

**HOUSING AUTHORITY OF THE CITY OF ALAMOSA, COLORADO**

**Financial Statements**

**With Independent Auditor's Report**

**March 31, 2022**

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# Green & Associates LLC

Certified Public Accountants & Business Consultants

## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Housing Authority of the City of Alamosa, Colorado

### Opinions

We have audited the accompanying financial statements of the Housing Authority of the City of Alamosa, Colorado as of and for the year ended March 31, 2022, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of Alamosa, Colorado'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 Housing Authority of the City of Alamosa, Colorado as of March 31, 2022, 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 the Housing Authority of the City of Alamosa, Colorado and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 the Housing Authority of the City of Alamosa, Colorado'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 the Housing Authority of the City of Alamosa, Colorado's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Housing Authority of the City of Alamosa, Colorado's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, 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 Housing Authority of the City of Alamosa, Colorado's basic financial statements. The 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 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 December 8, 2022 on our consideration of the Housing Authority of the City of Alamosa, Colorado's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Housing Authority of the City of Alamosa, Colorado's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Housing Authority of the City of Alamosa, Colorado'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 name and date.

Longmont, Colorado  
December 8, 2022

## **Management Discussion and Analysis**

## Management Discussion and Analysis

As management of the Housing Authority of the City of Alamosa, Colorado (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 March 31, 2022.

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 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 containing 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 begin on page 9.

### **Financial Analysis**

As noted, net position may, over time serve as a useful indicator of the Authority's financial position. Assets exceeded liabilities by \$5,269,937 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 Statement of Net Position

	2022	2021	Increase (Decrease) CY vs. PY
<b>ASSETS</b>			
Cash and equivalents	\$ 2,140,817	\$ 1,804,857	\$ 335,960
Other current assets	718,538	709,867	8,671
Capital assets and other assets	2,978,956	2,775,265	203,691
Total Assets	<u>5,838,311</u>	<u>5,289,989</u>	<u>548,322</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
	<u>25,082</u>	<u>82,575</u>	<u>(57,493)</u>
<b>LIABILITIES</b>			
Current liabilities	208,999	183,296	25,703
Long term liabilities	28,826	277,404	(248,578)
Total liabilities	<u>237,825</u>	<u>460,700</u>	<u>(222,875)</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
	<u>355,631</u>	<u>290,154</u>	<u>65,477</u>
<b>NET POSITION</b>			
Net investment in capital assets	2,942,086	2,775,265	166,821
Restricted	36,870	-	36,870
Unrestricted	2,290,981	1,846,445	444,536
Total Net Position	<u>\$ 5,269,937</u>	<u>\$ 4,621,710</u>	<u>\$ 648,227</u>

Condensed Statement of Activities is presented in the following table:

	2022	2021	Increase (Decrease) CY vs. PY
<b>Revenue:</b>			
Operating Revenue	\$ 699,585	\$ 636,191	\$ 63,394
HUD operating grants	750,598	618,066	132,532
Interest Income	9,581	10,650	(1,069)
Total Revenue	<u>1,459,764</u>	<u>1,264,907</u>	<u>194,857</u>
<b>Expenses:</b>			
Operating Expenses	1,168,362	1,289,317	(120,955)
Total Expenses	<u>1,168,362</u>	<u>1,289,317</u>	<u>(120,955)</u>
Capital Contributions	356,825	386,835	(30,010)
Change in Net Position	648,227	362,425	285,802
NetPosition-Beginning	4,621,710	4,259,285	362,425
Net Position-Ending	<u>\$ 5,269,937</u>	<u>\$ 4,621,710</u>	<u>\$ 648,227</u>

As of 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 an increase in cash. Long term liabilities decreased due to the changes in pension

liabilities. Operating revenues increased in 2022 due to an increase in rental income. Operating expenses decreased due to a decrease in various operating costs and non-cash pension items.

**Condensed Statement of Cash Flows** is presented in the following table:

	<u>2022</u>	<u>2021</u>
Cash from (for) Operating Activities	\$ (308,819)	\$ (347,444)
Cash from Non Capital Financing Activities	687,168	619,462
Cash from (for) Capital and Related Financing Activities	(44,385)	(67,453)
Cash from (for) Investing Activities	1,996	2,413
Increase (Decrease)	<u>335,960</u>	<u>206,978</u>
Cash and Cash Equivalents, Beginning of Year	1,804,857	1,597,879
Cash and Cash Equivalents, End of Year	<u>\$ 2,140,817</u>	<u>\$ 1,804,857</u>

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

**Capital Assets.** The Authority's investment in capital assets as of March 31, 2022, amounts to \$2,942,086 (net of accumulated depreciation). This investment in capital assets includes land, building and improvements, machinery and equipment. The Authority's capital expenditure during the fiscal year were \$453,826 relating to the upgrades to the facilities. The capital purchases were partially funded by HUD capital grants. The Authority disposed of \$0 of fully depreciated capital assets during the year. The remaining activity related to capital assets were the normal additions of assets and depreciation. Additional information on capital assets can be found in note 4 to the accompanying financial statements.

### **Long Term Debt**

At the end of the year, the Authority had no long-term debt

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

The Authority does not receive any revenue from taxes. The Authority's rental rates have not changed in fiscal year 2023. The Authority expects that subsidy will not increase in 2023.

### **Request for Information**

This financial report is designed to provide an overview of the 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 Housing Authority of the City of Alamosa, Colorado, 213 Murphy Drive, Alamosa, CO 81101.

