

**HOUSING AUTHORITY OF THE TOWN OF
YUMA, COLORADO**

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

Year Ended December 31, 2023

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

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MANAGEMENT'S DISCUSSION AND ANALYSIS Year Ended December 31, 2023

This section of the Housing Authority of the Town of Yuma, 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, deferred outflows of resources, liabilities and deferred inflows of resources. The Authority's total net position as of December 31, 2023 was \$1,006,409. The net increased by \$230,134, an increase of 30% over the prior year. Of this amount, \$267,473 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 \$395,833 for the year ended December 31, 2023. This was a decrease of (\$39,248) or 9% from the prior year.

Operating expenses for the Authority were \$630,942 for the year ended December 31, 2023. This was a decrease of (\$17,961) or 3% from the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report includes this *management's discussion and analysis* report, the *basic 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. In addition, the Schedule of Employer's Proportionate Share of Net Pension Liability, Schedule of Employer's Contributions, Notes to Required Supplementary Information is included as RSI. 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, deferred outflows of resources, liabilities

**HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended December 31, 2023**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONT'D)

and deferred inflows of resources 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.

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 did 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.

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.

**HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended December 31, 2023**

FINANCIAL ANALYSIS

CONDENSED STATEMENT OF NET POSITION

	FY 2023	FY 2022	Dollar Change	Percent Change
Current and other assets	\$ 704,722	\$ 479,183	\$ 225,539	47%
Capital assets	947,653	1,017,993	(70,340)	-7%
Total Assets	<u>1,652,375</u>	<u>1,497,176</u>	<u>155,199</u>	<u>10%</u>
Deferred Outflows of Resources	<u>147,454</u>	<u>74,697</u>	<u>72,757</u>	<u>97%</u>
Current liabilities	92,893	101,637	(8,744)	-9%
Other liabilities	244,274	15,975	228,299	1429%
Long-term debt outstanding	424,300	465,435	(41,135)	-9%
Total Liabilities	<u>761,467</u>	<u>583,047</u>	<u>178,420</u>	<u>31%</u>
Deferred Inflows of Resources	<u>31,953</u>	<u>212,551</u>	<u>(180,598)</u>	<u>-85%</u>
Net Position				
Net investment in capital assets	485,302	513,861	(28,559)	-6%
Restricted	253,634	-	253,634	100%
Unrestricted	267,473	262,414	5,059	2%
Total Net Position	<u>\$ 1,006,409</u>	<u>\$ 776,275</u>	<u>\$ 230,134</u>	<u>30%</u>

Net Position may serve, over time, as a useful indicator of a government's financial position. In the case of the Authority, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$1,006,409 at the close of the year ended December 31, 2023. This represents an increase of \$230,134 which is an increase of 30% over the prior year. The increase was attributed to HUD capital fund grants of \$70,933, the receipt of insurance proceeds of \$251,676 and operations for the year ended December 31, 2023.

Current and other assets increased by \$225,539. This was attributed to operations before depreciation, the receipts of insurance proceeds, non-capital grant funds used for capital improvements and principal and interest paid on capital debt which resulted in a net increase in cash and investments of \$232,723. In addition, the amount receivable from HUD increased by \$6,650, prepaid insurance increased by \$5,504 and net pension asset decreased by (\$19,973).

Current liabilities decreased by (\$8,744). There was no unusual reason for the change only the typical variability from year to year based on the timing of payments.

Other liabilities increased by \$228,299 which the majority was an increase of \$229,151 in the Net Pension Liability which represents the Authority's proportionate share of Colorado PERA unfunded pension liability. In addition, the Net OPEB Liability decreased by (\$567) which represents the Authority's proportionate share of Colorado PERA unfunded liability of the OPEB plan.

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.

**HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended December 31, 2023**

FINANCIAL ANALYSIS (CONT'D)

Unrestricted net position as of December 31, 2023 was \$267,473, which increased by \$5,059. 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.

As of December 31, 2023 the Authority had net position of \$253,634 restricted for repairs to the property as the result of storm damage. The net position is restricted by the ACC contract with HUD.

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.

	<u>FY 2023</u>	<u>FY 2022</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Revenues				
Program revenues				
Rental	\$ 383,265	\$ 352,016	\$ 31,249	9%
Management fee income	12,568	12,586	(18)	-0.1%
HUD program contributions	157,457	167,559	(10,102)	-6%
Other	-	10,348	(10,348)	-100%
Net pension/OPEB income	-	60,131	(60,131)	-100%
General revenue				
Interest	4,416	438	3,978	908%
Total Revenues	<u>557,706</u>	<u>603,078</u>	<u>(45,372)</u>	<u>-8%</u>
Expenses				
Depreciation	165,561	169,401	(3,840)	-2%
Operating	465,381	479,502	(14,121)	-3%
Nonoperating	19,239	20,727	(1,488)	-7%
Total Expenses	<u>650,181</u>	<u>669,630</u>	<u>(19,449)</u>	<u>-3%</u>
Excess (deficiency) before contributions and special items	(92,475)	(66,552)	(25,923)	39%
Capital Contributions	70,933	57,811	13,122	
Special Items:				
Casualty loss income-storm damage	251,676	-	251,676	
Changes in Net Position	<u>230,134</u>	<u>(8,741)</u>	<u>238,875</u>	
Beginning Net Position	776,275	785,016	(8,741)	
Ending Net Position	<u>\$ 1,006,409</u>	<u>\$ 776,275</u>	<u>\$ 230,134</u>	

**HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended December 31, 2023**

FINANCIAL ANALYSIS (CONT'D)

As can be seen on the previous page, total revenues decreased by (\$45,372), primarily due to the decrease in net pension/OPEB income of (\$60,131), Federal operating funds of (\$10,102) and other income of (\$10,348). The decreases were offset by an increase in rental income of \$31,249 or 9% and interest income of \$3,978. The decrease in pension/OPEB income represents the net change in the net pension liability and net pension asset with PERA. The decrease in other income was mostly due to donations from the community that occurred in the previous year. The increase in rental income was attributed to the normal fluctuation from year-to-year based on occupancy and rent composition.

HUD operating subsidy for the Authority was \$106,985 for the year ended December 31, 2023. This was an increase of \$12,114 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 \$50,472 of HUD capital grants for operations for the fiscal year ended December 31, 2023 compared to \$72,688 in the previous year. This amount will vary on the approved budget by HUD. The Authority has flexibility in the use of these funds.

Operating expenses for the Authority were \$465,381 for the year ended December 31, 2023. This was a decrease of (\$14,121) or 3% from the prior year. The following expense categories had significant changes from the prior year:

- Administrative increased by \$11,217
- Maintenance decreased by (\$36,674)
- General expenses increased by \$13,372

The increase to the administrative expense line is due to the previous Director giving her resignation. There were two Directors in the office as I was being trained for the position.

The decrease in maintenance expense was due to being short maintenance staff the last half of the year.

The increase in general expense for Public Housing is due to a 16% increase in property and liability insurance and paying out the accrued leave of the departing Director. The increase in Villa Townhomes is due to a 20% increase in both property and liability insurance and an increase in collection losses.

OCCUPANCY

YHA as of 12/31/2023 had five open units, all five of those units were HUD approved off-line for modernization. The Occupancy rate was 90%. As of June 1, 2023, occupancy rate was 88%.

VHV as of 12/31/2023 had zero open units. Occupancy rate was 100%. As of June 1, 2023, occupancy rate was 90%.

**HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended December 31, 2023**

CAPITAL ASSETS

The Authority's capital assets as of December 31, 2023 amounts to \$947,653. This includes land, buildings, improvements, equipment and construction in progress, less accumulated depreciation.

The total decrease in the Authority's capital assets for the current fiscal year was 7% in terms of net book value. The actual amount to purchase or construct capital assets was \$95,222 for the year. Depreciation charges for the year totaled \$165,561. Additional information on the Authority's capital assets can be found in Note G of the notes to the financial statements of this report.

YHA improvements for public housing were, replacing carpet/tile as necessary, appliances as necessary, replaced lighting as needed, painted and retexture walls in units as needed, replaced screen doors as needed, gutted and replaced showers in open units, widened the shower opening and made them more accessible, replaced bathroom medicine cabinets as needed, replaced bathroom sinks as needed, we further updated the sprinkler system by adding in more heads throughout the property.

LONG-TERM DEBT

VH Villa Townhomes is a twenty-unit property which has a mortgage secured by the property. There were no changes in the debt structure for the year ended December 31, 2023. Additional information on the Authority's long-term debt can be found in Note K of the notes to the 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 Yuma, 700 West 3rd Avenue, Yuma, Colorado 80759.

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Housing Authority of the Town of Yuma, 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 Town of Yuma, 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 Town of Yuma, 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 Town of Yuma, 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 Town of Yuma, 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 Town of Yuma, Colorado's ability to continue as a going concern for twelve months beyond the financial date, including any currently know information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the Housing Authority of the Town of Yuma, 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 Town of Yuma, 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, schedule of employer's proportionate share of net pension liability, schedule of employer's proportionate share of the collective net OPEB liability, schedule of employer's contributions-pension plan, schedule of employer contributions-OPEB plan and the notes to required supplementary information for the pension plan and OPEB plan be presented to supplement the basic financial statements. Such information, 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 Town of Yuma, 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 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 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 July 22, 2024 on our consideration of the Housing Authority of the Town of Yuma, 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 Town of Yuma, 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 Town of Yuma, Colorado's internal control over financial reporting and compliance.

