

**LAMAR HOUSING AUTHORITY**  
**Lamar, Colorado**

**Financial Statements**

**With Independent Auditor's Report**

**December 31, 2021**

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# Green & Associates LLC

Certified Public Accountants & Business Consultants

## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Lamar Housing Authority

### Opinions

We have audited the accompanying financial statements of the business type activities and the major fund of Lamar Housing Authority as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Lamar Housing Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and each major fund of Lamar Housing Authority as of December 31, 2021, and the respective changes in financial position and, cash flows thereof for the year then ended 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 and the standards applicable to the 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 Lamar Housing 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 opinion.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 Lamar Housing 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 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 generally accepted auditing standards, 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, including omissions, 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.

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In performing an audit in accordance with generally accepted auditing standards 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 of 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 Lamar Housing 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 Lamar Housing 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, Schedule of the Authority's Proportionate Share of the Net Pension Liability – PERA, Schedule of Pension Contributions – PERA, Schedule of the Authority's Proportionate Share of the Net Pension Liability – OPEB, Schedule of Pension Contributions – OPEB, 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 Lamar Housing Authority's basic financial statements. The Combining Schedules, Financial Data Schedules, and 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*, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic 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 Combining Schedules, Financial Data Schedules, and Schedule of Expenditures of Federal Awards 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 March 21, 2022 on our consideration of the Lamar Housing 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 Lamar Housing 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 Lamar Housing Authority's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "G. & Associates LLP". The signature is written in black ink and is positioned above the typed address and date.

Longmont, Colorado  
March 21, 2022

## **Management Discussion and Analysis**

## Management Discussion and Analysis

As management of the Lamar Housing Authority (the Authority), we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended December 31, 2021.

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statement. The Authority's financial statements comprise two components: 1) financial statements, and 2) notes to the financial statements. This report also contains required, and other supplementary information in addition to the basic financial statements themselves.

**Financial Statements** The financial statements are designed to provide readers with a broad overview of the Authority's finances in a manner similar to a private-sector business.

The statement of net position presents information on all of the Authority's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The statement of activities presents information showing how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as an underlying event giving rise to the change occurs, regardless of the time of related cash flows.

**Fund Financial Statements** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Authority consists of one proprietary enterprise fund that has seven housing and grant programs which are described in Note 1 to Financial Statements.

**Notes to the Financial Statements** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statement can be found starting on page 9 of this report.

### Financial Analysis

As noted, net position may, over time serve as a useful indicator of the Authority's financial position. Assets exceeded liabilities by \$3,148,847 at the close of the most recent fiscal year.

The largest portion of the Authority's net position reflects its net investment in capital assets (e.g. land, building, machinery and equipment), less any related outstanding debt used to acquire those assets. The Authority uses these capital assets to provide affordable low rent housing to its tenants, these assets are not available for future spending. Although the Authority's investment in its capital assets are reported net of related debt, it should be noted that resources to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**Condensed Statements of Net Position** are presented in the following table:

|                                  | 2021                | 2020                | 2019                | Increase<br>(Decrease) CY<br>vs. PY |
|----------------------------------|---------------------|---------------------|---------------------|-------------------------------------|
| <b>ASSETS</b>                    |                     |                     |                     |                                     |
| Cash and equivalents             | \$ 1,152,784        | \$ 1,135,874        | \$ 1,027,196        | \$ 16,910                           |
| Other current assets             | 5,671               | 2,517               | 17,187              | 3,154                               |
| Capital assets                   | 3,084,301           | 3,204,780           | 3,383,836           | (120,479)                           |
| Total Assets                     | <u>4,242,756</u>    | <u>4,343,171</u>    | <u>4,428,219</u>    | <u>(100,415)</u>                    |
| DEFERRED OUTFLOWS OF RESOURCES   | <u>96,180</u>       | <u>53,833</u>       | <u>136,252</u>      | <u>42,347</u>                       |
| <b>LIABILITIES</b>               |                     |                     |                     |                                     |
| Current liabilities              | 150,475             | 145,378             | 135,962             | 5,097                               |
| Long term liabilities            | 787,992             | 938,819             | 1,225,400           | (150,827)                           |
| Total liabilities                | <u>938,467</u>      | <u>1,084,197</u>    | <u>1,361,362</u>    | <u>(145,730)</u>                    |
| DEFERRED INFLOWS OF RESOURCES    | <u>251,622</u>      | <u>121,480</u>      | <u>60</u>           | <u>130,142</u>                      |
| <b>NET POSITION</b>              |                     |                     |                     |                                     |
| Net investment in capital assets | 2,447,281           | 2,502,308           | 2,616,563           | (55,027)                            |
| Restricted                       | 294,165             | 299,002             | 254,019             | (4,837)                             |
| Unrestricted                     | 407,401             | 390,017             | 332,467             | 17,384                              |
| Total Net Position               | <u>\$ 3,148,847</u> | <u>\$ 3,191,327</u> | <u>\$ 3,203,049</u> | <u>\$ (42,480)</u>                  |

**Condensed Statements of Revenues, Expenses, and Changes in Net Position** are presented in the following table:

|                                   | 2021                | 2020                | 2019                | Increase<br>(Decrease)<br>CY vs. PY |
|-----------------------------------|---------------------|---------------------|---------------------|-------------------------------------|
| <b>Revenue:</b>                   |                     |                     |                     |                                     |
| Operating Revenue                 | \$ 440,798          | \$ 432,930          | \$ 459,581          | \$ 7,868                            |
| HUD Grants                        | 509,830             | 505,836             | 509,724             | 3,994                               |
| Other Government Grants           | 335,934             | 365,612             | 356,573             | (29,678)                            |
| Gain (Loss) on disposal of assets | -                   | -                   | 47,003              | -                                   |
| Interest Income                   | 1,656               | 2,878               | 6,642               | (1,222)                             |
| Total Revenue                     | <u>1,288,218</u>    | <u>1,307,256</u>    | <u>1,379,523</u>    | <u>(19,038)</u>                     |
| <b>Expenses:</b>                  |                     |                     |                     |                                     |
| Operating Expenses                | 1,028,613           | 976,367             | 977,929             | 52,246                              |
| Housing Assistance Payments       | 442,594             | 425,696             | 430,413             | 16,898                              |
| Interest Expense                  | 6,724               | 7,375               | 8,020               | (651)                               |
| Total Expenses                    | <u>1,477,931</u>    | <u>1,409,438</u>    | <u>1,416,362</u>    | <u>68,493</u>                       |
| Capital Contributions             | <u>147,233</u>      | <u>90,460</u>       | <u>251,756</u>      |                                     |
| Change in Net Position            | (42,480)            | (11,722)            | 214,917             | (30,758)                            |
| Net Position-Beginning            | 3,191,327           | 3,203,049           | 2,988,132           | (11,722)                            |
| Net Position-Ending               | <u>\$ 3,148,847</u> | <u>\$ 3,191,327</u> | <u>\$ 3,203,049</u> | <u>\$ (42,480)</u>                  |

For the current fiscal year, as well as in the previous fiscal year, the Authority is able to report a positive balance in the net position. Current and other assets are increased due to increase in cash. This is primarily a result of revenues exceeding expenditures, less depreciation, throughout the year. Long term liabilities decreased due to the changes in pension liabilities and payment of mortgages. Operating revenues increased due to lower vacancy. Operating expenses are increased due to higher operating costs.

**Condensed Statements of Cash Flows** are presented in the following table:

|                                                          | <u>2021</u>         | <u>2020</u>         | <u>2019</u>         |
|----------------------------------------------------------|---------------------|---------------------|---------------------|
| Cash from (for) Operating Activities                     | \$ (401,005)        | \$ (350,056)        | \$ (386,876)        |
| Cash from Non Capital Financing Activities               | 403,170             | 445,752             | 435,884             |
| Cash from (for) Capital and Related Financing Activities | 13,089              | 10,104              | 178,762             |
| Cash from (for) Investing Activities                     | <u>1,656</u>        | <u>2,878</u>        | <u>6,642</u>        |
| Increase (Decrease)                                      | <u>16,910</u>       | <u>108,678</u>      | <u>234,412</u>      |
| Cash and Cash Equivalents, Beginning of Year             | 1,135,874           | 1,027,196           | 792,784             |
| Cash and Cash Equivalents, End of Year                   | <u>\$ 1,152,784</u> | <u>\$ 1,135,874</u> | <u>\$ 1,027,196</u> |

### **Capital Asset and Debt Administration**

**Capital Assets.** The Authority's investment in capital assets as of December 31, 2021, amounts to \$3,084,301 (net of accumulated depreciation). This investment in capital assets includes land, building and improvements, machinery and equipment. The Authority's capital expenditure during fiscal year 2021 were \$61,968 relating to general upgrades. The capital purchases were partially funded by HUD capital grants. The Authority did not dispose of any capital assets during the year. Additional information on capital assets can be found in note 5 to the accompanying financial statements.

### **Long Term Debt**

At the end of the year, the Authority had outstanding long-term debt, excluding pension and OPEB related liabilities, of \$637,020. The Authority did not acquire any new long-term debt. The only activity in was the payment of principal and interest. The remaining changes in long-term debt were related to the pension and OPEB liabilities. Additional information on the Authority's Long-Term Debt can be found in Note 6.

### **Economic Factors and Next Year's Revenue**

The Authority does not receive any revenue by taxes. The Authority expects to have approximately 6 percent vacancy rates for their units in 2022. The Authority's rental rates have not changed in fiscal year 2022. The Authority expects that subsidy will not increase in 2022.

### **Request for Information**

This financial report is designed to provide an overview of the Lamar Housing Authority's finances for all interested parties. Questions concerning any of the information provided in this report, or requests for additional information should be addressed to the Authority's Accounting Department, 804 South Main Street, Lamar, CO 81052.

## **Basic Financial Statements**

**Lamar Housing Authority**  
**Statement of Net Position**  
**December 31, 2021**

**ASSETS**

|                           |                  |
|---------------------------|------------------|
| Current Assets            |                  |
| Cash and cash equivalents | \$ 811,330       |
| Prepaid expenses          | 1,102            |
| Accounts receivable, net  |                  |
| Tenants                   | 4,569            |
| Cash - restricted         | 341,454          |
| Total Current Assets      | <u>1,158,455</u> |

Noncurrent Assets

|                                |                         |
|--------------------------------|-------------------------|
| Capital assets                 |                         |
| Land                           | 220,901                 |
| Buildings                      | 6,829,805               |
| Machinery and equipment        | 281,202                 |
| Less: accumulated depreciation | <u>(4,247,607)</u>      |
| Net Capital Assets             | <u>3,084,301</u>        |
| Total Noncurrent Assets        | <u>3,084,301</u>        |
| <b>Total Assets</b>            | <u><b>4,242,756</b></u> |

**DEFERRED OUTFLOWS OF RESOURCES**

|                                      |               |
|--------------------------------------|---------------|
| Deferred Outflows - Pensions         | 92,870        |
| Deferred Outflows - OPEB             | 3,310         |
| Total Deferred Outflows of Resources | <u>96,180</u> |

**LIABILITIES**

|                                  |                |
|----------------------------------|----------------|
| Current Liabilities              |                |
| Accounts payable                 | 22,046         |
| Other accrued liabilities        | 6,877          |
| Tenant security deposits         | 47,289         |
| Accrued compensated absences     | 8,198          |
| Prepaid tenant rent              | 764            |
| Long term debt - current portion | 65,301         |
| Total Current Liabilities        | <u>150,475</u> |

Long Term Liabilities

|                             |                       |
|-----------------------------|-----------------------|
| Net Pension Liability       | 189,871               |
| Net OPEB Liability          | 26,402                |
| Long term debt              | 571,719               |
| Total Long Term Liabilities | <u>787,992</u>        |
| <b>Total Liabilities</b>    | <u><b>938,467</b></u> |

**DEFERRED INFLOWS OF RESOURCES**

|                                     |                |
|-------------------------------------|----------------|
| Deferred Inflows - Pensions         | 239,020        |
| Deferred Inflows - OPEB             | 12,602         |
| Total Deferred Inflows of Resources | <u>251,622</u> |

**Net Position**

|                                     |                            |
|-------------------------------------|----------------------------|
| Net investment in capital assets    | 2,447,281                  |
| Restricted for capital improvements | 264,248                    |
| Restricted for housing assistance   | 29,917                     |
| Unrestricted                        | 407,401                    |
| <b>Total Net Position</b>           | <u><b>\$ 3,148,847</b></u> |

**Lamar Housing Authority**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**For the Year Ended December 31, 2021**

|                                          |                     |
|------------------------------------------|---------------------|
| <b>Operating Revenues</b>                |                     |
| Dwelling Rental - Net                    | \$ 416,346          |
| Management Fee                           | 4,000               |
| Other                                    | 20,452              |
| Total Operating Revenues                 | <u>440,798</u>      |
| <b>Operating Expenses</b>                |                     |
| General and Administrative               | 315,953             |
| Utilities                                | 168,741             |
| Maintenance and Operation                | 361,472             |
| Depreciation                             | 182,447             |
| Total Operating Expenses                 | <u>1,028,613</u>    |
| Operating Income (Loss)                  | (587,815)           |
| <b>Non-Operating Revenues (Expenses)</b> |                     |
| HUD Contributions and Grants             | 509,830             |
| Other Government Grants                  | 335,934             |
| Housing Assistance Payments              | (442,594)           |
| Interest Expense                         | (6,724)             |
| Interest Income                          | 1,656               |
| Total Non-Operating Revenues (Expenses)  | <u>398,102</u>      |
| Income Before Capital Contributions      | <u>(189,713)</u>    |
| Capital Contributions                    | 147,233             |
| Change in Net Position                   | (42,480)            |
| Net Position, Beginning of Year          | 3,191,327           |
| Net Position, End of Year                | <u>\$ 3,148,847</u> |

