

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

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

**Year Ended December 31, 2023**

## TABLE OF CONTENTS

	<u>Page No.</u>
<b>Required Supplemental Information:</b>	
Management's Discussion and Analysis	1
<b>Independent Auditor's Report</b>	7
<b>Basic Financial Statements:</b>	
Statement of Net Position – Proprietary Fund	10
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Fund	11
Statement of Cash Flows – Proprietary Fund	12
Notes to Financial Statements	14
<b>Supplemental Information:</b>	
Program Schedule of Net Position	24
Program Schedule of Revenues, Expenses and Changes in Net Position	25
Program Schedule of Cash Flows	26
Financial Data Schedule	28
<b>Government Auditing Standards Section:</b>	
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	31
Summary Schedule of Prior Audit Findings	33
Schedule of Findings and Responses	34
Corrective Action Plan	36
<b>Agreed-Upon Procedure:</b>	
Independent Accountant's Report on Applying Agreed-Upon Procedure	37

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



Housing Authority of Fort Lupton  
400 2<sup>nd</sup> Street  
Fort Lupton, Colorado 80621  
(303)857-4400 Phone (303)857-6847 Fax  
[fortluptonhousing@comcast.net](mailto:fortluptonhousing@comcast.net)

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

### **Year Ended December 31, 2023**

This section of the Housing Authority of the City of Fort Lupton, Colorado's annual financial report presents our discussion and analysis of the Authority's financial performance during the fiscal year ended on December 31, 2023. This discussion and analysis is designed to assist the reader in focusing on the significant financial issues and activities and to identify any significant changes in financial position. Please read and consider the information presented in conjunction with the basic financial statements as a whole.

### **FINANCIAL HIGHLIGHTS**

The term "Net Position" refers to the difference between assets and liabilities. The Authority's total net position as of December 31, 2023 was \$2,065,569. The net position increased by \$161,721, an increase of 8% over the prior year. Of this amount, \$912,680 was reported as "unrestricted net position". Unrestricted net position represents the amount available to be used to meet the Authority's ongoing obligations to creditors and operations of facilities.

Operating income for the Authority was \$929,458 for the year ended December 31, 2023. This was an increase of \$12,117 or 1% over the prior year.

Operating expenses for the Authority were \$1,058,343 for the year ended December 31, 2023. This was an increase of \$96,951 or 10% over the prior year.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

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

#### **Required Financial Statements**

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

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

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended December 31, 2023**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONT'D)**

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

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

**Notes to Financial Statements**

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

**Supplemental Information**

This report also contains the Financial Data Schedule (FDS) as referenced in the section of *supplemental information*. HUD has established *Uniform Financial Reporting Standards* that require Housing Authorities to submit financial information electronically to HUD using the FDS format. The submitted financial information transmitted to the Real Estate Assessment Center (REAC) for the year ended December 31, 2023 is required to be included in the audit reporting package.

**FINANCIAL ANALYSIS**

**CONDENSED STATEMENT OF NET POSITION**

	<u>FY 2023</u>	<u>FY 2022</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Current and other assets	\$ 1,093,590	\$ 929,506	\$ 164,084	18%
Capital assets	1,666,593	1,718,345	(51,752)	-3%
Total Assets	<u>2,760,183</u>	<u>2,647,851</u>	<u>112,332</u>	<u>4%</u>
Current liabilities	174,970	163,520	11,450	7%
Other liabilities	19,486	4,464	15,022	337%
Long-term debt outstanding	500,158	576,019	(75,861)	-13%
Total Liabilities	<u>694,614</u>	<u>744,003</u>	<u>(49,389)</u>	<u>-7%</u>
Net Position				
Net investment in capital assets	1,073,180	1,068,687	4,493	0.4%
Restricted	79,709	69,605	10,104	15%
Unrestricted	912,680	765,556	147,124	19%
Total Net Position	<u>\$ 2,065,569</u>	<u>\$ 1,903,848</u>	<u>\$ 161,721</u>	<u>8%</u>

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year Ended December 31, 2023**

**FINANCIAL ANALYSIS (CONT'D)**

Net Position may serve, over time, as a useful indicator of a government's financial position. In the case of the Authority, assets exceeded liabilities by \$2,065,569 at the close of the year ended December 31, 2023. This represents an increase of \$161,721 over the prior year which was the result of operations for the year ended December 31, 2023.

Current and other assets increased by \$164,084. This was attributed to operations before depreciation and offset by capital improvements and debt service payments which resulted in a net increase in cash and investments of \$162,789. In addition, accounts receivable increased by \$827 and the amount Due from HUD increased by \$468.

Current liabilities increased by \$11,450. The increase was the result of when payments are made to vendors and contractors and employees of \$4,202 and the increase in lease payable of \$1,667 and subscription liability of \$3,298. Long-term debt decreased by (\$75,861) which is the reduction in notes payable from current year debt payments.

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

Unrestricted net position as of December 31, 2023 was \$912,680, an increase of \$147,124. Unrestricted net position represents the amount available to be used to meet the Authority's ongoing obligations to creditors and operations of facilities. The Authority has sufficient funds to meet requirements for cash outlays in the next fiscal year as well as the financial capacity to sustain operations. At the end of the current fiscal year, the Authority is able to report positive balances in all categories of net position. The same situation held true for the prior fiscal year.

As of December 31, 2023, the Authority had net position of \$79,709 restricted for the Weld County NSP program for which the transfer of these properties has not occurred as of December 31, 2023.

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

As can be seen on the next page, total revenues decreased by \$68,953. This was a combination of an increase in rental income of \$41,419 or 7%, an increase in other revenue of \$6,927 and was offset by a decrease of (\$21,918) in Federal operating grants, a decrease of (\$54,625) in other program revenue and a decrease of (\$42,880) in capital dispositions. The increase in rental income was attributed to the fluctuation from year-to-year based on occupancy and rent composition.

HUD operating subsidy for the Authority was \$156,128 for the year ended December 31, 2023. This was an increase of \$15,119 over the prior year. The operating subsidy funding is determined by HUD on an annual basis and is primarily based on income and utility expenses. The Authority also expended \$152,490 of HUD capital grants for operations for the fiscal year ended December 31, 2023 compared to \$207,923 in the prior year. This amount will vary on the approved budget by HUD. The Authority has flexibility in the use of these funds.

Other program revenue decreased by (\$54,625) of which (\$48,804) was a decrease in oil/gas revenue received and will vary from year to year based on the oil industry variables.

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended December 31, 2023**

**FINANCIAL ANALYSIS (CONT'D)**

The final decrease in revenues from the prior year was a decrease in capital dispositions. In the prior year the Authority had sold a portion of an existing property in the Public Housing Program of \$45,000 to a local restaurant.

