

HOUSING AUTHORITY OF THE
TOWN OF EATON
WELD COUNTY, COLORADO



FINANCIAL STATEMENTS

Years Ended December 31, 2024



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Independent Auditors' Report

Board of Commissioners
Housing Authority of the Town of Eaton
Eaton, Colorado

Opinions

We have audited the accompanying financial statements of the business-type activities of the Housing Authority of the Town of Eaton (the Housing Authority) as of and for the year ended December 31, 2024 and the related notes to the financial statements, which collectively comprise the Housing Authority'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 business-type activities of the Housing Authority of the Town of Eaton as of December 31, 2024, and the respective changes in its financial position and cash flows for the years then ended, accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 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's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

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

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

Required Supplementary Information

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

The Authority has not presented the management discussion and analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Anderson & Whitney, P.C.

August 27, 2025

**HOUSING AUTHORITY OF THE TOWN OF EATON
WELD COUNTY, COLORADO**

STATEMENT OF NET POSITION

December 31	2024
<u>ASSETS</u>	
Current Assets:	
Cash - general accounts	\$ 875,546
Investments - Short-term	5,601,085
Trade receivables	-
Total Current Assets	6,476,631
Capital Assets	-
Restricted Assets:	
Cash:	
Tenant security deposits	-
Total Restricted Assets	-
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Pension Plan	12,215
TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 6,488,846
<u>LIABILITIES</u>	
Current Liabilities:	
Accounts payable	\$ 10,205
Total Current Liabilities	10,205
Tenant Security Deposits	-
Net Pension Liability	61,360
Total Liabilities	71,565
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Pension Plan	-
<u>NET POSITION</u>	
Unrestricted	6,417,281
Total Net Position	6,417,281
TOTAL LIABILITIES , DEFERRED INFLOWS AND NET POSITION	\$ 6,488,846

See Accompanying Notes to Financial Statements.

**HOUSING AUTHORITY OF THE TOWN OF EATON
WELD COUNTY, COLORADO**

STATEMENT OF ACTIVITIES

Years Ended December 31	2024
Operating Revenue:	
Rental income - apartments	\$ 165,862
Rent supplements	115,113
Total Operating Revenue	280,975
Operating Expenses:	
Operating and maintenance:	
Salaries - maintenance	20,025
Employee benefits	5,025
Repair and maintenance materials	1,341
Building repairs and maintenance	4,575
Snow removal	9,231
Grounds maintenance	5,768
Utilities:	
Electricity	16,362
Water	4,830
Sewer	8,520
Heat	11,406
Trash	1,643
Telephone	1,774
Administrative:	
Salaries - manager	110,789
Employee benefits	20,098
Professional fees	30,260
Office supplies	2,059
Services from management company	20,750
Other	9,817
Insurance:	
Property	9,818
Depreciation	16,582
Total Operating Expenses	310,673
Operating Income	(29,698)
Nonoperating Revenue (Expenses):	
Interest income	167,596
Oil and laundry proceeds	3,234
Gain on sale of property	5,006,112
Net Nonoperating Revenue	5,176,942
Net Profit	5,147,244
Net Position, Beginning of Year	1,270,037
Net Position, End of Year	\$6,417,281

See Accompanying Notes to Financial Statements.

**HOUSING AUTHORITY OF THE TOWN OF EATON
WELD COUNTY, COLORADO**

STATEMENT OF CASH FLOWS

Years Ended December 31	2024
Cash Flows from Operating Activities:	
Cash received:	
From tenants	\$ 385,488
Rent supplements	115,113
Cash payments:	
To suppliers for goods and services	(225,981)
To employees	(229,958)
Net Cash Provided by Operating Activities	44,662
Cash Flows from Capital and Related Financing Activities:	
Oil royalties and laundry proceeds	3,234
Proceeds of sale of property	5,249,628
Net Cash Provided (Used) by Capital and Related Financing Activities	5,252,862
Cash Flows from Investing Activities:	
Purchase of short term investments	(5,435,800)
Interest on bank deposits	2,311
Net Cash Used by Investing Activities	(5,433,489)
Net Increase (Decrease) in Cash	(135,965)
Cash and Restricted Cash, beginning of year	1,011,511
Cash and Restricted Cash, end of year	\$ 875,546
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating income (loss)	\$ (29,698)
Depreciation	16,582
Change in assets and liabilities:	
Increase (decrease) in:	
Accounts receivable	110,897
Accounts payable	(69,827)
Tenant security deposits	108,729
Net pension liability and deferrals	(92,021)
Net Cash Provided by Operating Activities	\$ 44,662
Noncash Financing and Investing Activities:	
Reinvestment of interest	\$ 165,285

See Accompanying Notes to Financial Statements.