**Lamar Housing Authority**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2021**

|                                                                                           |              |
|-------------------------------------------------------------------------------------------|--------------|
| <b>Cash Flows From Operating Activities:</b>                                              |              |
| Cash Received from Tenants                                                                | \$ 443,250   |
| Cash Payments to Tenants and suppliers                                                    | (556,030)    |
| Cash Payments to Employees                                                                | (288,225)    |
| Net Cash (Used) For Operating Activities                                                  | (401,005)    |
| <br><b>Cash Flows From Noncapital Financing Activities:</b>                               |              |
| HUD Contributions and Grants                                                              | 509,830      |
| Housing Assistance Payments                                                               | (442,594)    |
| Other Governments Grants                                                                  | 335,934      |
| Net Cash Provided by Non-Capital Financing Activities                                     | 403,170      |
| <br><b>Cash Flows From Capital and Related Financing Activities:</b>                      |              |
| Purchase of Property, Plant and Equipment                                                 | (61,968)     |
| Capital Contributions                                                                     | 147,233      |
| Repayment of Notes and Mortgage                                                           | (65,452)     |
| Interest on Notes and Mortgage                                                            | (6,724)      |
| Net Cash Provided by Capital and Related Financing Activities                             | 13,089       |
| <br><b>Cash Flows from Investing Activities:</b>                                          |              |
| Interest Income                                                                           | 1,656        |
| Net Cash Provided by Investing Activities                                                 | 1,656        |
| <b>Net increase in Cash and Cash Equivalents</b>                                          | 16,910       |
| Cash and Cash Equivalents, Beginning                                                      | 1,135,874    |
| Cash and Cash Equivalents, Ending                                                         | \$ 1,152,784 |
| <br><b>Detail of cash and cash equivalents:</b>                                           |              |
| Cash - Unrestricted                                                                       | 811,330      |
| Cash-Restricted                                                                           | 341,454      |
| <b>Total</b>                                                                              | \$ 1,152,784 |
| <br><b>Reconciliation of Operating Income to Net Cash Used for Operating Activities:</b>  |              |
| Operating (Loss)                                                                          | (587,815)    |
| <b>Adjustments to Reconcile Operating Loss to Net Cash Used for Operating Activities:</b> |              |
| Depreciation and Amortization                                                             | 182,447      |
| Changes in Pension Related Items                                                          | 3,142        |
| <b>Changes in Assets and Liabilities:</b>                                                 |              |
| Accounts Receivable - Tenants                                                             | (3,096)      |
| Prepaid expenses                                                                          | (58)         |
| Accounts Payable                                                                          | (1,089)      |
| Accrued Liabilities                                                                       | 1,086        |
| Prepaid Tenant Rent                                                                       | 764          |
| Accrued Compensated Absences                                                              | (1,170)      |
| Tenant Security Deposits                                                                  | 4,784        |
| Net Cash Used for Operating Activities                                                    | (401,005)    |

**Lamar Housing Authority**  
**Notes to the Financial Statements**  
**December 31, 2021**

**Note 1 Summary of Significant Accounting Policies**

The Lamar Housing Authority (the Authority) was established in 1976 by the City of Lamar, Colorado. The Authority is operated by a Board of Commissioners. The accounting policies of the Authority conform to Generally Accepted Accounting Principles (GAAP) as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The Authority follows all pronouncements issued by GASB. The more significant of the Authority's policies are described below.

**Financial Reporting Entity**

The Authority follows GASB Statement No. 14 which provides guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of governmental organizations elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency. Based upon the application of these criteria, no entities will be included in the Authority's reporting entity. The Lamar Housing Authority is not a component unit of any other entities.

**Basis of Accounting**

Enterprise fund accounting is utilized by the Authority in accordance with accounting principles generally accepted in the United States of America. Enterprise funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recorded when incurred. Depreciation is computed and recorded as an operating expense. Expenditures for capital outlay are recognized as increases in capital assets. Retirement of bonds is recorded as a reduction of liabilities.

Enterprise funds are used to account for those operations that are financed and operated in a manner similar to private business or where the Board has decided that the determination of revenues earned, cost incurred and/or net income is necessary for management accountability. All assets, deferred inflows, liabilities, deferred outflows associated with the operation of the Authority are included in the statement of net position.

The Authority distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Authority's enterprises fund is charges for providing low-income housing. Operating expenses for the enterprise fund include the cost of providing low-income housing, administrative expenses and depreciation on capital assets. All other revenues and expenses are reported as non-operating revenues and expenses. The Authority presents its activities as a single enterprise proprietary fund and its primary operations are comprised of a number of grant programs as follows:

**Lamar Housing Authority**  
**Notes to the Financial Statements (Continued)**  
**December 31, 2021**

**Note 1 Summary of Significant Accounting Policies (Continued)**

*Low Rent Program* accounts for the financial activities associated with Strainhurst Court South properties.

*Housing Choice Vouchers Program* accounts for the financial activities associated with Section 8 Housing Choice Voucher program.

*Rural Development Program* accounts for the financial activities associated with Emerald Home property.

*Capital Fund Program* accounts for financial activities associated with Public Housing capital fund program grant received from HUD.

*State and Local Program* accounts for the financial activities associated with the administrative fee received from Colorado Department of Housing to administer section 8 program.

*Section 8 New Construction Program* accounts for the financial activities associated with Strainhurst Court property.

*Business Fee Program* accounts for general administration and operations of the Authority.

The Authority follows the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34 *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments* as amended by Statement No. 61 *The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No. 34* and Statement No. 63 *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. These statements establishes standards for external financial reporting for all state and local governmental entities which includes a management’s discussion and analysis section; a statement of net position; a statement of revenues, expenses, and changes in net position; and a statement of cash flows. It requires the classification of net position into three components: net investment in capital assets; restricted; and unrestricted.

**Assets, Liabilities and Net Position**

***Investments*** - Investments are recorded at fair value, which approximates cost.

***Receivables*** - All receivables are reported at their book value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

***Short-Term Interprogram Receivables/Payables*** - During the course of operations, transactions may occur between individual programs for the goods provided or services rendered. These receivables and payables are classified as “due from other programs” or “due to other programs” on the balance sheet and have been eliminated in the government wide statement of net position.

**Lamar Housing Authority**  
**Notes to the Financial Statements (Continued)**  
**December 31, 2021**

**Note 1 Summary of Significant Accounting Policies (Continued)**

**Assets, Liabilities and Net Position (Continued)**

**Capital assets** - These consist of all property, plant and equipment. The Authority defines capital assets as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or estimated historical cost if donated.

Depreciation of all exhaustible capital assets is charged as expense against operations. Accumulated depreciation is reported on the balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

|              |               |
|--------------|---------------|
| Buildings    | 20 - 50 years |
| Improvements | 10 - 20 years |
| Equipment    | 1 - 20 years  |

**Compensated Absences** - Pursuant to its personnel policies, the Authority will compensate individual employment for up to 21 days of vacation. The Authority reports these potential payments as a liability for compensated absences.

**Restricted Assets** - Certain resources set aside for capital improvements, are classified as restricted assets on the balance sheet in the amount of \$264,248 because they are maintained in separate bank accounts and their use is limited by applicable loan covenants. The Authority receives payments in advance that are designated for housing assistance by the Department of Housing and Urban Development. The Section 8 Housing Choice Voucher program has cash restricted for the use of low-income housing on the statement of net position in the amount of \$29,917. The Authority maintains tenant security deposits in segregated accounts in the amount of \$47,289 that are classified as restricted cash and is offset by a corresponding liability.

**Net Position** – Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets – consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – consists of net position with constraints placed on the use either by (1) external groups, such as creditors, grantors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – all other net position that do not meet the definition of “restricted” or “net investment in capital assets.” These net positions are available for future operations or distributions. The Authority utilizes restricted net position before utilizing unrestricted net position when an expense is incurred for both purposes.

**Lamar Housing Authority**  
**Notes to the Financial Statements (Continued)**  
**December 31, 2021**

**Note 1 Summary of Significant Accounting Policies (Continued)**

**Cash Equivalents**

For purposes of the statement of cash flows, cash equivalents are defined as investments (including restricted assets) with maturity of three months or less at date of acquisition. The Authority considers certificates of deposit with maturities of more than three months at date of purchase as investments.

**Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Budgets and Budgetary Accounting**

Budgets are adopted on a cash basis. Annual appropriated budgets are adopted for the fund. All annual appropriations lapse at fiscal year-end. The Authority adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

- Budgets are required by state law for all funds. The budget includes proposed expenditures and the means of financing them. All budgets lapse at year-end.
- Prior to December 31, the budget is adopted by formal resolution.
- Budgets are required to be filed with the State of Colorado within thirty days after the beginning of the fiscal year.
- Expenditures may not legally exceed appropriations at the fund level.
- The Authority Board must approve revisions that alter the total expenditures of any fund.
- Budgeted amounts reported in the accompanying financial statements are as originally adopted by the Authority Board or revised by the Authority Board.

**Note 2 Cash and Investments**

**Cash Deposits**

As of December 31, 2021, the Authority's cash deposits had a carrying balance of \$1,152,784 and a corresponding bank balance of \$1,167,958, of which \$500,000 was insured by the Federal Deposit Insurance Corporation, respectively.

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

**Lamar Housing Authority  
Notes to the Financial Statements (Continued)  
December 31, 2021**

**Note 2 Cash and Investments (Continued)**

The Colorado Divisions of Banking and Financial Services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. The Authority had \$667,958 collateralized under PDPA.

**Custodial Credit Risk – Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the Authority’s deposits may not be returned to it. The Authority does not have a deposit policy for custodial credit risk. As of December 31, 2021, none of the Authority’s bank deposits were exposed to custodial credit risk.

**Investments**

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

- Obligations of the United States and certain United States government agency securities.
- Certain international agency securities.
- General obligation and revenue bonds of United States local government entities.
- Bankers’ acceptances of certain banks.
- Commercial paper.
- Local government investment pools.
- Written repurchase agreements collateralized by certain authorized securities.
- Certain money market funds.
- Guaranteed investment contracts.

The Authority does not have a formal investment policy.

**Note 3 Accounts Receivable**

Accounts receivable balance at December 31, 2021, was comprised of the following:

| <u>Program</u>    | <u>Tenants<br/>Receivable</u> | <u>Allowance<br/>for Bad Debt</u> | <u>Receivable<br/>Net of<br/>Allowance</u> |
|-------------------|-------------------------------|-----------------------------------|--------------------------------------------|
| Rural Development | \$ 5,390                      | \$ (821)                          | \$ 4,569                                   |
| Total             | <u>\$ 5,390</u>               | <u>\$ (821)</u>                   | <u>\$ 4,569</u>                            |

**Note 4 Interprogram Receivables / Payables**

The outstanding balances between programs result mainly from the time lag between the dates that (1) transactions are recorded in the accounting system, and (2) payments between programs are made. The effect of inter program transactions has been eliminated in the Statements of Net Position. The composition of inter program balances as of December 31, 2021, is as follows:

**Lamar Housing Authority**  
**Notes to the Financial Statements (Continued)**  
**December 31, 2021**

**Note 4 Due to Due From (Continued)**

| Program                | Due From<br>Other Program | Due To Other<br>Program | Total       |
|------------------------|---------------------------|-------------------------|-------------|
| Housing Choice Voucher | \$ -                      | \$ (4,613)              | \$ (4,613)  |
| Rural Development      | 63,195                    | (63,195)                | -           |
| Business Fee           | 4,613                     | -                       | 4,613       |
| Total                  | <u>\$ 67,808</u>          | <u>\$ (67,808)</u>      | <u>\$ -</u> |

**Note 5 Fixed Assets**

The following is a summary of fixed assets at December 31, 2021

|                                | Balance<br>12/31/2020 | Additions           | Deletions   | Balance<br>12/31/2021 |
|--------------------------------|-----------------------|---------------------|-------------|-----------------------|
| Nondepreciable                 |                       |                     |             |                       |
| Land                           | \$ 220,901            | \$ -                | \$ -        | \$ 220,901            |
| Total Nondepreciable           | <u>220,901</u>        | <u>-</u>            | <u>-</u>    | <u>220,901</u>        |
| Depreciable                    |                       |                     |             |                       |
| Buildings and improvements     | 6,767,837             | 61,968              | -           | 6,829,805             |
| Machinery and equipment        | 281,202               | -                   | -           | 281,202               |
| Total Depreciable              | <u>7,049,039</u>      | <u>61,968</u>       | <u>-</u>    | <u>7,111,007</u>      |
| TOTAL                          | <u>7,269,940</u>      | <u>61,968</u>       | <u>-</u>    | <u>7,331,908</u>      |
| Less Accumulated Depreciation  | <u>(4,065,160)</u>    | <u>(182,447)</u>    | <u>-</u>    | <u>(4,247,607)</u>    |
| Total Accumulated Depreciation | <u>(4,065,160)</u>    | <u>(182,447)</u>    | <u>-</u>    | <u>(4,247,607)</u>    |
| Net Capital Assets             | <u>\$ 3,204,780</u>   | <u>\$ (120,479)</u> | <u>\$ -</u> | <u>\$ 3,084,301</u>   |

**Note 6 Notes Payable**

Changes in Long-term Debt during 2021 were as follows:

|                      | Balance<br>12/31/2020 | Additions   | Reductions       | Balance<br>12/31/2021 | Due Within<br>One Year |
|----------------------|-----------------------|-------------|------------------|-----------------------|------------------------|
| USDA Phase One       | \$ 129,452            | \$ -        | \$ 13,670        | \$ 115,782            | \$ 12,999              |
| USDA Phase Two       | 523,844               | -           | 49,197           | 474,647               | 49,691                 |
| USDA Short Term      | 49,176                | -           | 2,585            | 46,591                | 2,611                  |
| Total Long-term Debt | <u>\$ 702,472</u>     | <u>\$ -</u> | <u>\$ 65,452</u> | <u>\$ 637,020</u>     | <u>\$ 65,301</u>       |

**Lamar Housing Authority**  
**Notes to the Financial Statements (Continued)**  
**December 31, 2021**

**Note 6 Notes Payable (Continued)**

*Rural Development Note Payable (Phase I):* On January 1, 2002, the Authority obtained a loan from United States Department of Agriculture Rural Development in the amount of \$364,711 with an interest rate of 1%. The loan proceeds were used for building housing. The note is secured by the buildings. The requirements to amortize the loan as of December 31, 2021 are as follows:

| Year      | Principal         | Interest        | Total             |
|-----------|-------------------|-----------------|-------------------|
| 2022      | \$ 12,999         | \$ 1,902        | \$ 14,901         |
| 2023      | 13,205            | 1,696           | 14,901            |
| 2024      | 13,413            | 1,488           | 14,901            |
| 2025      | 13,625            | 1,276           | 14,901            |
| 2026      | 13,625            | 1,276           | 14,901            |
| 2027-2030 | 48,915            | 2,025           | 50,940            |
| Total     | <u>\$ 115,782</u> | <u>\$ 9,663</u> | <u>\$ 125,445</u> |

*Rural Development Note Payable (Phase II):* On January 1, 2002, the Authority obtained a loan from United States Department of Agriculture Rural Development in the amount of \$1,370,943 and carries a rate of interest of 1%. The loan proceeds were used for the construction of housing. The requirements to amortize the loan as of December 31, 2021 are as follows:

| Year      | Principal         | Interest         | Total             |
|-----------|-------------------|------------------|-------------------|
| 2022      | \$ 49,691         | \$ 4,520         | \$ 54,211         |
| 2023      | 50,191            | 4,020            | 54,211            |
| 2024      | 50,695            | 3,516            | 54,211            |
| 2025      | 51,204            | 3,007            | 54,211            |
| 2026      | 51,719            | 2,492            | 54,211            |
| 2027-2031 | 221,147           | 4,730            | 225,877           |
| Total     | <u>\$ 474,647</u> | <u>\$ 22,285</u> | <u>\$ 496,932</u> |

*Rural Development Temporary Note Payable.* - On June 15, 2005 the Authority borrowed \$60,000 from United States Department of Agriculture Rural Development for construction. The Authority borrowed additional amounts of \$21,274 on August 1, 2007 on this note. The note is unsecured and the rate of interest is 1%. The Authority started paying this loan on September 6, 2007 in monthly payments of \$255 including interest. The requirements to amortize the loan as of December 31, 2021 are as follows:

**Lamar Housing Authority**  
**Notes to the Financial Statements (Continued)**  
**December 31, 2021**

**Note 6 Notes Payable (Continued)**

| Year      | Principal        | Interest        | Total            |
|-----------|------------------|-----------------|------------------|
| 2022      | \$ 2,611         | \$ 454          | \$ 3,065         |
| 2023      | 2,636            | 429             | 3,065            |
| 2024      | 2,663            | 402             | 3,065            |
| 2025      | 2,690            | 375             | 3,065            |
| 2026      | 2,717            | 348             | 3,065            |
| 2027-2031 | 13,998           | 1,327           | 15,325           |
| 2032-2036 | 14,716           | 609             | 15,325           |
| 2037-2038 | 4,560            | 98              | 4,658            |
| Total     | <u>\$ 46,591</u> | <u>\$ 4,042</u> | <u>\$ 50,633</u> |

**Note 7 Defined Benefit Pension Plan**  
**Summary of Significant Accounting Policies**

*Pensions* The Lamar Housing Authority participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees’ Retirement Association of Colorado (“PERA”). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the LGDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The Colorado General Assembly passed significant pension reform through Senate Bill (SB) 18-200: *Concerning Modifications To the Public Employees’ Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan Within the Next Thirty Years*. The bill was signed into law by Governor Hickenlooper on June 4, 2018. SB 18-200 made changes to certain benefit provisions. Most of these changes were in effect as of December 31, 2021.