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

	<u>FY 2023</u>	<u>FY 2022</u>	<u>Dollar Change</u>	<u>Percent Change</u>
<b>Revenues</b>				
Program revenues				
Rental	\$ 626,634	\$ 585,215	\$ 41,419	7%
HUD program revenue	540,643	562,561	(21,918)	-4%
Other program revenue	59,457	114,082	(54,625)	-48%
Other revenue	11,342	4,415	6,927	157%
Gain on capital asset dispositions	-	42,880	(42,880)	-100%
General revenues				
Interest	2,359	235	2,124	904%
Total Revenues	<u>1,240,435</u>	<u>1,309,388</u>	<u>(68,953)</u>	<u>-5%</u>
<b>Expenses</b>				
Depreciation	232,695	195,434	37,261	19%
Operating	825,648	765,958	59,690	8%
Nonoperating	23,099	20,816	2,283	11%
Total Expenses	<u>1,081,442</u>	<u>982,208</u>	<u>99,234</u>	<u>10%</u>
Excess (deficiency) before special items	158,993	327,180	(168,187)	
<b>Special Items:</b>				
Casualty loss income - storm damage	-	66,247	(66,247)	
Changes in Net Position	158,993	393,427	(234,434)	
Beginning Net Position, restated	1,906,576	1,510,421	3,416,997	
Ending Net Position	<u>\$ 2,065,569</u>	<u>\$ 1,903,848</u>	<u>\$ 161,721</u>	

Operating expenses for the Authority were \$825,648 for the year ended December 31, 2023. This was an increase of \$59,690 or 8% over the prior year. The following expense categories had significant changes from the prior year:

- Administrative increased by \$28,687
- Utilities decreased by (\$17,223)
- Maintenance increased by \$31,204
- General expenses increased by \$18,376

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year Ended December 31, 2023**

**FINANCIAL ANALYSIS (CONT'D)**

Administrative costs increased by \$28,687 last year. It was the first full year that we had 2 full time administrative salaries. Also, there was a bump in wages for one employee. Health care costs have continued to have healthy increases and our legal fees escalated last year due to several pending evictions.

Utilities decreased by \$17,223 in 2023. From June through October we had a lengthy sprinkler project at Crane. The water gallons at this location decreased 889,000 gallons alone. It was also a wetter and milder spring so irrigation at all locations was less.

Maintenance increased by \$31,204 for the year. Rise in maintenance expenses in 2023 are largely attributed to the rising costs of maintenance materials in general as well as needed upgrades made to apartments at move out. With the apartments being older, more upgrades were made to flooring, paint, cabinets, counters, bathrooms, appliances, lighting, doors, screens, etc.

General expenses increased by \$18,376. Insurance rates took a steep jump on all properties. Liability insurance rates are up 8-13% which took effect between May and August. Purchasing the new work truck also increased our auto insurance by 59%.

**OCCUPANCY**

The Public Housing program has 50 units of housing or 600-unit months available. There were 12 vacancy months resulting in 588-unit months leases for the year, a 98% occupancy rate.

The Columbine Court program has 30 units of housing for 360-unit months available. There were 5 vacancy months for a total of 355-unit months leased for the year, a 99% occupancy rate.

The market rentals have 15 units, with 14 habitual units. There are 168-unit months available. There were 4 vacancy months for a total of 164-unit months available, a 98% occupancy rate.

The Weld NSP program has 2 houses or 24-unit months available. There was zero vacancy months, for a 100% occupancy rate.

**CAPITAL ASSETS**

The Authority's capital assets as of December 31, 2023, amounts to \$1,666,593. The capital assets includes land, buildings, improvements, equipment, leased assets and subscription assets, less accumulated depreciation.

The total decrease in the Authority's capital assets for the current fiscal year was 3% in terms of net book value. The actual amount to purchase or construct capital assets was \$173,953 for the year. Depreciation charges for the year totaled \$232,695. Additional information on the Authority's capital assets can be found in Note H of the notes to financial statements of this report.

Capital Improvements made during 2023 included tree work on all properties, sprinkler system upgrades on Public Housing property, exterior painting done on Public Housing properties, and renovations to apartments as needed.

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended December 31, 2023**

**DEBT ADMINISTRATION**

The Authority has outstanding mortgages payable of \$576,020 for real property. The revenue from the Columbine Court Program and Market Rentals are pledged to repay the mortgages. Additional information on the Authority's long-term debt can be found in Note L of the notes to financial statements of this report.

The Authority recognized a copier lease payable of \$6,771 and a subscription liability for accounting/housing software of \$10,623 as of December 31, 2023. Additional information on the lease and subscription liabilities can be found in Note I and Note J of the notes to financial statements of this report.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

The Board of Commissioners and Management of the Housing Authority considered many factors when approving the fiscal year 2024 budget. The user charges are based on a tenant's income as established by HUD guidelines and are not adjustable. Operating subsidy is based on rental income, other income and utility consumption and costs. The amount of funding is also established and approved by HUD. In projecting the amount of rental income, the Authority considered prior year rental income and occupancy rates. The operating expenses are expected to increase by the economy's inflation rate.

**REQUEST FOR INFORMATION**

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

**INDEPENDENT AUDITOR'S REPORT**



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

CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

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

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the accompanying financial statements of the major fund of the Housing Authority of the City of Fort Lupton, Colorado, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of Fort Lupton, Colorado's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the major fund of the Housing Authority of the City of Fort Lupton, Colorado as of December 31, 2023, and the changes in financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinion*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Housing Authority of the City of Fort Lupton, Colorado, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### *Responsibilities of Management for the Financial Statements*

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

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

#### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of

internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

### ***Required Supplementary Information***

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

### ***Supplementary Information***

Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the Housing Authority of the City of Fort Lupton, Colorado's basic financial statements. The Program Financial Schedules and Financial Data Schedules are presented for purposes of additional analysis and is not a required part of the basic financial statements. The Program Financial Schedules and Financial Data Schedules are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Program Financial Schedules and Financial Data Schedules are fairly stated, in all material respects in relation to the basic financial statements taken as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 10, 2024 on our consideration of the Housing Authority of the City of Fort Lupton, Colorado's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Housing Authority of the City of Fort Lupton, Colorado's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority of the City of Fort Lupton, Colorado's internal control over financial reporting and compliance.

*Niewedde & Wiens, CPA's*

York, Nebraska  
April 10, 2024

## **BASIC FINANCIAL STATEMENTS**

HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO  
STATEMENT OF NET POSITION - PROPRIETARY FUND  
December 31, 2023

ASSETS	<u>Housing</u>
<b>CURRENT ASSETS:</b>	
Cash and cash equivalents	\$ 926,391
Investments	20,815
Accounts receivable, net	6,869
Due from other governments	12,963
<i>Restricted:</i>	
Cash and cash equivalents	<u>126,552</u>
<b>TOTAL CURRENT ASSETS</b>	<b>1,093,590</b>
 <b>NONCURRENT ASSETS:</b>	
Capital Assets, non-depreciable	516,498
Capital Assets, depreciable, net	1,135,637
Capital Assets, right-to-use leased asset, net	5,206
Capital Assets, right-to-use subscription asset, net	<u>9,252</u>
<b>TOTAL NONCURRENT ASSETS</b>	<b>1,666,593</b>
<b>TOTAL ASSETS</b>	<b>\$ <u>2,760,183</u></b>
 <b>LIABILITIES</b>	
<b>CURRENT LIABILITIES:</b>	
Accounts payable	\$ 29,066
Accrued payroll and benefits	11,978
Compensated absence payable	3,636
Unearned revenue	1,236
Accrued interest payable	1,384
Tenant security deposit payable	46,843
Lease payable, current	1,667
Subscription payable, current	3,298
Notes payable, current	<u>75,862</u>
<b>TOTAL CURRENT LIABILITIES</b>	<b>174,970</b>
 <b>NONCURRENT LIABILITIES:</b>	
Compensated absence payable	7,058
Lease payable	5,104
Subscription payable	7,324
Notes payable	<u>500,158</u>
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>519,644</b>
<b>TOTAL LIABILITIES</b>	<b><u>694,614</u></b>
 <b>NET POSITION</b>	
Net investment in capital assets	1,073,180
Restricted	79,709
Unrestricted	<u>912,680</u>
<b>TOTAL NET POSITION</b>	<b>\$ <u>2,065,569</u></b>

See accompanying notes.

HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN  
FUND NET POSITION - PROPRIETARY FUND  
Year Ended December 31, 2023

	<b>Housing</b>
<b>OPERATING REVENUES</b>	
Rental income	\$ 626,634
HUD program revenue	232,025
Other program revenue	59,457
Other income	11,342
<b>TOTAL OPERATING REVENUES</b>	<b>929,458</b>
 <b>OPERATING EXPENSES</b>	
Administrative	228,668
Tenant Services	19,848
Utilities	164,020
Ordinary maintenance and operations	301,391
General expense	111,721
Depreciation	232,695
<b>TOTAL OPERATING EXPENSES</b>	<b>1,058,343</b>
	<b>OPERATING INCOME (LOSS) (128,885)</b>
 <b>NONOPERATING REVENUES (EXPENSES)</b>	
HUD operating subsidy	156,128
HUD capital grants - operations	152,490
Interest income	2,359
Interest expense	(23,099)
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>287,878</b>
<b>INCREASE (DECREASE) IN NET POSITION</b>	<b>158,993</b>
 <b>NET POSITION:</b>	
Net position, beginning balance	1,903,848
Prior period adjustment - GASB 87	2,728
Net position, beginning balance, restated	1,906,576
<b>NET POSITION - ENDING BALANCE</b>	<b>\$ 2,065,569</b>

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO**  
**STATEMENT OF CASH FLOWS - PROPRIETARY FUND**  
Year Ended December 31, 2023

	<b>Housing</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Rental receipts	\$ 622,975
HUD receipts	232,025
Other program receipts	59,457
Other receipts	11,342
Tenant security deposits	2,184
Cash payments for goods and services	(453,460)
Cash payments to employees for services	(364,953)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>109,570</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>	
HUD operating subsidy	155,660
HUD capital grants - operations	152,490
<b>NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES</b>	<b>308,150</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>	
Purchases and construction of capital assets	(161,616)
Principal paid on lease liabilities	(1,586)
Principal paid on subscription liabilities	(1,713)
Interest paid on capital debt	(18,737)
Principal paid on capital debt	(73,639)
<b>NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>(257,291)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Net (deposits) withdrawals to investments	(20,815)
Interest received	2,360
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<b>(18,455)</b>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>141,974</b>
<b>CASH AND CASH EQUIVALENTS-BEGINNING</b>	<b>910,969</b>
<b>CASH AND CASH EQUIVALENTS-END OF YEAR</b>	<b>\$ 1,052,943</b>

HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO  
 STATEMENT OF CASH FLOWS - PROPRIETARY FUND (CONT'D)  
 Year Ended December 31, 2023

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

	Housing
Operating income (loss)	\$ (128,885)
Adjustments to reconcile income from operations to net cash provided by operating activities:	
Depreciation	232,695
Change in assets and liabilities:	
(Increase) decrease in accounts receivable	(4,476)
Increase (decrease) in accounts payable	3,197
Increase (decrease) in accrued payroll and benefits	543
Increase (decrease) in tenant security deposits	2,184
Increase (decrease) in unearned revenue	817
Increase (decrease) in accrued leave	3,495
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 109,570

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2023**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Organization

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

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

Financial Reporting Entity

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

Basis of accounting, measurement focus, and financial statement presentation

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

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

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

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2023**

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

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

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

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

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

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

**Weld Co. NSP** - This program accounts for the operation and maintenance of 2 individual houses that were purchased and renovated through the Neighborhood Stabilization Program. The program is primarily funded by tenant rents. As of December 31, 2023, the deed to the properties has not been transferred to the Authority.

Budgetary Process

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

Cash and Investments

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

The Authority's deposits can only be invested in the following HUD approved investments: direct obligations of the federal government backed by the full faith and credit of the United States, obligations of federal government agencies, securities of government-sponsored agencies, demand

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2023**

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

and savings deposits, money-market deposit accounts, municipal depository fund, super now accounts, certificate of deposit, repurchase agreements, sweep accounts, separate trading of registered interest and principal securities (STRIPS), and mutual funds that consist of securities purchased from the HUD approved list.

Accounts Receivable

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

Prepaid Items

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

Capital Assets and Depreciation

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

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

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

Grant Revenue

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

Use of Restricted/Unrestricted Net Position

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

Inventory

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

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2023**

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

Estimates

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

Compensated Absences

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

Postemployment Benefits Other Than Pensions (OPEB)

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

Leases

Leases have been accrued as defined by GASB 87.

Subscription-Based Information Technology Arrangements

Subscription-based information technology arrangements have been accrued as defined by GASB 96.

Income Taxes

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

Taxpayer's Bill of Rights

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

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2023**

**NOTE B - DEPOSITS AND INVESTMENTS**

At December 31, 2023, the Authority's carrying amount of deposits was \$1,073,758 and the bank balances were \$1,078,413. As required by the Colorado Public Deposit Protection Act (PDPA), any amount in excess of \$250,000 (including accrued interest) shall be collateralized as required by the Public Deposit Protection Acts, article 10.5 of title 11, C.R.S., as amended or article 47 of title 11, C.R.S, as amended. Of the balance \$270,815 was covered by federal depository insurance and \$807,598 was collateralized by the Public Deposit Protection Act.

**NOTE C – ACCOUNTS RECEIVABLE**

A summary of accounts receivable as presented in the Statement of Net Position at December 31, 2023 is as follows:

Tenants	\$	6,869
Allowance for doubtful accounts		--
	\$	<u>6,869</u>

**NOTE D – DUE FROM OTHER GOVERNMENTS**

A summary of due from other governments as presented in the Statement of Net Position at December 31, 2023 are as follows:

HUD – operating subsidy	\$	<u>12,963</u>
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**NOTE E – RESTRICTED ASSETS**

Cash and cash equivalents of \$126,552 at December 31, 2023 are restricted for Tenant Security Deposits in the amount of \$46,843 and \$79,709 is restricted for the Weld County NSP Program as further detailed in Note M.

**NOTE F – ACCOUNTS PAYABLE**

A summary of accounts payable as presented in the Statement of Net Position at December 31, 2023 is as follows:

Vendors and contractors	\$	<u>29,066</u>
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**NOTE G – UNEARNED REVENUE**

A summary of unearned revenue as presented in the Statement of Net Position at December 31, 2023 is as follows:

Tenant prepaid rents	\$	<u>1,236</u>
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**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2023**

**NOTE H – CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2023 was as follows:

	Balance 1/1/2023	Increases	Decreases	Balance 12/31/2022
<b>Non-depreciable assets:</b>				
Land	\$ 516,498	\$ -	\$ -	\$ 516,498
Construction in progress	-	-	-	-
<b>Total non-depreciable assets</b>	<u>516,498</u>	<u>-</u>	<u>-</u>	<u>516,498</u>
<b>Depreciable assets</b>				
Buildings	5,024,178	81,683	-	5,105,861
Equipment - Dwelling	159,419	14,755	-	174,174
Equipment - Administration	92,553	65,177	-	157,730
<b>Total depreciable assets</b>	<u>5,276,150</u>	<u>161,615</u>	<u>-</u>	<u>5,437,765</u>
<b>Total Capital Assets</b>	<u>5,792,648</u>	<u>161,615</u>	<u>-</u>	<u>5,954,263</u>
<b>Accumulated depreciation</b>				
Buildings	3,860,749	203,063	-	4,063,812
Equipment - Dwelling	128,002	12,579	-	140,581
Equipment - Administration	85,551	12,185	-	97,736
<b>Total accumulated depreciation</b>	<u>4,074,302</u>	<u>227,827</u>	<u>-</u>	<u>4,302,129</u>
<b>Depreciable assets, net</b>	<u>1,201,848</u>	<u>(66,212)</u>	<u>-</u>	<u>1,135,637</u>
<b>Capital assets, net</b>	<u>\$ 1,718,346</u>	<u>\$ (66,212)</u>	<u>\$ -</u>	<u>\$ 1,652,134</u>
<b>Right-to-use leased assets:</b>				
Administrative equipment	\$ 8,181	\$ -	\$ -	\$ 8,181
<b>Total leased assets</b>	<u>8,181</u>	<u>-</u>	<u>-</u>	<u>8,181</u>
<b>Accumulated depreciation</b>				
Administrative equipment	1,190	1,785	-	2,975
<b>Total accumulated amortization</b>	<u>1,190</u>	<u>1,785</u>	<u>-</u>	<u>2,975</u>
<b>Net Right-to-use leased assets</b>	<u>\$ 6,991</u>	<u>\$ (1,785)</u>	<u>\$ -</u>	<u>\$ 5,206</u>
<b>Right-to-use subscription assets:</b>				
Accounting/Housing software	\$ -	\$ 12,336	\$ -	\$ 12,336
<b>Total subscription assets</b>	<u>-</u>	<u>12,336</u>	<u>-</u>	<u>12,336</u>
<b>Accumulated amortization:</b>				
Accounting/Housing software	-	3,084	-	3,084
<b>Total accumulated amortization</b>	<u>-</u>	<u>3,084</u>	<u>-</u>	<u>3,084</u>
<b>Net, subscription assets</b>	<u>\$ -</u>	<u>\$ 9,252</u>	<u>\$ -</u>	<u>\$ 9,252</u>

