23,483	\$26,330
71600 Gain or Loss on Sale of Capital Assets			-\$732		-\$732		-\$732
72000 Investment Income - Restricted			\$6	\$9	\$15		\$15
70000 Total Revenue	\$435,654	\$12,704	\$332,085	\$228,463	\$1,008,905	-\$23,483	\$985,423
91100 Administrative Salaries	\$66,816	\$1,269	\$40,553	\$22,239	\$130,877	-\$2,120	\$128,757
91200 Auditing Fees	\$4,100		\$2,050	\$1,700	\$7,850		\$7,850
91400 Advertising and Marketing	\$12				\$12		\$12
91500 Employee Benefit contributions - Administrative	\$13,500	\$145	\$8,184	\$4,425	\$26,254		\$26,254
91600 Office Expenses	\$21,244		\$13,793	\$8,907	\$43,944		\$43,944
91700 Legal Expense	\$402		\$2,038	\$122	\$2,562		\$2,562
91900 Other	\$4,615		\$1,403	\$454	\$6,472		\$6,472
91000 Total Operating - Administrative	\$110,689	\$1,414	\$68,021	\$37,847	\$217,971	-\$2,120	\$215,851
92400 Tenant Services - Other	\$8,084		\$11,494	\$72	\$19,650		\$19,650
92500 Total Tenant Services	\$8,084	\$0	\$11,494	\$72	\$19,650	\$0	\$19,650
93100 Water	\$39,719		\$10,787	\$9,537	\$60,043		\$60,043
93200 Electricity	\$10,581		\$21,774	\$1,424	\$33,779		\$33,779
93300 Gas	\$6,966		\$9,232	\$1,979	\$18,177		\$18,177
93600 Sewer	\$28,331		\$10,213	\$10,327	\$48,871		\$48,871
93800 Other Utilities Expense	\$288				\$288		\$288
93000 Total Utilities	\$85,885	\$0	\$52,006	\$23,267	\$161,158	\$0	\$161,158
94100 Ordinary Maintenance and Operations - Labor	\$61,528		\$34,017	\$7,725	\$103,270		\$103,270
94200 Ordinary Maintenance and Operations - Materials and Other	\$21,037		\$13,319	\$3,337	\$37,693		\$37,693
94300 Ordinary Maintenance and Operations Contracts	\$42,977	\$480	\$23,292	\$14,546	\$81,295	-\$21,363	\$59,932
94500 Employee Benefit Contributions - Ordinary Maintenance	\$16,215		\$9,703	\$5,321	\$31,239		\$31,239
94000 Total Maintenance	\$141,757	\$480	\$80,331	\$30,929	\$253,497	-\$21,363	\$232,134
96110 Property Insurance	\$33,120		\$16,497	\$16,684	\$66,301		\$66,301
96120 Liability Insurance	\$1,277		\$761	\$417	\$2,455		\$2,455
96130 Workmen's Compensation	\$2,723		\$1,623	\$891	\$5,237		\$5,237
96140 All Other Insurance	\$4,286		\$1,953	\$2,272	\$8,511		\$8,511
96100 Total Insurance Premiums	\$41,406	\$0	\$20,834	\$20,264	\$82,504	\$0	\$82,504
96210 Compensated Absences	\$1,516		\$804	\$495	\$2,915		\$2,915
96000 Total Other General Expenses	\$1,516	\$0	\$804	\$495	\$2,915	\$0	\$2,915
96710 Interest of Mortgage (or Bonds) Payable			\$3,657	\$19,300	\$22,957		\$22,957
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$3,657	\$19,300	\$22,957	\$0	\$22,957
96900 Total Operating Expenses	\$389,337	\$1,894	\$237,247	\$132,174	\$760,652	-\$23,483	\$737,169
97000 Excess of Operating Revenue over Operating Expenses	\$46,317	\$10,810	\$94,838	\$96,289	\$248,254	\$0	\$248,254
97400 Depreciation Expense	\$120,908		\$46,236	\$39,927	\$207,071		\$207,071
90000 Total Expenses	\$510,245	\$1,894	\$283,483	\$172,101	\$967,723	-\$23,483	\$944,240
10010 Operating Transfer In	\$3,748				\$3,748	-\$3,748	\$0
10020 Operating transfer Out				-\$3,748	-\$3,748		\$0
10100 Total Other financing Sources (Uses)	\$3,748	\$0	\$0	-\$3,748	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$70,843	\$10,810	\$48,602	\$52,614	\$41,183	\$0	\$41,183
11020 Required Annual Debt Principal Payments	\$0	\$0	\$30,269	\$8029	\$69,298		\$69,298
11030 Beginning Equity	\$903,480	\$0	\$188,025	\$376,733	\$1,469,238		\$1,469,238
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$10,810	-\$10,810			\$0		\$0
11190 Unit Months Available	600		360	204	1164		1164
11210 Number of Unit Months Leased	570		359	203	1132		1132
11270 Excess Cash	\$226,929				\$226,929		\$226,929
11620 Building Purchases	\$59,478				\$59,478		\$59,478
11630 Furniture & Equipment - Dwelling Purchases	\$4,320				\$4,320		\$4,320
11640 Furniture & Equipment - Administrative Purchases	\$2,100				\$2,100		\$2,100