**General Information about the Pension Plan**

*Plan description.* Eligible employees of the Lamar Housing Authority are provided with pensions through the LGDTF—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report (Annual Report) that can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

*Benefits provided as of December 31, 2020.* PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

**Lamar Housing Authority**  
**Notes to the Financial Statements (Continued)**  
**December 31, 2021**

**Note 7 Defined Benefit Pension Plan (Continued)**

The lifetime retirement benefit for all eligible retiring employees under the PERA benefit structure is the greater of the:

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit.
- The value of the retiring employee's member contribution account plus a 100 percent match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

The lifetime retirement benefit for all eligible retiring employees under the Denver Public Schools (DPS) benefit structure is the greater of the:

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit.
- \$15 times the first 10 years of service credit plus \$20 times service credit over 10 years plus a monthly amount equal to the annuitized member contribution account balance based on life expectancy and other actuarial factors.

In all cases the service retirement benefit is limited to 100 percent of highest average salary and also cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50 percent or 100 percent on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

As of December 31, 2020, benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S., once certain criteria are met. Pursuant to SB 18-200, eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007, and all eligible benefit recipients of the DPS benefit structure will receive an annual increase of 1.25 percent unless adjusted by the automatic adjustment provision (AAP) pursuant to C.R.S. § 24-51-413. Eligible benefit recipients under the PERA benefit structure who began membership on or after January 1, 2007 will receive the lessor of an annual increase of 1.25 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve (AIR) for the LGDTF. The AAP may raise or lower the aforementioned annual increase by up to 0.25 percent based on the parameters specified in C.R.S. § 24-51-413.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the lifetime retirement benefit formula(s) shown above considering a minimum 20 years of service credit, if deemed disabled.

**Lamar Housing Authority  
Notes to the Financial Statements (Continued)  
December 31, 2021**

**Note 7 Defined Benefit Pension Plan (Continued)**

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

*Contributions provisions as of December 31, 2021* Eligible employees and the Lamar Housing Authority are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Employee contribution rates for the period are summarized in the table below:

|                                                                       | January 1, 2020<br>Through<br>June 30, 2020 | July 1, 2020<br>Through<br>December 31, 2020 | January 1, 2021<br>Through<br>June 30, 2021 | July 1, 2021<br>Through<br>December 31, 2021 |
|-----------------------------------------------------------------------|---------------------------------------------|----------------------------------------------|---------------------------------------------|----------------------------------------------|
| Employee contribution<br>(all employees other than<br>State Troopers) | 8.00%                                       | 8.50%                                        | 8.50%                                       | 8.50%                                        |
| State Troopers                                                        | 10.75%                                      | 12.00%                                       | 12.00%                                      | 12.50%                                       |

\*\*Contribution rates for the LGDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

The employer contribution requirements for all employees other than State Troopers are summarized in the table below:

**Lamar Housing Authority  
Notes to the Financial Statements (Continued)  
December 31, 2021**

**Note 7 Defined Benefit Pension Plan (Continued)**

|                                                                                                                    | January 1, 2020<br>Through<br>June 30, 2020 | July 1, 2020<br>Through<br>December 31, 2020 | January 1, 2021<br>Through<br>June 30, 2021 | July 1, 2021<br>Through<br>December 31, 2021 |
|--------------------------------------------------------------------------------------------------------------------|---------------------------------------------|----------------------------------------------|---------------------------------------------|----------------------------------------------|
| Employer contribution rate                                                                                         | 10.00%                                      | 10.50%                                       | 10.50%                                      | 10.50%                                       |
| Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f) | (1.02)%                                     | (1.02)%                                      | (1.02)%                                     | (1.02)%                                      |
| Amount apportioned to the LGDTF                                                                                    | 8.98%                                       | 9.48%                                        | 9.48%                                       | 9.48%                                        |
| Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411                                    | 2.20%                                       | 2.20%                                        | 2.20%                                       | 2.20%                                        |
| Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411                      | 1.50%                                       | 1.50%                                        | 1.50%                                       | 1.50%                                        |
| Defined Contribution Supplement as specified in C.R.S. § 24-51-415                                                 | N/A                                         | N/A                                          | 0.02%                                       | 0.02%                                        |
| <b>Total employer contribution rate to the LGDTF</b>                                                               | <b>12.68%</b>                               | <b>13.18%</b>                                | <b>13.20%</b>                               | <b>13.20%</b>                                |

\*\*Contribution Rates for the LGDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the Lamar Housing Authority is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from Lamar Housing Authority were \$33,259 for the year December 31, 2021.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At December 31, 2021 the Lamar Housing Authority reported a liability of \$189,871 for its proportionate share of the net pension liability. The net pension liability for the LGDTF was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019. Standard update procedures were used to roll-forward the total pension liability to December 31, 2020. The Lamar Housing Authority proportion of the net pension liability was based on Lamar Housing Authority contributions to the LGDTF for the calendar year 2020 relative to the total contributions of participating employers to the LGDTF.

**Lamar Housing Authority  
Notes to the Financial Statements (Continued)  
December 31, 2021**

**Note 7 Defined Benefit Pension Plan (Continued)**

At December 31, 2020, the Lamar Housing Authority proportion was .0310579188 percent, which was decrease of .000003766751 from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021, the Lamar Housing Authority recognized pension expense of \$1,655. At December 31, 2021, the Lamar Housing Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|                                                                                                                 | Deferred Outflows of | Deferred Inflows of |
|-----------------------------------------------------------------------------------------------------------------|----------------------|---------------------|
| Difference between expected and                                                                                 | \$9,180              | \$0                 |
| Changes of assumptions or other inputs                                                                          | 45,885               | 0                   |
| Net difference between projected and actual earnings on pension plan                                            | 0                    | (205,336)           |
| Changes in proportion and differences between contributions recognized and proportionate share of contributions | 0                    | (33,684)            |
| Contributions subsequent to the measurement date                                                                | 37,805               | N/A                 |
| Total                                                                                                           | \$92,870             | \$(239,020)         |

\$37,805 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year ended December 31, |            |
|-------------------------|------------|
| 2022                    | \$(49,641) |
| 2023                    | (32,302)   |
| 2024                    | (69,605)   |
| 2025                    | (32,407)   |
| 2026                    | 0          |
| Thereafter              | \$0        |

*Actuarial assumptions.* The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

**Lamar Housing Authority  
Notes to the Financial Statements (Continued)  
December 31, 2021**

**Note 7 Defined Benefit Pension Plan (Continued)**

|                                                                                                         |              |
|---------------------------------------------------------------------------------------------------------|--------------|
| Actuarial cost method                                                                                   | Entry age    |
| Price inflation                                                                                         | 2.40%        |
| Real wage growth                                                                                        | 1.10%        |
| Wage inflation                                                                                          | 3.50%        |
| Salary increases, including wage inflation                                                              | 3.50%–10.45% |
| Long-term investment rate of return, net of pension plan investment expenses, including price inflation | 7.25%        |
| Discount rate                                                                                           | 7.25%        |
| Post-retirement benefit increases:                                                                      |              |
| PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (compounded annually)            | 1.25%        |
| PERA benefit structure hired after 12/31/06 <sup>1</sup>                                                |              |

Financed by the AIR

<sup>1</sup> Post-retirement benefit increases are provided by the AIR, accounted separately within each Division Trust Fund, and subject to moneys being available; therefore, liabilities related to increases for members of these benefit tiers can never exceed available assets.

Healthy mortality assumptions for active members were based on the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

Post-retirement non-disabled mortality assumptions were based on the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73 percent factor applied to rates for ages less than 80, a 108 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78 percent factor applied to rates for ages less than 80, a 109 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

The mortality assumption for disabled retirees was based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The actuarial assumptions used in the December 31, 2019, valuation were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, as well as, the October 28, 2016, actuarial assumptions workshop and were adopted by PERA's Board during the November 18, 2016, Board meeting. The actuarial assumptions used in the December 31, 2019, valuation were based on the results of the 2016 experience analysis for the period January 1, 2012, through

**Lamar Housing Authority  
Notes to the Financial Statements (Continued)  
December 31, 2021**

**Note 7 Defined Benefit Pension Plan (Continued)**

December 31, 2015, as well as the October 28, 2016, actuarial assumptions workshop and were adopted by PERA's Board during the November 18, 2016, Board meeting.

|                                                                                                         |                     |
|---------------------------------------------------------------------------------------------------------|---------------------|
| Based on the 2020 experience analysis, dated October                                                    | Entry age           |
| Price inflation                                                                                         | 2.30%               |
| Real wage growth                                                                                        | 0.70%               |
| Wage inflation                                                                                          | 3.00%               |
| Salary increases, including wage inflation:                                                             |                     |
| Members other than State Troopers                                                                       | 3.20%-11.30%        |
| State Troopers <sup>1</sup>                                                                             | 3.20%-12.40%        |
| Long-term investment rate of return, net of pension plan investment expenses, including price inflation | 7.25%               |
| Discount rate                                                                                           | 7.25%               |
| Post-retirement benefit increases:                                                                      |                     |
| PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (compounded annually)            | 1.25%               |
| PERA benefit structure hired after 12/31/06 <sup>2</sup>                                                | Financed by the AIR |

<sup>1</sup> C.R.S. § 24-51-101 (46), as amended, expanded the definition of "State Troopers" to include certain employees within the LGDTF, effective January 1, 2020. See Note 4 of the Notes to the Financial Statements in PERA's 2020 Annual Report for more information.

<sup>2</sup> Post-retirement benefit increases are provided by the AIR, accounted separately within each Division Trust Fund, and subject to moneys being available; therefore, liabilities related to increases for members of these benefit tiers can never exceed available assets.

Salary scale assumptions were revised to align with revised economic assumptions and to more closely reflect actual experience. Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience. Pre-retirement mortality assumptions for Members other than State Troopers were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

Pre-retirement mortality assumptions for State Troopers were based upon the PubS-2010 Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for Members other than State Troopers were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- **Males:** 94 percent of the rates prior to age 80 and 90 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 87 percent of the rates prior to age 80 and 107 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

**Lamar Housing Authority**  
**Notes to the Financial Statements (Continued)**  
**December 31, 2021**

**Note 7 Defined Benefit Pension Plan (Continued)**

Post-retirement non-disabled mortality assumptions for State Troopers were based upon the unadjusted PubS-2010 Healthy Retiree Table, with generational projection using scale MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- **Males:** 97 percent of the rates for all ages, with generational projection using scale MP-2019.
- **Females:** 105 percent of the rates for all ages, with generational projection using scale MP-2019.

Disabled mortality assumptions for Members other than State Troopers were based upon the PubNS-2010 Disabled Retiree Table using 99 percent of the rates for all ages with generational projection using scale MP-2019.

Disabled mortality assumptions for State Troopers were based upon the unadjusted PubS-2010 Disabled Retiree Table with generational projection using scale MP-2019.

The mortality tables described above are generational mortality tables on a benefit-weighted basis.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020. As a result of the November 20, 2020, PERA Board meeting, the following economic assumptions were changed, effective December 31, 2020:

- Price inflation assumption decreased from 2.40 percent per year to 2.30 percent per year.
- Real rate of investment return assumption increased from 4.85 percent per year, net of investment expenses to 4.95 percent per year, net of investment expenses.
- Wage inflation assumption decreased from 3.50 percent per year to 3.00 percent per year.

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

**Lamar Housing Authority  
Notes to the Financial Statements (Continued)  
December 31, 2021**

**Note 7 Defined Benefit Pension Plan (Continued)**

The PERA Board first adopted the 7.25 percent long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

| <b>Asset Class</b>        | <b>Target Allocation</b> | <b>30 Year Expected Geometric Real Rate of Return</b> |
|---------------------------|--------------------------|-------------------------------------------------------|
| Global Equity             | 54.00%                   | 5.60%                                                 |
| Fixed Income              | 23.00%                   | 1.30%                                                 |
| Private Equity            | 8.50%                    | 7.10%                                                 |
| Real Estate               | 8.50%                    | 4.40%                                                 |
| Alternatives <sup>1</sup> | 6.00%                    | 4.70%                                                 |
| <b>Total</b>              | <b>100.00%</b>           |                                                       |

<sup>1</sup> The Opportunity Fund's name changed to Alternatives, effective January 1, 2020.

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected nominal rate of return assumption of 7.25 percent.

*Discount rate.* The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00 percent.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increase in SB 18-200. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103 percent, at which point the AED and SAED will each drop 0.50 percent every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

**Lamar Housing Authority  
Notes to the Financial Statements (Continued)  
December 31, 2021**

**Note 7 Defined Benefit Pension Plan (Continued)**

- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP position and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, LGDTF's FNP was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent. There was no change in the discount rate from the prior measurement date.