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2023**

**NOTE I—LEASE LIABILITY**

The Authority entered into a contract on April 27, 2022 to lease a copier. This asset is recognized as right-to-use leased assets with a corresponding lease liability. The lease requires 63 monthly payments of \$164 and has an effective interest rate of 5%. Details for the liability is as follows:

	Balance 1/1/23	Issued	Retired	Balance 12/31/23	Due within One Year
Administrative equipment	\$ 8,357	\$ --	\$ (1,586)	\$ 6,771	\$ 1,667

Principal and interest requirements for the lease is as follows:

Fiscal Year	Principal	Interest	Total
2024	1,667	301	1,968
2025	1,753	215	1,968
2026	1,842	126	1,968
2027	1,509	30	1,539
	\$ 6,771	\$ 672	\$ 7,443

**NOTE J—SUBSCRIPTION PAYABLE**

The Authority entered into a subscription-based information technology arrangement (SBITA) on November 18, 2022 for accounting/housing software. This asset is recognized as right-to-use subscription asset with a corresponding subscription liability. The arrangement requires periodic payments and has an effective interest rate of 8.25%. Details for the liability is as follows:

	Balance 1/1/23	Issued	Retired	Balance 12/31/23	Due within One Year
Subscription liability	\$ 12,336	\$ --	\$ (1,713)	\$ 10,623	\$ 3,298

Principal and interest requirements for the SBITA agreement is as follows:

Fiscal Year	Principal	Interest	Total
2024	3,298	893	4,191
2025	3,929	682	4,611
2026	3,396	392	3,788
	\$ 10,623	\$ 1,967	\$ 12,590

**NOTE K—ACCRUED COMPENSATED ABSENCES**

A summary of accrued compensated absences as presented in the Statement of Net Position as of December 31, 2023 is as follows:

	Beginning Balance	Net increase	Ending Balance	Due within One Year
Compensated absences	\$ 7,200	\$ 3,494	\$ 10,694	\$ 3,636

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2023**

**NOTE L – LONG-TERM LIABILITIES**

**Direct Borrowings:**

On November 20, 2020, the Authority refinanced a loan from a local financial institution for the financing of market rate rental known as 400 2<sup>nd</sup> Street and secured with the property known as Columbine Court, a thirty-unit rental property. The loan had an original amount of \$137,924 which bears interest at 3%. The loan requires monthly principal and interest payments of \$2,830 and matures April 2025. The balance due at December 31, 2023 was \$41,710.

On November 23, 2020, the Authority obtained a mortgage from a local financial institution for the financing of market rate rental known as 210 Harrison. The loan had an original amount of \$38,802 which bears interest at 3% adjustable on December 1, 2025. The loan requires monthly principal and interest payments of \$336 and matures June 2032. The balance due at December 31, 2023 was \$29,510.

On November 23, 2020, the Authority obtained a mortgage from a local financial institution for the financing of 7 market rate rentals known as 200 1<sup>st</sup> Street. The loan had an original amount of \$536,169 which bears interest at 3 % adjustable on December 1, 2025. The loan requires monthly principal and interest payments of \$3,150 and matures April 2041. The balance due at December 31, 2023 was \$465,691.

On November 23, 2020, the Authority obtained a mortgage from a local financial institution for the financing of a 5-acre tract of land known as 911 S. Denver. The loan had an original amount of \$84,403 which bears interest at 3% adjustable on December 15, 2025. The loan requires monthly principal and interest payments of \$1,381 and matures July 2026. The balance due at December 31, 2023 was \$39,109.

A summary of changes in Notes Payable - Properties for the year ended December 31, 2023 are as follows:

Description	Balance 1/1/2023	Additions	Retired	Balance 12/31/2023	Due Within One Year
Mortgage-Columbine	\$ 73,875	\$ -	\$ (32,165)	\$ 41,710	\$ 33,154
Mortgage-210 Harrison	32,595	-	(3,085)	29,510	3,178
Mortgage-200 1st Street	488,942	-	(23,251)	465,691	23,929
Mortgage-911 S. Denver	54,247	-	(15,138)	39,109	15,601
Total	<u>\$ 649,659</u>	<u>\$ -</u>	<u>\$ (73,639)</u>	<u>\$ 576,020</u>	<u>\$ 75,862</u>
			Less current maturities	<u>(75,862)</u>	
			Long-term portion	<u>\$ 500,158</u>	

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2023**

**NOTE L – LONG-TERM LIABILITIES (CONT'D)**

Principal and interest requirements for the notes are as follows:

Fiscal Year	Principal	Interest	Total
2024	\$ 75,862	\$ 16,514	\$ 92,376
2025	52,626	14,385	67,011
2026	36,270	13,047	49,317
2027	29,844	11,990	41,834
2028	30,735	11,099	41,834
2029-2033	160,721	45,570	206,291
2034-2038	172,683	16,317	189,000
2039-2041	17,279	1,621	18,900
	<u>\$ 576,020</u>	<u>\$ 130,543</u>	<u>\$ 706,563</u>

**NOTE M—NET POSITION**

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

- **Net Investment in Capital Assets** – This component groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- **Restricted** – This category represents net position of the Agency that is restricted externally by creditors, grantors, contributors, laws or regulations of other governments, imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted** – This category represents net position of the Agency, not restricted for any project or other purposes.

A summary of restricted net position as of December 31, 2023 is as follows:

**Weld County NSP Program \$79,709**– On June 9, 2014, the Authority signed an agreement with the Weld County Housing Authority whereas the Authority would receive 2 NSP (Neighborhood Stabilization Program) Houses. According to the agreement the Authority would receive all the benefits until the time of the Deed Restriction transfer documents had occurred. In addition, the Authority is required to deposit any moneys received for rent are to be held in a separate account until such time as the terms of the Deed Restriction (transfer documents) have been defined. As of December 31, 2023, the transfer of the properties has not occurred, and the net position is being reported as restricted.

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2023**

**NOTE N – CONTINGENCIES**

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

**NOTE O - RISK MANAGEMENT**

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

During the year ended December 31, 2023, the Authority did not reduce insurance coverage from levels in place during the prior year. No settlements have exceeded coverage levels in place during the past three fiscal years.