HOUSING AUTHORITY OF THE TOWN OF EATON WELD COUNTY, COLORADO

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies:

The accounting and reporting policies of the Housing Authority of the Town of Eaton (the Housing Authority) conform to accounting principles generally accepted in the United States. The following summary of significant accounting policies is presented to assist the reader in evaluating the Authority's financial statements.

Organization:

The Housing Authority of the Town of Eaton is a public corporation organized under the laws of the State of Colorado, and as such is exempt from federal income taxes. The Housing Authority was created in 1970 pursuant to Chapter 69 of Article 3, Colorado Revised Statutes, 1963, as amended, and by resolution of the Town of Eaton. The Housing Authority leases apartments to the elderly and disabled on a month-to-month basis. In 2024 the apartment buildings and land were sold to an independent party.

The financial report of the Housing Authority includes all of the integral parts of the Authority's operations. The Housing Authority has determined that it has no financial accountability for any other agency which would require it to be in the reporting entity. The Housing Authority's commissioners are appointed by the Town of Eaton, but the Town's accountability does not extend beyond making the appointments.

Basis of Presentation:

Activities of the Housing Authority are accounted for as an individual enterprise fund. Enterprise funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises.

Enterprise funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their statement of net position. Enterprise fund operating statements present increases (revenue) and decreases (expenses) in net total position.

Enterprise funds distinguish *operating* revenues from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operations. The principal operating revenues of the Housing Authority are rents and HUD rent supplements. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**HOUSING AUTHORITY OF THE TOWN OF EATON
WELD COUNTY, COLORADO**

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Basis of Presentation - Continued:

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

Accounting Method:

Enterprise fund revenue and expenses including nonexchange transactions are recognized on the accrual basis of accounting. Revenue is recognized in the year in which it is earned and becomes measurable; expenses are recognized when fund liabilities are incurred.

Property and Equipment:

Property and equipment are recorded at acquisition cost or at market value if contributed. Depreciation is computed using the straight-line method over the estimated useful lives as follows:

Category	Years
Buildings and improvements	20-40
Furnishings	5-10
Equipment	5

Expenditures for maintenance and repairs are charged to expense as incurred whereas major property replacements and betterments which extend the useful life of the asset are capitalized and subsequently depreciated. It is the Housing Authority's policy to capitalize all capital expenditures over \$1,000. When assets are sold or abandoned, the cost and accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized. The Authority has no infrastructure assets.

Rent Supplements:

The Housing Authority has executed a Housing Assistance Payments Contract with the U.S. Department of Housing and Urban Development (HUD) for a period of five years from 2010. Under the contract, HUD pays the Authority the difference between the established rental value of the apartments and the amount paid by tenants. The tenants' share of the rent is based on their income.

**HOUSING AUTHORITY OF THE TOWN OF EATON
WELD COUNTY, COLORADO**

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Deferred Outflows and Inflows of Resources:

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditures) until then. The Authority has one item that qualifies for reporting in this category: changes in the net pension liability not included in pension expense reported in the statement of net position.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Authority has one item that qualifies for reporting in this category: changes in the net pension liability not included in pension expense reported in the statement of net position.

Budget:

The Housing Authority is not covered by the Colorado Local Government Budget Law. Budget forms are submitted to HUD, but are not included in financial statements as they are not legally adopted.

Compensated Absences:

All full-time Housing Authority employees accumulate sick leave for subsequent use. These accumulations do not vest and therefore are not recognized as expenditures by the Housing Authority until used.

Employees also receive noncumulative vacation leave. No accrual of liability is made as vacation and sick leave are immaterial to the Housing Authority.