Niewedde & Wiens, CPA's

York, Nebraska
July 22, 2024

BASIC FINANCIAL STATEMENTS

HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
STATEMENT OF NET POSITION - PROPRIETARY FUND
December 31, 2023

ASSETS	<u>Housing</u>
CURRENT ASSETS:	
Cash and cash equivalents	\$ 219,478
Investments	138,206
Accounts receivable, net	6,491
Due from other governments	20,530
Accrued interest receivable	151
Prepaid insurance	40,642
<i>Restricted:</i>	
Cash and cash equivalents	25,590
Investments	253,634
TOTAL CURRENT ASSETS	<u>704,722</u>
NONCURRENT ASSETS:	
Capital Assets, non-depreciable	241,692
Capital Assets, depreciable, net	705,961
TOTAL NONCURRENT ASSETS	<u>947,653</u>
TOTAL ASSETS	<u>1,652,375</u>
DEFERRED OUTFLOWS OF RESOURCES:	
Pension related deferred outflows of resources	141,444
OPEB related deferred outflows of resources	6,010
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>147,454</u>
LIABILITIES	
CURRENT LIABILITIES:	
Accounts payable	16,490
Accrued payroll and benefits payable	7,342
Accrued interest payable	99
Trust and deposit liabilities	25,590
Compensated absences payable	2,126
Unearned revenue	3,195
Mortgage payable, current portion	38,051
TOTAL CURRENT LIABILITIES	<u>92,893</u>
NONCURRENT LIABILITIES:	
Compensated absences payable	75
Mortgage payable	424,300
Net pension liability	229,151
Net OPEB liability	15,048
TOTAL NONCURRENT LIABILITIES	<u>668,574</u>
TOTAL LIABILITIES	<u>761,467</u>
DEFERRED INFLOWS OF RESOURCES:	
Pension related deferred inflows of resources	25,222
OPEB related deferred inflows of resources	6,731
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>31,953</u>
NET POSITION	
Net investment in capital assets	485,302
Restricted	253,634
Unrestricted	267,473
TOTAL NET POSITION	<u>\$ 1,006,409</u>

See accompanying notes.

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

	Housing
OPERATING REVENUES	
Rental income	\$ 383,265
Management fee income	12,568
	TOTAL OPERATING REVENUES 395,833
 OPERATING EXPENSES	
Administrative	154,777
Tenant services	2,470
Utilities	77,450
Ordinary maintenance and operations	157,438
General expense	73,246
Depreciation	165,561
	TOTAL OPERATING EXPENSES 630,942
	OPERATING INCOME (LOSS) (235,109)
 NONOPERATING REVENUES (EXPENSES)	
HUD operating subsidy	106,985
HUD capital grants - operations	50,472
Interest income	4,416
Interest expense	(19,239)
	TOTAL NONOPERATING REVENUES (EXPENSES) 142,634
	INCOME (LOSS) BEFORE CONTRIBUTIONS AND SPECIAL ITEMS (92,475)
 CAPITAL CONTRIBUTIONS	
HUD capital fund grants	70,933
 SPECIAL ITEMS	
Casualty loss income - storm damage	251,676
	INCREASE (DECREASE) IN NET POSITION 230,134
 NET POSITION	
Net position, beginning balance	776,275
	TOTAL NET POSITION - ENDING BALANCE \$ 1,006,409

See accompanying notes.

HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
STATEMENT OF CASH FLOWS - PROPRIETARY FUND
Year Ended December 31, 2023

	Housing
CASH FLOWS FROM OPERATING ACTIVITIES:	
Rental receipts	\$ 384,018
Management fee receipts	11,648
Tenant security deposits	(1,193)
Cash payments for goods and services	(256,159)
Cash payments to employees for services	(224,685)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(86,371)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
HUD operating subsidy	106,985
HUD capital grants - operations	50,472
Casualty loss, insurance proceeds-storm damage	251,676
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	409,133
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Purchases and construction of capital assets	(96,264)
HUD capital fund grants	65,203
Interest paid on capital debt	(21,464)
Principal paid on capital debt	(41,781)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(94,306)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Net (deposits) withdrawals to investments	(255,602)
Interest received	4,267
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(251,335)
NET INCREASE (DECREASE) IN CASH	(22,879)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	267,947
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 245,068

See accompanying notes.

HOUSING AUTHORITY OF THE TOWN OF YUMA, 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:	<u>Housing</u>
Operating income (loss)	\$ (235,109)
Adjustments to reconcile income from operations to net cash provided by operating activities:	
Depreciation	165,561
Change in assets, deferred outflows of resources, liabilities and deferred inflows of resources:	
(Increase) decrease in accounts receivable	(484)
(Increase) decrease in due from other governments	(920)
(Increase) decrease in prepaid insurance	(5,504)
(Increase) decrease in net pension asset	19,973
(Increase) decrease in deferred outflows of resources, pension	(72,913)
(Increase) decrease in deferred outflows of resources, OPEB	156
Increase (decrease) in accounts payable	(1,354)
Increase (decrease) in tenant security deposits	(1,193)
Increase (decrease) in accrued payroll and benefits	(2,658)
Increase (decrease) in accrued compensated absences	(1,149)
Increase (decrease) in unearned revenue	1,237
Increase (decrease) in net pension liability	229,151
Increase (decrease) in net OPEB liability	(567)
Increase (decrease) in deferred inflows of resources, pension	(179,667)
Increase (decrease) in deferred inflows of resources, OPEB	(931)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ <u>(86,371)</u>

See accompanying notes.

HOUSING AUTHORITY OF THE TOWN OF YUMA, 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 Basic 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,

HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2023

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

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.

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 housing units which are owned by the Authority. 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.

VH Villa Townhomes Program - This program accounts for the operation, maintenance, and development of a 20-unit tax-credit project. The project was originally developed in November 1997 and the Yuma Housing Authority managed as the general partner until August 31, 2012 which then it was assigned as the sole owner of the property by the limited partner and Villa Townhomes, LLC (a limited liability company) was created to account for these activities.

Budgetary Process

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

Cash and Investments

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

The Authority's deposits can only be invested in the following HUD approved investments: direct obligations of the federal government backed by the full faith and credit of the United States, obligations of federal government agencies, securities of government-sponsored agencies, demand and savings deposits, money-market deposit accounts, municipal depository fund, super now accounts, certificate of deposit, repurchase agreements, sweep accounts, separate trading of registered interest and principal securities (STRIPS), and mutual funds that consist of securities purchased from the HUD approved list.

HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2023

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

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 cost of \$1,000 or more as purchases and construction outlays occur.

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

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

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 restricted net position first.

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.

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.

HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2023

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

Deferred Outflows of Resources

Deferred outflows of resources represent a consumption of net position that is applicable to future reporting periods. Deferred outflows of resources in the Statement of Net Position consist of the unamortized portions of the net difference between projected and actual earnings on pension plan OPEB investments, the net difference between actual expected and actual experience with regard to economic and demographic factors in the measurement of the total pension liability and OPEB liability, changes of assumptions about future economic or demographic factors or other inputs and the net effect of the change in the employer's proportion share of the collective net pension liability and OPEB liability and collective deferred outflows of resources and deferred inflows of resources related to pensions and OPEB. Deferred outflows also contain employer pension and OPEB contributions made after the measurement date.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Colorado Public Employees Retirement Association (Colorado PERA) and additions to/deductions from Colorado PERA'S fiduciary net position have been determined on the same basis as they are reported by Colorado PERA. 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.

Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net position that is applicable to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. Although certain revenues are measurable, they are not available. Available means collected within the current year.

Deferred inflows of resources in the Statement of Net Position consist of the unamortized portions of the net difference between projected and actual earnings on pension plan and OPEB investments, the net difference between actual expected and actual experience with regard to economic and demographic factors in the measurement of the total pension liability and OPEB liability, changes of assumptions about future economic or demographic factors or other inputs and the net effect of the change in the employer's proportion share of the collective net pension liability and OPEB liability and collective deferred outflows of resources and deferred inflows of resources related to pensions.

Compensated Absences

The Authority's policy allows employees to accumulate unused vacation leave. Sick leave may be accumulated but not paid upon termination.

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

HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2023

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

with the periods when benefits are paid or provided. The Authority has adopted a plan and has obligated resources to other postemployment benefits as defined in GASB Statement No. 75.

Leases

The leases entered into are considered short-term operating leases. The Authority has not entered into any material leases to be accrued as defined by GASB 87.

Subscription-Based Information Technology Arrangements

The Authority has not entered into any material subscription-based information technology arrangements to be 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.

NOTE B - DEPOSITS AND INVESTMENTS

At December 31, 2023, the Authority's carrying amount of deposits was \$636,833 and the bank balances were \$653,340. The Authority had cash on hand of \$75 as of December 31, 2023. As required by the Colorado Public Deposit Protection Act (PDPA), any amount in excess of the FDIC insurance threshold 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, \$511,500 was covered by FDIC insurance and \$141,840 was covered by the Public Deposit Protection Act.

HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2023

NOTE C – ACCOUNTS RECEIVABLE

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

Tenants	\$	10,142	
Allowance for doubtful accounts		<u>(3,651)</u>	
	\$	<u>6,491</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 is as follows:

HUD – capital fund grants	\$	18,482	
Section 8 administrative fees		<u>2,048</u>	
	\$	<u>20,530</u>	

NOTE E – RESTRICTED ASSETS

A summary of restricted cash and cash equivalents and investments as presented in the Statement of Net Position at December 31, 2023 is as follows:

Tenant security deposits	\$	21,682	
Insurance proceeds – storm damage		253,634	[1]
Trust deposits - NECHA		<u>3,908</u>	[2]
	\$	<u>279,224</u>	

[1] – these funds are restricted by the ACC contract with HUD to be used for property repairs as the result of storm damage.

[2] – the Executive Director is the Treasurer for the NECHA organization that consists of other Housing Authorities that meet on a regular basis.

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>16,490</u>	
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HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2023

NOTE G – CAPITAL ASSETS

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

	Balance 1/1/2023	Increases	Decreases	Balance 12/31/2023
Non-depreciable assets:				
Land	\$ 110,354	\$ -	\$ -	\$ 110,354
Construction in progress	70,344	70,933	(9,939)	131,338
Total non-depreciable assets	<u>180,698</u>	<u>70,933</u>	<u>(9,939)</u>	<u>241,692</u>
Depreciable assets				
Buildings	5,271,172	22,843	-	5,294,015
Equipment - Administration	116,172	6,754	-	122,926
Equipment - Dwelling	102,470	4,631	-	107,101
Total depreciable assets	<u>5,489,814</u>	<u>34,228</u>	<u>-</u>	<u>5,524,042</u>
Total Capital Assets	<u>5,670,512</u>	<u>105,161</u>	<u>(9,939)</u>	<u>5,765,734</u>
Accumulated depreciation				
Buildings	4,478,022	156,114	-	4,634,136
Equipment - Administration	83,649	6,480	-	90,129
Equipment - Dwelling	90,849	2,967	-	93,816
Total accumulated depreciation	<u>4,652,520</u>	<u>165,561</u>	<u>-</u>	<u>4,818,081</u>
Depreciable assets, net	<u>837,294</u>	<u>(131,333)</u>	<u>-</u>	<u>705,961</u>
Capital assets, net	<u>\$ 1,017,992</u>	<u>\$ (60,400)</u>	<u>\$ (9,939)</u>	<u>\$ 947,653</u>

NOTE H—TRUST AND DEPOSIT LIABILITIES

A summary of trust and deposit liabilities as presented in the Statement of Net Position at December 31, 2023 is as follows:

Tenant Security Deposits	\$ 21,682
Trust deposits - NECHA (Note E)	3,908
	<u>\$ 25,590</u>

NOTE I – 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>3,195</u>
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HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2023

NOTE J—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:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due within One Year</u>
Compensated absences	\$ 3,350	\$ 12,088	\$ (13,237)	\$ 2,201	\$ 2,126

NOTE K – LONG-TERM LIABILITIES

Direct Borrowings:

The property known as VH Villa Townhomes is a twenty-unit property that has a mortgage held by the Bank of Colorado dated September 19, 2018. The loan has an original principal amount of \$646,247 with a fixed interest rate of 5.35%. On July 1, 2023 the terms of the agreement were re-negotiated to a new interest rate of 3.92. The loan requires monthly principal and interest payments \$4,811 and matures on September 5, 2033. The balance due at December 31, 2023 was \$462,351.