*Sensitivity of the Lamar Housing Authority proportionate share of the net pension liability to changes in the discount rate.* The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

|                                        | 1% Decrease<br>(6.25%) | Current<br>Discount Rate<br>(7.25%) | 1% Increase<br>(8.25%) |
|----------------------------------------|------------------------|-------------------------------------|------------------------|
| Proportionate share of the net pension | \$437,389              | \$189,871                           | \$(16,773)             |

*Pension plan fiduciary net position.* Detailed information about the LGDTF's fiduciary net position is available in PERA's Annual Report which can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

**Note 8 Other Post-Employment Benefits (OPEB)**

Voluntary Investment Program

*Plan Description* - Employees of the Lamar Housing Authority that are also members of the LGDTF may voluntarily contribute to the Voluntary Investment Program, an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of the C.R.S., as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available Annual Report which includes additional information on the Voluntary Investment Program. That report can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

*Funding Policy* - The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. In addition, the Lamar Housing Authority has agreed to match employee contributions up to 3 percent of

**Lamar Housing Authority  
Notes to the Financial Statements (Continued)  
December 31, 2021**

**Note 8 Other Post-Employment Benefits (OPEB) (Continued)**

covered salary as determined by the Internal Revenue Service. Employees are immediately vested in their own contributions, employer contributions and investment earnings. For the year ended December 31, 2021 program members contributed \$0 and Lamar Housing Authority recognized pension expense and a liability of \$0 and \$0, respectively, for the Voluntary Investment Program.

Defined Contribution Retirement Plan (DC Plan)

*Plan Description* – Employees of the LGDTF that were hired on or after January 1, 2019 which were eligible to participate in the LGDTF, a cost-sharing multiple-employer defined benefit pension plan, have the option to participate in the LGDTF or the Defined Contribution Retirement Plan (PERA DC Plan). The PERA DC Plan is an Internal Revenue

Code Section 401(a) governmental profit-sharing defined contribution plan. Title 24, Article 51, Part 15 of the C.R.S., as amended, assigns the authority to establish Plan provisions to the PERA Board of Trustees. The DC Plan is also included in PERA’s Annual Report as referred to above.

*Funding Policy* – All participating employees in the PERA DC Plan and Lamar Housing Authority are required to contribute a percentage of the participating employees’ PERA-includable salary to the PERA DC Plan. The employee and employer contribution rates for the period are summarized in the tables below:

|                                                                       | January 1, 2020<br>Through<br>June 30, 2020 | July 1, 2020<br>Through<br>December 31, 2020 | January 1, 2021<br>Through<br>June 30, 2021 | July 1, 2021<br>Through<br>December 31, 2021 |
|-----------------------------------------------------------------------|---------------------------------------------|----------------------------------------------|---------------------------------------------|----------------------------------------------|
| Employee Contribution Rates:                                          |                                             |                                              |                                             |                                              |
| Employee contribution<br>(all employees other than<br>State Troopers) | 8.00%                                       | 8.50%                                        | 8.50%                                       | 8.50%                                        |
| State Troopers                                                        | 10.75%                                      | 12.00%                                       | 12.00%                                      | 12.50%                                       |
| Employer Contribution Rates:                                          |                                             |                                              |                                             |                                              |
| On behalf of all employees<br>other<br>than State Troopers)           | 10.00%                                      | 10.00%                                       | 10.00%                                      | 10.00%                                       |
| State Troopers                                                        | 12.85%                                      | 12.85%                                       | 12.85%                                      | 12.85%                                       |

**Summary of Significant Accounting Policies**

*OPEB.* The Lamar Housing Authority participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public

**Lamar Housing Authority**  
**Notes to the Financial Statements (Continued)**  
**December 31, 2021**

**Note 8 Other Post-Employment Benefits (OPEB) (Continued)**

Employees' Retirement Association of Colorado ("PERA"). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

**General Information about the OPEB Plan**

*Plan description.* Eligible employees of the Lamar Housing Authority are provided with OPEB through the HCTF—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended. Colorado

State law provisions may be amended from time to time by the Colorado General Assembly. Title 24, Article 51, Part 12 of the C.R.S., as amended, sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report (Annual Report) that can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

*Benefits provided.* The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. For members who retire having service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four Divisions (State, School, Local Government and Judicial), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

C.R.S. § 24-51-1202 et seq. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

Enrollment in the PERACare is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement,

**Lamar Housing Authority**  
**Notes to the Financial Statements (Continued)**  
**December 31, 2021**

**Note 8 Other Post-Employment Benefits (OPEB) (Continued)**

upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

*PERA Benefit Structure*

The maximum service-based premium subsidy is \$230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5 percent reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. § 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

At December 31, 2021 the Lamar Housing Authority reported a liability of \$26,402 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2019. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2020. The Lamar Housing Authority proportion of the net OPEB liability was based on Lamar Housing Authority contributions to the HCTF for the calendar year 2020 relative to the total contributions of participating employers to the HCTF.

At December 31, 2020, the Lamar Housing Authority proportion was .0027785688 percent, which was an increase of .00000407456 percent from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021, the Lamar Housing Authority recognized OPEB expense of \$1,478. At December 31, 2021, the Lamar Housing Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

**Lamar Housing Authority  
Notes to the Financial Statements (Continued)  
December 31, 2021**

**Note 8 Other Post-Employment Benefits (OPEB) (Continued)**

|                                                                                                                 | <u>Deferred Outflows of</u> | <u>Deferred Inflows of</u> |
|-----------------------------------------------------------------------------------------------------------------|-----------------------------|----------------------------|
| Difference between expected and actual                                                                          | \$70                        | (\$5,805)                  |
| Changes of assumptions or other inputs                                                                          | 197                         | (0)                        |
| Net difference between projected and actual earnings on OPEB plan investments                                   | 0                           | (1,618)                    |
| Changes in proportion and differences between contributions recognized and proportionate share of contributions | 0                           | (5,179)                    |
| Contributions subsequent to the measurement date                                                                | 3,043                       | N/A                        |
| <b>Total</b>                                                                                                    | <b>\$3,310</b>              | <b>(\$12,602)</b>          |

\$3,043 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2022 Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| <b>Year ended December 31,</b> |         |
|--------------------------------|---------|
| 2022                           | (2,666) |
| 2023                           | (2,516) |
| 2024                           | (2,961) |
| 2025                           | (3,133) |
| 2026                           | (1,059) |
| Thereafter                     | (0)     |

*Actuarial assumptions.* The total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

**Lamar Housing Authority  
Notes to the Financial Statements (Continued)  
December 31, 2021**

**Note 8 Other Post-Employment Benefits (OPEB) (Continued)**

|                                                                                                      |                                                      |
|------------------------------------------------------------------------------------------------------|------------------------------------------------------|
| Actuarial cost method                                                                                | Entry age                                            |
| Price inflation                                                                                      | 2.40%                                                |
| Real wage growth                                                                                     | 1.10%                                                |
| Wage inflation                                                                                       | 3.50%                                                |
| Salary increases, including wage inflation                                                           | 3.50% in aggregate                                   |
| Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation | 7.25%                                                |
| Discount rate                                                                                        | 7.25%                                                |
| Health care cost trend rates                                                                         |                                                      |
| PERA benefit structure:                                                                              |                                                      |
| Service-based premium subsidy                                                                        | 0.00%                                                |
| PERACare Medicare plans                                                                              | 8.10% in 2020, gradually decreasing to 4.50% in 2029 |
| Medicare Part A premiums                                                                             | 3.50% in 2020, gradually increasing to 4.50% in 2029 |
| DPS benefit structure:                                                                               |                                                      |
| Service-based premium subsidy                                                                        | 0.00%                                                |
| PERACare Medicare plans                                                                              | N/A                                                  |
| Medicare Part A premiums                                                                             | N/A                                                  |

In determining the additional liability for PERACare enrollees who are age 65 or older and who are not eligible for premium-free Medicare Part A in the December 31, 2019, valuation, the following monthly costs/premiums (actual dollars) are assumed for 2020 for the PERA Benefit Structure:

| <b>Medicare Plan</b>                     | <b>Initial Costs for Members without Medicare Part A</b> |                        | <b>Monthly Cost Adjusted to</b> |
|------------------------------------------|----------------------------------------------------------|------------------------|---------------------------------|
|                                          | <b>Monthly Cost</b>                                      | <b>Monthly Premium</b> |                                 |
| Medicare Advantage/Self-Insured Rx       | \$588                                                    | \$227                  | \$550                           |
| Kaiser Permanente Medicare Advantage HMO | 621                                                      | 232                    | 586                             |

The 2020 Medicare Part A premium is \$458 (actual dollars) per month.

All costs are subject to the health care cost trend rates, as discussed below. Health care cost trend rates reflect the change in per capita health costs over time due to factors such

**Lamar Housing Authority  
Notes to the Financial Statements (Continued)  
December 31, 2021**

**Note 8 Other Post-Employment Benefits (OPEB) (Continued)**

as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. Effective December 31, 2019, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

The PERA benefit structure health care cost trend rates used to measure the total OPEB liability are summarized in the table below:

| <b>Year</b> | <b>PERACare<br/>Medicare Plans</b> | <b>Medicare Part<br/>A</b> |
|-------------|------------------------------------|----------------------------|
| 2020        | 8.10%                              | 3.50%                      |
| 2021        | 6.40%                              | 3.75%                      |
| 2022        | 6.00%                              | 3.75%                      |
| 2023        | 5.70%                              | 3.75%                      |
| 2024        | 5.50%                              | 4.00%                      |
| 2025        | 5.30%                              | 4.00%                      |
| 2026        | 5.10%                              | 4.00%                      |
| 2027        | 4.90%                              | 4.25%                      |
| 2028        | 4.70%                              | 4.25%                      |
| 2029+       | 4.50%                              | 4.50%                      |

Mortality assumptions used in the December 31, 2019 valuation for the determination of the total pension liability for each of the Division Trust Funds as shown below were applied, as applicable, in the determination of the total OPEB liability for the HCTF. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

Healthy mortality assumptions for active members were based on the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

Post-retirement non-disabled mortality assumptions for the State and Local Government Divisions were based on the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

**Lamar Housing Authority**  
**Notes to the Financial Statements (Continued)**  
**December 31, 2021**

**Note 8 Other Post-Employment Benefits (OPEB) (Continued)**

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73 percent factor applied to rates for ages less than 80, a 108 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
  
- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78 percent factor applied to rates for ages less than 80, a 109 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

Post-retirement non-disabled mortality assumptions for the School and Judicial Divisions were based on the RP-2014 White Collar Healthy Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 93 percent factor applied to rates for ages less than 80, a 113 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
  
- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 68 percent factor applied to rates for ages less than 80, a 106 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

The mortality assumption for disabled retirees was based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The actuarial assumptions used in the December 31, 2019, valuation were based on the results of the 2016 experience analysis for the period January 1, 2012, through December 31, 2015, as well as the October 28, 2016, actuarial assumptions workshop and were adopted by PERA's Board during the November 18, 2016, Board meeting.

Based on the 2020 experience analysis, dated October 28, 2020, and November 4, 2020, for the period of January 1, 2016, through December 31, 2019, revised economic and demographic assumptions were adopted by PERA's Board on November 20, 2020, and were effective as of

December 31, 2020. The assumptions shown below were reflected in the roll forward calculation of the total OPEB liability from December 31, 2019, to December 31, 2020.

**Lamar Housing Authority**  
**Notes to the Financial Statements (Continued)**  
**December 31, 2021**

**Note 8 Other Post-Employment Benefits (OPEB) (Continued)**

|                                             | <u>Trust Fund</u>         |                            |                             |                              |
|---------------------------------------------|---------------------------|----------------------------|-----------------------------|------------------------------|
|                                             | <u>State<br/>Division</u> | <u>School<br/>Division</u> | <u>Local<br/>Government</u> | <u>Judicial<br/>Division</u> |
| Actuarial cost method                       | Entry age                 | Entry age                  | Entry age                   | Entry age                    |
| Price inflation                             | 2.30%                     | 2.30%                      | 2.30%                       | 2.30%                        |
| Real wage growth                            | 0.70%                     | 0.70%                      | 0.70%                       | 0.70%                        |
| Wage inflation                              | 3.00%                     | 3.00%                      | 3.00%                       | 3.00%                        |
| Salary increases, including wage inflation: |                           |                            |                             |                              |
| Members other than State Troopers           | 3.30%-<br>10.90%          | 3.40%-<br>11.00%           | 3.20%-<br>11.30%            | 2.80%-<br>5.30%              |
| State Troopers                              | 3.20%-                    | N/A                        | 3.20%-                      | N/A                          |

<sup>1</sup> C.R.S. § 24-51-101 (46), as amended, expanded the definition of “State Troopers” to include certain employees within the Local Government Division, effective January 1, 2020. See Note 4 of the Notes to the Financial Statements in PERA's 2020 Annual Report for more information.

The long-term rate of return, net of OPEB plan investment expenses, including price inflation and discount rate assumptions were 7.25 percent.

Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.

Mortality assumptions used in the roll forward calculations for the determination of the total pension liability for each of the Division Trust Funds as shown below were applied, as applicable, in the roll forward calculation for the HCTF, using a headcount-weighted basis.

Pre-retirement mortality assumptions for the State and Local Government Divisions (Members other than State Troopers) were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

Pre-retirement mortality assumptions for State Troopers were based upon the PubS-2010 Employee Table with generational projection using scale MP-2019.

The pre-retirement mortality assumptions for the School Division were based upon the PubT-2010 Employee Table with generational projection using scale MP-2019.

Pre-retirement mortality assumptions for the Judicial Division were based upon the PubG-2010(A) Above-Median Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the State and Local Government Divisions (Members other than State Troopers) were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- **Males:** 94 percent of the rates prior to age 80 and 90 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 87 percent of the rates prior to age 80 and 107 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

**Lamar Housing Authority**  
**Notes to the Financial Statements (Continued)**  
**December 31, 2021**

**Note 8 Other Post-Employment Benefits (OPEB) (Continued)**

Post-retirement non-disabled mortality assumptions for State Troopers were based upon the unadjusted PubS-2010 Healthy Retiree Table, with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the School Division were based upon the PubT-2010 Healthy Retiree Table, adjusted as follows:

- **Males:** 112 percent of the rates prior to age 80 and 94 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
  
- **Females:** 83 percent of the rates prior to age 80 and 106 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the Judicial Division were based upon the unadjusted PubG-2010(A) Above-Median Healthy Retiree Table with generational projection using scale MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- **Males:** 97 percent of the rates for all ages, with generational projection using scale MP-2019.
- **Females:** 105 percent of the rates for all ages, with generational projection using scale MP-2019.

Disabled mortality assumptions for Members other than State Troopers were based upon the PubNS-2010 Disabled Retiree Table using 99 percent of the rates for all ages with generational projection using scale MP-2019.

Disabled mortality assumptions for State Troopers were based upon the unadjusted PubS-2010 Disabled Retiree Table with generational projection using scale MP-2019.

The mortality tables described above are generational mortality tables on a head-count weighted basis.