Statement of Cash Flows:

For purposes of the statement of cash flows, the Housing Authority considers all highly-liquid investments purchased with a maturity of three months or less to be cash equivalents.

HOUSING AUTHORITY OF THE TOWN OF EATON WELD COUNTY, COLORADO

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Use of Estimates:

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

Pensions:

The Housing Authority participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multi-employer defined benefit pension fund 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 and additions to/deductions from the fiduciary net position of the LGDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The Housing Authority participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by PERA. The net OPEB liability, deferred outflows and deferred inflows are not material to the financial statements. OPEB expense is included in employee benefits expense.

**HOUSING AUTHORITY OF THE TOWN OF EATON
WELD COUNTY, COLORADO**

NOTES TO FINANCIAL STATEMENTS

NOTE 2 – Changes in Capital Assets:

	Balance, 1/01/24	Additions	Deletions	Balance, 12/31/24
Land	\$ 92,179	\$ --	\$ 92,179	\$ --
Buildings	1,951,802	--	1,951,802	--
Equipment	9,181	--	9,181	--
Furnishings	102,332	--	102,332	--
Total Cost	2,155,494	--	2,155,494	--
Less Accumulated Depreciation:				
Buildings	1,790,640	15,043	1,805,683	--
Equipment	8,171	673	8,844	--
Furnishings	96,585	866	97,451	--
Total Accumulated Depreciation	1,895,396	16,582	1,911,978	--
Capital Assets, Net	\$ 260,098	(\$16,582)	\$243,516	\$ --

NOTE 3 - Cash and Investments:

The Housing Authority's bank deposits at year-end were covered by federal depository insurance up to \$250,000 with the remainder covered by the Public Deposit Protection Act.

The Colorado Public Deposit Protection Act requires financial institutions to pledge collateral having a market value of at least 102% of the aggregate public deposits not insured by federal depository insurance. Eligible collateral includes municipal bonds, U.S. government securities, mortgages, and deeds of trust.

At December 31, 2024, the Housing Authority had \$5,601,085 invested in CSAFE, an SEC rule 2a7-like investment pool. Investments are valued at the net asset value (NAV) of \$2.00 per share. The investment pools are routinely monitored by the Colorado Division of Securities with regard to operations and investments. CSAFE is rated AA+ by Fitch. The Housing Authority's investment is measured at NAV.

CSAFE portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities and certain obligations of U.S. government agencies, highest rated commercial paper and any security allowed under CRS 24-75-601. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

HOUSING AUTHORITY OF THE TOWN OF EATON WELD COUNTY, COLORADO

NOTES TO FINANCIAL STATEMENTS

NOTE 4 - PERA:

The 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 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/forms-resources/financial-reports-and-studies.

Benefits provided as of December 31, 2024. 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.

HOUSING AUTHORITY OF THE TOWN OF EATON WELD COUNTY, COLORADO

NOTES TO FINANCIAL STATEMENTS

NOTE 4 – PERA – Continued:

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. 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.

**HOUSING AUTHORITY OF THE TOWN OF EATON
WELD COUNTY, COLORADO**

NOTES TO FINANCIAL STATEMENTS

NOTE 4 – PERA – Continued:

Contributions: Eligible employees and the Housing Authority are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. § 24-51-401, *et seq.* Eligible employees are required to contribute 8 percent of their PERA-includable salary. The employer contribution requirements are summarized as follows:

	01/01/24 - 12/31/24
Employer contribution rate as a percentage of salary	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)
Amount Apportioned to the LGDTF	9.98
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	2.20
Defined contribution supplement as specified in C.R.S. § 24-51-415	.08
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	1.50
Total Employer Contribution Rate to the LGDTF	13.76%

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the Housing Authority is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from the Housing Authority were \$11,249 for the year ended December 31, 2024.

At December 31, 2024, the Housing Authority reported a liability of \$61,360 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023. Standard update procedures were used to roll forward the total pension liability to December 31, 2024. The Housing Authority proportion of the net pension liability was based on the Housing Authority contributions to the LGDTF for the calendar year 2023 relative to the total contributions of participating employers to the LGDTF.