A summary of changes in notes payable is as follows:

<u>Description</u>	<u>Balance 1/1/23</u>	<u>Retired</u>	<u>Balance 12/31/23</u>	<u>Due Within One Year</u>
Bank of Colorado Mortgage	\$ 504,132	\$ (41,781)	\$ 462,351	\$ 38,051
		Less current maturities	(38,051)	
		Long-term portion	\$ 424,300	

Principal and interest requirements for the note is as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 38,051	\$ 19,681	\$ 57,732
2025	41,848	15,884	57,732
2026	43,518	14,214	57,732
2027	45,255	12,477	57,732
2028	47,061	10,671	57,732
2029-2033	246,618	27,616	274,234
	<u>\$ 462,351</u>	<u>\$ 100,543</u>	<u>\$ 562,894</u>

NOTE L—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.

HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2023

NOTE L—NET POSITION (CONT'D)

- **Restricted** – This category represents net position of the Authority that is restricted externally by creditors, grantors, contributors, laws or regulations of other governments, imposed by law through constitutional provisions or enabling legislation.

As of December 31, 2023 the Authority had net position of \$253,634 restricted for repairs to the property as the result of storm damage. The net position is restricted by the ACC contract with HUD.

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

NOTE M – 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 N - 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.

NOTE O – DEFINED BENEFIT PENSION PLAN

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

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

HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2023

NOTE O – DEFINED BENEFIT PENSION PLAN (CONT'D)

Benefits provided as of December 31, 2022. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

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 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.

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

Contributions provisions as of December 31, 2023: Eligible employees of, Yuma Housing 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, 2022, through December 31, 2023 are summarized in the table on the next page:

HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2023

NOTE O – DEFINED BENEFIT PENSION PLAN (CONT'D)

	January 1, 2022 Through June 30, 2022	July 1, 2022 Through December 31, 2022	January 1, 2023 Through June 30, 2023	July 1, 2023 Through December 31, 2023
Employee contribution (all employees other than State Troopers)	8.50%	9.00%	9.00%	9.00%

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

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

	January 1, 2022 Through June 30, 2022	July 1, 2022 Through December 31, 2022	January 1, 2023 Through June 30, 2023	July 1, 2023 Through December 31, 2023
Employer contribution rate	10.50%	11.00%	11.00%	11.00%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	(1.02%)	(1.02%)	(1.02%)	(1.02%)
Amount apportioned to the LGDTF	9.48%	9.98%	9.98%	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	0.03%	0.03%	0.06%	0.06%
Total employer contribution rate to the LGDTF	13.21%	13.71%	13.74%	13.74%

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

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the Yuma Housing Authority is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from the Yuma Housing Authority were \$25,189 for the year ended December 31, 2022

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

The net pension liability for the LGDTF was measured as of December 31, 2022, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll-forward the TPL to December 31, 2022. The Yuma Housing Authority's proportion of the net pension liability was based on the Yuma Housing Authority contributions to the LGDTF for the calendar year 2022 relative to the total contributions of participating employers.

HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2023

NOTE O – DEFINED BENEFIT PENSION PLAN (CONT'D)

At December 31, 2023, the Yuma Housing Authority reported a liability of \$229,151 for its proportionate share of the net pension liability.

At December 31, 2022, the Yuma Housing Authority proportion was .022856477%, which was a decrease of .00043908% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the Yuma Housing Authority recognized pension expense of \$18,955. At December 31, 2023, the Yuma Housing Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ --	\$ -
Difference between expected and actual experience	\$ --	\$ 1,142
Difference between projected and actual earnings on pension plan investments	\$ 93,550	\$ --
Changes in proportion differences between employer contributions and proportionate share of contributions	\$ 22,520	\$ 24,080
Contributions paid to IPERS from January 1, 2023 through the FYE December 31, 2023	\$ 25,374	\$ --
Total	\$ 141,444	\$ 25,222

At December 31, 2023, the Agency reported deferred outflows of resources of \$25,374 which represents contributions from January 1, 2023 to December 31, 2023. These contributions will be recognized as a reduction of the net pension liability in the year ended December 31, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Total
2024	(\$8,916)
2025	\$14,702
2026	\$30,432
2027	\$54,761
2028	(131)
Thereafter	-
Total	\$90,848

HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2023

NOTE O – DEFINED BENEFIT PENSION PLAN (CONT'D)

Actuarial assumptions. The TPL in the December 31, 2021, 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%
	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07	1.00%

¹ 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 for the LGDTF, as of the December 31, 2022, measurement date, was adjusted to reflect the disaffiliation, as allowable under C.R.S. § 24-51-313, of Tri-County Health Department (Tri-County Health), effective December 31, 2022. As of the close of the 2022 fiscal year, no disaffiliation payment associated with Tri-County Health was received, and therefore no disaffiliation dollars were reflected in the FNP as of the December 31, 2022, measurement date.

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

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.

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.

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. The actuarial assumptions used in the December 31, 2021, valuation were based on the

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NOTE O – DEFINED BENEFIT PENSION PLAN (CONT'D)

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 at least every five years for PERA. 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.

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%
Total	100.00%	

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 and 2020 AAP assessments. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.

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NOTE O – DEFINED BENEFIT PENSION PLAN (CONT'D)

- 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 and 2020 AAP assessments. 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.
- 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 Yuma Housing Authority's 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:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension	\$384,686	\$229,151	\$98,942

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.

Payables to the Pension Plan

At December 31, 2023, the Authority had \$2,822 payable to the defined benefit pension plan for legally required employer and employee contributions which had been withheld from employee wages but not yet remitted to PERA.

HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
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NOTE P – DEFINED CONTRIBUTION PENSION PLAN

Voluntary Investment Program (PERA Plus 401(k) Plan)

Plan Description - Employees of the Yuma Housing Authority that are also members of the LGDTF may voluntarily contribute to the Voluntary Investment Program (PERA Plus 401(k) Plan), 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 ACFR which includes additional information on the PERA Plus 401(k) Plan. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy - The PERA Plus 401(k) Plan 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 Yuma Housing Authority has agreed to match employee contributions up to 3% of covered salary as determined by the Internal Revenue Service.

Employees are immediately vested in their own contributions, employer contributions and investments earnings. For the year ended December 31, 2023, program members contributed \$3,853.

NOTE Q – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN

Summary of Significant Accounting Policies

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

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

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December 31, 2023

NOTE Q – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONT'D)

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.

The maximum service-based premium subsidy is \$230 per month for retirees who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for retirees 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 retirees 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 retiree pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For retirees who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, the HCTF or the DPS HCTF pays an alternate service-based premium subsidy. Each individual retiree meeting these conditions receives the maximum \$230 per month subsidy reduced appropriately for service less than 20 years, as described above. Retirees who do not have Medicare Part A pay the difference between the total premium and the monthly subsidy.

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 Yuma Housing Authority is statutorily committed to pay the contributions.

HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
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December 31, 2023

NOTE Q – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONT'D)

Employer contributions recognized by the HCTF from Yuma Housing Authority were \$1,864 for the year ended December 31, 2023.

At December 31, 2023, the Yuma Housing Authority reported a liability of \$15,048 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2022, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll-forward the TOL to December 31, 2022. The Yuma Housing Authority proportion of the net OPEB liability was based on Yuma Housing Authority contributions to the HCTF for the calendar year 2022 relative to the total contributions of participating employers to the HCTF.

At December 31, 2022, the Yuma Housing Authority proportion was .0018429940%, which was an increase of .00003214% over its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the Yuma Housing Authority recognized OPEB income of \$55. At December 31, 2023, the Yuma Housing Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 242	\$ 1,661
Difference between expected and actual experience	\$ 2	\$ 3,639
Difference between projected and actual earnings on OPEB plan investments	\$ 919	\$ --
Changes in proportion differences between employer contributions and proportionate share of contributions	\$ 2,983	\$ 1,431
Contributions paid to PERA from January 1, 2023 through the FYE December 31, 2023	\$ 1,864	\$ --
Total	\$ 6,010	\$ 6,731

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NOTE Q – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONT'D)

At December 31, 2023, the Agency reported deferred outflows of resources of \$1,864 which represents contributions from January 1, 2023 to December 31, 2023 related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31,	Total
2024	(\$874)
2025	(\$1,130)
2026	(\$148)
2027	\$46
2028	(\$391)
Thereafter	(88)
Total	(\$2,585)

Actuarial assumptions. The total OPEB liability in the December 31, 2021 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	.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.20% - 11.30%
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	6.50% in 2022, gradually decreasing to 4.50% in 2030
Medicare Part A premiums	3.75% in 2022, gradually increasing to 4.50% in 2029

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.

The TOL for the HCTF, as of the December 31, 2022, measurement date, was adjusted to reflect the disaffiliation, allowable under C.R.S. § 24-51-313, of Tri-County Health Department

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NOTE Q – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONT'D)

(TriCounty Health), effective December 31, 2022. As of the close of the 2022 fiscal year, no disaffiliation payment associated with Tri-County Health was received, and therefore no disaffiliation dollars were reflected in the FNP as of the December 31, 2022, measurement date.

