

LAMAR HOUSING AUTHORITY
Lamar, Colorado

Financial Statements

With Independent Auditor's Report

December 31, 2024

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Green & Associates LLC

Certified Public Accountants & Business Consultants

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Lamar Housing Authority

Opinions

We have audited the accompanying financial statements of Lamar Housing Authority as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Lamar Housing Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Lamar Housing Authority as of December 31, 2024, and the respective changes in financial position and, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Lamar Housing Authority's basic financial statements. The Combining Schedules, Financial Data Schedules, and Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining Schedules, Financial Data Schedules, and Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 21, 2025 on our consideration of the Lamar Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Lamar Housing Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Lamar Housing Authority's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Gumm + Associates LLC". The signature is written in a cursive, flowing style.

Fort Collins, Colorado
March 21, 2025

Management Discussion and Analysis

Management Discussion and Analysis

As management of the Lamar Housing Authority (the Authority), we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended December 31, 2024.

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

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

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

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

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

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

Financial Analysis

As noted, net position may, over time serve as a useful indicator of the Authority's financial position. Assets exceeded liabilities by \$3,341,022 at the close of the most recent fiscal year.

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

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

	2024	2023	2022	Increase (Decrease) CY vs. PY
ASSETS				
Cash and equivalents	\$ 1,251,521	\$ 1,230,526	\$ 1,182,919	\$ 20,995
Other assets	23,002	7,722	36,175	15,280
Capital assets	2,753,427	2,904,667	2,904,667	(151,240)
Total Assets	<u>4,027,950</u>	<u>4,142,915</u>	<u>4,123,761</u>	<u>(114,965)</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>151,355</u>	<u>196,005</u>	<u>64,246</u>	<u>(44,650)</u>
LIABILITIES				
Current liabilities	167,731	156,325	157,845	11,406
Long term liabilities	658,691	808,881	530,148	(150,190)
Total liabilities	<u>826,422</u>	<u>965,206</u>	<u>687,993</u>	<u>(138,784)</u>
DEFERRED INFLOWS OF RESOURCES	<u>11,861</u>	<u>25,298</u>	<u>303,382</u>	<u>(13,437)</u>
NET POSITION				
Net investment in capital assets	2,316,850	2,250,670	2,333,873	66,180
Restricted	268,595	281,586	304,160	(12,991)
Unrestricted	755,577	666,184	558,590	89,393
Total Net Position	<u>\$ 3,341,022</u>	<u>\$ 3,198,440</u>	<u>\$ 3,196,623</u>	<u>\$ 142,582</u>

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

	2024	2023	2022	Increase (Decrease) CY vs. PY
Revenue:				
Operating Revenue	\$ 607,416	\$ 515,284	\$ 447,434	\$ 92,132
HUD Grants	857,644	760,398	660,686	97,246
Other Government Grants	367,500	365,608	345,313	1,892
Gain on Disposal of Assets	-	4,201	-	(4,201)
Interest Income	16,976	13,674	3,502	3,302
Total Revenue	<u>1,849,536</u>	<u>1,659,165</u>	<u>1,456,935</u>	<u>190,371</u>
Expenses:				
Operating Expenses	1,164,690	1,126,114	923,808	38,576
Housing Assistance Payments	537,532	525,831	479,402	11,701
Interest Expense	4,732	5,403	5,949	(671)
Total Expenses	<u>1,706,954</u>	<u>1,657,348</u>	<u>1,409,159</u>	<u>49,606</u>
Change in Net Position	142,582	1,817	47,776	140,765
Net Position-Beginning	3,198,440	3,196,623	3,148,847	1,817
Net Position-Ending	<u>\$ 3,341,022</u>	<u>\$ 3,198,440</u>	<u>\$ 3,196,623</u>	<u>\$ 142,582</u>

For the current fiscal year, as well as in the previous fiscal year, the Authority is able to report a positive balance in the net position. Current and other assets are increased due to increase in cash and prepaids. Liabilities remained fairly consistent throughout the year. Net position increased by \$142,582. This is primarily a result of revenues exceeding

expenditures, less depreciation, throughout the year. Long term liabilities decreased due to the changes in pension liabilities and payment of mortgages. Operating revenues increased due to higher grants. Operating expenses are increased due to a variety of items.

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

	2024	2023	2022
Cash from (for) Operating Activities	\$ (425,291)	\$ (467,818)	\$ (427,789)
Cash from Non Capital Financing Activities	687,612	600,175	526,597
Cash from (for) Capital and Related Financing Activities	(258,302)	(98,424)	(72,175)
Cash from (for) Investing Activities	16,976	13,674	3,502
Increase (Decrease)	20,995	47,607	30,135
Cash and Cash Equivalents, Beginning of Year	1,230,526	1,182,919	1,152,784
Cash and Cash Equivalents, End of Year	<u>\$ 1,251,521</u>	<u>\$ 1,230,526</u>	<u>\$ 1,182,919</u>

Capital Asset and Debt Administration

Capital Assets. The Authority's investment in capital assets as of December 31, 2024, amounts to \$2,316,850 (net of accumulated depreciation). This investment in capital assets includes land, building and improvements, machinery and equipment. The Authority's capital expenditure during fiscal year 2024 was \$186,126. The Authority had an apartment damaged by fire that was replaced with insurance proceeds. Additional information on capital assets can be found in note 5 to the accompanying financial statements.

Long Term Debt

At the end of the year, the Authority had outstanding long-term debt, excluding pension and OPEB related liabilities, of \$436,577. The Authority did not acquire any new long-term debt. The only activity in was the payment of principal and interest. The remaining changes in long-term debt were related to the pension and OPEB liabilities. Additional information on the Authority's Long-Term Debt can be found in Note 6.

Economic Factors and Next Year's Revenue

The Authority does not receive any revenue by taxes. The Authority expects to have vacancy rates vary for their units in 2025. The Authority's does not expect rental rates to be increased. The Authority expects that subsidy will not increase in 2025.

Request for Information

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

Basic Financial Statements

Lamar Housing Authority
Statement of Net Position
December 31, 2024

ASSETS

Current Assets

Cash and cash equivalents	\$ 930,032
Prepaid expenses	18,540
Accounts receivable, net	
Tenants	4,462
Cash - restricted	321,489
Total Current Assets	<u>1,274,523</u>

Noncurrent Assets

Capital assets	
Land	220,901
Buildings	6,968,756
Machinery and equipment	129,671
Less: accumulated depreciation	<u>(4,565,901)</u>
Net Capital Assets	<u>2,753,427</u>
Total Noncurrent Assets	<u>2,753,427</u>
Total Assets	<u>4,027,950</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred Outflows - Pensions	144,483
Deferred Outflows - OPEB	<u>6,872</u>
Total Deferred Outflows of Resources	<u>151,355</u>

LIABILITIES

Current Liabilities

Accounts payable	19,979
Other accrued liabilities	8,048
Tenant security deposits	52,894
Accrued compensated absences	13,873
Prepaid tenant rent	5,202
Long term debt - current portion	<u>67,735</u>
Total Current Liabilities	<u>167,731</u>

Long Term Liabilities

Net Pension Liability	269,052
Net OPEB Liability	20,797
Long term debt	<u>368,842</u>
Total Long Term Liabilities	<u>658,691</u>