**HOUSING AUTHORITY OF THE TOWN OF EATON
WELD COUNTY, COLORADO**

NOTES TO FINANCIAL STATEMENTS

NOTE 4 – PERA – Continued:

At December 31, 2024 the Housing Authority proportion was .01 percent, which was approximately the same as measured as of December 31, 2023.

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, 2024, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023. Standard update procedures were used to roll-forward the TPL to December 31, 2024. The Eaton Housing Authority proportion of the net pension liability was based on Eaton Housing Authority contributions to the LGDTF for the calendar year 2024 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

For the year ended December 31, 2024, the Housing Authority recognized pension expense of \$14,216. At December 31, 2024, the Housing Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

December 31, 2024	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 4,630	\$ --
Changes in assumption	1,811	-
Net difference between projected and actual earnings on pension plan investments	5,774	--
Contributions subsequent to measurement date	--	--
Total	\$ 12,215	\$ --

Deferred outflow of resources related to pensions of \$-0-, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ending December 31, 2025.

**HOUSING AUTHORITY OF THE TOWN OF EATON
WELD COUNTY, COLORADO**

NOTES TO FINANCIAL STATEMENTS

NOTE 4 – PERA – Continued:

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 Ending December 31	Amount
2025	\$ 11,228
2026	14,630
2027	(9,774)
2028	(3,869)
	\$ 12,215

Actuarial assumptions: The total pension liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Price inflation	2.30 percent
Real wage growth	0.70 percent
Wage inflation	3.00 percent
Salary increases, including wage inflation	3.2 – 11.3 percent
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25 percent
Future post-retirement benefit increases:	
PERA Benefit Structure hired prior to 1/1/07 (automatic)	1.00 percent
PERA Benefit Structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

The actuarial assumptions used in the December 31, 2023, valuation were based on the 2020 experience analysis, dated October 28, 2020, for the period January 1, 2016, through December 31, 2019. Revised economic and demographic assumptions were adopted by the PERA Board on November 20, 2020.

Based on the 2024 experience analysis, dated January 3, 2025, for the period January 1, 2020, to December 31, 2023, revised actuarial assumptions were adopted by PERA’s Board on January 17, 2025, and were effective as of December 31, 2024. The following assumptions were reflected in the roll forward calculation of the total pension liability from December 31, 2023, to December 31, 2024.

**HOUSING AUTHORITY OF THE TOWN OF EATON
WELD COUNTY, COLORADO**

NOTES TO FINANCIAL STATEMENTS

NOTE 4 – PERA – Continued:

Salary increases, including wage inflation: 3.40%-13.00%

Salary scale assumptions were altered to better reflect actual experience.

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

The estimated administrative expense as a percentage of covered payroll was increased from 0.40% to 0.45%.

The adjustments for credibility applied to the Pub-2010 mortality tables for active and retired lives, including beneficiaries, were updated based on the experience. All mortality assumptions are developed on a benefit-weighted basis. Note that in all categories, displayed as follows, the mortality tables are generationally projected using the 2024 adjusted MP-2021 projection scale.

The long-term expected return on plan assets is monitored on an ongoing basis and reviewed as part of periodic experience studies prepared every four years, and asset/liability studies, performed every three to five years for PERA. The most recent analyses were outlined in the 2024 Experience Study report dated January 3, 2025.

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 November 15, 2019, meeting, and again at the Board's September 20, 2024, meeting. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

**HOUSING AUTHORITY OF THE TOWN OF EATON
WELD COUNTY, COLORADO**

NOTES TO FINANCIAL STATEMENTS

NOTE 4 – PERA – Continued:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	51.00%	5.00%
Fixed Income	23.00%	2.60%
Private Equity	10.00%	7.60%
Real Estate	10.00%	4.10%
Alternatives	6.00%	5.20%
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 and 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. Employee Contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the 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 the 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.