Beginning January 1, 2022, the per capita health care costs are developed by plan option; based on 2022 premium rates for the UnitedHealthcare Medicare Advantage Prescription Drug (MAPD) PPO plan #1, the UnitedHealthcare MAPD PPO plan #2, and the Kaiser Permanente MAPD HMO plan. Actuarial morbidity factors are then applied to estimate individual retiree and spouse costs by age, gender, and health care cost trend. This approach applies for all members and is adjusted accordingly for those not eligible for premium-free Medicare Part A for the PERA benefit structure.

Age-Related Morbidity Assumptions

Participant Age	Annual Increase (Male)	Annual Increase (Female)
65-69	3.0%	1.5%
70	2.9%	1.6%
71	1.6%	1.4%
72	1.4%	1.5%
73	1.5%	1.6%
74	1.5%	1.5%
75	1.5%	1.4%
76	1.5%	1.5%
77	1.5%	1.5%
78	1.5%	1.6%
79	1.5%	1.5%
80	1.4%	1.5%
81 and older	0.0%	0.0%

Sample Age	MAPD PPO #1 with Medicare Part A		MAPD PPO #2 with Medicare Part A		MAPD HMO (Kaiser) with Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	\$1,704	\$1,450	\$583	\$496	\$1,923	\$1,634
70	\$1,976	\$1,561	\$676	\$534	\$2,229	\$1,761
75	\$2,128	\$1,681	\$728	\$575	\$2,401	\$1,896

HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
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December 31, 2023

NOTE Q – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONT'D)

Sample Age	MAPD PPO #1 without Medicare Part A		MAPD PPO #2 without Medicare Part A		MAPD HMO (Kaiser) without Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	\$6,514	\$5,542	\$4,227	\$3,596	\$6,752	\$5,739
70	\$7,553	\$5,966	\$4,901	\$3,872	\$7,826	\$6,185
75	\$8,134	\$6,425	\$5,278	\$4,169	\$8,433	\$6,657

The 2022 Medicare Part A premium is \$499 (actual dollars) per month.

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 the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. Effective December 31, 2021, 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:

Year	PERACare Medicare Plans	Medicare Part A Premiums
2022	6.50%	3.75%
2023	6.25%	4.00%
2024	6.00%	4.00%
2025	5.75%	4.00%
2026	5.50%	4.25%
2027	5.25%	4.25%
2028	5.00%	4.25%
2029	4.75%	4.50%
2030+	4.50%	4.50%

Mortality assumptions used in the December 31, 2021, 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 on a headcount-weighted basis. Affiliated employers of the State, School, Local Government and Judicial Divisions participate in the HCTF.

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NOTE Q – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONT'D)

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.

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.

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.

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

- Per capita health care costs in effect as of the December 31, 2021, valuation date for those PERACare enrollees under the PERA benefit structure who are expected to be age 65 and older and are not eligible for premium-free Medicare Part A benefits have been updated to reflect costs for the 2022 plan year.
- The December 31, 2021, valuation utilizes premium information as of January 1, 2022, as the initial per capita health care cost. As of that date, PERACare health benefits administration is performed by UnitedHealthcare. In that transition, the costs for the Medicare Advantage Option #2 decreased to a level that is lower than the maximum possible service-related subsidy as described in the plan provisions.
- The health care cost trend rates applicable to health care premiums were revised to reflect the then current expectation of future increases in those premiums. Medicare Part A premiums continued with the prior valuation trend pattern.

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.

Effective for the December 31, 2022, measurement date, the timing of the retirement decrement was adjusted to middle-of-year within the valuation programming used to determine the TOL, reflecting a recommendation from the 2022 actuarial audit report, dated October 14, 2022, summarizing the results of the actuarial audit performed on the December 31, 2021, actuarial valuation.

The actuarial assumptions used in the December 31, 2021, 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 at least every five years for PERA. 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

HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
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NOTE Q – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONT'D)

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:

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%
Total	100.00%	

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

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate ¹	5.25%	6.25%	7.25%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	3.00%	4.00%	5.00%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	\$10,274	\$8,862	\$7,655

¹For the January 1, 2023, plan year.

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, 2022, measurement date.

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NOTES TO FINANCIAL STATEMENTS
December 31, 2023

NOTE Q – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONT'D)

- 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.
- 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 Yuma Housing Authority proportionate share of the net OPEB liability to changes in the discount rate. The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25%, 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 liability	\$17,445	\$15,048	\$12,997

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.

Payables to the Pension Plan

At December 31, 2023, the Authority reported \$128 payable to the defined benefit pension plan for legally required employer and employee contributions which have been withheld from employee wages but not yet remitted to PERA.

**REQUIRED SUPPLEMENTAL INFORMATION-
PENSION SCHEDULES AND NOTES**

HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
For the Last Ten Fiscal Years*

PERA Pension Plan Year Ended	Authority's Proportion of the Net Pension Liability	Authority's Proportionate Share of the Net Pension Liability	Authority's Covered- Payroll	Authority's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/2014	0.0245449951%	\$ 219,999	\$ 134,498	164%	81%
12/31/2015	0.0202324659%	\$ 222,877	\$ 114,904	194%	77%
12/31/2016	0.0223416900%	\$ 301,689	\$ 135,419	223%	74%
12/31/2017	0.0207187699%	\$ 230,689	\$ 127,963	180%	79%
12/31/2018	0.0227362945%	\$ 285,844	\$ 131,092	218%	76%
12/31/2019	0.0188397840%	\$ 137,792	\$ 136,037	101%	86%
12/31/2020	0.0222395397%	\$ 115,896	\$ 164,656	70%	91%
12/31/2021	0.0232955610%	\$ (19,973)	\$ 178,319	-11%	101%
12/31/2022	0.0228564775%	\$ 229,151	\$ 184,156	124%	83%

* - The amounts presented for each fiscal year were determined as of the Pension fiscal year that occurred within the fiscal year. Additional years will be displayed as they become available.

See accompanying notes to required supplemental information.

HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF CONTRIBUTIONS - PENSION PLAN
For the Last Ten Fiscal Years*

Authority's Fiscal Year Ended	Contractually Required Contributions	Contributions in relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Authority's Covered- Payroll	Contributions as a percentage of Covered- Payroll
12/31/2015	\$ 15,742	\$ 15,742	\$ -	\$ 114,904	13.70%
12/31/2016	\$ 18,552	\$ 18,552	\$ -	\$ 135,419	13.70%
12/31/2017	\$ 17,906	\$ 17,906	\$ -	\$ 130,703	13.70%
12/31/2018	\$ 16,622	\$ 16,622	\$ -	\$ 131,092	12.68%
12/31/2019	\$ 17,249	\$ 17,249	\$ -	\$ 136,037	12.68%
12/31/2020	\$ 21,279	\$ 21,279	\$ -	\$ 164,656	12.92%
12/31/2021	\$ 23,521	\$ 23,521	\$ -	\$ 178,319	13.19%
12/31/2022	\$ 25,827	\$ 25,827	\$ -	\$ 184,156	14.02%
12/31/2023	\$ 25,374	\$ 25,374	\$ -	\$ 182,763	13.88%

* - The amounts presented for each fiscal year were determined as of the Authority's fiscal year.
Additional years will be displayed as they become available.

See accompanying notes to required supplemental information.

HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2023

NOTE A – SIGNIFICANT CHANGES IN PLAN PROVISIONS AFFECTING TRENDS IN ACTUARIAL INFORMATION

2022 Changes in Plan Provisions Since 2021

- House Bill (HB) 22-1029, effective upon enactment in 2022, required the State treasurer to issue, in addition to the regularly scheduled \$225 million (actual dollars) direct distribution, a warrant to PERA in the amount of \$380 million (actual dollars) with reductions to future direct distributions. The July 1, 2023, direct distribution will be reduced by \$190 million (actual dollars) to \$35 million (actual dollars). The July 1, 2024, direct distribution will not be reduced from \$225 million (actual dollars) due to a negative investment return in 2022.
- The total pension liability for the Local Government Division, as of the December 31, 2022, measurement date, was adjusted to reflect the disaffiliation, as allowable under C.R.S 24-51-313, of Tri-County Health Department (Tri-County Health), effective December 31, 2022. As of the close of the 2022 fiscal year, no disaffiliation payment associated with Tri-County Health was received, and therefore no disaffiliation dollars were reflected in the fiduciary net position as of the December 31, 2022, measurement date.
- Actual employe contributions to the DPS Division are reduced by an amount equal to the principal payments plus interest necessary each year to finance the pension certificates of participation (PCOPs) issued in 1997 and 2008 and refinanced thereafter.

2021 Changes in Plan Provisions Since 2020

The following changes reflect the anticipated adjustments resulting from the 2020 automatic adjustment provision (AAP) assessment, statutorily recognized July 1, 2021 and effective July 1, 2022:

- Member contribution rates increase by .50%.
- Employer contribution rates increase by .50%.
- Annual Increase (AI) cap is lowered from 1.25% per year to 1.00%.

2020 Changes in Plan Provisions Since 2019

- House Bill (HB) 20-1379, enacted on June 29, 2020, suspended the \$225 million (actual dollars) direct distribution payable on July 1, 2020 for the State's 20-21 fiscal year.

2019 Changes in Plan Provisions Since 2018

- Senate Bill (SB) 18-200 was enacted on June 4, 2018, which included the adoption of the automatic adjustment provision (AAP). The following changes reflect the anticipated adjustments resulting from the 2018 AAP assessment, statutorily recognized July 1, 2019, and effective July 1, 2020:

Member contribution rates increase by .5 percent
Employer contribution rates increase by .5 percent
Annual Increase (AI) cap is lowered from 1.5 percent per year to 1.25 percent per year.

HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2023

NOTE A – SIGNIFICANT CHANGES IN PLAN PROVISIONS AFFECTING TRENDS IN ACTUARIAL INFORMATION (CONT'D)

- House Bill (HB) 19-1217, enacted May 20, 2019, repealed the member contribution increase scheduled for the Local Government Division pursuant to SB 18-200.

2018 Changes in Plan Provisions Since 2017

The following changes were made to the plan provisions as part of Senate Bill (SB) 18-200:

- Member contribution rates increase by .75 percent effective July 1, 2019, an additional .75 percent effective July 1, 2020, and an additional .50 percent effective July 1, 2021.
- An annual direct distribution of \$225 million (actual dollars) from the State of Colorado, recognized as a nonemployer contributing entity, is distributed between the State, School, Judicial, and DPS Divisions proportionally based on payroll.
- Annual Increase (AI) cap is lowered from 2.00 percent per year to 1.50 percent per year.
- Initial AI waiting period is extended from one year after retirement to three years after retirement.
- AI payments are suspended for 2018 and 2019.
- The number of years used in the Highest Average Salary calculation for non-vested members as of January 1, 2020, increases from three to five years for the State, School, Local Government, and DPS Divisions and increases from one to three years for the Judicial Division.