Total Liabilities

826,422

DEFERRED INFLOWS OF RESOURCES

Deferred Inflows - Pensions	1,948
Deferred Inflows - OPEB	<u>9,913</u>
Total Deferred Inflows of Resources	<u>11,861</u>

Net Position

Net investment in capital assets	2,316,850
Restricted other	242,435
Restricted for housing assistance	26,160
Unrestricted	<u>755,577</u>
Total Net Position	<u>\$ 3,341,022</u>

Lamar Housing Authority
Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended December 31, 2024

Operating Revenues

Dwelling Rental - Net	\$ 493,732
Management Fee	10,000
Other	103,684
Total Operating Revenues	<u>607,416</u>

Operating Expenses

General and Administrative	343,000
Utilities	194,776
Maintenance and Operation	439,524
Depreciation	187,390
Total Operating Expenses	<u>1,164,690</u>
Operating Income (Loss)	(557,274)

Non-Operating Revenues (Expenses)

HUD Contributions and Grants	857,644
Other Government Grants	367,500
Housing Assistance Payments	(537,532)
Interest Expense	(4,732)
Interest Income	16,976
Total Non-Operating Revenues (Expenses)	<u>699,856</u>

Change in Net Position	142,582
Net Position, Beginning of Year	3,198,440
Net Position, End of Year	<u><u>\$ 3,341,022</u></u>

**Lamar Housing Authority
Statement of Cash Flows
For the Year Ended December 31, 2024**

Cash Flows From Operating Activities:

Cash Received from Tenants	\$ 611,982
Cash Payments to Tenants and suppliers	(684,848)
Cash Payments to Employees	(352,425)
Net Cash (Used) For Operating Activities	<u>(425,291)</u>

Cash Flows From Noncapital Financing Activities:

HUD Contributions and Grants	857,644
Housing Assistance Payments	(537,532)
Other Governments Grants	367,500
Net Cash Provided by Non-Capital Financing Activities	<u>687,612</u>

Cash Flows From Capital and Related Financing Activities:

Purchase of Property, Plant and Equipment	(186,126)
Repayment of Notes and Mortgage	(67,444)
Interest on Notes and Mortgage	(4,732)
Net Cash Provided by Capital and Related Financing Activities	<u>(258,302)</u>

Cash Flows from Investing Activities:

Interest Income	16,976
Net Cash Provided by Investing Activities	<u>16,976</u>

Net increase in Cash and Cash Equivalents 20,995

Cash and Cash Equivalents, Beginning	1,230,526
Cash and Cash Equivalents, Ending	<u><u>\$ 1,251,521</u></u>

Detail of cash and cash equivalents:

Cash - Unrestricted	930,032
Cash-Restricted	321,489
Total	<u><u>\$ 1,251,521</u></u>

Reconciliation of Operating Income to Net

Cash Used for Operating Activities:

Operating (Loss)	(557,274)
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Adjustments to Reconcile Operating Loss to

Net Cash Used for Operating Activities:

Depreciation and Amortization	187,390
Changes in Pension and OPEB Related Items	(50,569)
Changes in Assets and Liabilities:	
Accounts Receivable - Tenants	(3,672)
Prepaid expenses	(11,608)
Accounts Payable	(570)
Accrued Liabilities	1,787
Prepaid Tenant Rent	4,455
Accrued Compensated Absences	987
Tenant Security Deposits	3,783

(425,291)

Lamar Housing Authority
Notes to the Financial Statements
December 31, 2024

Note 1 Summary of Significant Accounting Policies

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

Financial Reporting Entity

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

Basis of Accounting

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

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

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

Lamar Housing Authority
Notes to the Financial Statements (Continued)
December 31, 2024

Note 1 Summary of Significant Accounting Policies (Continued)

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

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

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

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

Section 8 New Construction Program accounts for the financial activities associated with Strainhurst Court property and the administrative fee received from Colorado Department of Housing to administer section 8 program.

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

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

Assets, Liabilities and Net Position

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

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

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

Lamar Housing Authority
Notes to the Financial Statements (Continued)
December 31, 2024

Note 1 Summary of Significant Accounting Policies (Continued)

Assets, Liabilities and Net Position (Continued)

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

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

Buildings	20 - 50 years
Improvements	10 - 20 years
Equipment	5 - 20 years

Compensated Absences - Pursuant to its personnel policies, the Authority will compensate individual employment for up to 21 days of vacation. The Authority reports these potential payments as a liability for compensated absences. The net change in compensated absences was \$989 for the year ended.

Restricted Assets - Certain resources set aside for capital improvements, are classified as restricted assets on the balance sheet in the amount of \$242,435 because they are maintained in separate bank accounts and their use is limited by applicable loan covenants. The Authority receives payments in advance that are designated for housing assistance by the Department of Housing and Urban Development. The Section 8 Housing Choice Voucher program has cash restricted for the use of low-income housing on the statement of net position in the amount of \$26,160. The Authority maintains tenant security deposits in segregated accounts in the amount of \$52,894 that are classified as restricted cash and is offset by a corresponding liability.

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

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

Lamar Housing Authority
Notes to the Financial Statements (Continued)
December 31, 2024

Note 1 Summary of Significant Accounting Policies (Continued)

Cash Equivalents

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

Estimates

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

Budgets and Budgetary Accounting

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

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

Note 2 Cash and Investments

Cash Deposits

As of December 31, 2024, the Authority's cash deposits had a carrying balance of \$1,251,521 and a corresponding bank balance of \$1,310,759, of which \$500,000 was insured by the Federal Deposit Insurance Corporation, respectively.

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

The Colorado Divisions of Banking and Financial Services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. The Authority had \$810,759 collateralized under PDPA.

Lamar Housing Authority
Notes to the Financial Statements (Continued)
December 31, 2024

Note 2 Cash and Investments (Continued)

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority does not have a deposit policy for custodial credit risk. As of December 31, 2024, none of the Authority's bank deposits were exposed to custodial credit risk.

Investments

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

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

The Authority does not have a formal investment policy.

Note 3 Accounts Receivable

Accounts receivable balance at December 31, 2024, was comprised of the following:

Program	Tenants Receivable	Allowance for Bad Debt	Receivable Net of Allowance
Rural Development	\$ 4,082	\$ (821)	\$ 3,261
Section 8 New Construction	1,138	-	1,138
Low Rent	63	-	63
Total	<u>\$ 5,283</u>	<u>\$ (821)</u>	<u>\$ 4,462</u>

Note 4 Interprogram Receivables / Payables

The outstanding balances between programs result mainly from the time lag between the dates that (1) transactions are recorded in the accounting system, and (2) payments between programs are made. The effect of inter program transactions has been eliminated in the Statements of Net Position. The composition of inter program balances as of December 31, 2024, is as follows:

Lamar Housing Authority
Notes to the Financial Statements (Continued)
December 31, 2024

Note 4 Interprogram Receivables / Payables (Continued)

Program	Due From Other Program	Due To Other Program	Total
Housing Choice Voucher	\$ -	\$ (5,761)	\$ (5,761)
Rural Development	69,887	(1,428)	68,459
Low Rent	1,428		
Business Fee	5,761	(69,887)	(64,126)
Total	<u>\$ 77,076</u>	<u>\$ (77,076)</u>	<u>\$ -</u>