## **Basic Financial Statements**

**Housing Authority of the City of Alamosa, Colorado**  
**Statement of Net Position**  
**March 31, 2022**

**ASSETS**

Current Assets	
Cash and cash equivalents	\$ 2,053,382
Prepaid expenses	22,613
Government grants receivable	133,441
Accrued interest	2,907
Investments	559,577
Restricted cash	87,435
Total Current Assets	2,859,355
Noncurrent Assets	
Net pension asset - PERA	36,870
Capital assets	
Nondepreciable	365,977
Depreciable	13,537,521
Less: accumulated depreciation	(10,961,412)
Net Capital Assets	2,942,086
Total Noncurrent Assets	2,978,956
<b>Total Assets</b>	<b>5,838,311</b>

**DEFERRED OUTFLOWS OF RESOURCES**

Deferred Outflows - Pensions	23,686
Deferred Outflows - OPEB	1,396
Total Deferred Outflows of Resources	25,082

**LIABILITIES**

Current Liabilities	
Accounts payable	25,800
Accrued wages, taxes and benefits	15,712
Other accrued liabilities	41,662
Prepaid rent	13,956
Tenant security deposits	87,435
Accrued compensated absences	24,434
Total Current Liabilities	208,999
Long Term Liabilities	
Net OPEB Liability	28,826
Total Long Term Liabilities	28,826
<b>Total Liabilities</b>	<b>237,825</b>

**DEFERRED INFLOWS OF RESOURCES**

Deferred Inflows - Pensions	343,065
Deferred Inflows - OPEB	12,566
Total Deferred Inflows of Resources	355,631

**Net Position**

Net investment in capital assets	2,942,086
Restricted	36,870
Unrestricted	2,290,981
<b>Total Net Position</b>	<b>\$ 5,269,937</b>

**Housing Authority of the City of Alamosa, Colorado**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**March 31, 2022**

<b>Operating Revenues</b>	
Dwelling Rental	\$ 659,159
Management Fee	17,078
Other	23,348
Total Operating Revenues	699,585
 <b>Operating Expenses</b>	
General and Administrative	214,607
Utilities	242,536
Maintenance and Operation	424,214
Depreciation	287,005
Total Operating Expenses	1,168,362
Operating Income (Loss)	(468,777)
 Non-Operating Revenues (Expenses)	
HUD Contributions and Grants	750,598
Interest Income	9,581
Total Non-Operating Revenues (Expenses)	760,179
Income Before Capital Contributions	291,402
Capital Contributions	356,825
Change in Net Position	648,227
Net Position, Beginning of Year	4,621,710
Net Position, End of Year	\$ 5,269,937

**Housing Authority of the City of Alamosa, Colorado**  
**Statement of Cash Flows**  
**For the Year Ended March 31, 2022**

<b>Cash Flows From Operating Activities:</b>	
Cash Received from Tenants	\$ 716,207
Cash Payments to Tenants and suppliers	(702,558)
Cash Payments to Employees	(322,468)
Net Cash (Used) For Operating Activities	(308,819)
 <b>Cash Flows From Noncapital Financing Activities:</b>	
HUD Contributions and Grants	792,400
Net Cash Provided by Non-Capital Financing Activities	792,400
 <b>Cash Flows From Capital and Related Financing Activities:</b>	
Purchase of Property, Plant and Equipment	(453,826)
Capital Contributions	304,209
Net Cash Provided (Used) by Capital and Related Financing Activities	(149,617)
 <b>Cash Flows from Investing Activities:</b>	
Purchases of investments	(7,853)
Interest Income	9,849
Net Cash Provided by Investing Activities	1,996
<b>Net increase in Cash and Cash Equivalents</b>	335,960
Cash and Cash Equivalents, Beginning	1,804,857
Cash and Cash Equivalents, Ending	\$ 2,140,817
 <b>Detail of cash and cash equivalents:</b>	
Cash - Unrestricted	2,053,382
Cash-Restricted	87,435
<b>Total</b>	\$ 2,140,817
 Reconciliation of Operating Income to Net	
Cash Used for Operating Activities:	
Operating (Loss)	(468,777)
Adjustments to Reconcile Operating Loss to	
Net Cash Used for Operating Activities:	
Depreciation and Amortization	287,005
Changes in Pension and OPEB Related Items	(162,478)
Changes in Assets and Liabilities:	
Accounts Receivable - Tenants	5,209
Prepaid expenses	4,519
Accounts Payable	11,100
Accrued Liabilities	1,424
Unearned revenues	12,063
Accrued wages, taxes, and benefits	3,080
Accrued Compensated Absences	(1,314)
Tenant Security Deposits	(650)
Net Cash Used for Operating Activities	(308,819)

**Housing Authority of the City of Alamosa, Colorado**  
**Notes to the Financial Statements**  
**March 31, 2022**

**Note 1 Summary of Significant Accounting Policies**

The Housing Authority of the City of Alamosa, Colorado (the Authority) was established by the City of Alamosa, Colorado in order to administer the public housing programs subsidized by the Federal Government through the U.S. Department of Housing and Urban Development (HUD). The Authority provides 199 units of housing under the program. 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 Housing Authority of the City of Alamosa, Colorado 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.

**Housing Authority of the City of Alamosa, Colorado**  
**Notes to the Financial Statements (Continued)**  
**March 31, 2022**

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

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 establish 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.

*Prepaid expenses* – Prepaid balances are for payments made by the Authority in the current year for items to be consumed in subsequent years.

*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 and improvements	10 - 40 years
Admin equipment	5 - 10 years
Operational equipment	3 - 10 years

*Compensated Absences* - Pursuant to its personnel policies, the Authority will compensate individual employment for unused vacation and 1/3 of sick leave accumulated upon their separation of employment. The Authority reports these potential payments as a liability for compensated absences.

*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.

**Housing Authority of the City of Alamosa, Colorado**  
**Notes to the Financial Statements (Continued)**  
**March 31, 2022**

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

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

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. The Authority had \$36,870 of net position restricted for future pension expenses.

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.

**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 March 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 March 31, 2022, the District’s cash deposits had a carrying balance of \$2,140,817 and a corresponding bank balance of \$2,162,884 of which \$250,000 was insured by the Federal Deposit Insurance Corporation, respectively.

**Housing Authority of the City of Alamosa, Colorado**  
**Notes to the Financial Statements (Continued)**  
**March 31, 2022**

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

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.

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 \$1,912,884 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 March 31, 2022, 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.

As of March 31, 2022, the Authority had \$559,577 invested in certificates of deposit (CD’s) with various financial institutions carrying a maturity of 1-3 years from date of purchase. All CD’s were insured under the FDIC and are valued under amortized cost.