2017 Changes in Plan Provisions Since 2016

Following the 2018 legislative session, Governor Hickenlooper signed into law SB 18-200, which includes the following reforms:

- Incrementally increases the member contribution percentage a total of 2.00 percent as follows:
 - .75 percent on July 1, 2019
 - .75 percent on July 1, 2020
 - .50 percent on July 1, 2021
- Increase employer contributions 0.25 percent on July 1, 2019, for all divisions except for the Local Government Division.
- PERA will receive an annual direct distribution from the State in the amount of \$225 million (in actual dollars). The distribution will occur on July 1, 2018 and on July 1 each year thereafter until there are no unfunded actuarial accrued liabilities in the trust fund of any division that receives such distribution. PERA shall allocate the distribution to the trust funds as it would an employer contribution in a manner that is proportionate to the annual payroll of each division except there shall be no allocation to the Local Government Division.
- Beginning January 1, 2021, and every year thereafter, employer contribution rates for the State and Local Government Divisions will be adjusted to include a defined contribution supplement. The defined contribution supplement for these two divisions will be the employer contribution amount paid to defined contribution plan participant accounts that would have

HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2023

NOTE A – SIGNIFICANT CHANGES IN PLAN PROVISIONS AFFECTING TRENDS IN ACTUARIAL INFORMATION (CONT'D)

otherwise gone to the defined benefit trusts to pay down the unfunded liability plus any defined benefit investment earnings thereon, expressed as a percentage of salary on which employer contributions have been made.

2016 Changes in Plan Provisions Since 2015

- Actual employer contributions to the DPS Division are reduced by an amount equal to the principal payments plus interest necessary each year to finance the pension certificates of participation (PCOPs) issued in 1997 and 2008 and refinanced thereafter.

2015 Changes in Plan Provisions Since 2014

- Division's ratios of unfunded actuarial accrued liability (UAAL) to payroll, as of December 31, 2039. Subsequently, the Colorado General Assembly passed HB 15-1391, reducing the employer contribution rate of the DPS Division from 13.75% to 10.15%, effective January 1, 2015.

2014 Changes in Plan Provisions Since 2013

- Actual employer contributions to the DPS Division are reduced by an amount equal to the principal payments plus interest necessary each year to finance the pension certificates of participation (PCOPs) issued in 1997 and 2008 and refinanced thereafter.

NOTE B – SIGNIFICANT CHANGES IN ASSUMPTIONS OR OTHER INPUTS AFFECTING TRENDS IN ACTUARIAL VALUATION:

2022 Changes in Assumptions or Other Inputs Since 2021

- There were not changes made to the actuarial methods or assumptions.

2021 Changes in Assumptions or Other Inputs Since 2020

- The assumption used to value the AI cap benefit provisions was changed from 1.25% to 1.00% price inflation assumption was lowered from 2.40 percent to 2.30 percent.

2020 Changes in Assumptions or Other Inputs Since 2019

- The price inflation assumption was lowered from 2.40 percent to 2.30 percent.
- The wage inflation assumption was lowered from 3.50 percent to 3.00 percent.
- The real rate of investment return assumption was increased to 4.95 percent per year, net of investment.
- Salary scale assumptions were revised to align with revised economic assumptions and to more closely reflect actual experience.

HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2023

NOTE B – SIGNIFICANT CHANGES IN ASSUMPTIONS OR OTHER INPUTS AFFECTING TRENDS IN ACTUARIAL VALUATION (CONT'D):

- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- The pre-retirement mortality assumption for the State and Local Government Divisions (Members other than State Troopers) was changed to the PubG-2010 Employee Table with generational projection using scale MP-2019.

2020 Changes in Assumptions or Other Inputs Since 2019 (cont'd)

- The post-retirement non-disabled mortality assumption for the State and Local Government Divisions (Members other than State Troopers) was changed to the PubG-2010 Healthy Retiree Table, adjusted as follows:
 - **Males:** 94 percent of the rates prior to age 80 and 90 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
 - **Females:** 87 percent of the rates prior to age 80 and 107 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
- The disabled mortality assumption for the Division Trust Funds (Members other than State Troopers) was changed to the PubNS-2010 Disables Retiree Table using 99 percent of the rates from all ages with generational projection using scale MP-2019.
- The mortality tables described above are generational mortality tables on a benefit-weighted basis.

2019 Changes in Assumptions or Other Inputs Since 2018

The assumption used to value the AI cap benefit provision was changed from 1.5 percent to 1.25 percent.

2018 Changes in Assumptions or Other Inputs Since 2017

There are no changes in economic and demographic actuarial assumptions incorporated into the actuarial valuation as of December 31, 2018, since the last actuarial valuation as of December 31, 2017.

2017 Changes in Assumptions or Other Inputs Since 2016

There are no changes in economic and demographic actuarial assumptions incorporated into the actuarial valuation as of December 31, 2017, since the last actuarial valuation as of December 31, 2016.

HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2023

NOTE B – SIGNIFICANT CHANGES IN ASSUMPTIONS OR OTHER INPUTS AFFECTING TRENDS IN ACTUARIAL VALUATION (CONT'D):

2016 Changes in Assumptions or Other Inputs Since 2015

- The investment return assumption was lowered from 7.50 percent to 7.25 percent.
- The price inflation assumption was lowered from 2.80 percent to 2.40 percent.
- The wage inflation assumption was lowered from 3.90 percent to 3.50 percent.
- The post-retirement mortality assumption for healthy lives for the State and Local Government Divisions was changed to the RP-2014 Healthy Annuitant Mortality Table with adjustments for credibility and gender adjustments of 73 percent factor applied to ages below 80 and 108 percent factor applied to age 80 and above, projected to 2018, for males, and a 78 percent factor applied to ages below 80 and a 109 percent factor applied to age 80 and above, projected to 2020, for females.
- For disabled retirees, the mortality assumption was changed to reflect 90 percent of RP-2014 Disabled Retiree Mortality Table.
- The mortality assumption for active members was changed to RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.
- The rates of retirement, withdrawal, and disability were revised to reflect more closely actual experience.
- The estimated administrative expense as a percentage of covered payroll was increased from .35 percent to .40 percent.
- The SEIR for the Local Government Division was lowered from 7.50 percent to 7.25 percent reflecting the change in the long-term rate of return.

2015 Changes in Assumptions or Other Inputs Since 2014

The following programming changes were made:

- Valuation of full survivor benefit without any reduction for possible remarriage.
- Reflection of the employer match on separation benefits for all eligible years.
- Reflection of one year of service eligibility for survivor annuity benefit.
- Refinement of the 18-month AI timing.
- Refinements to directly value certain and life, modified cash refund and pop-up benefit forms.

The following methodology changes were made:

- Recognition of merit salary increases in the first projection year.
- Elimination of the assumption that 35 percent of future disabled members elect to receive a refund.
- Removal of the negative value adjustment for liabilities associated with refunds of future terminating members.
- Adjustments to the timing of the normal cost and UAAL payment calculations to reflect contributions throughout the year.

HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2023

NOTE B – SIGNIFICANT CHANGES IN ASSUMPTIONS OR OTHER INPUTS AFFECTING TRENDS IN ACTUARIAL VALUATION (CONT'D):

2014 Changes in Assumptions or Other Inputs Since 2013

- In 2012, a lawsuit was initiated to determine the amount owed to PERA by Memorial and the Town of Colorado Springs (Town) for Memorial's departure from PERA. In September 2014, PERA and the Town agreed to resolve the lawsuit. The agreement provided for the Town to pay PERA \$190,000 for the liabilities associated with the retirement and health care benefits already earned by 7,666 Memorial employees for the work that they performed before Memorial ceased to be a PERA employer. On October 3, 2014, PERA received a disaffiliation payment from the Town, which was allocated to the Local Government Division Trust Fund and the HCTF in the amount of \$186,006 and \$3,994, respectively.

2013 Changes in Assumptions or Other Inputs Since 2012

- The investment return assumption was lowered from 8.00 percent to 7.50 percent.
- The price inflation assumption was lowered from 3.50 percent to 2.80 percent.
- The wage inflation assumption was lowered from 4.25 percent to 3.90 percent.

NOTE C – METHODS AND ASSUMPTIONS USED IN CALCULATION OF ACTUARIALLY DETERMINED CONTRIBUTION (ADC)

The ADC rates, as a percentage of covered payroll, used to determine the ADC amounts in the Schedule of Employer and Nonemployer Contributions are calculated as of December 31, two years prior to the end of the year in which ADC amounts are reported. The following actuarial methods and assumptions from the December 31, 2020, actuarial valuation were used to determine contribution rates reported in that schedule for the year ending December 31, 2022:

Actuarial Cost Method	Entry age
Amortization method	Level percentage of payroll
Amortization period	30 years, closed
Asset valuation method	4-year smoothed market
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	2.80 to 12.40%
Long-term investment rate of return	7.25%
PERA benefit structure hired prior to 1/1/07	1.5 percent compounded annually
PERA benefit structure hired after 12/31/06	0 percent, as financed by the AIR

**REQUIRED SUPPLEMENTAL INFORMATION-
OPEB SCHEDULES AND NOTES**

HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE COLLECTIVE NET OPEB LIABILITY
For the Last Ten Fiscal Years*

PERA OPEB Plan Year Ended	Authority's Proportion of the Collective Net OPEB Liability	Authority's Proportionate Share of the Collective Net OPEB Liability	Authority's Covered- Payroll	Authority's Proportionate Share of the Collective Net OPEB Liability as a Percentage of its Covered-Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
12/31/2016	0.0017150341%	\$ 22,236	\$ 127,963	17%	17%
12/31/2017	0.0016099569%	\$ 20,923	\$ 131,092	16%	18%
12/31/2018	0.0017631965%	\$ 23,989	\$ 131,092	18%	17%
12/31/2019	0.0014428960%	\$ 16,218	\$ 136,037	12%	24%
12/31/2020	0.0016958551%	\$ 16,114	\$ 164,656	10%	33%
12/31/2021	0.0018108580%	\$ 15,615	\$ 178,319	9%	39%
12/31/2022	0.0018429940%	\$ 15,048	\$ 184,156	8%	39%

* - The amounts presented for each fiscal year were determined as of the OPEB Plan fiscal year that occurred within the fiscal year. Additional years will be displayed as they become available.