Note 5 Fixed Assets

The following is a summary of fixed assets at December 31, 2024

	Balance 12/31/2023	Additions	Deletions	Balance 12/31/2024
Nondepreciable				
Land	\$ 220,901	\$ -	\$ -	\$ 220,901
Total Nondepreciable	<u>220,901</u>	<u>-</u>	<u>-</u>	<u>220,901</u>
Depreciable				
Buildings and improvements	6,798,413	186,126	(15,783)	6,968,756
Machinery and equipment	329,132	-	(199,461)	129,671
Total Depreciable	<u>7,127,545</u>	<u>186,126</u>	<u>(215,244)</u>	<u>7,098,427</u>
TOTAL	<u>7,348,446</u>	<u>186,126</u>	<u>(215,244)</u>	<u>7,319,328</u>
Less Accumulated Depreciation	<u>(4,593,755)</u>	<u>(187,390)</u>	<u>215,244</u>	<u>(4,565,901)</u>
Total Accumulated Depreciation	<u>(4,593,755)</u>	<u>(187,390)</u>	<u>215,244</u>	<u>(4,565,901)</u>
Net Capital Assets	<u>\$ 2,754,691</u>	<u>\$ (1,264)</u>	<u>\$ -</u>	<u>\$ 2,753,427</u>

Note 6 Notes Payable

Changes in Long-term Debt during 2024 were as follows:

	Balance 12/31/2023	Additions	Reductions	Balance 12/31/2024	Due Within One Year
USDA Phase One	\$ 87,911	\$ -	\$ 14,086	\$ 73,825	\$ 13,841
USDA Phase Two	374,766	-	50,695	324,071	51,204
USDA Short Term	41,344	-	2,663	38,681	2,690
Total Long-term Debt	<u>\$ 504,021</u>	<u>\$ -</u>	<u>\$ 67,444</u>	<u>\$ 436,577</u>	<u>\$ 67,735</u>

Rural Development Note Payable (Phase I): On January 1, 2002, the Authority obtained a loan from United States Department of Agriculture Rural Development in the amount of \$364,711 with an interest rate of 1%. The loan proceeds were used for building housing. The note is secured by the buildings. The requirements to amortize the loan as of December 31, 2024 are as follows:

Lamar Housing Authority
Notes to the Financial Statements (Continued)
December 31, 2024

Note 6 Notes Payable (Continued)

Year	Principal	Interest	Total
2025	\$ 13,841	\$ 1,060	\$ 14,901
2026	14,059	842	14,901
2027	14,282	619	14,901
2028	14,507	394	14,901
2029	14,736	165	14,901
2030	2,400	8	2,408
Total	<u>\$ 73,825</u>	<u>\$ 3,088</u>	<u>\$ 76,913</u>

Rural Development Note Payable (Phase II): On January 1, 2002, the Authority obtained a loan from United States Department of Agriculture Rural Development in the amount of \$1,370,943 and carries a rate of interest of 1%. The loan proceeds were used for the construction of housing. The requirements to amortize the loan as of December 31, 2024 are as follows:

Year	Principal	Interest	Total
2025	\$ 51,204	\$ 3,007	\$ 54,211
2026	51,719	2,492	54,211
2027	52,238	1,973	54,211
2028	52,763	1,448	54,211
2029	53,293	918	54,211
2030-2031	62,854	391	63,245
Total	<u>\$ 324,071</u>	<u>\$ 10,229</u>	<u>\$ 334,300</u>

Rural Development Temporary Note Payable. - On June 15, 2005 the Authority borrowed \$60,000 from United States Department of Agriculture Rural Development for construction. The Authority borrowed additional amounts of \$21,274 on August 1, 2007 on this note. The note is unsecured and the rate of interest is 1%. The Authority started paying this loan on September 6, 2007 in monthly payments of \$255 including interest. The requirements to amortize the loan as of December 31, 2024 are as follows:

Year	Principal	Interest	Total
2025	\$ 2,690	\$ 375	\$ 3,065
2026	2,717	348	3,065
2027	2,744	321	3,065
2028	2,772	293	3,065
2029	2,799	266	3,065
2030-2034	14,425	900	15,325
2034-2038	10,534	311	10,845
Total	<u>\$ 38,681</u>	<u>\$ 2,814</u>	<u>\$ 41,495</u>

Lamar Housing Authority
Notes to the Financial Statements (Continued)
December 31, 2024

Note 7 Defined Benefit Pension Plan and Other Post Employment Benefit (OPEB)

Summary of Significant Accounting Policies

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

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

Benefits provided as of December 31, 2023. 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.

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

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

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

Lamar Housing Authority
Notes to the Financial Statements (Continued)
December 31, 2024

Note 7 Defined Benefit Pension Plan and Other Post Employment Benefit (OPEB)

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 Safety Officers 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, 2024 Eligible employees of, Lamar 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 January 1, 2024, through December 31, 2024 are summarized in the table below:

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

Lamar Housing Authority
Notes to the Financial Statements (Continued)
December 31, 2024

Note 7 Defined Benefit Pension Plan and Other Post Employment Benefit (OPEB)

	January 1, 2023 Through December 31, 2023	January 1, 2024 Through December 31, 2024
Employer contribution rate	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%)
Amount apportioned to the LGDTF	9.98%	9.98%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	2.20%	2.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	1.50%	1.50%
Defined Contribution Supplement as specified in C.R.S. § 24-51-415	0.06%	0.08%
Total employer contribution rate to the LGDTF	13.74%	13.76%

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

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the Lamar Housing Authority is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from Lamar Housing Authority were \$45,763 for the year ended December 31, 2024.

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, 2023, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022. Standard update procedures were used to roll-forward the TPL to December 31, 2023. The Lamar Housing Authority proportion of the net pension liability was based on Lamar Housing Authority contributions to the LGDTF for the calendar year 2023 relative to the total contributions of participating employers.

At December 31, 2024, the Lamar Housing Authority reported a liability of \$269,052 for its proportionate share of the net pension liability. At December 31, 2023, the Lamar Housing Authority proportion was .0366534837%, which was an increase of .0000187079% from its proportion measured as of December 31, 2022. For the year ended December 31, 2024, the Lamar Housing Authority recognized pension expense of \$(45,288). At December 31, 2024, the Lamar Housing Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Lamar Housing Authority
Notes to the Financial Statements (Continued)
December 31, 2024

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$14,560	\$275
Changes of assumptions or other inputs	0	0
Net difference between projected and actual earnings on pension plan investments	78,564	0
Changes in proportion and differences between contributions recognized and proportionate share of contributions	5,596	1,673
Contributions subsequent to the measurement date	45,763	N/A
Total	\$144,483	\$1,948

\$5,596 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. 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, 2024	
2025	\$18,878
2026	32,273
2027	66,261
2028	(20,640)
2029	0
Thereafter	0

Lamar Housing Authority
Notes to the Financial Statements (Continued)
December 31, 2024

Note 7 Defined Benefit Pension Plan and Other Post Employment Benefit (OPEB)

The TPL in the December 31, 2022, 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 Safety Officers	3.20%- 11.30%
Safety Officers	3.20%- 12.40%
Long-term investment rate of return, net of pension plan	7.25%
investment expenses, including price inflation	
Discount rate	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07	1.00%
and DPS benefit structure (compounded annually)	
PERA benefit structure hired after 12/31/06 ¹	Financed by the AIR

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

Pre-retirement mortality assumptions for members other than Safety Officers were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

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

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

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

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

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

**Lamar Housing Authority
Notes to the Financial Statements (Continued)
December 31, 2024**

Note 7 Defined Benefit Pension Plan and Other Post Employment Benefit (OPEB)

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

Disabled mortality assumptions for members other than Safety Officers were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019. Disabled mortality assumptions for Safety Officers were based upon the unadjusted PubS-2010 Disabled Retiree Table with generational projection using scale MP-2019.