**Note 3 Accounts Receivable**

Accounts receivable balance at March 31, 2022, was comprised of the following:

Program	Tenants Receivable	Allowance for Bad Debt	Receivable Net of Allowance
Tenant receivables	\$ 8,295	\$ (8,295)	\$ -
Total	\$ 8,295	\$ (8,295)	\$ -

**Housing Authority of the City of Alamosa, Colorado**  
**Notes to the Financial Statements (Continued)**  
**March 31, 2022**

**Note 4 Fixed Assets**

The following is a summary of fixed assets at March 31, 2022

	Balance 3/31/2021	Additions	Deletions	Balance 3/31/2022
Nondepreciable				
Land	\$ 365,977	\$ -	\$ -	\$ 365,977
Total Nondepreciable	<u>481,170</u>	<u>-</u>	<u>-</u>	<u>365,977</u>
Depreciable				
Buildings and improvements	12,554,564	436,833	-	12,991,397
Office equipment and furniture	28,396	9,993	-	38,389
Maintenance equipment	334,485	7,000	-	341,485
Vehicles	166,250	-	-	166,250
Total Depreciable	<u>12,514,214</u>	<u>453,826</u>	<u>-</u>	<u>13,537,521</u>
TOTAL	<u>12,995,384</u>	<u>453,826</u>	<u>-</u>	<u>13,903,498</u>
Less Accumulated Depreciation	<u>(10,674,407)</u>	<u>(287,005)</u>	<u>-</u>	<u>(10,961,412)</u>
Total Accumulated Depreciation	<u>(10,365,618)</u>	<u>(287,005)</u>	<u>-</u>	<u>(10,961,412)</u>
Net Capital Assets	<u>\$ 2,629,766</u>	<u>\$ 166,821</u>	<u>\$ -</u>	<u>\$ 2,942,086</u>

**Note 5 Defined Benefit Pension Plan**

**Summary of Significant Accounting Policies**

*Pensions.* The 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.

General Information about the Pension Plan

*Plan description.* Eligible employees of The 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 annual comprehensive financial report (ACFR) 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, 2021.* 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

**Housing Authority of the City of Alamosa, Colorado**  
**Notes to the Financial Statements (Continued)**  
**March 31, 2022**

**Note 5 Defined Benefit Pension Plan (Continued)**

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. 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% and then multiplied by years of service credit.
- The value of the retiring employee's member contribution account plus a 100% 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.

In all cases the service retirement benefit is limited to 100% 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% or 100% 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.

Upon meeting certain criteria, benefit recipients who elect to receive a lifetime retirement benefit generally receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S. Subject to the automatic adjustment provision (AAP) under C.R.S. § 24-51-413, 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 the maximum annual increase (AI) or AI cap of 1.00% unless adjusted by the AAP. Eligible benefit recipients under the PERA benefit structure who began membership on or after January 1, 2007, will receive the lesser of an annual increase of the 1.00% AI cap or the average increase of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed a determined increase that would exhaust 10% of PERA's Annual Increase Reserve (AIR) for the LGDTF. The AAP may raise or lower the aforementioned AI cap by up to 0.25% 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. For State Troopers whose disability is caused by an on- the-job injury, the five-year service requirement is waived and they are immediately eligible to apply for disability benefits. 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.

**Housing Authority of the City of Alamosa, Colorado**  
**Notes to the Financial Statements (Continued)**  
**March 31, 2022**

**Note 5 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 March 31, 2022* Eligible employees of, The Authority and the State are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements for the LGDTF are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Employee contribution rates for the period of April 1, 2021 through March 31, 2022 are summarized in the table below:

	January 1,2021 Through June 30, 2021	July 1,2021 Through December 31, 2021	January 1,2022 Through June 30, 2022	July 1,2022 Through December 31, 2022
Employee contribution (all employees other than State Troopers)	8.50%	8.50%	8.50%	9.00%

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

	January 1, 2021 Through June 30, 2021	July 1,2021 Through December 31, 2021	January 1,2022 Through June 30, 2022	July 1,2022 Through December 31, 2022
Employer contribution rate	10.50%	10.50%	10.50%	11%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(D)	(1.02%)	(1.02%)	(1.02%)	(1.02%)
Amount apportioned to the LGDTF	9.48%	9.48%	9.48%	9.98%
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	0.02%	0.02%	0.03%	0.03%
<b>Total employer contribution rate to the LGDTF</b>	<b>13.20%</b>	<b>13.20%</b>	<b>13.21%</b>	<b>13.71%</b>

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

**Housing Authority of the City of Alamosa, Colorado**  
**Notes to the Financial Statements (Continued)**  
**March 31, 2022**

**Note 5 Defined Benefit Pension Plan (Continued)**

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and The Authority is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from The Authority were \$50,760 for the year ended March 31, 2022.

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

At March 31, 2022, The Authority reported an asset of \$36,870 for its proportionate share of the net pension liability. The net pension liability for the LGDTF was measured as of December 31, 2021, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020. Standard update procedures were used to roll-forward the TPL to December 31, 2021. The Authority proportion of the net pension liability was based on The Authority contributions to the LGDTF for the calendar year 2021 relative to the total contributions of participating employers.

At December 31, 2021, the Authority's proportion was .0430035273%, which was a decrease of .0037310741% from its proportion measured as of December 31, 2021.