Housing Authority of the City of Fort Lupton (CO029)
FORT LUPTON, CO
Single Project Revenue and Expense

Submission Type: Audited/Non Single
 Audit

Fiscal Year End: 12/31/2021

Project: CO029000029 FORT LUPTON

	Low Rent	Capital Fund	Total Project
70300 Net Tenant Rental Revenue	\$256,380		\$256,380
70400 Tenant Revenue - Other	\$6,099		\$6,099
70500 Total Tenant Revenue	\$262,479	\$0	\$262,479
70600 HUD PHA Operating Grants	\$172,114		\$172,114
71100 Investment Income - Unrestricted	\$76		\$76
71500 Other Revenue	\$985		\$985
70000 Total Revenue	\$435,654	\$0	\$435,654
91100 Administrative Salaries	\$66,816		\$66,816
91200 Auditing Fees	\$4,100		\$4,100
91400 Advertising and Marketing	\$12		\$12
91500 Employee Benefit contributions - Administrative	\$13,500		\$13,500
91600 Office Expenses	\$21,244		\$21,244
91700 Legal Expense	\$402		\$402
91900 Other	\$4,615		\$4,615
91000 Total Operating - Administrative	\$110,689	\$0	\$110,689
92400 Tenant Services - Other	\$8,084		\$8,084
92500 Total Tenant Services	\$8,084	\$0	\$8,084
93100 Water	\$39,719		\$39,719
93200 Electricity	\$10,581		\$10,581
93300 Gas	\$6,966		\$6,966
93600 Sewer	\$28,331		\$28,331
93800 Other Utilities Expense	\$288		\$288
93000 Total Utilities	\$85,885	\$0	\$85,885
94100 Ordinary Maintenance and Operations - Labor	\$61,528		\$61,528
94200 Ordinary Maintenance and Operations - Materials and Other	\$21,037		\$21,037
94300 Ordinary Maintenance and Operations Contracts	\$42,977		\$42,977
94500 Employee Benefit Contributions - Ordinary Maintenance	\$16,215		\$16,215
94000 Total Maintenance	\$141,757	\$0	\$141,757
96110 Property Insurance	\$33,120		\$33,120
96120 Liability Insurance	\$1,277		\$1,277
96130 Workmen's Compensation	\$2,723		\$2,723
96140 All Other Insurance	\$4,286		\$4,286
96100 Total insurance Premiums	\$41,406	\$0	\$41,406
96210 Compensated Absences	\$1,516		\$1,516
96000 Total Other General Expenses	\$1,516	\$0	\$1,516
96900 Total Operating Expenses	\$389,337	\$0	\$389,337
97000 Excess of Operating Revenue over Operating Expenses	\$46,317	\$0	\$46,317
97400 Depreciation Expense	\$120,908		\$120,908
90000 Total Expenses	\$510,245	\$0	\$510,245
10010 Operating Transfer In	\$3,748		\$3,748
10100 Total Other financing Sources (Uses)	\$3,748	\$0	\$3,748
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$70,843	\$0	-\$70,843
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0
11030 Beginning Equity	\$903,480	\$0	\$903,480
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$10,810		\$10,810
11190 Unit Months Available	600		600
11210 Number of Unit Months Leased	570		570
11270 Excess Cash	\$226,929		\$226,929
11620 Building Purchases	\$59,478	\$0	\$59,478
11630 Furniture & Equipment - Dwelling Purchases	\$4,320	\$0	\$4,320
11640 Furniture & Equipment - Administrative Purchases	\$2,100	\$0	\$2,100