The following health care costs assumptions were updated and used in the roll forward calculation for the HCTF:

- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2020 plan year.
- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

Actuarial assumptions pertaining to per capita health care costs and their related trend rates are analyzed and updated annually by the Board's actuary, as discussed above. The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020. As a result of the November 20, 2020, PERA Board

**Lamar Housing Authority  
Notes to the Financial Statements (Continued)  
December 31, 2021**

**Note 8 Other Post-Employment Benefits (OPEB) (Continued)**

meeting, the following economic assumptions were changed, effective December 31, 2020:

- Price inflation assumption decreased from 2.40 percent per year to 2.30 percent per year.
- Real rate of investment return assumption increased from 4.85 percent per year, net of investment expenses to 4.95 percent per year, net of investment expenses.
- Wage inflation assumption decreased from 3.50 percent per year to 3.00 percent per year.

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

The PERA Board first adopted the 7.25 percent long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

| <b>Asset Class</b>        | <b>Target Allocation</b> | <b>30 Year Expected Geometric Real Rate of Return</b> |
|---------------------------|--------------------------|-------------------------------------------------------|
| Global Equity             | 54.00%                   | 5.60%                                                 |
| Fixed Income              | 23.00%                   | 1.30%                                                 |
| Private Equity            | 8.50%                    | 7.10%                                                 |
| Real Estate               | 8.50%                    | 4.40%                                                 |
| Alternatives <sup>1</sup> | 6.00%                    | 4.70%                                                 |
| <b>Total</b>              | <b>100.00%</b>           |                                                       |

<sup>1</sup> The Opportunity Fund's name changed to Alternatives, effective January 1, 2020.

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected nominal rate of return assumption of 7.25 percent.

*Sensitivity of the Lamar Housing Authority proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates.* The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

**Lamar Housing Authority  
Notes to the Financial Statements (Continued)  
December 31, 2021**

**Note 8 Other Post-Employment Benefits (OPEB) (Continued)**

|                                      | 1% Decrease<br>in Trend Rates | Current Trend<br>Rates | 1% Increase in<br>Trend Rates |
|--------------------------------------|-------------------------------|------------------------|-------------------------------|
| Initial PERACare Medicare trend rate | 7.10%                         | 8.10%                  | 9.10%                         |
| Ultimate PERACare Medicare trend     | 3.50%                         | 4.50%                  | 5.50%                         |
| Initial Medicare Part A trend rate   | 2.50%                         | 3.50%                  | 4.50%                         |
| Ultimate Medicare Part A trend rate  | 3.50%                         | 4.50%                  | 5.50%                         |
| Net OPEB Liability                   | \$25,720                      | \$26,402               | \$27,197                      |

*Discount rate.* The discount rate used to measure the total OPEB liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2020, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00 percent.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the HCTF's FNP was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent.

*Sensitivity of the Lamar Housing Authority proportionate share of the net OPEB liability to changes in the discount rate.* The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

**Lamar Housing Authority  
Notes to the Financial Statements (Continued)  
December 31, 2021**

**Note 8 Other Post-Employment Benefits (OPEB) (Continued)**

|                                     | 1% Decrease<br>(6.25%) | Current<br>Discount Rate | 1% Increase<br>(8.25%) |
|-------------------------------------|------------------------|--------------------------|------------------------|
| Proportionate share of the net OPEB | \$25,720               | \$26,402                 | \$27,197               |

*OPEB plan fiduciary net position.* Detailed information about the HCTF's fiduciary net position is available in PERA's Annual Report which can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

**Note 9 Contingencies and Commitments**

The Authority is exposed to various risks related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority participates in Colorado Intergovernmental Risk Sharing Agency(CIRSA/PC) and Colorado Intergovernmental Risk Sharing Agency for Workers' Compensation (CIRSA/WC). CIRSA provides member municipalities within the State of Colorado property, liability and workers compensation coverage and related services. CIRSA's general objectives are to provide member municipalities' defined property and liability and/or workers' compensation coverage through self-insurance and excess insurance purchased from commercial companies. The Authority makes an annual contribution to CIRSA for its insurance coverage.

The Authority's deductible for property and liability insurance coverage range from \$500 to \$1,000 per occurrence. Settle claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There has been no significant reduction in insurance coverage from the prior year in any of the major categories of risk. Losses have not exceeded commercial insurance coverage in any of the last three years.

The Authority participates in a number of federal, state, and local programs that are fully or partially funded by grants received from other governmental units. Expenses financed by grants are subject to audit by the appropriate grantor government. If expenses are disallowed due to noncompliance with grant program regulations, the Authority may be required to reimburse the grantor government. As of December 31, 2021, significant amounts of grant expenses have not been audited, but the Authority believes that disallowed expenses, if any, based on subsequent audits will not have a material effect on any of the individual funds or the overall financial position of the Authority.

In November 1992, Colorado voters passed the Tabor Amendment (Amendment 1) to the State Constitution which limits state and local government tax powers and imposes spending limitations. Fiscal year 1993 provides the basis for limits in future years to which may be applied allowable increases for inflation and student enrollment. Revenue received in excess of the limitations may be required to be refunded, unless the local electorate votes to retain the revenue. The Tabor Amendment is subject to many interpretations; however, the Authority believes it is exempt because it receives no taxes and is funded primarily by federal grants and contributions.

**Lamar Housing Authority**  
**Notes to the Financial Statements (Continued)**  
**December 31, 2021**

**Note 9 Risks and Uncertainties**

In March 2020, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. Specific to the Organization, COVID-19 may impact various parts of its 2021 operations and financial results, but the effects are currently unknown. Management believes the Organization is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events are still developing.

**Note 10 Subsequent Events**

Management has evaluated subsequent events through March 21, 2022, the date the financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure, with the exception of those outlined in Note 9 Risks and Uncertainties.

## **Required Supplemental Information**

**Lamar Housing Authority  
Required Supplementary Information  
Schedule of the Authority's Proportionate Share of the Net Pension Liability - PERA  
Last 10 Fiscal Years \***

|                                                                                 | 2020           | 2019           | 2018             | 2017             | 2016             | 2015             | 2014           | 2013             |
|---------------------------------------------------------------------------------|----------------|----------------|------------------|------------------|------------------|------------------|----------------|------------------|
| Authority's proportion of the net pension liability                             | 0.0310579188%  | 0.0368114913%  | 0.0383575118%    | 0.0365651199%    | 0.0352950779%    | 0.0367209739%    | 0.0387098781%  | 0.0424133344%    |
| Authority's proportional share of the net pension liability                     | \$ 189,871     | \$ 269,237     | \$ 482,236       | \$ 406,535       | \$ 476,604       | \$ 404,511       | \$ 346,960     | \$ 349,028       |
| Authority's covered payroll                                                     | 262,194        | 251,583        | 238,659          | 218,035          | 205,077          | 206,616          | 226,279        | 229,977          |
| Authority's percentage of net pension liability as a percent of covered payroll | 72%            | 107%           | 202%             | 186%             | 232%             | 196%             | 153%           | 152%             |
| Total pension liability                                                         | 5,715,765,000  | 5,324,353,000  | 5,228,602,000    | 5,396,516,000    | 5,123,847,000    | 4,762,090,000    | 4,647,777,000  | 4,517,239,000    |
| Plan fiduciary net position                                                     | 5,194,638,000  | 4,592,962,000  | 3,971,389,000    | 4,283,086,000    | 3,773,506,000    | 3,660,509,000    | 3,751,468,000  | 3,508,312,000    |
| Net pension liability                                                           | \$ 521,127,000 | \$ 731,391,000 | \$ 1,257,213,000 | \$ 1,113,430,000 | \$ 1,350,341,000 | \$ 1,101,581,000 | \$ 896,309,000 | \$ 1,008,927,000 |
| Plan fiduciary net position as a percentage of the total pension liability      | 90.9%          | 86.3%          | 76.0%            | 79.4%            | 73.6%            | 76.9%            | 80.7%          | 77.7%            |
| Net pension liability as a percentage of covered payroll                        | 72%            | 107%           | 202%             | 186%             | 232%             | 196%             | 153%           | 152%             |

\*This report is intended to show 10 years of data. Additional years will be presented as the information becomes available.

**Lamar Housing Authority  
Required Supplementary Information  
Schedule of Pension Contributions - PERA  
Last 10 Fiscal Years**

|                                                                    | 2020       | 2019       | 2018       | 2017       | 2016       | 2015       | 2014       | 2013       | 2012       |
|--------------------------------------------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Statutorily Required Contribution                                  | \$ 33,259  | \$ 31,901  | \$ 30,262  | \$ 29,731  | \$ 27,647  | \$ 26,004  | \$ 26,199  | \$ 28,693  | \$ 34,047  |
| Contributions in Relation to the Statutorily Required Contribution | 33,259     | 31,901     | 30,262     | 29,731     | 27,647     | 26,004     | 26,199     | 28,693     | 34,047     |
| Contribution Deficiency (Excess)                                   | -          | -          | -          | -          | -          | -          | -          | -          | -          |
| Covered Payroll                                                    | \$ 262,194 | \$ 251,583 | \$ 238,659 | \$ 218,035 | \$ 205,077 | \$ 206,616 | \$ 226,279 | \$ 229,977 | \$ 250,973 |
| Contributions as a % of Covered Payroll                            | 12.68%     | 12.68%     | 12.68%     | 13.64%     | 13.48%     | 12.59%     | 11.58%     | 12.48%     | 13.57%     |

**Lamar Housing Authority  
Required Supplementary Information  
Schedule of the Authority's Proportionate Share of the Net OPEB Liability - PERA  
Last 10 Fiscal Years \***

|                                                                              | 2020                  | 2019                    | 2018                    | 2017                    | 2016                    |
|------------------------------------------------------------------------------|-----------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Authority's proportion of the net pension liability                          | 0.0027785688%         | 0.0028193144%           | 0.0029746262%           | 0.0028371532%           | 0.0027093774%           |
| Authority's proportional share of the net OPEB liability                     | \$ 26,402             | \$ 31,689               | \$ 40,471               | \$ 36,872               | \$ 35,211               |
| Authority's covered payroll                                                  | 262,194               | 251,583                 | 238,659                 | 218,035                 | 205,077                 |
| Authority's percentage of net OPEB liability as a percent of covered payroll | 10%                   | 13%                     | 17%                     | 17%                     | 17%                     |
| Total OPEB liability                                                         | 1,413,526,000         | 1,488,508,000           | 1,639,734,000           | 1,575,822,000           | 1,556,762,000           |
| Plan fiduciary net position                                                  | 463,301,000           | 364,510,000             | 279,192,000             | 276,222,000             | 260,228,000             |
| Net OPEB liability                                                           | <u>\$ 950,225,000</u> | <u>\$ 1,123,998,000</u> | <u>\$ 1,360,542,000</u> | <u>\$ 1,299,600,000</u> | <u>\$ 1,296,534,000</u> |
| Plan fiduciary net position as a percentage of the total OPEB liability      | 32.8%                 | 24.5%                   | 17.0%                   | 17.5%                   | 16.7%                   |
| Net OPEB liability as a percentage of covered payroll                        | 10%                   | 13%                     | 17%                     | 17%                     | 17%                     |

\*This report is intended to show 10 years of data. Additional years will be presented as the information becomes available.

**Lamar Housing Authority  
 Required Supplementary Information  
 Schedule of OPEB Contributions - PERA  
 Last 10 Fiscal Years**

|                                                                    | 2020       | 2019       | 2018       | 2017       | 2016       |
|--------------------------------------------------------------------|------------|------------|------------|------------|------------|
| Statutorily Required Contribution                                  | \$ 2,674   | \$ 2,566   | \$ 2,434   | \$ 2,224   | \$ 2,092   |
| Contributions in Relation to the Statutorily Required Contribution | 2,674      | 2,566      | 2,434      | 2,224      | 2,092      |
| Contribution Deficiency (Excess)                                   | -          | -          | -          | -          | -          |
| Covered Payroll                                                    | \$ 262,194 | \$ 251,583 | \$ 238,659 | \$ 218,035 | \$ 205,077 |
| Contributions as a % of Covered Payroll                            | 1.02%      | 1.02%      | 1.02%      | 1.02%      | 1.02%      |

\*This report is intended to show 10 years of data. Additional years will be presented as the information becomes available.