For the year ended March 31, 2022, The Authority recognized pension expense of \$314,274. At March 31, 2022 The Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of	Deferred Inflows of
	Resources	Resources
Difference between expected and actual experience	<b>\$1,802</b>	<b>\$616</b>
Changes of assumptions or other inputs	<b>12,498</b>	<b>0</b>
Net difference between projected and actual earnings on pension plan investments	<b>0</b>	<b>318,932</b>
Changes in proportion and differences between contributions recognized and proportionate share of contributions	<b>0</b>	<b>23,517</b>
Contributions subsequent to the measurement date	<b>9,386</b>	<i>N/A</i>
<b>Total</b>	<b>\$23,686</b>	<b>\$343,065</b>

\$9,386 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 March 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**Housing Authority of the City of Alamosa, Colorado**  
**Notes to the Financial Statements (Continued)**  
**March 31, 2022**

**Note 5 Defined Pension Plan**

Year ended March 31	
2023	\$(88,405)
2024	(124,707)
2025	(76,951)
2026	(38,702)
2027	0
Thereafter	\$0

**Benefit (Continued)**

*Actuarial assumptions.* The TPL in the December 31, 2020, actuarial valuation was determined using the following actuarial cost method, actuarial assumptions, and other inputs:

Actuarial cost method	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	3.20%-12.40%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation Discount rate	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (compounded annually)	1.00%
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.

The TPL as of December 31, 2021, includes the anticipated adjustments to contribution rates and the AI cap, resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022.

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

**Housing Authority of the City of Alamosa, Colorado**  
**Notes to the Financial Statements (Continued)**  
**March 31, 2022**

**Note 5 Defined Benefit Pension Plan (Continued)**

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

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% of the rates for all ages, with generational projection using scale MP-2019.
- **Females:** 105% 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% 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 actuarial assumptions used in the December 31, 2020, valuation were based on the results of the 2020 experience analysis for the period January 1, 2016, through December 31, 2019, and were reviewed and adopted by the PERA Board at their November 20, 2020, meeting.

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.

**Housing Authority of the City of Alamosa, Colorado**  
**Notes to the Financial Statements (Continued)**  
**March 31, 2022**

**Note 5 Defined Benefit Pension Plan (Continued)**

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% 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:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
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	6.00%	4.70%
<b>Total</b>	<b>100.00%</b>	

Note: 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%.

*Discount rate.* The discount rate used to measure the TPL was 7.25%. 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%.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the required adjustments resulting from the 2018 AAP assessment, and the additional 0.50% resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.

**Housing Authority of the City of Alamosa, Colorado**  
**Notes to the Financial Statements (Continued)**  
**March 31, 2022**

**Note 5 Defined Benefit Pension Plan (Continued)**

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the required adjustments resulting from the 2018 AAP assessment, and the additional 0.50% resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% 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.
- 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 and the subsequent AIR benefit payments were estimated and included in the projections.
- The projected benefit payments reflect the lowered AI cap, from 1.25% to 1.00%, resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the 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% on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

*Sensitivity of the The 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%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

**Housing Authority of the City of Alamosa, Colorado**  
**Notes to the Financial Statements (Continued)**  
**March 31, 2022**

**Note 5 Defined Benefit Pension Plan (Continued)**

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension	\$252,802	\$(36,870)	\$(279,168)

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

**Defined Contribution Pension Plans**

Voluntary Investment Program

*Plan Description* - Employees of The 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 Housing Authority of the City of Alamosa, Colorado has agreed to match employee contributions up to XX percent of 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 March 31, 2022 program members contributed \$0 and Housing Authority of the City of Alamosa, Colorado 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

**Note 6 Other Post Employment Benefits (OPEB)**

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 Housing Authority of the City of Alamosa, Colorado are required to contribute a percentage of the participating employees'

**Housing Authority of the City of Alamosa, Colorado**  
**Notes to the Financial Statements (Continued)**  
**March 31, 2022**

**Note 6 Other Post Employment Benefits (OPEB) (Continued)**

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, 2021 Through	July 1, 2021 Through December 31,	January 1, 2022 Through	July 1, 2022 Through March 31,
<b>Employee Contribution</b>				
Employee contribution (all employees other than State Troopers)	8.00%	8.50%	8.50%	8.50%
State Troopers	10.75%	12.00%	12.00%	12.50%
<b>Employer Contribution Rates:</b>				
On behalf of all employees other	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 Authority participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public 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 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, and 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 by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) 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

**Housing Authority of the City of Alamosa, Colorado**  
**Notes to the Financial Statements (Continued)**  
**March 31, 2022**

**Note 6 Other Post Employment Benefits (OPEB) (Continued)**

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 health benefits program 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, 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% 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.

*Contributions.* Pursuant to Title 24, Article 51, Section 208(1) (f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School, Local Government, and Judicial Divisions are required to contribute at a rate of 1.02% of PERA-includable salary into the HCTF.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and The Authority is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from The Authority were \$4,020 for the year ended March 31, 2022.

**Housing Authority of the City of Alamosa, Colorado**  
**Notes to the Financial Statements (Continued)**  
**March 31, 2022**

**Note 6 Other Post Employment Benefits (OPEB) (Continued)**

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

At March 31, 2022, The Authority reported a liability of \$28,826 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2021, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2020. Standard update procedures were used to roll-forward the TOL to December 31, 2021. The Authority proportion of the net OPEB liability was based on The Authority contributions to the HCTF for the calendar year 2021 relative to the total contributions of participating employers to the HCTF.

At December 31, 2021, The Authority's proportion was .0033429565%, which was a decrease of .0001335011 from its proportion measured as of December 31, 2020.

For the year ended March 31, 2022, The Authority recognized OPEB expense of \$39,996. At March 31, 2022, The Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred</u> <u>Outflows</u> of <u>Resources</u>	<u>Deferred</u> <u>Inflows</u> of <u>Resources</u>
Difference between expected and actual experience	\$44	\$6,835
Changes of assumptions or other inputs	596	1,564
Net difference between projected and actual earnings on OPEB plan investments	0	1,784
Changes in proportion and differences between contributions recognized and proportionate share of contributions	0	2,383
Contributions subsequent to the measurement date	756	N/A
Total	\$1,396	\$12,566

\$756 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 March 31, 2023. 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 March 31, 2022:</b>	
2023	(\$2,600)
2024	(2,838)
2025	(3,356)
2026	(2,276)
2027	(740)
Thereafter	\$(116)

**Housing Authority of the City of Alamosa, Colorado**  
**Notes to the Financial Statements (Continued)**  
**March 31, 2022**

**Note 6 Other Post Employment Benefits (OPEB) (Continued)**

*Actuarial assumptions.* The TOL in the December 31, 2020 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

	State Division	School Division	Local Government Division	Judicial Division
Actuarial cost method	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	3.30%- 10.90%	3.40%- 11.00%	3.20%- 11.30%	2.80%- 5.30%
State Troopers	3.20%- 12.40%	N/A	3.20%- 12.40%	N/A
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	4.50% in 2021, 6.00% in 2022 gradually decreasing to 4.50% in 2029			
Medicare Part A premiums	3.75% in 2021, 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			

Calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each actuarial valuation and on the pattern of sharing of costs between employers of each fund to that point.