See accompanying notes to required supplemental information.

HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF CONTRIBUTIONS - OPEB PLAN
For the Last Ten Fiscal Years*

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Authority's Fiscal Year Ended	Contractually Required Contributions	Contributions in relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Authority's Covered- Payroll	Contributions as a percentage of Covered- Payroll
12/31/2017	\$ 1,381	\$ 1,381	\$ -	\$ 130,703	1.06%
12/31/2018	\$ 1,333	\$ 1,333	\$ -	\$ 131,092	1.02%
12/31/2019	\$ 1,388	\$ 1,388	\$ -	\$ 136,037	1.02%
12/31/2020	\$ 1,679	\$ 1,679	\$ -	\$ 164,656	1.02%
12/31/2021	\$ 1,819	\$ 1,819	\$ -	\$ 178,319	1.02%
12/31/2022	\$ 1,878	\$ 1,878	\$ -	\$ 184,156	1.02%
12/31/2023	\$ 1,864	\$ 1,864	\$ -	\$ 182,763	1.02%

* - The amounts presented for each fiscal year were determined as of the Authority's fiscal year.
 Additional years will be displayed as they become available.

See accompanying notes to required supplemental information.

HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2023

NOTE A – SIGNIFICANT CHANGES IN PLAN PROVISIONS AFFECTING TRENDS IN ACTUARIAL INFORMATION

2022 Changes in Plan Provisions Since 2021

- The total OPEB liability for the Health Care Trust Fund (HCTF), as of the December 31, 2022, measurement date, was adjusted to reflect the disaffiliation, allowable under C.R.S 24-51-313, of the Tri-County Health Department (Tri County Health), effective December 31, 2022. As of the close of the 2022 fiscal year, no disaffiliation payment associated with Tri-County Health was received, and therefore no disaffiliation dollars were reflected in the fiduciary net position as of the December 31, 2022, measurement date. .

2021 Changes in Plan Provisions Since 2020

- There were no changes made to the plan provisions.

2020 Changes in Plan Provisions Since 2019

- There were no changes made to the plan provisions.

2019 Changes in Plan Provisions Since 2018

- There were no changes made to the plan provisions.

2018 Changes in Plan Provisions Since 2017

- There were no changes made to the plan provisions.

2017 Changes in Plan Provisions Since 2016

- The Cunningham Fire Protection District (CFPD) disaffiliated from the Local Government Division, thereby ending participation in the Health Care Trust Fund (HCTF) on December 2, 2017. For the purpose of disclosure as of the December 31, 2017, measurement date, liabilities were determined assuming no additional service accruals impacting possible future premium subsidies for the disaffiliated membership of the CFPD that had not refunded their PERA member contribution accounts. The total disaffiliation payment of \$1,159 was allocated to the Local Government Division Trust Fund and the HCTF in the amount of \$1,063 and \$96, respectively.
- The new Defined Benefit OPEB Funding Policy was adopted by the Board of Trustees on January 19, 2018.

NOTE B – SIGNIFICANT CHANGES IN ASSUMPTIONS OR OTHER INPUTS AFFECTING TRENDS IN ACTUARIAL INFORMATION

2021 Changes in Assumptions or Other Inputs Since 2020

- There were no changes made to the actuarial methods or assumptions.

HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2023

**NOTE B – SIGNIFICANT CHANGES IN ASSUMPTIONS OR OTHER INPUTS AFFECTING TRENDS
IN ACTUARIAL INFORMATION (CONT'D)**

2022 Changes in Assumptions or Other Inputs Since 2021

- The timing of the retirement decrement was adjusted to middle-of-year.

2020 Changes in Assumptions or Other Inputs Since 2019

- The price inflation assumption was lowered from 2.40 percent to 2.30 percent
- The wage inflation assumption was lowered from 3.50 percent to 3.00 percent
- The real rate of investment return assumption was increased to 4.95 percent per year, net of investment expenses from 4.85 percent per year, net of investment expenses.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience

- The pre-retirement mortality assumption for the State and Local Government Divisions (Members other than State Troopers) was changed to the PubG-2010 Employee Table with generational projection using scale MP-2019.

- The post-retirement non-disabled mortality assumption for the State and Local Government Divisions (Members other than State Troopers) was changed to the PubG-2010 Healthy Retiree Table, adjusted as follows:
 - **Males:** 94 percent of the rates prior to age 80 and 90 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
 - **Females:** 87 percent of the rates prior to age 80 and 107 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

- The disabled mortality assumption for the Division Trust Funds (Members other than State Troopers) was changed to the PubNS-2010 Disables Retiree Table using 99 percent of the rates from all ages with generational projection using scale MP-2019.
- The mortality tables described above are generational mortality tables on a head-count weighted basis.

2019 Changes in Assumptions or Other Inputs Since 2018

- There were no changes made to the actuarial methods or assumptions.

2018 Changes in Assumptions or Other Inputs Since 2017

- There were no changes made to the actuarial methods or assumptions.

2017 Changes in Assumptions or Other Inputs Since 2016

- There were no changes made to the actuarial methods or assumptions.

HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2023

NOTE C – METHODS AND ASSUMPTIONS USED IN CALCULATION OF ACTUARIALLY DETERMINED CONTRIBUTION (ADC)

The ADC rates, as a percentage of covered payroll, used to determine the ADC amounts in the Schedule of Employer and Nonemployer Contributions are calculated as of December 31, two years prior to the end of the year in which ADC amounts are reported. The following actuarial methods and assumptions from the December 31, 2020, actuarial valuation were used to determine contribution rates reported in that schedule for the year ending December 31, 2022:

Actuarial Cost Method	Entry age
Amortization method	Level percentage of payroll
Amortization period	30 years, closed
Asset valuation method	4-year smoothed market
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.00% in aggregate
Long-term investment rate of return	7.25%
Service-based premium subsidy	0.00%
Medicare Part A premiums	4.50% initial, 4.50% ultimate

**SUPPLEMENTAL INFORMATION –
PROGRAM FINANCIAL SCHEDULES**

HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
PROGRAM SCHEDULE OF NET POSITION
December 31, 2023

ASSETS	Public	VH Villa	Totals
	Housing	Townhomes	
CURRENT ASSETS:			
Cash and cash equivalents	\$ 153,922	\$ 65,556	\$ 219,478
Investments	138,206	-	138,206
Accounts receivable, net	2,154	4,337	6,491
Due from other governments	20,530	-	20,530
Accrued interest receivable	151	-	151
Prepaid insurance	31,846	8,796	40,642
<i>Restricted:</i>			
Cash and cash equivalents	13,518	12,072	25,590
Investments	253,634	-	253,634
TOTAL CURRENT ASSETS	613,961	90,761	704,722
NONCURRENT ASSETS:			
Capital Assets, non-depreciable	129,776	111,916	241,692
Capital Assets, depreciable, net	476,206	229,755	705,961
TOTAL NONCURRENT ASSETS	605,982	341,671	947,653
TOTAL ASSETS	1,219,943	432,432	1,652,375
DEFERRED OUTFLOWS OF RESOURCES:			
Pension related deferred outflows of resources	141,444	-	141,444
OPEB related deferred outflows of resources	6,010	-	6,010
TOTAL DEFERRED OUTFLOWS OF RESOURCES	147,454	-	147,454
LIABILITIES			
CURRENT LIABILITIES:			
Accounts payable	13,088	3,402	16,490
Accrued payroll and benefits payable	7,342	-	7,342
Accrued interest payable	-	99	99
Trust and deposit liabilities	13,518	12,072	25,590
Compensated absences payable	2,126	-	2,126
Unearned revenue	2,387	808	3,195
Mortgage payable, current portion	-	38,051	38,051
TOTAL CURRENT LIABILITIES	38,461	54,432	92,893
NONCURRENT LIABILITIES:			
Compensated absences payable	75	-	75
Mortgage payable	-	424,300	424,300
Net pension liability	229,151	-	229,151
Net OPEB liability	15,048	-	15,048
TOTAL NONCURRENT LIABILITIES	244,274	424,300	668,574
TOTAL LIABILITIES	282,735	478,732	761,467
DEFERRED INFLOWS OF RESOURCES:			
Pension related deferred inflows of resources	25,222	-	25,222
OPEB related deferred inflows of resources	6,731	-	6,731
TOTAL DEFERRED INFLOWS OF RESOURCES	31,953	-	31,953
NET POSITION			
Net investment in capital assets	605,982	(120,680)	485,302
Restricted	253,634	-	253,634
Unrestricted	193,093	74,380	267,473
TOTAL NET POSITION	\$ 1,052,709	\$ (46,300)	\$ 1,006,409

HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
PROGRAM SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Year Ended December 31, 2023

	Public Housing	VH Villa Townhomes	Totals
OPERATING REVENUES			
Rental income	\$ 229,278	\$ 153,987	\$ 383,265
Management/maintenance fee income	48,079	-	48,079
TOTAL OPERATING REVENUES	277,357	153,987	431,344
OPERATING EXPENSES			
Administrative	146,198	33,228	179,426
Tenant services	2,470	-	2,470
Utilities	59,845	17,605	77,450
Ordinary maintenance and operations	145,268	23,032	168,300
General expense	52,095	21,151	73,246
Depreciation	80,710	84,851	165,561
TOTAL OPERATING EXPENSES	486,586	179,867	666,453
OPERATING INCOME (LOSS)	(209,229)	(25,880)	(235,109)
NONOPERATING REVENUES (EXPENSES)			
HUD operating subsidy	106,985	-	106,985
HUD capital grants - operations	50,472	-	50,472
Interest income	4,334	82	4,416
Interest expense	-	(19,239)	(19,239)
TOTAL NONOPERATING REVENUES (EXPENSES)	161,791	(19,157)	142,634
INCOME (LOSS) BEFORE CONTRIBUTIONS AND SPECIAL ITEMS	(47,438)	(45,037)	(92,475)
CAPITAL CONTRIBUTIONS			
HUD capital fund grants	70,933	-	70,933
SPECIAL ITEMS			
Casualty loss income - storm damage	251,676	-	251,676
INCREASE (DECREASE) IN NET POSITION	275,171	(45,037)	230,134
NET POSITION			
Net position, beginning balance	777,538	(1,263)	776,275
TOTAL NET POSITION - ENDING BALANCE	\$ 1,052,709	\$ (46,300)	\$ 1,006,409

HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
PROGRAM SCHEDULE OF CASH FLOWS
Year Ended December 31, 2023

	Public Housing	VH Villa Townhomes	Totals
CASH FLOWS FROM OPERATING ACTIVITIES:			
Rental receipts	\$ 227,849	\$ 156,169	\$ 384,018
Management/maintenance fee receipts	47,159	-	47,159
Trust and deposit liabilities	1,033	(2,226)	(1,193)
Cash payments for goods and services	(197,605)	(94,065)	(291,670)
Cash payments to employees for services	(224,685)	-	(224,685)
	NET CASH PROVIDED (USED)		
	BY OPERATING ACTIVITIES	59,878	(86,371)
	(146,249)		
 CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
HUD operating subsidy	106,985	-	106,985
HUD capital grants - operations	50,472	-	50,472
Casualty loss, insurance proceeds-storm damage	251,676	-	251,676
	NET CASH PROVIDED (USED) BY		
	NONCAPITAL FINANCING ACTIVITIES	-	409,133
	409,133		
 CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Purchases and construction of capital assets	(79,616)	(16,648)	(96,264)
HUD capital fund grants	65,203	-	65,203
Interest paid on capital debt	-	(21,464)	(21,464)
Principal paid on capital debt	-	(41,781)	(41,781)
	NET CASH PROVIDED (USED) BY		
	CAPITAL AND RELATED FINANCING ACTIVITIES	(79,893)	(94,306)
	(14,413)		
 CASH FLOWS FROM INVESTING ACTIVITIES:			
Net (deposits) withdrawals to investments	(255,602)	-	(255,602)
Interest received	4,185	82	4,267
	NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	82	(251,335)
	NET INCREASE (DECREASE) IN CASH	(19,933)	(22,879)
	(2,946)		
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	170,386	97,561	267,947
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 167,440	\$ 77,628	\$ 245,068

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

	Public Housing	VH Villa Townhomes	Totals
RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating income (loss)	\$ (209,229)	\$ (25,880)	\$ (235,109)
Adjustments to reconcile income from operations to net cash provided by operating activities:			
Depreciation	80,710	84,851	165,561
Change in assets, deferred outflows of resources, liabilities and deferred inflows of resources:			
(Increase) decrease in accounts receivable	(1,921)	1,437	(484)
(Increase) decrease in due from other governments	(920)	-	(920)
(Increase) decrease in prepaid insurance	(4,245)	(1,259)	(5,504)
(Increase) decrease in net pension asset	19,973	-	19,973
(Increase) decrease in deferred outflows of resources, pension	(72,913)	-	(72,913)
(Increase) decrease in deferred outflows of resources, OPEB	156	-	156
Increase (decrease) in accounts payable	(3,564)	2,210	(1,354)
Increase (decrease) in trust and deposit liabilities	1,033	(2,226)	(1,193)
Increase (decrease) in accrued payroll and benefits	(2,658)	-	(2,658)
Increase (decrease) in accrued compensated absences	(1,149)	-	(1,149)
Increase (decrease) in unearned revenue	492	745	1,237
Increase (decrease) in net pension liability	229,151	-	229,151
Increase (decrease) in net OPEB liability	(567)	-	(567)
Increase (decrease) in deferred inflows of resources, pension	(179,667)	-	(179,667)
Increase (decrease) in deferred inflows of resources, OPEB	(931)	-	(931)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (146,249)	\$ 59,878	\$ (86,371)

**SUPPLEMENTAL INFORMATION –
FINANCIAL DATA SCHEDULE**

Housing Authority of the Town of Yuma (CO09)
YUMA, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2023

	Project Total	1 Business Activities	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$153,922	\$65,556	\$219,478		\$219,478
113 Cash - Other Restricted		\$3,908	\$3,908		\$3,908
114 Cash - Tenant Security Deposits	\$13,518	\$8,164	\$21,682		\$21,682
100 Total Cash	\$167,440	\$77,628	\$245,068		\$245,068
122 Accounts Receivable - HUD Other Projects	\$18,482		\$18,482		\$18,482
124 Accounts Receivable - Other Government	\$2,048		\$2,048		\$2,048
126 Accounts Receivable - Tenants	\$2,305	\$7,837	\$10,142		\$10,142
126.1 Allowance for Doubtful Accounts -Tenants	-\$151	-\$3,500	-\$3,651		-\$3,651
126.2 Allowance for Doubtful Accounts - Other	\$0		\$0		\$0
129 Accrued Interest Receivable	\$151		\$151		\$151
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$22,835	\$4,337	\$27,172		\$27,172
131 Investments - Unrestricted	\$138,206		\$138,206		\$138,206
132 Investments - Restricted	\$253,634		\$253,634		\$253,634
142 Prepaid Expenses and Other Assets	\$31,846	\$8,796	\$40,642		\$40,642
150 Total Current Assets	\$613,961	\$90,761	\$704,722		\$704,722
161 Land	\$6,354	\$104,000	\$110,354		\$110,354
162 Buildings	\$3,347,998	\$1,946,017	\$5,294,015		\$5,294,015
163 Furniture, Equipment & Machinery - Dwellings	\$98,185	\$8,916	\$107,101		\$107,101
164 Furniture, Equipment & Machinery - Administration	\$122,926		\$122,926		\$122,926
166 Accumulated Depreciation	-\$3,092,903	-\$1,725,178	-\$4,818,081		-\$4,818,081
167 Construction in Progress	\$123,422	\$7,916	\$131,338		\$131,338
160 Total Capital Assets, Net of Accumulated Depreciation	\$805,882	\$341,671	\$947,653		\$947,653
180 Total Non-Current Assets	\$805,882	\$341,671	\$947,653		\$947,653
200 Deferred Outflow of Resources	\$147,454		\$147,454		\$147,454
290 Total Assets and Deferred Outflow of Resources	\$1,367,397	\$432,432	\$1,799,829		\$1,799,829
312 Accounts Payable <= 90 Days	\$3,940	\$1,534	\$5,474		\$5,474
321 Accrued Wage/Payroll Taxes Payable	\$7,342		\$7,342		\$7,342
322 Accrued Compensated Absences - Current Portion	\$2,126		\$2,126		\$2,126
325 Accrued Interest Payable		\$99	\$99		\$99
341 Tenant Security Deposits	\$13,518	\$8,164	\$21,682		\$21,682
342 Unearned Revenue	\$2,387	\$808	\$3,195		\$3,195
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue		\$38,051	\$38,051		\$38,051
345 Other Current Liabilities		\$3,908	\$3,908		\$3,908
346 Accrued Liabilities - Other	\$9,148	\$1,868	\$11,016		\$11,016
310 Total Current Liabilities	\$38,461	\$54,432	\$92,893		\$92,893
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue		\$424,300	\$424,300		\$424,300
354 Accrued Compensated Absences - Non Current	\$75		\$75		\$75
357 Accrued Pension and OPEB Liabilities	\$244,199		\$244,199		\$244,199
350 Total Non-Current Liabilities	\$244,274	\$424,300	\$668,574		\$668,574
300 Total Liabilities	\$282,735	\$478,732	\$761,467		\$761,467
400 Deferred Inflow of Resources	\$31,953		\$31,953		\$31,953
508.4 Net Investment in Capital Assets	\$605,982	-\$120,680	\$485,302		\$485,302
511.4 Restricted Net Position	\$253,634		\$253,634		\$253,634
512.4 Unrestricted Net Position	\$193,093	\$74,380	\$267,473		\$267,473
513 Total Equity - Net Assets / Position	\$1,052,709	-\$46,300	\$1,006,409		\$1,006,409
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$1,367,397	\$432,432	\$1,799,829		\$1,799,829

Housing Authority of the Town of Yuma (CO009)
YUMA, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2023