## **Other Supplemental Information**

**Lamar Housing Authority**  
**Combining Schedule of Program Net Position**  
**December 31, 2021**

|                                             | Low Rent           | Housing<br>Choice<br>Vouchers | Rural<br>Development | State and Local    | Section 8 New<br>Construction | Business Fee      | Total               |
|---------------------------------------------|--------------------|-------------------------------|----------------------|--------------------|-------------------------------|-------------------|---------------------|
| <b>ASSETS</b>                               |                    |                               |                      |                    |                               |                   |                     |
| <b>Current Assets</b>                       |                    |                               |                      |                    |                               |                   |                     |
| Cash and cash equivalents                   | \$ 290,646         | \$ 91,811                     | \$ -                 | \$ -               | \$ 484,461                    | \$ 216,182        | \$ 1,083,100        |
| Prepaid expenses                            | 350                | 33                            | 244                  | 192                | 283                           | -                 | 1,102               |
| Accounts receivable, net                    |                    |                               |                      |                    |                               |                   |                     |
| Tenants                                     | -                  | -                             | 4,569                | -                  | -                             | -                 | 4,569               |
| Due from other programs                     | -                  | -                             | -                    | -                  | -                             | 67,808            | 67,808              |
| Cash - restricted                           | 7,623              | 29,917                        | 293,251              | -                  | 10,663                        | -                 | 341,454             |
| <b>Total Current Assets</b>                 | <u>298,619</u>     | <u>121,761</u>                | <u>298,064</u>       | <u>192</u>         | <u>495,407</u>                | <u>283,990</u>    | <u>1,498,033</u>    |
| <b>Noncurrent Assets</b>                    |                    |                               |                      |                    |                               |                   |                     |
| <b>Capital assets</b>                       |                    |                               |                      |                    |                               |                   |                     |
| Land                                        | 35,957             | -                             | 147,012              | -                  | 37,932                        | -                 | 220,901             |
| Buildings                                   | 1,435,712          | -                             | 3,973,202            | -                  | 1,420,891                     | -                 | 6,829,805           |
| Machinery and equipment                     | 57,952             | -                             | 67,468               | -                  | 140,782                       | 15,000            | 281,202             |
| Less: accumulated depreciation              | <u>(1,016,289)</u> | <u>-</u>                      | <u>(1,985,547)</u>   | <u>-</u>           | <u>(1,232,271)</u>            | <u>(13,500)</u>   | <u>(4,247,607)</u>  |
| <b>Net Capital Assets</b>                   | <u>513,332</u>     | <u>-</u>                      | <u>2,202,135</u>     | <u>-</u>           | <u>367,334</u>                | <u>1,500</u>      | <u>3,084,301</u>    |
| <b>Total Noncurrent Assets</b>              | <u>513,332</u>     | <u>-</u>                      | <u>2,202,135</u>     | <u>-</u>           | <u>367,334</u>                | <u>1,500</u>      | <u>3,084,301</u>    |
| <b>Total Assets</b>                         | <u>811,951</u>     | <u>121,761</u>                | <u>2,500,199</u>     | <u>192</u>         | <u>862,741</u>                | <u>285,490</u>    | <u>4,582,334</u>    |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>       |                    |                               |                      |                    |                               |                   |                     |
| Deferred Outflows - Pensions                | 23,729             | 9,281                         | 23,348               | 1,472              | 29,496                        | 5,544             | 92,870              |
| Deferred Outflows - OPEB                    | 846                | 331                           | 832                  | 52                 | 1,051                         | 198               | 3,310               |
| <b>Total Deferred Outflows of Resources</b> | <u>24,575</u>      | <u>9,612</u>                  | <u>24,180</u>        | <u>1,524</u>       | <u>30,547</u>                 | <u>5,742</u>      | <u>96,180</u>       |
| <b>LIABILITIES</b>                          |                    |                               |                      |                    |                               |                   |                     |
| <b>Current Liabilities</b>                  |                    |                               |                      |                    |                               |                   |                     |
| Accounts payable                            | -                  | -                             | -                    | -                  | -                             | 22,046            | 22,046              |
| Bank overdraft                              | -                  | -                             | 213,097              | 58,673             | -                             | -                 | 271,770             |
| Other accrued liabilities                   | -                  | -                             | -                    | -                  | -                             | 6,877             | 6,877               |
| Tenant security deposits                    | 7,623              | -                             | 29,003               | -                  | 10,663                        | -                 | 47,289              |
| Accrued compensated absences                | 2,622              | 851                           | 1,087                | 215                | 2,655                         | 768               | 8,198               |
| Prepaid tenant rent                         | 532                | -                             | -                    | -                  | 232                           | -                 | 764                 |
| Due to other programs                       | -                  | 4,613                         | 63,195               | -                  | -                             | -                 | 67,808              |
| Long term debt - current portion            | -                  | -                             | 65,301               | -                  | -                             | -                 | 65,301              |
| <b>Total Current Liabilities</b>            | <u>10,777</u>      | <u>5,464</u>                  | <u>371,683</u>       | <u>58,888</u>      | <u>13,550</u>                 | <u>29,691</u>     | <u>490,053</u>      |
| <b>Long Term Liabilities</b>                |                    |                               |                      |                    |                               |                   |                     |
| Net Pension Liability                       | 48,514             | 18,974                        | 47,735               | 3,009              | 60,304                        | 11,335            | 189,871             |
| Net OPEB Liability                          | 6,746              | 2,638                         | 6,638                | 418                | 8,386                         | 1,576             | 26,402              |
| Long term debt                              | -                  | -                             | 571,719              | -                  | -                             | -                 | 571,719             |
| <b>Total Long Term Liabilities</b>          | <u>55,260</u>      | <u>21,612</u>                 | <u>626,092</u>       | <u>3,427</u>       | <u>68,690</u>                 | <u>12,911</u>     | <u>787,992</u>      |
| <b>Total Liabilities</b>                    | <u>66,037</u>      | <u>27,076</u>                 | <u>997,775</u>       | <u>62,315</u>      | <u>82,240</u>                 | <u>42,602</u>     | <u>1,278,045</u>    |
| <b>DEFERRED INFLOWS OF RESOURCES</b>        |                    |                               |                      |                    |                               |                   |                     |
| Deferred Inflows - Pensions                 | 61,072             | 23,886                        | 60,091               | 3,788              | 75,914                        | 14,269            | 239,020             |
| Deferred Inflows - OPEB                     | 3,220              | 1,259                         | 3,168                | 200                | 4,003                         | 752               | 12,602              |
| <b>Total Deferred Inflows of Resources</b>  | <u>64,292</u>      | <u>25,145</u>                 | <u>63,259</u>        | <u>3,988</u>       | <u>79,917</u>                 | <u>15,021</u>     | <u>251,622</u>      |
| <b>Net Position</b>                         |                    |                               |                      |                    |                               |                   |                     |
| Net investment in capital assets            | 513,332            | -                             | 1,565,115            | -                  | 367,334                       | 1,500             | 2,447,281           |
| Restricted for capital improvements         | -                  | -                             | 264,248              | -                  | -                             | -                 | 264,248             |
| Restricted for housing assistance           | -                  | 29,917                        | -                    | -                  | -                             | -                 | 29,917              |
| Unrestricted                                | 192,865            | 49,235                        | (366,018)            | (64,587)           | 363,797                       | 232,109           | 407,401             |
| <b>Total Net Position</b>                   | <u>\$ 706,197</u>  | <u>\$ 79,152</u>              | <u>\$ 1,463,345</u>  | <u>\$ (64,587)</u> | <u>\$ 731,131</u>             | <u>\$ 233,609</u> | <u>\$ 3,148,847</u> |

**Lamar Housing Authority**  
**Combining Schedule of Program Revenues, Expenses and Changes in Net Position**  
**December 31, 2021**

|                                                          | Low Rent          | Housing<br>Choice<br>Vouchers | Rural<br>Development | State and Local    | Section 8 New<br>Construction | Business Fee      | Total               |
|----------------------------------------------------------|-------------------|-------------------------------|----------------------|--------------------|-------------------------------|-------------------|---------------------|
| <b>Operating Revenues</b>                                |                   |                               |                      |                    |                               |                   |                     |
| Dwelling Rental - Net                                    | \$ 116,229        | \$ -                          | \$ 129,286           | \$ -               | \$ 170,831                    | \$ -              | \$ 416,346          |
| Management Fee                                           | -                 | -                             | -                    | -                  | -                             | 4,000             | 4,000               |
| Other                                                    | -                 | -                             | 19,254               | -                  | -                             | 1,198             | 20,452              |
| Total Operating Revenues                                 | <u>116,229</u>    | <u>-</u>                      | <u>148,540</u>       | <u>-</u>           | <u>170,831</u>                | <u>5,198</u>      | <u>440,798</u>      |
| <b>Operating Expenses</b>                                |                   |                               |                      |                    |                               |                   |                     |
| General and Administrative                               | 61,868            | 57,736                        | 63,297               | 10,779             | 83,818                        | 38,455            | 315,953             |
| Utilities                                                | 43,784            | -                             | 44,393               | 308                | 76,859                        | 3,397             | 168,741             |
| Maintenance and Operation                                | 100,506           | 413                           | 143,656              | -                  | 115,159                       | 1,738             | 361,472             |
| Depreciation                                             | 32,508            | -                             | 109,135              | -                  | 37,804                        | 3,000             | 182,447             |
| Total Operating Expenses                                 | <u>238,666</u>    | <u>58,149</u>                 | <u>360,481</u>       | <u>11,087</u>      | <u>313,640</u>                | <u>46,590</u>     | <u>1,028,613</u>    |
| Operating Income (Loss)                                  | (122,437)         | (58,149)                      | (211,941)            | (11,087)           | (142,809)                     | (41,392)          | (587,815)           |
| <b>Non-Operating Revenues (Expenses)</b>                 |                   |                               |                      |                    |                               |                   |                     |
| HUD Contributions and Grants                             | -                 | 509,830                       | -                    | -                  | -                             | -                 | 509,830             |
| Other Government Grants                                  | -                 | -                             | 194,009              | 7,135              | 134,790                       | -                 | 335,934             |
| Housing Assistance Payments                              | -                 | (442,594)                     | -                    | -                  | -                             | -                 | (442,594)           |
| Interest Expense                                         | -                 | -                             | (6,724)              | -                  | -                             | -                 | (6,724)             |
| Interest Income                                          | 675               | 66                            | 428                  | -                  | 431                           | 56                | 1,656               |
| Total Non-Operating Revenues (Expenses)                  | <u>675</u>        | <u>67,302</u>                 | <u>187,713</u>       | <u>7,135</u>       | <u>135,221</u>                | <u>56</u>         | <u>398,102</u>      |
| Income (Loss) Before Transfers and Capital Contributions | <u>(121,762)</u>  | <u>9,153</u>                  | <u>(24,228)</u>      | <u>(3,952)</u>     | <u>(7,588)</u>                | <u>(41,336)</u>   | <u>(189,713)</u>    |
| Capital Contributions                                    | 147,233           | -                             | -                    | -                  | -                             | -                 | 147,233             |
| Change in Net Position                                   | <u>25,471</u>     | <u>9,153</u>                  | <u>(24,228)</u>      | <u>(3,952)</u>     | <u>(7,588)</u>                | <u>(41,336)</u>   | <u>(42,480)</u>     |
| Net Position, Beginning of Year                          | <u>680,726</u>    | <u>69,999</u>                 | <u>1,487,573</u>     | <u>(60,635)</u>    | <u>738,719</u>                | <u>274,945</u>    | <u>3,191,327</u>    |
| Net Position, End of Year                                | <u>\$ 706,197</u> | <u>\$ 79,152</u>              | <u>\$ 1,463,345</u>  | <u>\$ (64,587)</u> | <u>\$ 731,131</u>             | <u>\$ 233,609</u> | <u>\$ 3,148,847</u> |

Housing Authority of the City of Lamar (CO006)  
Lamar, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2021

|                                                                   | Project Total | 14,182 N/C S/R<br>Section 8 Programs | 1 Business<br>Activities | 2 State/Local | 10,415 Rural Rental<br>Housing Loans | 14,871 Housing<br>Choice Vouchers | 10,427 Rural Rental<br>Assistance<br>Payments | 14,PHC Public<br>Housing CARES<br>Act Funding | Subtotal     | ELIM      | Total        |
|-------------------------------------------------------------------|---------------|--------------------------------------|--------------------------|---------------|--------------------------------------|-----------------------------------|-----------------------------------------------|-----------------------------------------------|--------------|-----------|--------------|
| 111 Cash - Unrestricted                                           | \$290,646     | \$484,461                            | \$216,182                |               |                                      | \$91,811                          |                                               |                                               | \$1,083,100  |           | \$1,083,100  |
| 112 Cash - Restricted - Modernization and Development             |               |                                      |                          |               |                                      |                                   | \$264,248                                     |                                               | \$264,248    |           | \$264,248    |
| 113 Cash - Other Restricted                                       |               |                                      |                          |               |                                      | \$29,917                          |                                               |                                               | \$29,917     |           | \$29,917     |
| 114 Cash - Tenant Security Deposits                               | \$7,623       | \$10,663                             |                          |               |                                      |                                   | \$29,003                                      |                                               | \$47,289     |           | \$47,289     |
| 115 Cash - Restricted for Payment of Current Liabilities          |               |                                      |                          |               |                                      |                                   |                                               |                                               |              |           |              |
| 100 Total Cash                                                    | \$298,269     | \$495,124                            | \$216,182                | \$0           | \$0                                  | \$121,728                         | \$293,251                                     | \$0                                           | \$1,424,554  | \$0       | \$1,424,554  |
| 121 Accounts Receivable - PHA Projects                            |               |                                      |                          |               |                                      |                                   |                                               |                                               |              |           |              |
| 122 Accounts Receivable - HUD Other Projects                      |               |                                      |                          |               |                                      |                                   |                                               |                                               |              |           |              |
| 124 Accounts Receivable - Other Government                        |               |                                      |                          |               |                                      |                                   |                                               |                                               |              |           |              |
| 125 Accounts Receivable - Miscellaneous                           |               |                                      |                          |               |                                      |                                   |                                               |                                               |              |           |              |
| 126 Accounts Receivable - Tenants                                 |               |                                      |                          |               |                                      |                                   | \$5,390                                       |                                               | \$5,390      |           | \$5,390      |
| 126.1 Allowance for Doubtful Accounts - Tenants                   |               | \$0                                  |                          |               |                                      |                                   | -\$821                                        |                                               | -\$821       |           | -\$821       |
| 126.2 Allowance for Doubtful Accounts - Other                     |               |                                      |                          |               |                                      |                                   |                                               |                                               |              |           |              |
| 127 Notes, Loans, & Mortgages Receivable - Current                |               |                                      |                          |               |                                      |                                   |                                               |                                               |              |           |              |
| 128 Fraud Recovery                                                |               |                                      |                          |               |                                      |                                   |                                               |                                               |              |           |              |
| 128.1 Allowance for Doubtful Accounts - Fraud                     |               |                                      |                          |               |                                      |                                   |                                               |                                               |              |           |              |
| 129 Accrued Interest Receivable                                   |               |                                      |                          |               |                                      |                                   |                                               |                                               |              |           |              |
| 120 Total Receivables, Net of Allowances for Doubtful Accounts    | \$0           | \$0                                  | \$0                      | \$0           | \$0                                  | \$0                               | \$4,569                                       | \$0                                           | \$4,569      | \$0       | \$4,569      |
| 131 Investments - Unrestricted                                    |               |                                      |                          |               |                                      |                                   |                                               |                                               |              |           |              |
| 132 Investments - Restricted                                      |               |                                      |                          |               |                                      |                                   |                                               |                                               |              |           |              |
| 135 Investments - Restricted for Payment of Current Liability     |               |                                      |                          |               |                                      |                                   |                                               |                                               |              |           |              |
| 142 Prepaid Expenses and Other Assets                             | \$350         | \$283                                |                          | \$192         |                                      | \$33                              | \$244                                         |                                               | \$1,102      |           | \$1,102      |
| 143 Inventories                                                   |               |                                      |                          |               |                                      |                                   |                                               |                                               |              |           |              |
| 143.1 Allowance for Obsolete Inventories                          |               |                                      |                          |               |                                      |                                   |                                               |                                               |              |           |              |
| 144 Inter Program Due From                                        |               |                                      | \$67,808                 |               |                                      |                                   |                                               |                                               | \$67,808     | -\$67,808 | \$0          |
| 145 Assets Held for Sale                                          |               |                                      |                          |               |                                      |                                   |                                               |                                               |              |           |              |
| 150 Total Current Assets                                          | \$298,619     | \$495,407                            | \$283,990                | \$192         | \$0                                  | \$121,761                         | \$298,064                                     | \$0                                           | \$1,498,033  | -\$67,808 | \$1,430,225  |
| 161 Land                                                          | \$35,957      | \$37,932                             |                          |               |                                      |                                   | \$147,012                                     |                                               | \$220,901    |           | \$220,901    |
| 162 Buildings                                                     | \$1,435,712   | \$1,420,891                          |                          |               |                                      |                                   | \$3,973,202                                   |                                               | \$6,829,805  |           | \$6,829,805  |
| 163 Furniture, Equipment & Machinery - Dwellings                  | \$11,462      | \$140,782                            |                          |               |                                      |                                   |                                               |                                               | \$152,244    |           | \$152,244    |
| 164 Furniture, Equipment & Machinery - Administration             | \$46,490      |                                      | \$15,000                 |               |                                      |                                   | \$67,468                                      |                                               | \$128,958    |           | \$128,958    |
| 165 Leasehold Improvements                                        |               |                                      |                          |               |                                      |                                   | \$0                                           |                                               | \$0          |           | \$0          |
| 166 Accumulated Depreciation                                      | -\$1,016,289  | -\$1,232,271                         | -\$13,500                |               |                                      |                                   | -\$1,985,547                                  |                                               | -\$4,247,607 |           | -\$4,247,607 |
| 167 Construction in Progress                                      |               |                                      |                          |               |                                      |                                   |                                               |                                               |              |           |              |
| 168 Infrastructure                                                |               |                                      |                          |               |                                      |                                   |                                               |                                               |              |           |              |
| 160 Total Capital Assets, Net of Accumulated Depreciation         | \$513,332     | \$367,334                            | \$1,500                  | \$0           | \$0                                  | \$0                               | \$2,202,135                                   | \$0                                           | \$3,084,301  | \$0       | \$3,084,301  |
| 171 Notes, Loans and Mortgages Receivable - Non-Current           |               |                                      |                          |               |                                      |                                   |                                               |                                               |              |           |              |
| 172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due |               |                                      |                          |               |                                      |                                   |                                               |                                               |              |           |              |
| 173 Grants Receivable - Non Current                               |               |                                      |                          |               |                                      |                                   |                                               |                                               |              |           |              |
| 174 Other Assets                                                  |               |                                      |                          |               |                                      |                                   |                                               |                                               |              |           |              |
| 176 Investments in Joint Ventures                                 |               |                                      |                          |               |                                      |                                   |                                               |                                               |              |           |              |
| 180 Total Non-Current Assets                                      | \$513,332     | \$367,334                            | \$1,500                  | \$0           | \$0                                  | \$0                               | \$2,202,135                                   | \$0                                           | \$3,084,301  | \$0       | \$3,084,301  |
| 200 Deferred Outflow of Resources                                 | \$24,575      | \$30,547                             | \$5,742                  | \$1,524       |                                      | \$9,612                           | \$24,180                                      |                                               | \$96,180     |           | \$96,180     |
| 290 Total Assets and Deferred Outflow of Resources                | \$836,526     | \$893,288                            | \$291,232                | \$1,716       | \$0                                  | \$131,373                         | \$2,524,379                                   | \$0                                           | \$4,678,514  | -\$67,808 | \$4,610,706  |