**Housing Authority of the City of Alamosa, Colorado**  
**Notes to the Financial Statements (Continued)**  
**March 31, 2022**

**Note 6 Other Post Employment Benefits (OPEB) (Continued)**

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, 2020, valuation, the following monthly costs/premiums (actual dollars) are assumed for 2021 for the PERA Benefit Structure:

<b>Medicare Plan</b>	<b>Initial Costs for Members without Medicare Part A</b>		
	<b>Monthly Cost</b>	<b>Monthly Premium</b>	<b>Monthly Cost Adjusted to Age 65</b>
Medicare Advantage/Self-Insured Rx	\$633	\$230	\$591
Kaiser Permanente Advantage HMO Medicare	596	199	562

The 2021 Medicare Part A premium is \$471 (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 as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project 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, 2020, 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 TOL are summarized in the table below:

<b>Year</b>	<b>PERACare Medicare Plans</b>	<b>Medicare Part A Premiums</b>
2021	4.50%	3.75%
2022	6.00%	3.75%
2023	5.80%	4.00%
2024	5.60%	4.00%
2025	5.40%	4.00%
2026	5.10%	4.25%
2027	4.90%	4.25%
2028	4.70%	4.25%
2029+	4.50%	4.50%

**Housing Authority of the City of Alamosa, Colorado**  
**Notes to the Financial Statements (Continued)**  
**March 31, 2022**

**Note 6 Other Post Employment Benefits (OPEB) (Continued)**

Mortality assumptions used in the December 31, 2020, valuation for the determination of the total pension liability for each of the Division Trust Funds as shown below, reflect generational mortality and were applied, as applicable, in the determination of the TOL for the HCTF, but developed using a headcount-weighted basis. Affiliated employers of the State, School, Local Government and Judicial Divisions participate in the HCTF.

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

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

**Housing Authority of the City of Alamosa, Colorado**  
**Notes to the Financial Statements (Continued)**  
**March 31, 2022**

**Note 6 Other Post Employment Benefits (OPEB) (Continued)**

- **Males:** 97% of the rates for all ages, with generational projection using scale MP-2019.
  
- **Females:** 105% 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% 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 following health care costs assumptions were updated and used in the roll-forward calculation for the Trust Fund:

- 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 2021 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 PERA Board's actuary, as discussed above.

The actuarial assumptions used in the December 31, 2020, valuation were based on the results of the 2020 experience analysis for the period January 1, 2016, through December 31, 2019, and were reviewed and adopted by the PERA Board at their November 20, 2020, meeting.

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.

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.

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:

**Housing Authority of the City of Alamosa, Colorado**  
**Notes to the Financial Statements (Continued)**  
**March 31, 2022**

**Note 6 Other Post Employment Benefits (OPEB) (Continued)**

<b>Asset Class</b>	<b>Target Allocation</b>	<b>30 Year Geometric Real Rate of Expected</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	6.00 %	4.70%
<b>Total</b>	<b>100.00 %</b>	

Note: 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%.

*Sensitivity of The Authority's 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:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate	3.50%	4.50%	5.50%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	2.75%	3.75%	4.75%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	\$27,999	\$28,826	\$29,785

*Discount rate.* The discount rate used to measure the TOL was 7.25%. 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, 2021, 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%.
- 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.

**Housing Authority of the City of Alamosa, Colorado**  
**Notes to the Financial Statements (Continued)**  
**March 31, 2022**

**Note 6 Other Post Employment Benefits (OPEB) (Continued)**

- 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 be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on OPEB plan investments was applied to all periods of projected benefit payments to determine the TOL. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

*Sensitivity of The Authority's 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%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.25%) or one-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB	\$27,999	\$28,826	\$29,785

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

**Note 7 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 carries commercial insurance for all risks of loss, including workers' compensation and employee health and accident insurance. Settled claims have not exceeded commercial coverage in any of the past 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 March 31, 2022, 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.

**Housing Authority of the City of Alamosa, Colorado**  
**Notes to the Financial Statements (Continued)**  
**March 31, 2022**

**Note 7 Contingencies and Commitments (Continued)**

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.

**Note 8 Economic Dependency**

The Authority is economically dependent on annual contributions and grants from HUD. The extent of this funding from HUD depends upon appropriations from the Federal government and is subject to annual renewals.

## **Required Supplemental Information**

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

	Measurement Date for the Year Ended							
	2021	2020	2019	2018	2017	2016	2015	2014
Authority's proportion of the net pension liability / (asset)	0.0430035273%	0.0467346014%	0.0500378945%	0.0478136764%	0.0435044684%	0.0393233167%	0.0486552685%	0.0588580659%
Authority's proportional share of the net pension liability / (asset)	\$ (36,870)	\$ 243,547	\$ 365,973	\$ 601,120	\$ 484,392	\$ 530,999	\$ 535,977	\$ 527,550
Authority's covered payroll	319,982	326,675	344,584	258,394	274,445	229,354	276,324	322,516
Authority's percentage of net pension liability as a percent of covered payroll	-12%	75%	106%	233%	176%	232%	194%	164%
Total pension liability	5,758,380,000	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
Plan fiduciary net position	5,844,117,000	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
Net pension liability	<u>\$ (85,737,000)</u>	<u>\$ 521,127,000</u>	<u>\$ 731,391,000</u>	<u>\$ 1,257,213,000</u>	<u>\$ 1,113,430,000</u>	<u>\$ 1,350,341,000</u>	<u>\$ 1,101,581,000</u>	<u>\$ 896,309,000</u>
Plan fiduciary net position as a percentage of the total pension liability	101.5%	90.9%	86.3%	76.0%	79.4%	73.6%	76.9%	80.7%
Net pension liability as a percentage of covered payroll	-12%	75%	106%	233%	176%	232%	194%	164%

The amounts presented were measured at 12/31 of their respective years.