**SUPPLEMENTAL INFORMATION-  
PROGRAM FINANCIAL SCHEDULES**

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO**  
**PROGRAM SCHEDULE OF NET POSITION**  
**December 31, 2023**

<b>ASSETS</b>	<b>Public Housing</b>	<b>Columbine Court</b>	<b>Market Rentals</b>	<b>Weld Co. NSP</b>	<b>Totals</b>
<b>CURRENT ASSETS:</b>					
Cash and cash equivalents	\$ 449,743	\$ 229,583	\$ 246,339	\$ 726	\$ 926,391
Investments	-	-	20,815	-	20,815
Accounts receivable, net	896	976	4,965	32	6,869
Due from other governments	12,963	-	-	-	12,963
<i>Restricted:</i>					
Cash and cash equivalents	<u>22,639</u>	<u>8,626</u>	<u>13,822</u>	<u>81,465</u>	<u>126,552</u>
<b>TOTAL CURRENT ASSETS</b>	<b>486,241</b>	<b>239,185</b>	<b>285,941</b>	<b>82,223</b>	<b>1,093,590</b>
<b>NONCURRENT ASSETS:</b>					
Capital Assets, non-depreciable	119,640	65,000	331,858	-	516,498
Capital Assets, depreciable, net	482,585	109,578	541,204	2,270	1,135,637
Capital Assets, right-to-use leased asset, net	5,206	-	-	-	5,206
Capital Assets, right-to-use subscription asset, net	<u>9,252</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,252</u>
<b>TOTAL NONCURRENT ASSETS</b>	<b>616,683</b>	<b>174,578</b>	<b>873,062</b>	<b>2,270</b>	<b>1,666,593</b>
<b>TOTAL ASSETS</b>	<b>\$ 1,102,924</b>	<b>\$ 413,763</b>	<b>\$ 1,159,003</b>	<b>\$ 84,493</b>	<b>\$ 2,760,183</b>
<b>LIABILITIES</b>					
<b>CURRENT LIABILITIES:</b>					
Accounts payable	\$ 13,508	\$ 9,634	\$ 5,523	\$ 401	\$ 29,066
Accrued payroll and benefits	5,767	3,423	2,645	143	11,978
Compensated absence payable	1,891	1,127	545	73	3,636
Unearned revenue	-	1,236	-	-	1,236
Accrued interest payable	-	54	1,330	-	1,384
Tenant security deposit payable	22,639	8,626	13,822	1,756	46,843
Lease payable, current	1,667	-	-	-	1,667
Subscription payable, current	3,298	-	-	-	3,298
Notes payable, current	<u>-</u>	<u>33,154</u>	<u>42,708</u>	<u>-</u>	<u>75,862</u>
<b>TOTAL CURRENT LIABILITIES</b>	<b>48,770</b>	<b>57,254</b>	<b>66,573</b>	<b>2,373</b>	<b>174,970</b>
<b>NONCURRENT LIABILITIES:</b>					
Compensated absence payable	3,670	2,188	1,059	141	7,058
Lease payable	5,104	-	-	-	5,104
Subscription payable	7,324	-	-	-	7,324
Notes payable	<u>-</u>	<u>8,556</u>	<u>491,602</u>	<u>-</u>	<u>500,158</u>
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>16,098</b>	<b>10,744</b>	<b>492,661</b>	<b>141</b>	<b>519,644</b>
<b>TOTAL LIABILITIES</b>	<b>64,868</b>	<b>67,998</b>	<b>559,234</b>	<b>2,514</b>	<b>694,614</b>
<b>NET POSITION</b>					
Net investment in capital assets	599,290	132,868	338,752	2,270	1,073,180
Restricted	-	-	-	79,709	79,709
Unrestricted	<u>438,766</u>	<u>212,897</u>	<u>261,017</u>	<u>-</u>	<u>912,680</u>
<b>TOTAL NET POSITION</b>	<b>\$ 1,038,056</b>	<b>\$ 345,765</b>	<b>\$ 599,769</b>	<b>\$ 81,979</b>	<b>\$ 2,065,589</b>

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO**  
**PROGRAM SCHEDULE OF REVENUES, EXPENSES AND**  
**CHANGES IN NET POSITION**  
**Year Ended December 31, 2023**

	Public Housing	Columbine Court	Market Rentals	Weld Co. NSP	Totals
<b>OPERATING REVENUES</b>					
Rental income	\$ 283,720	\$ 133,770	\$ 184,712	\$ 24,432	\$ 626,634
HUD program revenue	-	232,025	-	-	232,025
Other program revenue	-	-	79,855	-	79,855
Other income	7,770	1,842	1,681	49	11,342
<b>TOTAL OPERATING REVENUES</b>	<b>291,490</b>	<b>367,637</b>	<b>266,248</b>	<b>24,481</b>	<b>949,856</b>
<b>OPERATING EXPENSES</b>					
Administrative	121,636	67,934	34,658	4,440	228,668
Tenant Services	7,018	12,830	-	-	19,848
Utilities	90,351	50,439	19,992	3,238	164,020
Ordinary maintenance and operations	163,135	113,834	42,562	2,258	321,789
General expense	56,171	30,506	20,532	4,512	111,721
Depreciation	145,597	37,596	48,618	884	232,695
<b>TOTAL OPERATING EXPENSES</b>	<b>583,908</b>	<b>313,139</b>	<b>166,362</b>	<b>15,332</b>	<b>1,078,741</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(292,418)</b>	<b>54,498</b>	<b>99,886</b>	<b>9,149</b>	<b>(128,885)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
HUD operating subsidy	156,128	-	-	-	156,128
HUD capital grants - operations	152,490	-	-	-	152,490
Interest income	1,228	80	911	140	2,359
Interest expense	(4,490)	(1,759)	(16,850)	-	(23,099)
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>305,356</b>	<b>(1,679)</b>	<b>(15,939)</b>	<b>140</b>	<b>287,878</b>
<b>INCREASE (DECREASE) IN NET POSITION</b>	<b>12,938</b>	<b>52,819</b>	<b>83,947</b>	<b>9,289</b>	<b>158,993</b>
<b>NET POSITION:</b>					
Net position, beginning balance	1,022,390	292,946	515,822	72,690	1,903,848
Prior period adjustment - GASB 87	2,728	-	-	-	2,728
Net position, beginning balance, restated	1,025,118	292,946	515,822	72,690	1,906,576
<b>NET POSITION - ENDING BALANCE</b>	<b>\$ 1,038,056</b>	<b>\$ 345,765</b>	<b>\$ 599,769</b>	<b>\$ 81,979</b>	<b>\$ 2,065,569</b>

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO**  
**PROGRAM SCHEDULE OF CASH FLOWS**  
**Year Ended December 31, 2023**