The actuarial assumptions used in the December 31, 2022, valuations 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.

The long-term expected return on plan assets is reviewed as part of regularly scheduled experience studies performed at least every five years and asset/liability studies performed every three to 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%.

Lamar Housing Authority
Notes to the Financial Statements (Continued)
December 31, 2024

Note 7 Defined Benefit Pension Plan and Other Post Employment Benefit (OPEB)

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.
- 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.
- Beginning with the December 31, 2023, measurement date and thereafter, the FNP as of the current measurement date is used as a starting point for the GASB 67 projection test.
- As of the December 31, 2023, measurement date, the FNP and related disclosure components for the Local Government Division reflect payments related to the disaffiliation of Tri-County Health Department as a PERA-affiliated employer, effective December 31, 2022. As of the December 31, 2023, year-end, PERA recognized two additions for accounting and financial reporting purposes: a \$24 million payment received on December 4, 2023 and a \$2 million receivable. The employer disaffiliation payment and receivable allocations to the Local Government Division Trust Fund and HCTF were \$24.967 million and \$1.033 million, respectively.

Lamar Housing Authority
Notes to the Financial Statements (Continued)
December 31, 2024

Note 7 Defined Benefit Pension Plan and Other Post Employment Benefit (OPEB)

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 Lamar Housing Authority proportionate share of the net pension liability to changes in the discount rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25%, 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:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension	\$527,371	\$269,052	\$52,667

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.

Note 1—Significant Changes in Plan Provisions Affecting Trends in Actuarial Information
2023 Changes in Plan Provisions Since 2022

- As of the December 31, 2023, measurement date, the fiduciary net position (FNP) and related disclosure components for the Local Government Division reflect payments related to the disaffiliation of Tri-County Health Department (Tri-County Health) as a PERA-affiliated employer, effective December 31, 2022. As of the December 31, 2023, year-end, PERA recognized two additions for accounting and financial reporting purposes: a \$24 million payment received on December 4, 2023 and a \$2 million receivable. The employer disaffiliation payment and receivable allocations to the Local Government Division Trust Fund and Health Care Trust Fund (HCTF) were \$24.967 million and \$1.033 million, respectively.
- As of the December 31, 2023, measurement date, the total pension liability (TPL) recognizes the change in the default method applied for granting service accruals for certain members, from a "12-pay" method to a "non-12-pay" method. The default service accrual method for positions with an employment pattern of at least eight months but fewer than 12 months (including, but not limited to positions in the School and DPS Divisions) receive a higher ratio of service credit for each month worked, up to a maximum of 12 months of service credit per year.

Note 2—Significant Changes in Assumptions or Other Inputs Affecting Trends in Actuarial Information

2023 Changes in Assumptions or Other Inputs Since 2022

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

**Lamar Housing Authority
Notes to the Financial Statements (Continued)
December 31, 2024**

Note 7 Defined Benefit Pension Plan and Other Post Employment Benefit (OPEB)

Voluntary Investment Program (PERAPlus 401(k) Plan)

Plan Description - Employees of the Lamar Housing Authority that are also members of the LGDTF may voluntarily contribute to the Voluntary Investment Program (PERAPlus 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 PERAPlus 401(k) Plan. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy - The PERAPlus 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 Lamar Housing Authority has agreed to match employee contributions up to 0% of covered salary as determined by the Internal Revenue Service. Employees are immediately vested in their own contributions, employer contributions and investment earnings. For the year ended December 31, 2024, program members contributed \$0 and Lamar Housing Authority recognized pension expense and a liability of \$0 and \$0, respectively, for the PERAPlus 401(k) Plan.

Deferred Compensation Plan (PERAPlus 457 Plan)

Plan Description - Employees of the Lamar Housing Authority may voluntarily contribute to the Deferred Compensation Plan (PERAPlus 457 Plan), an Internal Revenue Code Section 457 deferred compensation plan administered by PERA. Title 24, Article 51, Part 16 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 PERAPlus 457 Plan. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Summary of Significant Accounting Policies

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

Lamar Housing Authority
Notes to the Financial Statements (Continued)
December 31, 2024

Note 7 Defined Benefit Pension Plan and Other Post Employment Benefit (OPEB)

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 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.

Lamar Housing Authority
Notes to the Financial Statements (Continued)
December 31, 2024

Note 7 Defined Benefit Pension Plan and Other Post Employment Benefit (OPEB)

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 Lamar Housing Authority is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from Lamar Housing Authority were \$3,664 for the year ended December 31, 2024 .

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

At December 31, 2024, the Lamar Housing Authority reported a liability of \$20,797 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2023, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2022. Standard update procedures were used to roll-forward the TOL to December 31, 2023. The Lamar Housing Authority proportion of the net OPEB liability was based on Lamar Housing Authority contributions to the HCTF for the calendar year 2023 relative to the total contributions of participating employers to the HCTF.

At December 31, 2023, the Lamar Housing Authority proportion was .0029139637%, which was a decrease of .000001077312% from its proportion measured as of December 31, 2022. For the year ended December 31, 2024 , the Lamar Housing Authority recognized OPEB expense of \$(5,281). At December 31, 2024, the Lamar 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
Difference between expected and actual experience	\$0	\$4,263
Changes of assumptions or other inputs	244	2,205
Net difference between projected and actual earnings on OPEB plan investments	643	0
Changes in proportion and differences between contributions recognized and proportionate share of contributions	2,321	3,445
Contributions subsequent to the measurement date	3,664	N/A
Total	\$6,872	\$9,913

\$3,664 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Lamar Housing Authority
Notes to the Financial Statements (Continued)
December 31, 2024

Note 7 Defined Benefit Pension Plan and Other Post Employment Benefit (OPEB)

Year ended December 31, 2024 :	
2025	(\$3,653)
2026	(2,149)
2027	(346)
2028	(955)
2029	(149)
Thereafter	547

Actuarial assumptions. The TOL in the December 31, 2022 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

	State Division	School Division	Local Government Division	Judicial Division
Actuarial cost method	Entry age			
Price inflation	2.30%			
Real wage growth	0.70%			
Wage inflation	3.00%			
Salary increases, including wage inflation				
Members other than Safety Officers	3.30%-10.90%	3.40%-11.00%		
Long-term investment rate of return, net of OPEB plan	7.25%		3.20%- 12.40%	N/A
investment expenses, including price inflation				
Discount rate	7.25%			
Health care cost trend rates				
PERA benefit structure:				
Service-based premium subsidy	0.00%			
PERACare Medicare plans ¹	7.00% in 2023, gradually decreasing to 4.50% in 2033			
Medicare Part A premiums	3.50% in 2023, gradually increasing to 4.50% in 2035			
Service-based premium subsidy	0.00%			
PERACare Medicare plans	N/A			
Medicare Part A premiums	N/A			

Lamar Housing Authority
Notes to the Financial Statements (Continued)
December 31, 2024

Note 7 Defined Benefit Pension Plan and Other Post Employment Benefit (OPEB)

Each year the per capita health care costs are developed by plan option; currently based on 2023 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
65-68	2.2%	2.3%
69	2.8%	2.2%
70	2.7%	1.6%
71	3.1%	0.5%
72	2.3%	0.7%
73	1.2%	0.8%
74	0.9%	1.5%
75-85	0.9%	1.3%
86 and over	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	\$1,692	\$1,406	\$579	\$481	\$1,913	\$1,589
70	\$1,901	\$1,573	\$650	\$538	\$2,149	\$1,778
75	\$2,100	\$1,653	\$718	\$566	\$2,374	\$1,869

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	\$6,469	\$5,373	\$4,198	\$3,487	\$6,719	\$5,581
70	\$7,266	\$6,011	\$4,715	\$3,900	\$7,546	\$6,243
75	\$8,026	\$6,319	\$5,208	\$4,101	\$8,336	\$6,563

The 2023 Medicare Part A premium is \$506 per month.