	Project Total	1 Business Activities	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$211,149	\$145,442	\$356,591		\$356,591
70400 Tenant Revenue - Other	\$18,129	\$8,545	\$26,674		\$26,674
70500 Total Tenant Revenue	\$229,278	\$153,987	\$383,265	\$0	\$383,265
70600 HUD PHA Operating Grants	\$157,457		\$157,457		\$157,457
70610 Capital Grants	\$70,933		\$70,933		\$70,933
71100 Investment Income - Unrestricted	\$2,376	\$82	\$2,458		\$2,458
71500 Other Revenue	\$48,079		\$48,079	-\$35,511	\$12,568
72000 Investment Income - Restricted	\$1,958		\$1,958		\$1,958
70000 Total Revenue	\$510,081	\$154,069	\$664,150	-\$35,511	\$628,639
91100 Administrative Salaries	\$80,160		\$80,160		\$80,160
91200 Auditing Fees	\$4,375	\$1,650	\$6,025		\$6,025
91300 Management Fee		\$24,649	\$24,649	-\$24,649	\$0
91400 Advertising and Marketing	\$223		\$223		\$223
91500 Employee Benefit contributions - Administrative	\$42,613		\$42,613		\$42,613
91600 Office Expenses	\$6,967	\$2,252	\$9,219		\$9,219
91700 Legal Expense	\$46	\$2,410	\$2,458		\$2,458
91800 Travel	\$1,855		\$1,855		\$1,855
91900 Other	\$9,957	\$2,267	\$12,224		\$12,224
91000 Total Operating - Administrative	\$146,198	\$33,228	\$179,426	-\$24,649	\$154,777
92100 Tenant Services - Salaries	\$1,431		\$1,431		\$1,431
92300 Employee Benefit Contributions - Tenant Services	\$959		\$959		\$959
92400 Tenant Services - Other	\$80		\$80		\$80
92500 Total Tenant Services	\$2,470	\$0	\$2,470	\$0	\$2,470
93100 Water	\$8,700	\$3,184	\$11,884		\$11,884
93200 Electricity	\$15,960	\$1,607	\$17,567		\$17,567
93300 Gas	\$23,768	\$4,376	\$28,144		\$28,144
93600 Sewer	\$11,389	\$8,436	\$19,825		\$19,825
93000 Total Utilities	\$59,817	\$17,605	\$77,422	\$0	\$77,422
94100 Ordinary Maintenance and Operations - Labor	\$53,254		\$53,254		\$53,254
94200 Ordinary Maintenance and Operations - Materials and Other	\$28,213	\$6,181	\$34,394		\$34,394
94300 Ordinary Maintenance and Operations Contracts	\$32,521	\$16,851	\$49,372	-\$10,862	\$38,510
94500 Employee Benefit Contributions - Ordinary Maintenance	\$31,280		\$31,280		\$31,280
94000 Total Maintenance	\$145,268	\$23,032	\$168,300	-\$10,862	\$157,438
96110 Property Insurance	\$31,687	\$14,077	\$45,764		\$45,764
96120 Liability Insurance	\$1,624	\$2,256	\$3,880		\$3,880
96130 Workmen's Compensation	\$3,612		\$3,612		\$3,612
96140 All Other Insurance	\$2,657		\$2,657		\$2,657
96100 Total Insurance Premiums	\$39,580	\$16,333	\$55,913	\$0	\$55,913
96200 Other General Expenses	\$275		\$275		\$275
96210 Compensated Absences	\$12,088		\$12,088		\$12,088
96400 Bad debt - Tenant Rents	\$152	\$4,818	\$4,970		\$4,970
96000 Total Other General Expenses	\$12,515	\$4,818	\$17,333	\$0	\$17,333
96710 Interest of Mortgage (or Bonds) Payable		\$19,239	\$19,239		\$19,239
96700 Total Interest Expense and Amortization Cost	\$0	\$19,239	\$19,239	\$0	\$19,239
96900 Total Operating Expenses	\$405,676	\$114,255	\$520,131	-\$35,511	\$484,620
97000 Excess of Operating Revenue over Operating Expenses	\$104,205	\$39,814	\$144,019	\$0	\$144,019
97400 Depreciation Expense	\$80,710	\$84,851	\$165,561		\$165,561
90000 Total Expenses	\$486,586	\$189,106	\$685,692	-\$35,511	\$650,181
10010 Operating Transfer In	\$43,766		\$43,766	-\$43,766	\$0
10020 Operating transfer Out	-\$43,766		-\$43,766	\$43,766	\$0
10080 Special Items (Net Gain/Loss)	\$251,676		\$251,676		\$251,676
10100 Total Other financing Sources (Uses)	\$251,676	\$0	\$251,676	\$0	\$251,676
10090 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$275,171	-\$45,037	\$230,134	\$0	\$230,134
11020 Required Annual Debt Principal Payments	\$0	\$41,781	\$41,781		\$41,781
11030 Beginning Equity	\$777,538	-\$1,263	\$776,275		\$776,275
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0		\$0		\$0
11190 Unit Months Available	545	240	785		785
11210 Number of Unit Months Leased	537	218	755		755
11270 Excess Cash	\$256,756		\$256,756		\$256,756
11620 Building Purchases	\$67,189		\$67,189		\$67,189
11630 Furniture & Equipment - Dwelling Purchases	\$4,016		\$4,016		\$4,016
11640 Furniture & Equipment - Administrative Purchases	\$7,369		\$7,369		\$7,369

Housing Authority of the Town of Yuma (CO09)
YUMA, CO

Single Project Revenue and Expense

Submission Type: Audited/Non Single
Audit

Fiscal Year End: 12/31/2023

Project: CO09101655 HIGH PLAINS MANOR

	Low Rent	Capital Fund	Total Project
70300 Net Tenant Rental Revenue	\$211,149		\$211,149
70400 Tenant Revenue - Other	\$18,129		\$18,129
70500 Total Tenant Revenue	\$229,278	\$0	\$229,278
70600 HUD PHA Operating Grants	\$108,885	\$50,472	\$157,457
70610 Capital Grants		\$70,933	\$70,933
71100 Investment Income - Unrestricted	\$2,376		\$2,376
71500 Other Revenue	\$48,079		\$48,079
72000 Investment Income - Restricted	\$1,958		\$1,958
70000 Total Revenue	\$388,676	\$121,405	\$510,081
91100 Administrative Salaries	\$73,454	\$6,708	\$80,160
91200 Auditing Fees	\$4,375		\$4,375
91400 Advertising and Marketing	\$223		\$223
91500 Employee Benefit contributions - Administrative	\$42,613		\$42,613
91600 Office Expenses	\$6,967		\$6,967
91700 Legal Expense	\$48		\$48
91800 Travel	\$1,855		\$1,855
91900 Other	\$9,957		\$9,957
91000 Total Operating - Administrative	\$139,492	\$6,708	\$146,198
92100 Tenant Services - Salaries	\$1,431		\$1,431
92300 Employee Benefit Contributions - Tenant Services	\$959		\$959
92400 Tenant Services - Other	\$80		\$80
92500 Total Tenant Services	\$2,470	\$0	\$2,470
93100 Water	\$8,700		\$8,700
93200 Electricity	\$15,990		\$15,990
93300 Gas	\$23,768		\$23,768
93600 Sewer	\$11,389		\$11,389
93000 Total Utilities	\$59,845	\$0	\$59,845
94100 Ordinary Maintenance and Operations - Labor	\$53,254		\$53,254
94200 Ordinary Maintenance and Operations - Materials and Other	\$28,213		\$28,213
94300 Ordinary Maintenance and Operations Contracts	\$32,521		\$32,521
94500 Employee Benefit Contributions - Ordinary Maintenance	\$31,280		\$31,280
94000 Total Maintenance	\$145,268	\$0	\$145,268
96110 Property Insurance	\$31,687		\$31,687
96120 Liability Insurance	\$1,624		\$1,624
96130 Workmen's Compensation	\$3,612		\$3,612
96140 All Other Insurance	\$2,657		\$2,657
96100 Total Insurance Premiums	\$39,580	\$0	\$39,580
96200 Other General Expenses	\$275		\$275
96210 Compensated Absences	\$12,088		\$12,088
96400 Bad debt - Tenant Rents	\$152		\$152
96000 Total Other General Expenses	\$12,515	\$0	\$12,515
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0
96900 Total Operating Expenses	\$399,170	\$6,708	\$405,876
97000 Excess of Operating Revenue over Operating Expenses	-\$10,494	\$114,699	\$104,205
97400 Depreciation Expense	\$80,710		\$80,710
90000 Total Expenses	\$479,880	\$6,706	\$486,586
10010 Operating Transfer In	\$43,766		\$43,766
10020 Operating transfer Out		-\$43,766	-\$43,766
10080 Special Items (Net Gain/Loss)	\$251,676		\$251,676
10100 Total Other financing Sources (Uses)	\$295,442	-\$43,766	\$251,676
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$204,238	\$70,933	\$275,171
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0
11030 Beginning Equity	\$777,538	\$0	\$777,538
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$70,933	-\$70,933	\$0
11190 Unit Months Available	545		545
11210 Number of Unit Months Leased	537		537
11270 Excess Cash	\$256,756		\$256,756
11620 Building Purchases	\$272	\$66,917	\$67,189
11630 Furniture & Equipment - Dwelling Purchases	\$0	\$4,018	\$4,016
11640 Furniture & Equipment - Administrative Purchases	\$7,369	\$0	\$7,369

GOVERNMENT AUDITING STANDARDS SECTION

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

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

Independent Auditors Report

To the Board of Commissioners
Housing Authority of the Town of Yuma, 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 Town of Yuma, 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 Town of Yuma, Colorado's basic financial statements, and have issued our report thereon dated July 22, 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 Town of Yuma, 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 Town of Yuma, Colorado's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the Town of Yuma, 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 a deficiency in internal control that we consider to be a material weakness and is described in the accompanying schedule of findings and responses as Finding 2023-1.

Report on Compliance and Other Matters

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

Housing Authority of the Town of Yuma, Colorado Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the Housing Authority of the Town of Yuma, Colorado's response to the finding identified in our audit and is described in the accompanying schedule of findings and responses. The Housing Authority of the Town of Yuma, Colorado's response was not subjected to the other auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on the response.

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
July 22, 2024

HOUSING AUTHORITY OF THE TOWN OF YUMA, 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: Internal Controls – This finding is repeated because the Authority is a small entity and it is not financially feasible to correct this finding.

HOUSING AUTHORITY OF THE TOWN OF YUMA, COLORADO
SCHEDULE OF FINDINGS AND RESPONSES
December 31, 2023

Finding 2023-1: Internal Control Structure
Material Weakness

Criteria: A properly designed internal control structure relies greatly on a proper segregation of duties between several individuals. The duties related to initiating, authorizing, recording, processing and reporting financial data would be segregated so there is less likelihood that a misstatement of the entity's financial statements would occur.

Condition: The Authority consists of one administrative employee and as a result does not have personnel assigned responsibilities in such a way that different employees handle different parts of the same transaction. The limited number of employees results in an inadequate overall internal control structure design.

Cause: The Authority has limited staff and does not have the resources to properly segregate duties.

Effect or Potential Effect: The lack of segregation of duties related to the controls over the categories above are significant deficiencies that could result in a material misstatement in the financial statements.

Recommendation: The Authority has limited resources and additional controls are not financially feasible in the hiring of additional staff. The Authority is a small entity and the lack of segregation of duties is common among entities with minimal employees and should be recognized as such. However, it is not our intent to establish internal controls as the Authority's Board should make the final determination in the cost versus benefit.

**YUMA HOUSING AUTHORITY/High Plains Manor
V. H. VILLA TOWNHOMES**

**700 West 3rd Ave.
Yuma, CO 80759**

(970) 848-5590
(970) 848-5611 (Fax)
yumahousingauthority@gmail.com

**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 Authority is a small entity and recognizes the lack of segregation of duties associated with the limited number of personnel. Due to our small size the cost of adding employees to implement these controls, the expected benefit would be a significant increase in the cost and at this time we feel the cost would exceed the benefit.

Contact Person: Travis Miller, Executive Director
700 West 3rd Ave.
Yuma, CO 80759
970-848-5590

AGREED-UPON PROCEDURE

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

Independent Accountant's Report on Applying Agreed-Upon Procedure

To the Board of Commissioners
Housing Authority of the Town of Yuma, 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 Town of Yuma, 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 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 Town of Yuma, 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 Town of Yuma, 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 Town of Yuma, 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 Town of Yuma, Colorado as of and for the year ended December 31, 2023, and have issued our report thereon dated July 22, 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 Town of Yuma, Colorado's Financial Data Schedule dated July 22, 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 Town of Yuma, 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
July 22, 2024