GOVERNMENT AUDITING STANDARDS SECTION

Randal D. Niewedde, CPA
Jeffrey J. Wiens, CPA

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT
AUDITING STANDARDS**

Independent Auditors Report

To the Board of Commissioners
Housing Authority of the City of Fort Lupton, Colorado

We have audited, in accordance with the 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, the financial statements of the major fund of the Housing Authority of the City of Fort Lupton, Colorado, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of Fort Lupton, Colorado's basic financial statements, and have issued our report thereon dated March 24, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Housing Authority of the City of Fort Lupton, Colorado's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of the City of Fort Lupton, Colorado's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the City of Fort Lupton, Colorado's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonably possibility that a material misstatement of the entity's basic financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Housing Authority of the City of Fort Lupton, Colorado's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Niewedde & Wiens, CPA's

York, Nebraska
March 24, 2022

AGREED-UPON PROCEDURE

Randal D. Niewedde, CPA
Jeffrey J. Wiens, CPA

Independent Accountant's Report on Applying Agreed-Upon Procedure

To the Board of Commissioners
Housing Authority of the City of Fort Lupton, Colorado

We have performed the procedures enumerated below on whether the electronic submission of certain information agrees with the hard copy documents within the reporting package for the year ended December 31, 2021. The U.S. Department of Housing and Urban Development, Real Estate Assessment Center (REAC) is responsible for the Uniform Financial Reporting Standards (UFRS) procedures.

The Housing Authority of the City of Fort Lupton, Colorado has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of complying with the REAC's UFRS requirements for the submission of the PHA financial data for the year ended December 31, 2021. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are as follows:

We compared the electronic submission of the items listed in the chart below under the "UFRS Rule Information" column with the corresponding printed documents listed in the chart under the "Hard Copy Documents" column. The results of the performance of our agreed-upon procedure indicate agreement or non-agreement of electronically submitted information and hard copy documents as shown in the chart below:

Procedure	UFRS Rule Information	Hard Copy Document(s)	Findings
1	Balance Sheet and Revenue and Revenue and Expense (account numbers 111 to 13901)	Financial Data Schedule, all CFDAs, if applicable.	Agrees
2	Footnotes (data element G5000-010)	Footnotes to audited basic financial statements	Agrees
3	Type of opinion on FDS (date element G3100-040)	Auditor's supplemental report on FDS	Agrees
4	Basic financial statements and auditor reports required to be submitted electronically	Basic financial statements (inclusive of auditor reports)	Agrees

We were engaged by the Housing Authority of the City of Fort Lupton, Colorado to perform this agreed-upon procedure engagement and conducted our engagement in accordance with attestation standards established by the AICPA and the standards applicable to attestation engagements contained in the *Government Auditing Standards* issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on UFRS Rule Information. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Housing Authority of the City of Fort Lupton, Colorado and REAC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedure engagement.

This report is intended solely for the information and use of the Housing Authority of the City of Fort Lupton, Colorado and REAC, and is not intended to be, and should not be, used by anyone other than these specified parties.

We were engaged to perform an audit of the financial statements of the Housing Authority of the City of Fort Lupton, Colorado as of and for the year ended December 31, 2021, and have issued our report thereon dated March 24, 2022. The information in the "Hard Copy Documents" column was included within the scope, or was a by-product, of that audit. Further, our opinion on the fair presentation of the Housing Authority of the City of Fort Lupton, Colorado's Financial Data Schedule dated March 24, 2022, was expressed in relation to the basic financial statements of the Housing Authority taken as a whole.

A copy of the financial statement package and the Financial Data Schedule, which includes the auditor's report, is available in its entirety from the Housing Authority of the City of Fort Lupton, Colorado. We have not performed any additional auditing procedures since the date of the aforementioned audit report.

This report is intended solely for the information and use of the Housing Authority and the U.S. Department of Housing and Urban Development, REAC, and is not intended to be and should not be used by anyone other than these specified parties.

Niewedde & Wiens, CPA's

York, Nebraska
March 24, 2022