All costs are subject to the health care cost trend rates, as discussed below.

Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated

Lamar Housing Authority
Notes to the Financial Statements (Continued)
December 31, 2024

Note 7 Defined Benefit Pension Plan and Other Post Employment Benefit (OPEB)

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, 2022, 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
2023	7.00%	3.50%
2024	6.75%	3.50%
2025	6.50%	3.75%
2026	6.25%	3.75%
2027	6.00%	4.00%
2028	5.75%	4.00%
2029	5.50%	4.00%
2030	5.25%	4.25%
2031	5.00%	4.25%
2032	4.75%	4.25%
2033	4.50%	4.25%
2034	4.50%	4.25%
2035+	4.50%	4.50%

Mortality assumptions used in the December 31, 2022, 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.

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

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

Lamar Housing Authority
Notes to the Financial Statements (Continued)
December 31, 2024

Note 7 Defined Benefit Pension Plan and Other Post Employment Benefit (OPEB)

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

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

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

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

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

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

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

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

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

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

Disabled mortality assumptions for members other than Safety Officers were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.

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

Lamar Housing Authority
Notes to the Financial Statements (Continued)
December 31, 2024

Note 7 Defined Benefit Pension Plan and Other Post Employment Benefit (OPEB)

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, 2022, 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 2023 plan year.
- The morbidity rates used to estimate individual retiree and spouse costs by age and by gender were updated effective for the December 31, 2022, actuarial valuation. The revised morbidity rate factors are based on a review of historical claims experience by age, gender, and status (active versus retired) from actuary's claims data warehouse.
- 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.

Actuarial assumptions pertaining to per capita health care costs and their related trend rates are analyzed and updated annually by PERA Board's actuary, as discussed above.

The actuarial assumptions used in the December 31, 2022, valuations were based on the 2020 experience analysis, dated October 28, 2020, and November 4, 2020, for the period January 1, 2016, through December 31, 2019. Revised economic and demographic assumptions were adopted by PERA's Board on November 20, 2020.

The long-term expected return on plan assets is reviewed as part of regularly scheduled experience studies performed at least every five years, and asset/liability studies, performed every three to 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:

Lamar Housing Authority
Notes to the Financial Statements (Continued)
December 31, 2024

Asset Class	Target Allocation	30 Year Geometric Real Rate of Expected
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 Lamar Housing Authority proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates. The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate ¹	5.75%	6.75%	7.75%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	2.50%	3.50%	4.50%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	\$24,565	\$20,797	\$17,575

¹For the January 1, 2024, 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, 2023, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.

Lamar Housing Authority
Notes to the Financial Statements (Continued)
December 31, 2024

Note 7 Defined Benefit Pension Plan and Other Post Employment Benefit (OPEB)

- 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.
- Beginning with the December 31, 2023, measurement date and thereafter, the FNP as of the current measurement date is used as a starting point for the GASB 74 projection test.
- As of the December 31, 2023, measurement date, the FNP and related disclosure components for the HCTF reflect payments related to the disaffiliation of Tri-County Health Department as a PERA-affiliated employer, effective December 31, 2022. As of the December 31, 2023, year-end, PERA recognized two additions for accounting and financial reporting purposes: a \$24 million payment received on December 4, 2023, and a \$2 million receivable. The employer disaffiliation payment and receivable allocations to the HCTF and Local Government Division Trust Fund were \$1.033 million and \$24.967 million, respectively.

Based on the above assumptions and methods, the FNP for the HCTF 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 Lamar Housing Authority proportionate share of the net OPEB liability to changes in the discount rate. The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-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	\$24,565	\$20,797	\$17,575

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.

Note 1—Significant Changes in Plan Provisions Affecting Trends in Actuarial Information
2023 Changes in Plan Provisions Since 2022

- As of the December 31, 2023, measurement date, the fiduciary net position (FNP) and related disclosure components for the Health Care Trust Fund (HCTF) reflect payments related to the disaffiliation of Tri-County Health Department (Tri-County

Lamar Housing Authority
Notes to the Financial Statements (Continued)
December 31, 2024

Note 7 Defined Benefit Pension Plan and Other Post Employment Benefit (OPEB)

Health) as a PERA-affiliated employer, effective December 31, 2022. As of the December 31, 2023, year-end, PERA recognized two additions for accounting and financial reporting purposes: a \$24 million payment received on December 4, 2023, and a \$2 million receivable. The employer disaffiliation payment and receivable allocations to the HCTF and Local Government Division Trust Fund were \$1.033 million and \$24.967 million, respectively.

Note 2—Significant Changes in Assumptions or Other Inputs Affecting Trends in Actuarial Information

2023 Changes in Assumptions or Other Inputs Since 2022

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

Note 9 Contingencies and Commitments

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

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

The Authority participates in a number of federal, state, and local programs that are fully or partially funded by grants received from other governmental units. Expenses financed by grants are subject to audit by the appropriate grantor government. If expenses are disallowed due to noncompliance with grant program regulations, the Authority may be required to reimburse the grantor government. As of December 31, 2024, significant amounts of grant expenses have not been audited, but the Authority believes that disallowed expenses, if any, based on subsequent audits will not have a material effect on any of the individual funds or the overall financial position of the Authority.