Housing Authority of the City of Lamar (CO006)  
Lamar, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2021

|                                                                           | Project Total | 14,182 N/C S/R<br>Section 8 Programs | 1 Business<br>Activities | 2 State/Local | 10,415 Rural Rental<br>Housing Loans | 14,871 Housing<br>Choice Vouchers | 10,427 Rural Rental<br>Assistance<br>Payments | 14,PHC Public<br>Housing CARES<br>Act Funding | Subtotal    | ELIM      | Total       |
|---------------------------------------------------------------------------|---------------|--------------------------------------|--------------------------|---------------|--------------------------------------|-----------------------------------|-----------------------------------------------|-----------------------------------------------|-------------|-----------|-------------|
| 311 Bank Overdraft                                                        |               |                                      |                          | \$58,673      |                                      |                                   | \$213,097                                     |                                               | \$271,770   |           | \$271,770   |
| 312 Accounts Payable <= 90 Days                                           |               |                                      | \$22,046                 |               |                                      |                                   |                                               |                                               | \$22,046    |           | \$22,046    |
| 313 Accounts Payable >90 Days Past Due                                    |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |           |             |
| 321 Accrued Wage/Payroll Taxes Payable                                    |               |                                      | \$6,877                  |               |                                      |                                   |                                               |                                               | \$6,877     |           | \$6,877     |
| 322 Accrued Compensated Absences - Current Portion                        | \$2,622       | \$2,655                              | \$768                    | \$215         |                                      | \$851                             | \$1,087                                       |                                               | \$8,198     |           | \$8,198     |
| 324 Accrued Contingency Liability                                         |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |           |             |
| 325 Accrued Interest Payable                                              |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |           |             |
| 331 Accounts Payable - HUD PHA Programs                                   |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |           |             |
| 332 Account Payable - PHA Projects                                        |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |           |             |
| 333 Accounts Payable - Other Government                                   |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |           |             |
| 341 Tenant Security Deposits                                              | \$7,623       | \$10,663                             |                          |               |                                      |                                   | \$29,003                                      |                                               | \$47,289    |           | \$47,289    |
| 342 Unearned Revenue                                                      | \$532         | \$232                                |                          |               |                                      |                                   |                                               |                                               | \$764       |           | \$764       |
| 343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue |               |                                      |                          |               |                                      |                                   | \$65,301                                      |                                               | \$65,301    |           | \$65,301    |
| 344 Current Portion of Long-term Debt - Operating Borrowings              |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |           |             |
| 345 Other Current Liabilities                                             |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |           |             |
| 346 Accrued Liabilities - Other                                           |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |           |             |
| 347 Inter Program - Due To                                                |               |                                      |                          |               |                                      | \$4,613                           | \$63,195                                      |                                               | \$67,808    | -\$67,808 | \$0         |
| 348 Loan Liability - Current                                              |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |           |             |
| 310 Total Current Liabilities                                             | \$10,777      | \$13,550                             | \$29,691                 | \$58,888      | \$0                                  | \$5,464                           | \$371,683                                     | \$0                                           | \$490,053   | -\$67,808 | \$422,245   |
| 351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue    |               |                                      |                          |               | \$0                                  |                                   | \$571,719                                     |                                               | \$571,719   |           | \$571,719   |
| 352 Long-term Debt, Net of Current - Operating Borrowings                 |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |           |             |
| 353 Non-current Liabilities - Other                                       |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |           |             |
| 354 Accrued Compensated Absences - Non Current                            |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |           |             |
| 355 Loan Liability - Non Current                                          |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |           |             |
| 356 FASB 5 Liabilities                                                    |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |           |             |
| 357 Accrued Pension and OPEB Liabilities                                  | \$55,260      | \$68,690                             | \$12,911                 | \$3,427       | \$0                                  | \$21,612                          | \$54,373                                      |                                               | \$216,273   |           | \$216,273   |
| 350 Total Non-Current Liabilities                                         | \$55,260      | \$68,690                             | \$12,911                 | \$3,427       | \$0                                  | \$21,612                          | \$626,092                                     | \$0                                           | \$787,992   | \$0       | \$787,992   |
| 300 Total Liabilities                                                     | \$66,037      | \$82,240                             | \$42,602                 | \$62,315      | \$0                                  | \$27,076                          | \$997,775                                     | \$0                                           | \$1,278,045 | -\$67,808 | \$1,210,237 |
| 400 Deferred Inflow of Resources                                          | \$64,292      | \$79,917                             | \$15,021                 | \$3,988       |                                      | \$25,145                          | \$63,259                                      |                                               | \$251,622   |           | \$251,622   |
| 508.4 Net Investment in Capital Assets                                    | \$513,332     | \$367,334                            | \$1,500                  | \$0           | \$0                                  | \$0                               | \$1,565,115                                   | \$0                                           | \$2,447,281 |           | \$2,447,281 |
| 511.4 Restricted Net Position                                             | \$0           | \$0                                  | \$0                      | \$0           | \$0                                  | \$29,917                          | \$264,248                                     | \$0                                           | \$294,165   |           | \$294,165   |
| 512.4 Unrestricted Net Position                                           | \$192,865     | \$363,797                            | \$232,109                | -\$64,587     | \$0                                  | \$49,235                          | -\$366,018                                    | \$0                                           | \$407,401   |           | \$407,401   |
| 513 Total Equity - Net Assets / Position                                  | \$706,197     | \$731,131                            | \$233,609                | -\$64,587     | \$0                                  | \$79,152                          | \$1,463,345                                   | \$0                                           | \$3,148,847 | \$0       | \$3,148,847 |
| 600 Total Liabilities, Deferred Inflows of Resources and Equity - Net     | \$836,526     | \$893,288                            | \$291,232                | \$1,716       | \$0                                  | \$131,373                         | \$2,524,379                                   | \$0                                           | \$4,678,514 | -\$67,808 | \$4,610,706 |

Housing Authority of the City of Lamar (CO006)  
Lamar, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2021

|                                                         | Project Total | 14,182 N/C S/R<br>Section 8 Programs | 1 Business<br>Activities | 2 State/Local | 10,415 Rural Rental<br>Housing Loans | 14,871 Housing<br>Choice Vouchers | 10,427 Rural Rental<br>Assistance<br>Payments | 14,PHC Public<br>Housing CARES<br>Act Funding | Subtotal    | ELIM | Total       |
|---------------------------------------------------------|---------------|--------------------------------------|--------------------------|---------------|--------------------------------------|-----------------------------------|-----------------------------------------------|-----------------------------------------------|-------------|------|-------------|
| 70300 Net Tenant Rental Revenue                         | \$103,194     | \$148,207                            |                          |               |                                      |                                   | \$122,911                                     |                                               | \$374,312   |      | \$374,312   |
| 70400 Tenant Revenue - Other                            | \$13,035      | \$22,624                             |                          |               |                                      |                                   | \$6,375                                       |                                               | \$42,034    |      | \$42,034    |
| 70500 Total Tenant Revenue                              | \$116,229     | \$170,831                            | \$0                      | \$0           | \$0                                  | \$0                               | \$129,286                                     | \$0                                           | \$416,346   |      | \$416,346   |
| 70600 HUD PHA Operating Grants                          |               |                                      |                          |               |                                      | \$509,830                         |                                               | \$8,893                                       | \$518,723   |      | \$518,723   |
| 70610 Capital Grants                                    | \$147,233     |                                      |                          |               |                                      |                                   |                                               |                                               | \$147,233   |      | \$147,233   |
| 70710 Management Fee                                    |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 70720 Asset Management Fee                              |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 70730 Book Keeping Fee                                  |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 70740 Front Line Service Fee                            |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 70750 Other Fees                                        |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 70700 Total Fee Revenue                                 |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 70800 Other Government Grants                           |               | \$134,790                            |                          | \$7,135       |                                      |                                   | \$194,009                                     |                                               | \$335,934   |      | \$335,934   |
| 71100 Investment Income - Unrestricted                  | \$675         | \$431                                | \$56                     |               |                                      |                                   | \$428                                         |                                               | \$1,590     |      | \$1,590     |
| 71200 Mortgage Interest Income                          |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 71300 Proceeds from Disposition of Assets Held for Sale |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 71310 Cost of Sale of Assets                            |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 71400 Fraud Recovery                                    |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 71500 Other Revenue                                     |               |                                      | \$5,198                  |               |                                      |                                   | \$19,254                                      |                                               | \$24,452    |      | \$24,452    |
| 71600 Gain or Loss on Sale of Capital Assets            |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 72000 Investment Income - Restricted                    |               |                                      |                          |               |                                      | \$66                              |                                               |                                               | \$66        |      | \$66        |
| 70000 Total Revenue                                     | \$264,137     | \$306,052                            | \$5,254                  | \$7,135       | \$0                                  | \$509,896                         | \$342,977                                     | \$8,893                                       | \$1,444,344 |      | \$1,444,344 |
| 91100 Administrative Salaries                           | \$37,867      | \$43,000                             | \$17,137                 | \$4,549       |                                      | \$28,686                          | \$17,537                                      | \$8,893                                       | \$157,669   |      | \$157,669   |
| 91200 Auditing Fees                                     | \$2,380       | \$4,165                              |                          | \$1,190       |                                      | \$1,785                           | \$2,380                                       |                                               | \$11,900    |      | \$11,900    |
| 91300 Management Fee                                    |               |                                      |                          | \$1,000       |                                      | \$3,000                           | \$0                                           |                                               | \$4,000     |      | \$4,000     |
| 91310 Book-keeping Fee                                  | \$794         | \$1,852                              |                          | \$529         |                                      | \$1,058                           | \$1,058                                       |                                               | \$5,291     |      | \$5,291     |
| 91400 Advertising and Marketing                         | \$129         |                                      |                          |               |                                      |                                   |                                               |                                               | \$129       |      | \$129       |
| 91500 Employee Benefit contributions - Administrative   | \$15,037      | \$26,555                             | \$1,103                  | \$82          |                                      | \$13,448                          | \$36,172                                      |                                               | \$92,397    |      | \$92,397    |
| 91600 Office Expenses                                   | \$5,055       | \$8,452                              | \$19,836                 | \$848         |                                      | \$4,594                           | \$7,923                                       |                                               | \$46,708    |      | \$46,708    |
| 91700 Legal Expense                                     |               |                                      |                          |               |                                      |                                   | \$36                                          |                                               | \$36        |      | \$36        |
| 91800 Travel                                            |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 91810 Allocated Overhead                                |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 91900 Other                                             |               |                                      | \$66                     |               |                                      |                                   |                                               |                                               | \$66        |      | \$66        |
| 91000 Total Operating - Administrative                  | \$61,262      | \$84,024                             | \$38,142                 | \$8,198       | \$0                                  | \$52,571                          | \$65,106                                      | \$8,893                                       | \$318,196   |      | \$318,196   |
| 92000 Asset Management Fee                              |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 92100 Tenant Services - Salaries                        |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 92200 Relocation Costs                                  |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 92300 Employee Benefit Contributions - Tenant Services  |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 92400 Tenant Services - Other                           |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 92500 Total Tenant Services                             | \$0           | \$0                                  | \$0                      | \$0           | \$0                                  | \$0                               | \$0                                           | \$0                                           | \$0         |      | \$0         |
| 93100 Water                                             | \$5,508       | \$11,327                             | \$820                    |               |                                      |                                   | \$23,393                                      |                                               | \$41,048    |      | \$41,048    |
| 93200 Electricity                                       | \$22,841      | \$37,624                             | \$1,921                  |               |                                      |                                   | \$10,396                                      |                                               | \$72,782    |      | \$72,782    |
| 93300 Gas                                               | \$4,787       | \$11,547                             | \$520                    |               |                                      |                                   | \$4,947                                       |                                               | \$21,801    |      | \$21,801    |
| 93400 Fuel                                              |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 93500 Labor                                             |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 93600 Sewer                                             | \$1,084       | \$475                                | \$136                    |               |                                      |                                   | \$5,616                                       |                                               | \$7,311     |      | \$7,311     |
| 93700 Employee Benefit Contributions - Utilities        |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |

Housing Authority of the City of Lamar (CO006)  
Lamar, CO

Entity Wide Revenue and Expense Summary

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Fiscal Year End: 12/31/2021

|                                                                 | Project Total | 14,182 N/C S/R<br>Section 8 Programs | 1 Business<br>Activities | 2 State/Local | 10,415 Rural Rental<br>Housing Loans | 14,871 Housing<br>Choice Vouchers | 10,427 Rural Rental<br>Assistance<br>Payments | 14,PHC Public<br>Housing CARES<br>Act Funding | Subtotal    | ELIM | Total       |
|-----------------------------------------------------------------|---------------|--------------------------------------|--------------------------|---------------|--------------------------------------|-----------------------------------|-----------------------------------------------|-----------------------------------------------|-------------|------|-------------|
| 93800 Other Utilities Expense                                   | \$9,564       | \$15,885                             |                          |               |                                      |                                   | \$41                                          |                                               | \$25,490    |      | \$25,490    |
| 93000 Total Utilities                                           | \$43,784      | \$76,858                             | \$3,397                  | \$0           | \$0                                  | \$0                               | \$44,393                                      | \$0                                           | \$168,432   |      | \$168,432   |
| 94100 Ordinary Maintenance and Operations - Labor               | \$35,478      | \$48,170                             |                          |               |                                      |                                   | \$54,630                                      |                                               | \$138,278   |      | \$138,278   |
| 94200 Ordinary Maintenance and Operations - Materials and Other | \$24,556      | \$39,121                             | \$714                    | \$308         |                                      | \$419                             | \$49,273                                      |                                               | \$114,391   |      | \$114,391   |
| 94300 Ordinary Maintenance and Operations Contracts             | \$31,050      | \$10,566                             | \$531                    |               |                                      |                                   | \$19,533                                      |                                               | \$61,680    |      | \$61,680    |
| 94500 Employee Benefit Contributions - Ordinary Maintenance     |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 94000 Total Maintenance                                         | \$91,084      | \$97,857                             | \$1,245                  | \$308         | \$0                                  | \$419                             | \$123,436                                     | \$0                                           | \$314,349   |      | \$314,349   |
| 95100 Protective Services - Labor                               | \$1,167       |                                      |                          |               |                                      |                                   |                                               |                                               | \$1,167     |      | \$1,167     |
| 95200 Protective Services - Other Contract Costs                |               | \$1,311                              | \$493                    |               |                                      |                                   | \$583                                         |                                               | \$2,387     |      | \$2,387     |
| 95300 Protective Services - Other                               |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 95500 Employee Benefit Contributions - Protective Services      |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 95000 Total Protective Services                                 | \$1,167       | \$1,311                              | \$493                    | \$0           | \$0                                  | \$0                               | \$583                                         | \$0                                           | \$3,554     |      | \$3,554     |
| 96110 Property Insurance                                        | \$8,254       | \$15,992                             |                          |               |                                      |                                   | \$19,603                                      |                                               | \$43,849    |      | \$43,849    |
| 96120 Liability Insurance                                       |               |                                      |                          | \$2,579       |                                      | \$5,159                           |                                               |                                               | \$7,738     |      | \$7,738     |
| 96130 Workmen's Compensation                                    |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 96140 All Other Insurance                                       |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 96100 Total Insurance Premiums                                  | \$8,254       | \$15,992                             | \$0                      | \$2,579       | \$0                                  | \$5,159                           | \$19,603                                      | \$0                                           | \$51,587    |      | \$51,587    |
| 96200 Other General Expenses                                    | \$0           | \$138                                | \$464                    | \$2           |                                      |                                   | \$34                                          |                                               | \$638       |      | \$638       |
| 96210 Compensated Absences                                      | \$197         | -\$512                               | -\$151                   |               |                                      |                                   | -\$696                                        |                                               | -\$1,162    |      | -\$1,162    |
| 96300 Payments in Lieu of Taxes                                 |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 96400 Bad debt - Tenant Rents                                   | \$410         | \$168                                |                          |               |                                      |                                   | -\$1,113                                      |                                               | -\$535      |      | -\$535      |
| 96500 Bad debt - Mortgages                                      |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 96600 Bad debt - Other                                          |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 96800 Severance Expense                                         |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 96000 Total Other General Expenses                              | \$607         | -\$206                               | \$313                    | \$2           | \$0                                  | \$0                               | -\$1,775                                      | \$0                                           | -\$1,059    |      | -\$1,059    |
| 96710 Interest of Mortgage (or Bonds) Payable                   |               |                                      |                          |               |                                      |                                   | \$6,724                                       |                                               | \$6,724     |      | \$6,724     |
| 96720 Interest on Notes Payable (Short and Long Term)           |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 96730 Amortization of Bond Issue Costs                          |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 96700 Total Interest Expense and Amortization Cost              | \$0           | \$0                                  | \$0                      | \$0           | \$0                                  | \$0                               | \$6,724                                       | \$0                                           | \$6,724     |      | \$6,724     |
| 96900 Total Operating Expenses                                  | \$206,158     | \$275,836                            | \$43,590                 | \$11,087      | \$0                                  | \$58,149                          | \$258,070                                     | \$8,893                                       | \$861,783   |      | \$861,783   |
| 97000 Excess of Operating Revenue over Operating Expenses       | \$57,979      | \$30,216                             | -\$38,336                | -\$3,952      | \$0                                  | \$451,747                         | \$84,907                                      | \$0                                           | \$582,561   |      | \$582,561   |
| 97100 Extraordinary Maintenance                                 |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 97200 Casualty Losses - Non-capitalized                         |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 97300 Housing Assistance Payments                               |               |                                      |                          |               |                                      | \$442,594                         |                                               |                                               | \$442,594   |      | \$442,594   |
| 97350 HAP Portability-In                                        |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 97400 Depreciation Expense                                      | \$32,508      | \$37,804                             | \$3,000                  |               |                                      |                                   | \$109,135                                     |                                               | \$182,447   |      | \$182,447   |
| 97500 Fraud Losses                                              |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 97600 Capital Outlays - Governmental Funds                      |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 97700 Debt Principal Payment - Governmental Funds               |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 97800 Dwelling Units Rent Expense                               |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 90000 Total Expenses                                            | \$238,666     | \$313,640                            | \$46,590                 | \$11,087      | \$0                                  | \$500,743                         | \$367,205                                     | \$8,893                                       | \$1,486,824 |      | \$1,486,824 |
| 10010 Operating Transfer In                                     |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |

Housing Authority of the City of Lamar (CO006)  
Lamar, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2021

|                                                                           | Project Total | 14.182 N/C S/R<br>Section 8 Programs | 1 Business<br>Activities | 2 State/Local | 10.415 Rural Rental<br>Housing Loans | 14.871 Housing<br>Choice Vouchers | 10.427 Rural Rental<br>Assistance<br>Payments | 14.PHC Public<br>Housing CARES<br>Act Funding | Subtotal    | ELIM | Total       |
|---------------------------------------------------------------------------|---------------|--------------------------------------|--------------------------|---------------|--------------------------------------|-----------------------------------|-----------------------------------------------|-----------------------------------------------|-------------|------|-------------|
| 10020 Operating transfer Out                                              |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 10030 Operating Transfers from/to Primary Government                      |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 10040 Operating Transfers from/to Component Unit                          |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 10050 Proceeds from Notes, Loans and Bonds                                |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 10060 Proceeds from Property Sales                                        |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 10070 Extraordinary Items, Net Gain/Loss                                  |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 10080 Special Items (Net Gain/Loss)                                       |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 10091 Inter Project Excess Cash Transfer In                               |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 10092 Inter Project Excess Cash Transfer Out                              |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 10093 Transfers between Program and Project - In                          | \$85,265      |                                      |                          |               |                                      |                                   |                                               |                                               | \$85,265    |      | \$85,265    |
| 10094 Transfers between Project and Program - Out                         | -\$85,265     |                                      |                          |               |                                      |                                   |                                               |                                               | -\$85,265   |      | -\$85,265   |
| 10100 Total Other financing Sources (Uses)                                | \$0           | \$0                                  | \$0                      | \$0           | \$0                                  | \$0                               | \$0                                           | \$0                                           | \$0         |      | \$0         |
| 10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses    | \$25,471      | -\$7,588                             | -\$41,336                | -\$3,952      | \$0                                  | \$9,153                           | -\$24,228                                     | \$0                                           | -\$42,480   |      | -\$42,480   |
| 11020 Required Annual Debt Principal Payments                             | \$0           | \$0                                  | \$0                      | \$0           | \$65,826                             | \$0                               | \$65,826                                      | \$0                                           | \$131,652   |      | \$131,652   |
| 11030 Beginning Equity                                                    | \$680,726     | \$738,719                            | \$274,945                | -\$60,635     | \$0                                  | \$69,999                          | \$1,487,573                                   | \$0                                           | \$3,191,327 |      | \$3,191,327 |
| 11040 Prior Period Adjustments, Equity Transfers and Correction of Errors |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 11050 Changes in Compensated Absence Balance                              |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 11060 Changes in Contingent Liability Balance                             |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 11070 Changes in Unrecognized Pension Transition Liability                |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 11080 Changes in Special Term/Severance Benefits Liability                |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents         |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 11100 Changes in Allowance for Doubtful Accounts - Other                  |               |                                      |                          |               |                                      |                                   |                                               |                                               |             |      |             |
| 11170 Administrative Fee Equity                                           |               |                                      |                          |               |                                      | \$49,235                          |                                               |                                               | \$49,235    |      | \$49,235    |
| 11180 Housing Assistance Payments Equity                                  |               |                                      |                          |               |                                      | \$29,917                          |                                               |                                               | \$29,917    |      | \$29,917    |
| 11190 Unit Months Available                                               | 600           | 360                                  | 0                        | 0             | 0                                    | 1284                              | 720                                           |                                               | 2964        |      | 2964        |
| 11210 Number of Unit Months Leased                                        | 585           | 357                                  | 0                        | 0             | 0                                    | 1068                              | 646                                           |                                               | 2656        |      | 2656        |
| 11270 Excess Cash                                                         | \$270,293     |                                      |                          |               |                                      |                                   |                                               |                                               | \$270,293   |      | \$270,293   |
| 11610 Land Purchases                                                      | \$0           |                                      |                          |               |                                      |                                   |                                               |                                               | \$0         |      | \$0         |
| 11620 Building Purchases                                                  | \$0           |                                      |                          |               |                                      |                                   |                                               |                                               | \$0         |      | \$0         |
| 11630 Furniture & Equipment - Dwelling Purchases                          | \$0           |                                      |                          |               |                                      |                                   |                                               |                                               | \$0         |      | \$0         |
| 11640 Furniture & Equipment - Administrative Purchases                    | \$0           |                                      |                          |               |                                      |                                   |                                               |                                               | \$0         |      | \$0         |
| 11650 Leasehold Improvements Purchases                                    | \$61,968      |                                      |                          |               |                                      |                                   |                                               |                                               | \$61,968    |      | \$61,968    |
| 11660 Infrastructure Purchases                                            | \$0           |                                      |                          |               |                                      |                                   |                                               |                                               | \$0         |      | \$0         |
| 13510 CFFP Debt Service Payments                                          | \$0           |                                      |                          |               |                                      |                                   |                                               |                                               | \$0         |      | \$0         |
| 13901 Replacement Housing Factor Funds                                    | \$0           |                                      |                          |               |                                      |                                   |                                               |                                               | \$0         |      | \$0         |

## **SINGLE AUDIT SECTION**

# Green & Associates LLC

Certified Public Accountants & Business Consultants

## INDEPENDENT AUDITOR'S 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

To the Board of Commissioners

Lamar Housing Authority

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 business-type activities, and each major fund, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise Lamar Housing Authority's basic financial statements, and have issued our report thereon dated March 21, 2022.

### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Lamar Housing Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Lamar Housing Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of Lamar Housing Authority'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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's 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 internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in 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 to be 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 Lamar Housing Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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. This report is intended solely for the information and use of management, the Board of Commissioners, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "G. & Associates LLP". The signature is written in black ink and is positioned above the typed name and date.

Longmont, Colorado  
March 21, 2022

# Green & Associates LLC

Certified Public Accountants & Business Consultants

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRE BY THE UNIFORM GUIDANCE

To the Board of Commissioners  
Lamar Housing Authority

### Report on Compliance for Each Major Federal Program

#### Opinion on Each Major Federal Program

We have audited Lamar Housing Authority's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Lamar Housing Authority's major federal programs for the year ended December 31, 2021. Lamar Housing Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Lamar Housing Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

#### Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Lamar Housing Authority and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of Lamar Housing Authority's compliance with the compliance requirements referred to above.

#### Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Lamar Housing Authority's federal programs.

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Certified Public Accountants & Business Consultants

## **Auditor's Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Lamar Housing Authority's compliance based on our audit. 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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Lamar Housing Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Lamar Housing Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding Lamar Housing Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Lamar Housing Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Lamar Housing Authority's compliance.

## **Report on Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance

requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified. Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Gurn + Associates LLC". The signature is written in black ink and is centered horizontally on the page.

Longmont, Colorado  
March 21, 2022

**Lamar Housing Authority  
Schedule of Expenditures of Federal Awards  
December 31, 2021**

| <u>Federal Grantor</u>                                  | <u>CFDA<br/>Number</u> | <u>EXPENDITURES</u> |
|---------------------------------------------------------|------------------------|---------------------|
| U.S. Department of Housing<br>and Urban Development:    |                        |                     |
| Housing Choice Vouchers (Cluster Total)                 | 14.871                 | \$ 505,471          |
| Housing Choice Vouchers Cares Act                       | 14.HCC                 | 8,893               |
| Capital Fund Program                                    | 14.872                 | 147,233             |
| Section 8 New Construction (Cluster Total)              | 14.195                 | 134,790             |
| Total US Department of Housing<br>and Urban Development |                        | <u>796,387</u>      |
| U.S. Department of Agriculture                          |                        |                     |
| Rural Development-Rental Assistance                     | 10.427                 | 194,009             |
| Rural Development Loan                                  | 10.415                 | 702,472             |
| Total U.S. Department of Agriculture                    |                        | <u>896,481</u>      |
| Total Federal Financial Assistance                      |                        | <u>\$ 1,692,868</u> |

**Notes to the Schedule of Expenditures of Federal Awards**

The schedule of expenditures of federal awards is presented in accordance with requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore some amounts presented in this schedule may differ from amounts presented in the financial statement.

**Loan Guarantees**

The Authority had three loans that were guaranteed by the U.S. Department of Agriculture. The ending balances of each of the loans at December 31, 2021 were \$115,782, \$474,647, and \$46,591.

The Organization uses the de minimis rate of 10% to recover allowable indirect costs.

**Lamar Housing Authority  
Schedule of Findings and Questioned Costs  
December 31, 2021**

**Summary of Auditors' Results**  
*Financial Statements*

Type of auditors' report issued: unmodified

Internal control over financial reporting:

- Material Weakness identified?  Yes  No
- Significant deficiency identified that are not considered to be material weakness?  Yes  None reported

Noncompliance material to financial statements noted?

- Yes  No

*Federal Awards*

Internal control over major programs:

- Material Weakness identified?  Yes  No
- Significant deficiency identified that are not considered to be material weakness?  Yes  None reported

Type of auditors' report issued on compliance for major programs: unmodified

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?

Yes  No

Identification of major programs:

***Housing Choice Vouchers 14.871***

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Audited qualified as low-risk audited?  Yes  No

**Current Year Findings:**

**None**

**Prior Year Findings:**

**None**