	Public Housing	Columbine Court	Market Rentals	Weld Co. NSP	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Rental receipts	\$ 282,575	\$ 133,938	\$ 182,042	\$ 24,420	\$ 622,975
HUD receipts	-	232,025	-	-	232,025
Other program receipts	-	-	79,855	-	79,855
Other receipts	7,770	1,842	1,681	49	11,342
Tenant security deposits	2,670	(101)	(385)	-	2,184
Cash payments for goods and services	(250,058)	(147,371)	(66,539)	(9,890)	(473,858)
Cash payments to employees for services	(187,978)	(124,659)	(47,813)	(4,505)	(364,953)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(145,019)	95,674	148,841	10,074	109,570
 <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>					
HUD operating subsidy	155,660	-	-	-	155,660
HUD capital grants - operations	152,490	-	-	-	152,490
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	308,150	-	-	-	308,150
 <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Purchases and construction of capital assets	(67,055)	(24,320)	(70,171)	(70)	(161,616)
Principal paid on lease liabilities	(1,586)	-	-	-	(1,586)
Principal paid on subscription liabilities	(1,713)	-	-	-	(1,713)
Interest paid on capital debt	-	(1,800)	(16,937)	-	(18,737)
Principal paid on capital debt	-	(32,165)	(41,474)	-	(73,639)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(70,354)	(58,285)	(128,582)	(70)	(257,291)
 <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>					
Net (deposits) withdrawals to investments	-	-	(20,815)	-	(20,815)
Interest received	1,228	80	912	140	2,360
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	1,228	80	(19,903)	140	(18,455)
NET INCREASE (DECREASE) IN CASH	94,005	37,469	356	10,144	141,974
<b>CASH AND CASH EQUIVALENTS-BEGINNING</b>	<b>378,377</b>	<b>200,740</b>	<b>259,805</b>	<b>72,047</b>	<b>910,969</b>
<b>CASH AND CASH EQUIVALENTS-END OF YEAR</b>	<b>\$ 472,382</b>	<b>\$ 238,209</b>	<b>\$ 260,161</b>	<b>\$ 82,191</b>	<b>\$ 1,052,943</b>

HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO  
PROGRAM SCHEDULE OF CASH FLOWS (CONT'D)  
Year Ended December 31, 2023

	Public Housing	Columbine Court	Market Rentals	Weld Co. NSP	Totals
<b>RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>					
Operating income (loss)	\$ (292,418)	\$ 54,498	\$ 99,886	\$ 9,149	\$ (128,885)
Adjustments to reconcile income from operations to net cash provided by operating activities:					
Depreciation	145,597	37,596	48,618	884	232,695
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	(765)	(1,034)	(2,665)	(12)	(4,476)
Increase (decrease) in accounts payable	(1,247)	3,037	1,426	(19)	3,197
Increase (decrease) in accrued payroll and benefits	(294)	(607)	1,442	2	543
Increase (decrease) in tenant security deposits	2,670	(101)	(385)	-	2,184
Increase (decrease) in unearned revenue	(380)	1,202	(5)	-	817
Increase (decrease) in accrued leave	1,818	1,083	524	70	3,495
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>\$ (145,019)</b>	<b>\$ 95,674</b>	<b>\$ 148,841</b>	<b>\$ 10,074</b>	<b>\$ 109,570</b>

**SUPPLEMENTAL INFORMATION –  
HUD FINANCIAL DATA SCHEDULE**

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

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2023

	Project Total	14.182 N/C S/R Section 8 Programs	1 Business Activities	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$448,743	\$228,583	\$247,065	\$928,391		\$928,391
113 Cash - Other Restricted			\$79,709	\$79,709		\$79,709
114 Cash - Tenant Security Deposits	\$22,639	\$8,826	\$15,578	\$46,843		\$46,843
100 Total Cash	\$472,382	\$238,209	\$342,352	\$1,052,943		\$1,052,943
122 Accounts Receivable - HUD Other Projects	\$12,963			\$12,963		\$12,963
128 Accounts Receivable - Tenants	\$896	\$976	\$4,897	\$6,869		\$6,869
128.1 Allowance for Doubtful Accounts - Tenants	\$0	\$0	\$0	\$0		\$0
128.2 Allowance for Doubtful Accounts - Other	\$0			\$0		\$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$13,859	\$976	\$4,897	\$19,832		\$19,832
131 Investments - Unrestricted			\$20,815	\$20,815		\$20,815
150 Total Current Assets	\$486,241	\$239,185	\$368,164	\$1,093,590		\$1,093,590
161 Land	\$119,640	\$85,000	\$331,858	\$516,498		\$516,498
162 Buildings	\$2,731,135	\$1,371,464	\$1,003,262	\$5,105,861		\$5,105,861
163 Furniture, Equipment & Machinery - Dwellings	\$69,751	\$53,907	\$50,516	\$174,174		\$174,174
164 Furniture, Equipment & Machinery - Administration	\$21,105	\$11,578	\$125,047	\$157,730		\$157,730
168 Accumulated Depreciation	-\$2,339,406	-\$1,327,371	-\$835,351	-\$4,302,128		-\$4,302,128
160 Total Capital Assets, Net of Accumulated Depreciation	\$602,225	\$174,578	\$875,332	\$1,652,135		\$1,652,135
174 Other Assets	\$14,458			\$14,458		\$14,458
180 Total Non-Current Assets	\$816,683	\$174,578	\$875,332	\$1,666,593		\$1,666,593
290 Total Assets and Deferred Outflow of Resources	\$1,102,924	\$413,763	\$1,243,496	\$2,760,183		\$2,760,183
312 Accounts Payable <= 90 Days	\$13,508	\$9,834	\$5,024	\$29,066		\$29,066
321 Accrued Wage/Payroll Taxes Payable	\$5,767	\$3,423	\$2,788	\$11,978		\$11,978
322 Accrued Compensated Absences - Current Portion	\$1,891	\$1,127	\$918	\$3,636		\$3,636
325 Accrued Interest Payable		\$54	\$1,330	\$1,384		\$1,384
341 Tenant Security Deposits	\$22,639	\$8,826	\$15,578	\$46,843		\$46,843
342 Unearned Revenue		\$1,239		\$1,236		\$1,236
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue		\$33,154	\$42,708	\$75,862		\$75,862
345 Other Current Liabilities	\$4,965			\$4,965		\$4,965
310 Total Current Liabilities	\$48,770	\$57,254	\$68,946	\$174,970		\$174,970
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue		\$8,556	\$491,602	\$500,158		\$500,158
354 Accrued Compensated Absences - Non Current	\$3,670	\$2,188	\$1,200	\$7,058		\$7,058
355 Loan Liability - Non Current	\$12,428			\$12,428		\$12,428
350 Total Non-Current Liabilities	\$16,098	\$10,744	\$492,802	\$519,644		\$519,644
300 Total Liabilities	\$64,868	\$87,998	\$561,748	\$694,614		\$694,614
508.4 Net Investment in Capital Assets	\$599,290	\$132,858	\$341,022	\$1,073,180		\$1,073,180
511.4 Restricted Net Position			\$79,709	\$79,709		\$79,709
512.4 Unrestricted Net Position	\$438,766	\$212,897	\$261,017	\$912,680		\$912,680
513 Total Equity - Net Assets / Position	\$1,038,056	\$345,765	\$681,748	\$2,065,569		\$2,065,569
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$1,102,924	\$413,763	\$1,243,496	\$2,760,183		\$2,760,183

Housing Authority of the City of Fort Lupton (CO029)  
FORT LUPTON, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2023