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

Required Supplemental Information

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Authority's proportion of the net pension liability	0.0366534837%	0.0347826937%	0.0378718209%	0.0310579188%	0.0368114913%	0.0383575118%	0.0365651199%	0.0352950779%	0.0367209739%	0.0387098781%
Authority's proportional share of the net pension liability (asset)	\$ 269,052	\$ 348,719	\$ (32,470)	\$ 189,871	\$ 269,237	\$ 482,236	\$ 406,535	\$ 476,604	\$ 404,511	\$ 346,960
Authority's covered payroll	328,157	284,767	287,055	262,194	251,583	238,659	218,035	205,077	206,616	226,279
Authority's percentage of net pension liability as a percent of covered payroll	82%	122%	-11%	72%	107%	202%	186%	232%	196%	153%
Total pension liability	6,131,113,000	5,895,159,000	5,758,380,000	5,715,765,000	5,324,353,000	5,228,602,000	5,396,516,000	5,123,847,000	4,762,090,000	4,647,777,000
Plan fiduciary net position	5,397,072,000	4,892,596,000	5,844,117,000	5,194,638,000	4,592,962,000	3,971,389,000	4,283,086,000	3,773,506,000	3,660,509,000	3,751,468,000
Net pension liability	<u>\$ 734,041,000</u>	<u>\$ 1,002,563,000</u>	<u>\$ (85,737,000)</u>	<u>\$ 521,127,000</u>	<u>\$ 731,391,000</u>	<u>\$ 1,257,213,000</u>	<u>\$ 1,113,430,000</u>	<u>\$ 1,350,341,000</u>	<u>\$ 1,101,581,000</u>	<u>\$ 896,309,000</u>
Plan fiduciary net position as a percentage of the total pension liability	88.0%	83.0%	101.5%	90.9%	86.3%	76.0%	79.4%	73.6%	76.9%	80.7%
Net pension liability as a percentage of covered payroll	82%	122%	-11%	72%	107%	202%	186%	232%	196%	153%

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Statutorily Required Contribution	\$ 45,089	\$ 38,333	\$ 34,610	\$ 33,259	\$ 31,901	\$ 30,262	\$ 29,731	\$ 27,647	\$ 26,004	\$ 26,199
Contributions in Relation to the Statutorily Required Contribution	45,089	38,333	34,610	33,259	31,901	30,262	29,731	27,647	26,004	26,199
Contribution Deficiency (Excess)	-	-	-	-	-	-	-	-	-	-
Covered Payroll	\$ 328,157	\$ 284,767	\$ 287,055	\$ 262,194	\$ 251,583	\$ 238,659	\$ 218,035	\$ 205,077	\$ 206,616	\$ 226,279
Contributions as a % of Covered Payroll	13.74%	13.46%	12.06%	12.68%	12.68%	12.68%	13.64%	13.48%	12.59%	11.58%

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

	2023	2022	2021	2020	2019	2018	2017	2016
Authority's proportion of the net pension liability	0.0029139637%	0.0028062325%	0.0029440535%	0.0027785688%	0.0028193144%	0.0029746262%	0.0028371532%	0.0027093774%
Authority's proportional share of the net OPEB liability	\$ 20,797	\$ 22,912	\$ 25,386	\$ 26,402	\$ 31,689	\$ 40,471	\$ 36,872	\$ 35,211
Authority's covered payroll	328,157	284,767	287,055	262,194	251,583	238,659	218,035	205,077
Authority's percentage of net OPEB liability as a percent of covered payroll	6%	8%	9%	10%	13%	17%	17%	17%
Total OPEB liability	1,325,637,000	1,329,183,000	1,423,054,000	1,413,526,000	1,488,508,000	1,639,734,000	1,575,822,000	1,556,762,000
Plan fiduciary net position	611,911,000	512,704,000	560,749,000	463,301,000	364,510,000	279,192,000	276,222,000	260,228,000
Net OPEB liability	<u>\$ 713,726,000</u>	<u>\$ 816,479,000</u>	<u>\$ 862,305,000</u>	<u>\$ 950,225,000</u>	<u>\$ 1,123,998,000</u>	<u>\$ 1,360,542,000</u>	<u>\$ 1,299,600,000</u>	<u>\$ 1,296,534,000</u>
Plan fiduciary net position as a percentage of the total OPEB liability	46.2%	38.6%	39.4%	32.8%	24.5%	17.0%	17.5%	16.7%
Net OPEB liability as a percentage of covered payroll	6%	8%	9%	10%	13%	17%	17%	17%

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

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

	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily Required Contribution	\$ 3,347	\$ 2,905	\$ 2,928	\$ 2,674	\$ 2,566	\$ 2,434	\$ 2,224	\$ 2,092
Contributions in Relation to the Statutorily Required Contribution	3,347	2,905	2,928	2,674	2,566	2,434	2,224	2,092
Contribution Deficiency (Excess)	-	-	-	-	-	-	-	-
Covered Payroll	\$ 328,157	\$ 284,767	\$ 287,055	\$ 262,194	\$ 251,583	\$ 238,659	\$ 218,035	\$ 205,077
Contributions as a % of Covered Payroll	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%

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

Other Supplemental Information

Lamar Housing Authority
Combining Schedule of Program Net Position
December 31, 2024

	Low Rent	Housing Choice Vouchers	Rural Development	Section 8 New Construction	Business Fee	Total
ASSETS						
Current Assets						
Cash and cash equivalents	\$ 271,046	\$ 138,990	\$ -	\$ 498,237	\$ 237,013	\$ 1,145,286
Prepaid expenses	4,779	2,560	4,949	4,779	1,473	18,540
Accounts receivable, net						
Tenants	63	-	3,261	1,138	-	4,462
Due from other programs	1,428	-	69,887	-	9,349	80,664
Cash - restricted	8,966	26,160	272,379	13,984	-	321,489
Total Current Assets	<u>286,282</u>	<u>167,710</u>	<u>350,476</u>	<u>518,138</u>	<u>247,835</u>	<u>1,570,441</u>
Noncurrent Assets						
Capital assets						
Land	35,957	-	147,012	37,932	-	220,901
Buildings	1,495,938	-	4,070,035	1,402,783	-	6,968,756
Machinery and equipment	69,572	-	19,932	25,167	15,000	129,671
Less: accumulated depreciation	(1,092,633)	-	(2,254,837)	(1,203,431)	(15,000)	(4,565,901)
Net Capital Assets	<u>508,834</u>	<u>-</u>	<u>1,982,142</u>	<u>262,451</u>	<u>-</u>	<u>2,753,427</u>
Total Noncurrent Assets	<u>508,834</u>	<u>-</u>	<u>1,982,142</u>	<u>262,451</u>	<u>-</u>	<u>2,753,427</u>
Total Assets	<u>795,116</u>	<u>167,710</u>	<u>2,332,618</u>	<u>780,589</u>	<u>247,835</u>	<u>4,323,868</u>
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Outflows - Pensions	44,196	18,635	30,110	44,946	6,596	144,483
Deferred Outflows - OPEB	2,102	886	1,432	2,138	314	6,872
Total Deferred Outflows of Resources	<u>46,298</u>	<u>19,521</u>	<u>31,542</u>	<u>47,084</u>	<u>6,910</u>	<u>151,355</u>
LIABILITIES						
Current Liabilities						
Accounts payable	-	-	-	-	19,979	19,979
Bank overdraft	-	-	215,254	-	-	215,254
Other accrued liabilities	-	-	-	-	8,048	8,048
Tenant security deposits	8,966	-	29,944	13,984	-	52,894
Accrued compensated absences	4,441	1,434	2,643	4,504	851	13,873
Prepaid tenant rent	318	-	2,305	2,579	-	5,202
Due to other programs	-	9,349	1,428	-	69,887	80,664
Long term debt - current portion	-	-	67,735	-	-	67,735
Total Current Liabilities	<u>13,725</u>	<u>10,783</u>	<u>319,309</u>	<u>21,067</u>	<u>98,765</u>	<u>463,649</u>
Long Term Liabilities						
Net Pension Liability	82,300	34,702	56,070	83,697	12,283	269,052
Net OPEB Liability	6,362	2,682	4,334	6,470	949	20,797
Long term debt	-	-	368,842	-	-	368,842
Total Long Term Liabilities	<u>88,662</u>	<u>37,384</u>	<u>429,246</u>	<u>90,167</u>	<u>13,232</u>	<u>658,691</u>
Total Liabilities	<u>102,387</u>	<u>48,167</u>	<u>748,555</u>	<u>111,234</u>	<u>111,997</u>	<u>1,122,340</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred Inflows - Pensions	596	251	406	606	89	1,948
Deferred Inflows - OPEB	3,032	1,278	2,066	3,084	453	9,913
Total Deferred Inflows of Resources	<u>3,628</u>	<u>1,529</u>	<u>2,472</u>	<u>3,690</u>	<u>542</u>	<u>11,861</u>
Net Position						
Net investment in capital assets	508,834	-	1,545,565	262,451	-	2,316,850
Restricted - other	-	-	242,435	-	-	242,435
Restricted for housing assistance	-	26,160	-	-	-	26,160
Unrestricted	226,565	111,375	(174,867)	450,298	142,206	755,577
Total Net Position	<u>\$ 735,399</u>	<u>\$ 137,535</u>	<u>\$ 1,613,133</u>	<u>\$ 712,749</u>	<u>\$ 142,206</u>	<u>\$ 3,341,022</u>