\*The schedule is intended to show information for 10 years. Additional years will be presented when they become available.

**Housing Authority of the City of Alamosa, Colorado**  
**Required Supplementary Information**  
**Schedule of Pension Contributions - PERA**  
**Last 10 Fiscal Years**

	2021	2020	2019	2018	2017	2016	2015	2014
Statutorily Required Contribution	41,374	42,239	43,693	41,357	32,764	30,094	32,946	39,966
Contributions in Relation to the Statutorily Required Contribution	41,374	42,239	43,693	41,357	32,764	30,094	32,946	39,966
Contribution Deficiency (Excess)	-	-	-	-	-	-	-	-
Covered Payroll	319,982	326,675	344,584	326,162	258,394	237,336	259,826	315,188
Contributions as a % of Covered Payroll	12.93%	12.93%	12.68%	12.68%	12.68%	12.68%	12.68%	12.68%

The amounts presented were measured at 12/31 of their respective years.

\*The schedule is intended to show information for 10 years. Additional years will be presented when they become available.

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

	Measurement Date for the Year Ended				
	2021	2020	2019	2018	2017
Authority's proportion of the net OPEB liability	0.0033429565%	0.0035630661%	0.0038322880%	0.0037079429%	0.0033804920%
Authority's proportional share of the net OPEB liability	\$ 28,826	\$ 33,857	\$ 43,075	\$ 50,448	\$ 45,993
Authority's covered payroll	319,982	326,675	344,584	258,394	274,445
Authority's percentage of net OPEB liability as a percent of covered payroll	9%	10%	13%	20%	17%
Total OPEB liability	1,423,054,000	1,413,526,000	1,488,508,000	1,639,734,000	1,575,822,000
Plan fiduciary net position	560,749,000	463,301,000	364,510,000	279,192,000	276,222,000
Net OPEB liability	<u>\$ 862,305,000</u>	<u>\$ 950,225,000</u>	<u>\$ 1,123,998,000</u>	<u>\$ 1,360,542,000</u>	<u>\$ 1,299,600,000</u>
Plan fiduciary net position as a percentage of the total OPEB liability	39.4%	32.8%	24.5%	17.0%	17.5%
Net OPEB liability as a percentage of covered payroll	9%	10%	13%	20%	17%

The amounts presented were measured at 12/31 of their respective years.

\*The schedule is intended to show information for 10 years. Additional years will be presented when they become available.

**Housing Authority of the City of Alamosa, Colorado**  
**Required Supplementary Information**  
**Schedule of OPEB Contributions - PERA**  
**Last 10 Fiscal Years**

	2021	2020	2019	2018	2017
Statutorily Required Contribution	3,264	3,332	3,515	3,327	2,636
Contributions in Relation to the Statutorily Required Contribution	3,264	3,332	3,515	3,327	2,636
Contribution Deficiency (Excess)	-	-	-	-	-
Covered Payroll	319,982	326,675	344,584	326,162	258,394
Contributions as a % of Covered Payroll	1.02%	1.02%	1.02%	1.02%	1.02%

The amounts presented were measured at 12/31 of their respective years.

\*The schedule is intended to show information for 10 years. Additional years will be presented when they become available.

## **Other Supplemental Information**

Housing Authority of the City of Alamosa (CO004)  
Alamosa, CO

**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2022

	Project Total	14.PHC Public Housing CARES Act Funding	1 Business Activities	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$2,053,382			\$2,053,382		\$2,053,382
112 Cash - Restricted - Modernization and Development						
113 Cash - Other Restricted						
114 Cash - Tenant Security Deposits	\$87,435			\$87,435		\$87,435
115 Cash - Restricted for Payment of Current Liabilities						
100 Total Cash	\$2,140,817	\$0	\$0	\$2,140,817		\$2,140,817
121 Accounts Receivable - PHA Projects						
122 Accounts Receivable - HUD Other Projects	\$133,441			\$133,441		\$133,441
124 Accounts Receivable - Other Government						
125 Accounts Receivable - Miscellaneous						
126 Accounts Receivable - Tenants	\$8,295			\$8,295		\$8,295
126.1 Allowance for Doubtful Accounts - Tenants	-\$8,295			-\$8,295		-\$8,295
126.2 Allowance for Doubtful Accounts - Other	\$0			\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current						
128 Fraud Recovery						
128.1 Allowance for Doubtful Accounts - Fraud						
129 Accrued Interest Receivable	\$2,907			\$2,907		\$2,907
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$136,348	\$0	\$0	\$136,348		\$136,348
131 Investments - Unrestricted	\$559,577			\$559,577		\$559,577
132 Investments - Restricted						
135 Investments - Restricted for Payment of Current Liability						
142 Prepaid Expenses and Other Assets	\$22,613			\$22,613		\$22,613
143 Inventories						
143.1 Allowance for Obsolete Inventories						
144 Inter Program Due From						
145 Assets Held for Sale						
150 Total Current Assets	\$2,859,355	\$0	\$0	\$2,859,355		\$2,859,355
161 Land	\$365,977			\$365,977		\$365,977
162 Buildings	\$13,043,374			\$13,043,374		\$13,043,374
163 Furniture, Equipment & Machinery - Dwellings						
164 Furniture, Equipment & Machinery - Administration	\$494,147			\$494,147		\$494,147
165 Leasehold Improvements						
166 Accumulated Depreciation	-\$10,961,412			-\$10,961,412		-\$10,961,412
167 Construction in Progress						
168 Infrastructure						
160 Total Capital Assets, Net of Accumulated Depreciation	\$2,942,086	\$0	\$0	\$2,942,086		\$2,942,086
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	\$36,870			\$36,870		\$36,870
176 Investments in Joint Ventures						
180 Total Non-Current Assets	\$2,978,956	\$0	\$0	\$2,978,956		\$2,978,956
200 Deferred Outflow of Resources	\$25,082			\$25,082		\$25,082
290 Total Assets and Deferred Outflow of Resources	\$5,863,393	\$0	\$0	\$5,863,393		\$5,863,393
311 Bank Overdraft						
312 Accounts Payable <= 90 Days	\$13,423			\$13,423		\$13,423
313 Accounts Payable >90 Days Past Due						
321 Accrued Wage/Payroll Taxes Payable	\$15,712			\$15,712		\$15,712
322 Accrued Compensated Absences - Current Portion	\$12,217			\$12,217		\$12,217
324 Accrued Contingency Liability						
325 Accrued Interest Payable						
331 Accounts Payable - HUD PHA Programs						
332 Account Payable - PHA Projects						
333 Accounts Payable - Other Government	\$41,662			\$41,662		\$41,662
341 Tenant Security Deposits	\$87,435			\$87,435		\$87,435
342 Unearned Revenue	\$13,956			\$13,956		\$13,956
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue						