	Project Total	14.182 N/C S/R Section 8 Programs	1 Business Activities	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$275,790	\$121,683	\$209,144	\$606,617		\$606,617
70400 Tenant Revenue - Other	\$7,930	\$12,087		\$20,017		\$20,017
70500 Total Tenant Revenue	\$283,720	\$133,770	\$209,144	\$626,634	\$0	\$626,634
70600 HUD PHA Operating Grants	\$308,618	\$232,025		\$540,643		\$540,643
71100 Investment Income - Unrestricted	\$1,228	\$25	\$766	\$2,019		\$2,019
71500 Other Revenue	\$7,770	\$1,842	\$81,585	\$91,197	-\$20,398	\$70,799
72000 Investment Income - Restricted		\$55	\$285	\$340		\$340
70000 Total Revenue	\$601,338	\$367,717	\$291,780	\$1,260,833	-\$20,398	\$1,240,435
91100 Administrative Salaries	\$69,302	\$41,300	\$21,892	\$132,494		\$132,494
91200 Auditing Fees	\$4,234	\$2,180	\$1,686	\$8,100		\$8,100
91500 Employee Benefit contributions - Administrative	\$21,789	\$12,082	\$8,825	\$40,506		\$40,506
91600 Office Expenses	\$20,306	\$12,251	\$7,207	\$39,764		\$39,764
91700 Legal Expense	\$5,552	\$121	\$1,888	\$7,361		\$7,361
91800 Travel	\$443			\$443		\$443
91000 Total Operating - Administrative	\$121,836	\$67,934	\$39,098	\$228,668	\$0	\$228,668
92400 Tenant Services - Other	\$7,018	\$12,830		\$19,848		\$19,848
92500 Total Tenant Services	\$7,018	\$12,830	\$0	\$19,848		\$19,848
93100 Water	\$35,727	\$10,591	\$7,852	\$54,170		\$54,170
93200 Electricity	\$14,055	\$19,277	\$2,927	\$36,259		\$36,259
93300 Gas	\$9,301	\$9,998	\$2,272	\$21,569		\$21,569
93600 Sewer	\$16,458	\$2,841	\$6,117	\$25,414		\$25,414
93700 Employee Benefit Contributions - Utilities		\$7,734		\$7,734		\$7,734
93800 Other Utilities Expense	\$14,812		\$4,062	\$18,874		\$18,874
93000 Total Utilities	\$60,351	\$50,439	\$23,230	\$164,020	\$0	\$164,020
94100 Ordinary Maintenance and Operations - Labor	\$75,880	\$58,399	\$18,504	\$152,783		\$152,783
94200 Ordinary Maintenance and Operations - Materials and Other	\$18,489	\$13,850	\$10,411	\$42,750		\$42,750
94300 Ordinary Maintenance and Operations Contracts	\$48,096	\$29,245	\$9,164	\$86,475	-\$20,398	\$66,077
94500 Employee Benefit Contributions - Ordinary Maintenance	\$20,780	\$12,340	\$8,741	\$39,781		\$39,781
94000 Total Maintenance	\$163,135	\$113,834	\$44,820	\$321,789	-\$20,398	\$301,391
96110 Property Insurance	\$45,068	\$23,812	\$21,541	\$90,221		\$90,221
96120 Liability Insurance	\$1,280	\$768	\$422	\$2,480		\$2,480
96130 Workman's Compensation	\$1,874	\$1,248	\$685	\$3,907		\$3,907
96140 All Other Insurance	\$8,021	\$3,784	\$1,802	\$11,617		\$11,617
96100 Total Insurance Premiums	\$54,353	\$29,422	\$24,450	\$108,225	\$0	\$108,225
96210 Compensated Absences	\$1,818	\$1,084	\$594	\$3,496		\$3,496
96000 Total Other General Expenses	\$1,818	\$1,084	\$594	\$3,496	\$0	\$3,496
96710 Interest of Mortgage (or Bonds) Payable		\$1,759	\$18,850	\$18,609		\$18,609
96720 Interest on Notes Payable (Short and Long Term)	\$4,480			\$4,480		\$4,480
96700 Total Interest Expense and Amortization Cost	\$4,480	\$1,759	\$18,850	\$23,099	\$0	\$23,099
96900 Total Operating Expenses	\$442,801	\$277,302	\$149,042	\$869,145	-\$20,398	\$848,747
97000 Excess of Operating Revenue over Operating Expenses	\$158,535	\$90,415	\$142,738	\$391,888	\$0	\$391,888
97400 Depreciation Expense	\$145,597	\$37,586	\$49,502	\$232,695		\$232,695
90000 Total Expenses	\$588,398	\$314,898	\$198,544	\$1,101,840	-\$20,398	\$1,081,442
10010 Operating Transfer In	\$152,490			\$152,490	-\$152,490	\$0
10020 Operating transfer Out	-\$152,490			-\$152,490	\$152,490	\$0
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$12,838	\$52,819	\$93,236	\$158,693	\$0	\$158,693
11020 Required Annual Debt Principal Payments	\$0	\$33,154	\$40,233	\$73,387		\$73,387
11030 Beginning Equity	\$1,022,390	\$292,948	\$588,512	\$1,903,848		\$1,903,848
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$2,728			\$2,728		\$2,728
11190 Unit Months Available	600	360	204	1164		1164
11210 Number of Unit Months Leased	570	359	204	1133		1133
11270 Excess Cash	\$400,846			\$400,846		\$400,846
11620 Building Purchases	\$52,652			\$52,652		\$52,652
11630 Furniture & Equipment - Dwelling Purchases	\$12,591			\$12,591		\$12,591
11640 Furniture & Equipment - Administrative Purchases	\$1,813			\$1,813		\$1,813

Housing Authority of the City of Fort Lupton (CO029)

FORT LUPTON, CO

Single Project Revenue and Expense

Submission Type: Audited/Non Single  
Audit

Fiscal Year End: 12/31/2023

Project: CO02900029 FORT LUPTON

	Low Rent	Capital Fund	Total Project
70500 Net Tenant Rental Revenue	\$275,790		\$275,790
70400 Tenant Revenue - Other	\$7,930		\$7,930
70500 Total Tenant Revenue	\$283,720	\$0	\$283,720
70600 HUD PHA Operating Grants	\$156,128	\$152,490	\$308,618
71100 Investment Income - Unrestricted	\$1,228		\$1,228
71500 Other Revenue	\$7,770		\$7,770
70000 Total Revenue	\$448,848	\$152,490	\$601,336
91100 Administrative Salaries	\$89,302		\$89,302
91200 Auditing Fees	\$4,234		\$4,234
91500 Employee Benefit contributions - Administrative	\$21,799		\$21,799
91600 Office Expenses	\$20,306		\$20,306
91700 Legal Expense	\$5,552		\$5,552
91800 Travel	\$443		\$443
91000 Total Operating - Administrative	\$121,636	\$0	\$121,636
92400 Tenant Services - Other	\$7,018		\$7,018
92500 Total Tenant Services	\$7,018	\$0	\$7,018
93100 Water	\$35,727		\$35,727
93200 Electricity	\$14,055		\$14,055
93300 Gas	\$9,301		\$9,301
93600 Sewer	\$16,456		\$16,456
93900 Other Utilities Expense	\$14,812		\$14,812
93000 Total Utilities	\$90,351	\$0	\$90,351
94100 Ordinary Maintenance and Operations - Labor	\$75,880		\$75,880
94200 Ordinary Maintenance and Operations - Materials and Other	\$18,489		\$18,489
94300 Ordinary Maintenance and Operations Contracts	\$48,066		\$48,066
94500 Employee Benefit Contributions - Ordinary Maintenance	\$20,700		\$20,700
94000 Total Maintenance	\$163,135	\$0	\$163,135
95000 Total Protective Services	\$0	\$0	\$0
96110 Property Insurance	\$45,068		\$45,068
96120 Liability Insurance	\$1,290		\$1,290
96130 Workmen's Compensation	\$1,974		\$1,974
96140 All Other Insurance	\$6,021		\$6,021
96100 Total Insurance Premiums	\$54,353	\$0	\$54,353
96210 Compensated Absences	\$1,818		\$1,818
96000 Total Other General Expenses	\$1,818	\$0	\$1,818
96720 Interest on Notes Payable (Short and Long Term)	\$4,490		\$4,490
96700 Total Interest Expense and Amortization Cost	\$4,490	\$0	\$4,490
98900 Total Operating Expenses	\$442,801	\$0	\$442,801
97000 Excess of Operating Revenue over Operating Expenses	\$6,045	\$152,490	\$158,535
97400 Depreciation Expense	\$145,597		\$145,597
90000 Total Expenses	\$588,398	\$0	\$588,398
10010 Operating Transfer In	\$152,490		\$152,490
10020 Operating transfer Out		-\$152,490	-\$152,490
10100 Total Other financing Sources (Uses)	\$152,490	-\$152,490	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$12,938	\$0	\$12,938
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0
11030 Beginning Equity	\$1,022,390	\$0	\$1,022,390
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$2,728		\$2,728
11190 Unit Months Available	600		600
11210 Number of Unit Months Leased	570		570
11270 Excess Cash	\$400,946		\$400,946
11620 Building Purchases	\$52,652	\$0	\$52,652
11630 Furniture & Equipment - Dwelling Purchases	\$12,591	\$0	\$12,591
11640 Furniture & Equipment - Administrative Purchases	\$1,813	\$0	\$1,813

**GOVERNMENT AUDITING STANDARDS SECTION**

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

**Independent Auditors Report**

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the major fund of the Housing Authority of the City of Fort Lupton, Colorado, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of Fort Lupton, Colorado's basic financial statements, and have issued our report thereon dated April 10, 2024.