Lamar Housing Authority
Combining Schedule of Program Revenues, Expenses and Changes in Net Position
December 31, 2024

	Low Rent	Housing Choice Vouchers	Rural Development	Section 8 New Construction	Business Fee	Total
Operating Revenues						
Dwelling Rental - Net	\$ 140,751	\$ -	\$ 164,804	\$ 188,177	\$ -	\$ 493,732
Management Fee	-	-	-	-	10,000	10,000
Other	-	1,080	75,855	24,192	2,557	103,684
Total Operating Revenues	140,751	1,080	240,659	212,369	12,557	607,416
Operating Expenses						
General and Administrative	90,571	85,460	51,510	91,919	23,540	343,000
Utilities	49,758	-	51,421	90,006	3,591	194,776
Maintenance and Operation	118,577	-	180,598	139,641	708	439,524
Depreciation	42,677	-	111,017	33,696	-	187,390
Total Operating Expenses	301,583	85,460	394,546	355,262	27,839	1,164,690
Operating Income (Loss)	(160,832)	(84,380)	(153,887)	(142,893)	(15,282)	(557,274)
Non-Operating Revenues (Expenses)						
HUD Contributions and Grants	226,765	630,879	-	-	-	857,644
Other Government Grants	-	-	237,997	129,503	-	367,500
Housing Assistance Payments	-	(537,532)	-	-	-	(537,532)
Interest Expense	-	-	(4,732)	-	-	(4,732)
Interest Income	5,791	739	5,374	4,339	733	16,976
Total Non-Operating Revenues (Expenses)	232,556	94,086	238,639	133,842	733	699,856
Income (Loss) Before Transfers and Capital	71,724	9,706	84,752	(9,051)	(14,549)	142,582
Transferees In (Out)	-	-	-	-	-	-
Change in Net Position	71,724	9,706	84,752	(9,051)	(14,549)	142,582
Net Position, Beginning of Year	663,675	127,829	1,528,381	721,800	156,755	3,198,440
Net Position, End of Year	\$ 735,399	\$ 137,535	\$ 1,613,133	\$ 712,749	\$ 142,206	\$ 3,341,022

Housing Authority of the City of Lamar (CO006)

Lamar, CO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2024

	Project Total	14.182 N/C S/R Section 8 Programs	1 Business Activities	10.415 Rural Rental Housing Loans	14.871 Housing Choice Vouchers	10.427 Rural Rental Assistance Payments	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$271,046	\$498,237	\$237,013		\$138,990		\$1,145,286		\$1,145,286
112 Cash - Restricted - Modernization and Development						\$242,435	\$242,435		\$242,435
113 Cash - Other Restricted					\$26,160		\$26,160		\$26,160
114 Cash - Tenant Security Deposits	\$8,966	\$13,984				\$29,944	\$52,894		\$52,894
115 Cash - Restricted for Payment of Current Liabilities									
100 Total Cash	\$280,012	\$512,221	\$237,013	\$0	\$165,150	\$272,379	\$1,466,775	\$0	\$1,466,775
121 Accounts Receivable - PHA Projects									
122 Accounts Receivable - HUD Other Projects									
124 Accounts Receivable - Other Government									
125 Accounts Receivable - Miscellaneous									
126 Accounts Receivable - Tenants	\$63	\$1,138				\$4,082	\$5,283		\$5,283
126.1 Allowance for Doubtful Accounts - Tenants	\$0	\$0				-\$821	-\$821		-\$821
126.2 Allowance for Doubtful Accounts - Other									
127 Notes, Loans, & Mortgages Receivable - Current									
128 Fraud Recovery									
128.1 Allowance for Doubtful Accounts - Fraud									
129 Accrued Interest Receivable									
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$63	\$1,138	\$0	\$0	\$0	\$3,261	\$4,462	\$0	\$4,462
131 Investments - Unrestricted									
132 Investments - Restricted									
135 Investments - Restricted for Payment of Current Liability									
142 Prepaid Expenses and Other Assets	\$4,779	\$4,779	\$1,473		\$2,560	\$4,949	\$18,540		\$18,540
143 Inventories									
143.1 Allowance for Obsolete Inventories									
144 Inter Program Due From	\$1,428		\$9,349			\$69,887	\$80,664	-\$80,664	\$0
145 Assets Held for Sale									
150 Total Current Assets	\$286,282	\$518,138	\$247,835	\$0	\$167,710	\$350,476	\$1,570,441	-\$80,664	\$1,489,777
161 Land	\$35,957	\$37,932				\$147,012	\$220,901		\$220,901
162 Buildings	\$1,495,938	\$1,402,783				\$4,070,035	\$6,968,756		\$6,968,756
163 Furniture, Equipment & Machinery - Dwellings	\$69,572	\$25,167				\$19,932	\$114,671		\$114,671
164 Furniture, Equipment & Machinery - Administration			\$15,000				\$15,000		\$15,000
165 Leasehold Improvements									
166 Accumulated Depreciation	-\$1,092,633	-\$1,203,431	-\$15,000			-\$2,254,837	-\$4,565,901		-\$4,565,901
167 Construction in Progress									
168 Infrastructure									
160 Total Capital Assets, Net of Accumulated Depreciation	\$508,834	\$262,451	\$0	\$0	\$0	\$1,982,142	\$2,753,427	\$0	\$2,753,427
171 Notes, Loans and Mortgages Receivable - Non-Current						\$0	\$0		\$0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due									
173 Grants Receivable - Non Current									
174 Other Assets									
176 Investments in Joint Ventures									
180 Total Non-Current Assets	\$508,834	\$262,451	\$0	\$0	\$0	\$1,982,142	\$2,753,427	\$0	\$2,753,427
200 Deferred Outflow of Resources	\$46,298	\$47,084	\$6,910		\$19,521	\$31,542	\$151,355		\$151,355
290 Total Assets and Deferred Outflow of Resources	\$841,414	\$827,673	\$254,745	\$0	\$187,231	\$2,364,160	\$4,475,223	-\$80,664	\$4,394,559