Housing Authority of the City of Alamosa (CO004)  
Alamosa, CO

**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2022

	Project Total	14.PHC Public Housing CARES Act Funding	1 Business Activities	Subtotal	ELIM	Total
344 Current Portion of Long-term Debt - Operating Borrowings						
345 Other Current Liabilities						
346 Accrued Liabilities - Other	\$12,377			\$12,377		\$12,377
347 Inter Program - Due To						
348 Loan Liability - Current						
310 Total Current Liabilities	\$196,782	\$0	\$0	\$196,782		\$196,782
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue						
352 Long-term Debt, Net of Current - Operating Borrowings						
353 Non-current Liabilities - Other						
354 Accrued Compensated Absences - Non Current	\$12,217			\$12,217		\$12,217
355 Loan Liability - Non Current						
356 FASB 5 Liabilities						
357 Accrued Pension and OPEB Liabilities	\$28,826			\$28,826		\$28,826
350 Total Non-Current Liabilities	\$41,043	\$0	\$0	\$41,043		\$41,043
300 Total Liabilities	\$237,825	\$0	\$0	\$237,825		\$237,825
400 Deferred Inflow of Resources	\$355,631			\$355,631		\$355,631
508.4 Net Investment in Capital Assets	\$2,942,086			\$2,942,086		\$2,942,086
511.4 Restricted Net Position	\$36,870			\$36,870		\$36,870
512.4 Unrestricted Net Position	\$2,290,981	\$0	\$0	\$2,290,981		\$2,290,981
513 Total Equity - Net Assets / Position	\$5,269,937	\$0	\$0	\$5,269,937		\$5,269,937
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$5,863,393	\$0	\$0	\$5,863,393		\$5,863,393

Housing Authority of the City of Alamosa (CO004)  
Alamosa, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2022

	Project Total	14.PHC Public Housing CARES Act Funding	1 Business Activities	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$659,159			\$659,159		\$659,159
70400 Tenant Revenue - Other	\$20,240			\$20,240		\$20,240
70500 Total Tenant Revenue	\$679,399	\$0	\$0	\$679,399	\$0	\$679,399
70600 HUD PHA Operating Grants	\$718,481	\$32,118		\$750,599		\$750,599
70610 Capital Grants	\$356,825			\$356,825		\$356,825
70710 Management Fee						
70720 Asset Management Fee						
70730 Book Keeping Fee						
70740 Front Line Service Fee						
70750 Other Fees						
70700 Total Fee Revenue				\$0	\$0	\$0
70800 Other Government Grants						
71100 Investment Income - Unrestricted	\$9,581			\$9,581		\$9,581
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	\$3,108		\$17,078	\$20,186		\$20,186
71600 Gain or Loss on Sale of Capital Assets						
72000 Investment Income - Restricted						
70000 Total Revenue	\$1,767,394	\$32,118	\$17,078	\$1,816,590	\$0	\$1,816,590
91100 Administrative Salaries	\$107,220	\$400	\$17,078	\$124,698		\$124,698
91200 Auditing Fees	\$9,900			\$9,900		\$9,900
91300 Management Fee						
91310 Book-keeping Fee						
91400 Advertising and Marketing	\$708			\$708		\$708
91500 Employee Benefit contributions - Administrative	-\$32,956			-\$32,956		-\$32,956
91600 Office Expenses	\$26,921	\$5,368		\$32,289		\$32,289
91700 Legal Expense	\$7,425			\$7,425		\$7,425
91800 Travel	\$2,379			\$2,379		\$2,379
91810 Allocated Overhead						
91900 Other	\$43,634	\$2,457		\$46,091		\$46,091
91000 Total Operating - Administrative	\$165,231	\$8,225	\$17,078	\$190,534	\$0	\$190,534
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
93100 Water	\$167,711			\$167,711		\$167,711
93200 Electricity	\$17,191			\$17,191		\$17,191
93300 Gas	\$23,317			\$23,317		\$23,317
93400 Fuel						
93500 Labor						
93600 Sewer	\$34,317			\$34,317		\$34,317
93700 Employee Benefit Contributions - Utilities						
93800 Other Utilities Expense						
93000 Total Utilities	\$242,536	\$0	\$0	\$242,536	\$0	\$242,536
94100 Ordinary Maintenance and Operations - Labor	\$183,961	\$600		\$184,561		\$184,561
94200 Ordinary Maintenance and Operations - Materials and Other	\$63,488	\$3,308		\$66,796		\$66,796
94300 Ordinary Maintenance and Operations Contracts	\$105,801	\$2,980		\$108,781		\$108,781
94500 Employee Benefit Contributions - Ordinary Maintenance	-\$49,273			-\$49,273		-\$49,273
94000 Total Maintenance	\$303,977	\$6,888	\$0	\$310,865	\$0	\$310,865
95100 Protective Services - Labor						
95200 Protective Services - Other Contract Costs						
95300 Protective Services - Other						
95500 Employee Benefit Contributions - Protective Services						