**Report on Internal Control over Financial Reporting**

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

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and responses, we did identify deficiencies in internal control that we consider to be material weaknesses and are described in the accompanying schedule of findings and responses as Findings 2023-1, 2023-2 and 2023-3.

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

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

## **Housing Authority of the City of Fort Lupton, Colorado Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Housing Authority of the City of Fort Lupton, Colorado's responses to the findings identified in our audit and are described in the accompanying schedule of findings and responses. The Housing Authority of the City of Fort Lupton, Colorado's responses were not subjected to the other auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on the responses.

## **Purpose of this Report**

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

*Niewedde & Wiens, CPA's*

York, Nebraska  
April 10, 2024

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
December 31, 2023**

The audit report for the year ended December 31, 2022 contained one finding and no questioned costs.

**Finding 2022-1: Financial Reporting** – This finding is repeated in the current year as Finding 2023-3.

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO**  
**SCHEDULE OF FINDINGS AND RESPONSES**  
**December 31, 2023**

**Finding 2023-1: Control Environment**  
**Material Weakness**

**Criteria:** A properly designed internal control system for a government relies greatly on the Board of Commissioners providing oversight and significant decision making that affects the Housing Authority's overall operations.

**Condition:** During our audit for the year ended December 31, 2023, we noted the last meeting in 2023 was in May, 2023 and the next scheduled meeting was not until March, 2024. Based on our experience with the Fort Lupton Housing Authority, management does consult with a board member on a regular basis on significant decisions but should have meetings at least on a quarterly basis.

**Cause:** The Authority did not have regular scheduled meetings for 9 months.

**Effect or Potential Effect:** The lack of Board meetings during the year does not provide the Authority with proper oversight which is essential in an effective internal control system and could lead to decisions being made by management that are not the desires or direction of the oversight Board.

**Recommendation:** We recommend the Authority have regular Board meetings in the future at least on a quarterly basis.

**Finding 2023-2 – Procurement**  
**Material Weakness**

**Criteria** – The Authority has an established Procurement Policy which sets forth threshold and documentation requirements for management to follow to ensure that the Authority is in compliance with local as well as federal requirements.

**Condition** - During our audit we noted Authority did not have adequate documentation to support that procurement procedures had been followed for a contract for a new truck purchased in the amount of \$60,646. In addition, the approval of the purchase was not documented in the Board minutes. The documentation should include the Authority's rationale for the Board's decision.

**Cause** – The Authority's internal controls are not adequate over the documentation and retaining of procurement procedures.

**Effect** - The Authority's internal controls over procurement documentation is not adequate.

**Recommendation** - We recommend the Authority make a concentrated effort to maintain the files in a manner sufficient to ensure proper procurement procedures were followed. This documentation should include the significant history of each procurement, including the rationale for the method of procurement, selection of contract type, contractor selection or rejection and the basis for the contract price.

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO**  
**SCHEDULE OF FINDINGS AND RESPONSES (CONT'D)**  
**December 31, 2023**

**Finding 2023-3 – Financial Reporting**  
**Material Weakness**

**Criteria:** The Authority should have effective controls over the monitoring of the financial reporting process and the application of generally accepted accounting principles.

**Condition:** The Authority was required to implement GASB 87 related to Leases for the year ended December 31, 2022 and GASB 96 related to "Subscription-Based Information Technology Arrangements" for the year ended December 31, 2023.

During our audit we noted the Authority had entered into agreements as defined by GASB 87 and 96, however the transactions were not recorded. Before the audit adjustments, capital assets were understated by \$20,517 along with accumulated amortization of \$6,059 and the related liabilities of \$20,693.

**Cause:** The Authority did not record the above transactions in accordance with generally accepted accounting principles.

**Effect or Potential Effect:** The unadjusted financial statements were misstated as noted above. The accompanying financial statements have been adjusted accordingly.

**Recommendation:** We recommend the Authority review procedures over the financial reporting process to ensure applicable accounting standards are implemented.



Housing Authority of Fort Lupton  
400 2<sup>nd</sup> Street  
Fort Lupton, Colorado 80621  
(303)857-4400 Phone (303)857-6847 Fax  
[fortluptonhousing@comcast.net](mailto:fortluptonhousing@comcast.net)

**CORRECTIVE ACTION PLAN  
Year Ended December 31, 2023**

The following are responses to and the corrective action to be taken in regard to the findings as reported in the accompanying Schedule of Findings and Responses for the fiscal year ended December 31, 2023:

ITEM

- 2023-1** The Fort Lupton Housing Authority Board and staff discussed the lack of Board Meetings in FY 2023 at our March 2024 meeting. Moving forward it was agreed to strive for monthly or bi-monthly meetings.
- 2023-2** The Fort Lupton Housing Authority purchased a new work truck in the amount of \$60,646.00. We were using Market funds, not Public Housing funds, so did not believe we had to go by the procurement policy. We try to buy local when possible, and were given Government pricing for the truck. In the future we will use procurement policy on larger purchases for all entities.
- 2023-3** The Authority was required to implement GASB87 related to leases for the fiscal year ending 12/31/2022 and GASB 96 related to Subscription -Based Information Technology Arrangements for the year end of 12/31/23. The transactions were not recorded properly. Our accountant was present for the two-day audit and is now aware of the new procedures for recording those transactions. Moving forward the authority and our fee accountant will strive to be aware of the new regulations for accounting procedures.

Contact Person: Julie Murphy, Executive Director  
400 2<sup>nd</sup> Street  
Fort Lupton, CO 80621  
303-857-4400

**AGREED-UPON PROCEDURE**

**Independent Accountant's Report on Applying Agreed-Upon Procedure**

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

We have performed the procedures enumerated below on whether the electronic submission of certain information agrees with the hard copy documents within the reporting package for the year ended December 31, 2023. The U.S. Department of Housing and Urban Development, Real Estate Assessment Center (REAC) is responsible for the Uniform Financial Reporting Standards (UFRS) procedures.

The Housing Authority of the City of Fort Lupton, Colorado has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of complying with the REAC's UFRS requirements for the submission of the PHA financial data for the year ended December 31, 2023. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are as follows:

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

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

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

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

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

We were engaged to perform an audit of the financial statements of the Housing Authority of the City of Fort Lupton, Colorado as of and for the year ended December 31, 2023, and have issued our report thereon dated April 10, 2024. The information in the "Hard Copy Documents" column was included within the scope, or was a by-product, of that audit. Further, our opinion on the fair presentation of the Housing Authority of the City of Fort Lupton, Colorado's Financial Data Schedule dated April 10, 2024, was expressed in relation to the basic financial statements of the Housing Authority taken as a whole.

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

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

*Niewedde & Wiens, CPA's*

York, Nebraska  
April 10, 2024