**HOUSING AUTHORITY OF THE TOWN OF EATON
WELD COUNTY, COLORADO**

NOTES TO FINANCIAL STATEMENTS

NOTE 4 – PERA – Continued:

- As of December 31, 2024, measurement date, the FNP and related disclosure components for the Local Government Division reflect additional payments related to the disaffiliation of Tri-County Health as a PERA-affiliated employer, effective December 31, 2022. The additional employer disaffiliation payment allocations to the Local Government Division Trust Fund and HCTF were \$486 and \$20 respectively.
- 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 Eaton Housing Authority proportionate share of the net pension liability to changes in the discount rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.25%) or 1-percentage point higher (8.25%) than the current rate:

December 31, 2024	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability (asset)	\$ 134,304	\$ 61,360	\$ 78

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/forms-resources/financial-reports-and-studies.

HOUSING AUTHORITY OF THE TOWN OF EATON WELD COUNTY, COLORADO

NOTES TO FINANCIAL STATEMENTS

NOTE 4 – PERA – Continued:

Subsequent Event: SB 25-310, enacted June 2, 2025, and effective immediately, allows PERA to accept a series of warrants from the State Treasurer totaling \$500 million (actual dollars) on or after July 1, 2025, and before October 1, 2025. These dollars are to be proportioned over time to replace reductions to future direct distributions intended to fund the Peace Officer Training and Support Fund and, at that time, will be allocated to the appropriate Division Trust Fund(s) within PERA. SB 25-310 also allows for an alternative actuarial method to allocate the direct distribution if the allocation, based on the reported payroll of each participating division, results in an AAP assessment ratio below the 98% benchmark.

NOTE 5 - Colorado Intergovernmental Risk Sharing Agency (CIRSA):

CIRSA is a separate legal entity established by member municipalities pursuant to the provisions of Colorado Revised Statutes and the Colorado Constitution. In February, 1986, the Town Board authorized participation in the agency. The Town has participated each year since then and the Housing Authority began participation in 2012.

The purposes of CIRSA are to provide members defined liability and property coverages and to assist members to prevent and reduce losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees or officers.

The Housing Authority recognizes an expenditure for the amount paid to CIRSA annually for these coverages. The Housing Authority paid \$9,818 to CIRSA in 2024.

NOTE 6 - Contingencies:

In 1992, the Colorado voters approved the “Taxpayer’s Bill of Rights” (TABOR). TABOR requires voter approval for any new tax, tax rate increase, mill levy increase, or new debt. Voter approval is also required to increase annual property taxes, revenue, or spending by more than inflation plus a local growth factor. Spending not subject to TABOR includes that from enterprise activities, such as the Housing Authority, and federal funds. The Housing Authority believes it is in compliance with the requirements of TABOR.

**HOUSING AUTHORITY OF THE TOWN OF EATON
WELD COUNTY, COLORADO**

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ended December 31	Statutorily Required Contributions	Contributions Made	Covered Payroll	% of Covered Payroll
2024	\$ 11,200	\$ 11,200	\$ 81,750	13.7%
2023	11,250	11,250	82,116	13.7%
2022	11,800	11,800	86,086	13.7%
2021	16,948	16,948	133,446	12.7%
2020	17,195	17,195	135,604	12.7%
2019	17,429	17,429	137,453	12.7%
2018	15,810	15,810	124,683	12.7%
2017	23,113	23,113	183,463	12.7%
2016	25,022	25,022	182,643	13.7%
2015	24,293	24,293	177,323	13.7%

**HOUSING AUTHORITY OF THE TOWN OF EATON
WELD COUNTY, COLORADO**

**SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE
OF NET PENSION LIABILITY**

Year Ended December 31	Cumulative Proportion of Net Pension Liability	Cumulative Proportionate Share	Covered Payroll	% of Covered Payroll	Plan Net Position as a % of Net Pension Liability
2024	.01%	\$ 61,360	\$ 82,110	75%	90.0%
2023	.01%	73,404	82,116	80%	88.0%
2022	.01%	100,256	86,068	86%	83.0%
2021	.02%	104,225	133,445	78%	90.9%
2020	.02%	146,278	135,604	108%	86.3%
2019	.03%	389,736	137,453	283%	76.0%
2018	.03%	345,163	124,683	277%	79.4%
2017	.03%	418,606	183,463	228%	73.6%
2016	.03%	341,490	182,643	187%	76.9%
2015	.03%	277,856	177,323	157%	80.7%