Housing Authority of the City of Alamosa (CO004)  
Alamosa, CO

**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2022

	Project Total	14.PHC Public Housing CARES Act Funding	1 Business Activities	Subtotal	ELIM	Total
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance	\$43,368			\$43,368		\$43,368
96120 Liability Insurance	\$4,255			\$4,255		\$4,255
96130 Workmen's Compensation	\$5,855			\$5,855		\$5,855
96140 All Other Insurance	\$9,265			\$9,265		\$9,265
96100 Total insurance Premiums	\$62,743	\$0	\$0	\$62,743	\$0	\$62,743
96200 Other General Expenses						
96210 Compensated Absences	\$16,319			\$16,319		\$16,319
96300 Payments in Lieu of Taxes	\$41,662			\$41,662		\$41,662
96400 Bad debt - Tenant Rents	\$16,699			\$16,699		\$16,699
96500 Bad debt - Mortgages						
96600 Bad debt - Other						
96800 Severance Expense						
96000 Total Other General Expenses	\$74,680	\$0	\$0	\$74,680	\$0	\$74,680
96710 Interest of Mortgage (or Bonds) Payable						
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
96900 Total Operating Expenses	\$849,167	\$15,113	\$17,078	\$881,358	\$0	\$881,358
97000 Excess of Operating Revenue over Operating Expenses	\$918,227	\$17,005	\$0	\$935,232	\$0	\$935,232
97100 Extraordinary Maintenance						
97200 Casualty Losses - Non-capitalized						
97300 Housing Assistance Payments						
97350 HAP Portability-In						
97400 Depreciation Expense	\$287,005			\$287,005		\$287,005
97500 Fraud Losses						
97600 Capital Outlays - Governmental Funds						
97700 Debt Principal Payment - Governmental Funds						
97800 Dwelling Units Rent Expense						
90000 Total Expenses	\$1,136,172	\$15,113	\$17,078	\$1,168,363	\$0	\$1,168,363
10010 Operating Transfer In	\$52,616			\$52,616	-\$52,616	\$0
10020 Operating Transfer Out	-\$52,616			-\$52,616	\$52,616	\$0
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						
10094 Transfers between Project and Program - Out						
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$631,222	\$17,005	\$0	\$648,227	\$0	\$648,227
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0		\$0
11030 Beginning Equity	\$4,621,710	\$0	\$0	\$4,621,710		\$4,621,710
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$17,005	-\$17,005		\$0		\$0
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						

Housing Authority of the City of Alamosa (CO004)  
Alamosa, CO

**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2022

	Project Total	14.PHC Public Housing CARES Act Funding	1 Business Activities	Subtotal	ELIM	Total
11180 Housing Assistance Payments Equity						
11190 Unit Months Available	2388			2388		2388
11210 Number of Unit Months Leased	2380			2380		2380
11270 Excess Cash	\$2,569,196			\$2,569,196		\$2,569,196
11610 Land Purchases	\$0			\$0		\$0
11620 Building Purchases	\$363,837			\$363,837		\$363,837
11630 Furniture & Equipment - Dwelling Purchases	\$0			\$0		\$0
11640 Furniture & Equipment - Administrative Purchases	\$89,989			\$89,989		\$89,989
11650 Leasehold Improvements Purchases	\$0			\$0		\$0
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

Housing Authority of the City of Alamosa, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements as of and for the year ended March 31, 2022, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of Alamosa, Colorado's basic financial statements, and have issued our report thereon dated December 8, 2022.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Housing Authority of the City of Alamosa, Colorado'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 the Housing Authority of the City of Alamosa, Colorado's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the City of Alamosa, Colorado's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or 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.

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Longmont, CO 80502

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## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Housing Authority of the City of Alamosa, Colorado'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 address and date.

Longmont, Colorado  
December 8, 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  
Housing Authority of the City of Alamosa, Colorado

### Report on Compliance for Each Major Federal Program

#### Opinion on Each Major Federal Program

We have audited Housing Authority of the City of Alamosa, Colorado'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 Housing Authority of the City of Alamosa, Colorado's major federal programs for the year ended March 31, 2022. Housing Authority of the City of Alamosa, Colorado'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, Housing Authority of the City of Alamosa, Colorado 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 March 31, 2022.

#### 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 Housing Authority of the City of Alamosa, Colorado 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 the Housing Authority of the City of Alamosa, Colorado'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 Housing Authority of the City of Alamosa, Colorado's federal programs.

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### **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 Housing Authority of the City of Alamosa, Colorado'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 Housing Authority of the City of Alamosa, Colorado'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 Housing Authority of the City of Alamosa, Colorado's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding Housing Authority of the City of Alamosa, Colorado'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 Housing Authority of the City of Alamosa, Colorado'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 Housing Authority of the City of Alamosa, Colorado'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".

Longmont, Colorado  
December 8, 2022

**Housing Authority of the City of Alamosa, Colorado**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended March 31, 2022**

<u>Federal Grantor</u>	<u>CFDA NUMBER</u>	<u>EXPENDITURES</u>
U.S. Department of Housing and Urban Development		
Operating Subsidy	14.850	665,864
Capital Fund Program	14.872	409,441
CARES Act	14.PHC	32,118
Total Housing and Urban Development and Federal Financial Awards		<u>\$ 1,107,423</u>

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Authority. All federal financial assistance received by the reporting entity directly from federal agencies, as well as federal financial assistance passed through other government agencies, is included on the schedule.

The accompanying schedule of expenditures of federal awards is presented using the accrual basis of accounting. The information in this schedule is presented in accordance with the 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, or used in the preparation of, the basic financial statements. Federal financial assistance provided to sub recipients is treated as an expenditure when it is paid to the sub-recipient. The Authority passed through \$0 to sub-recipients for the year then ended.

The Authority uses the de minimis indirect cost rate of 10%.

**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  no

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  no

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:

Public Housing Operating Subsidy 14.850

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

Auditee qualified as low-risk auditee?  yes  no

**Current years findings: None**

**Prior years findings: None**