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

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2024

	Project Total	14.182 N/C S/R Section 8 Programs	1 Business Activities	10.415 Rural Rental Housing Loans	14.871 Housing Choice Vouchers	10.427 Rural Rental Assistance Payments	Subtotal	ELIM	Total
311 Bank Overdraft						\$215,254	\$215,254		\$215,254
312 Accounts Payable <= 90 Days			\$19,979				\$19,979		\$19,979
313 Accounts Payable >90 Days Past Due									
321 Accrued Wage/Payroll Taxes Payable			\$8,048				\$8,048		\$8,048
322 Accrued Compensated Absences - Current Portion	\$4,441	\$4,504	\$851		\$1,434	\$2,643	\$13,873		\$13,873
324 Accrued Contingency Liability									
325 Accrued Interest Payable									
331 Accounts Payable - HUD PHA Programs									
332 Account Payable - PHA Projects									
333 Accounts Payable - Other Government									
341 Tenant Security Deposits	\$8,966	\$13,984				\$29,944	\$52,894		\$52,894
342 Unearned Revenue	\$318	\$2,579				\$2,305	\$5,202		\$5,202
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue						\$67,735	\$67,735		\$67,735
344 Current Portion of Long-term Debt - Operating Borrowings									
345 Other Current Liabilities									
346 Accrued Liabilities - Other									
347 Inter Program - Due To		\$0	\$69,887		\$9,349	\$1,428	\$80,664	-\$80,664	\$0
348 Loan Liability - Current									
310 Total Current Liabilities	\$13,725	\$21,067	\$98,765	\$0	\$10,783	\$319,309	\$463,649	-\$80,664	\$382,985
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue						\$368,842	\$368,842		\$368,842
352 Long-term Debt, Net of Current - Operating Borrowings									
353 Non-current Liabilities - Other									
354 Accrued Compensated Absences - Non Current									
355 Loan Liability - Non Current									
356 FASB 5 Liabilities									
357 Accrued Pension and OPEB Liabilities	\$88,662	\$90,167	\$13,232		\$37,384	\$60,404	\$289,849		\$289,849
350 Total Non-Current Liabilities	\$88,662	\$90,167	\$13,232	\$0	\$37,384	\$429,246	\$658,691	\$0	\$658,691
300 Total Liabilities	\$102,387	\$111,234	\$111,997	\$0	\$48,167	\$748,555	\$1,122,340	-\$80,664	\$1,041,676
400 Deferred Inflow of Resources	\$3,628	\$3,690	\$542		\$1,529	\$2,472	\$11,861		\$11,861
508.4 Net Investment in Capital Assets	\$508,834	\$262,451	\$0	\$0	\$0	\$1,545,565	\$2,316,850		\$2,316,850
511.4 Restricted Net Position	\$0	\$0	\$0	\$0	\$26,160	\$242,435	\$268,595		\$268,595
512.4 Unrestricted Net Position	\$226,565	\$450,298	\$142,206	\$0	\$111,375	-\$174,867	\$755,577		\$755,577
513 Total Equity - Net Assets / Position	\$735,399	\$712,749	\$142,206	\$0	\$137,535	\$1,613,133	\$3,341,022	\$0	\$3,341,022
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$841,414	\$827,673	\$254,745	\$0	\$187,231	\$2,364,160	\$4,475,223	-\$80,664	\$4,394,559

Housing Authority of the City of Lamar (CO006)

Lamar, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2024

	Project Total	14.182 N/C S/R Section 8 Programs	1 Business Activities	10.415 Rural Rental Housing Loans	14.871 Housing Choice Vouchers	10.427 Rural Rental Assistance Payments	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$127,576	\$188,177				\$152,062	\$467,815		\$467,815
70400 Tenant Revenue - Other	\$13,175	\$24,192				\$12,742	\$50,109		\$50,109
70500 Total Tenant Revenue	\$140,751	\$212,369	\$0	\$0	\$0	\$164,804	\$517,924		\$517,924
70600 HUD PHA Operating Grants	\$226,765				\$630,879		\$857,644		\$857,644
70610 Capital Grants									
70710 Management Fee									
70720 Asset Management Fee									
70730 Book Keeping Fee									
70740 Front Line Service Fee									
70750 Other Fees									
70700 Total Fee Revenue									
70800 Other Government Grants		\$129,503				\$237,997	\$367,500		\$367,500
71100 Investment Income - Unrestricted	\$5,791	\$4,339	\$733			\$5,374	\$16,237		\$16,237
71200 Mortgage Interest Income									
71300 Proceeds from Disposition of Assets Held for Sale									
71310 Cost of Sale of Assets									
71400 Fraud Recovery									
71500 Other Revenue			\$13,058		\$1,079	\$75,855	\$89,992		\$89,992
71600 Gain or Loss on Sale of Capital Assets									
72000 Investment Income - Restricted					\$739		\$739		\$739
70000 Total Revenue	\$373,307	\$346,211	\$13,791	\$0	\$632,697	\$484,030	\$1,850,036		\$1,850,036
91100 Administrative Salaries	\$47,578	\$47,578	\$16,134		\$45,582	\$13,122	\$169,994		\$169,994
91200 Auditing Fees	\$3,990	\$3,990			\$2,138	\$4,132	\$14,250		\$14,250
91300 Management Fee					\$10,000		\$10,000		\$10,000
91310 Book-keeping Fee	\$1,178	\$1,178			\$1,178	\$1,178	\$4,712		\$4,712
91400 Advertising and Marketing	\$33				\$6	\$59	\$98		\$98
91500 Employee Benefit contributions - Administrative	\$27,022	\$27,514	\$4,782		\$11,430	\$20,299	\$91,047		\$91,047
91600 Office Expenses	\$10,306	\$7,985	\$222		\$5,013	\$7,210	\$30,736		\$30,736
91700 Legal Expense		\$1,185				\$1,062	\$2,247		\$2,247
91800 Travel									
91810 Allocated Overhead									
91900 Other									
91000 Total Operating - Administrative	\$90,107	\$89,430	\$21,138	\$0	\$75,347	\$47,062	\$323,084		\$323,084
92000 Asset Management Fee									
92100 Tenant Services - Salaries									
92200 Relocation Costs									
92300 Employee Benefit Contributions - Tenant Services									
92400 Tenant Services - Other									
92500 Total Tenant Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
93100 Water	\$8,488	\$16,708	\$982			\$28,085	\$54,263		\$54,263
93200 Electricity	\$24,843	\$44,896	\$1,782			\$10,338	\$81,859		\$81,859
93300 Gas	\$4,297	\$9,409	\$671			\$4,509	\$18,886		\$18,886
93400 Fuel									
93500 Labor									
93600 Sewer	\$1,185	\$754	\$156			\$8,376	\$10,471		\$10,471

Housing Authority of the City of Lamar (CO006)

Lamar, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2024

	Project Total	14.182 N/C S/R Section 8 Programs	1 Business Activities	10.415 Rural Rental Housing Loans	14.871 Housing Choice Vouchers	10.427 Rural Rental Assistance Payments	Subtotal	ELIM	Total
93700 Employee Benefit Contributions - Utilities									
93800 Other Utilities Expense	\$10,945	\$18,239				\$112	\$29,296		\$29,296
93000 Total Utilities	\$49,758	\$90,006	\$3,591	\$0	\$0	\$51,420	\$194,775		\$194,775
94100 Ordinary Maintenance and Operations - Labor	\$60,528	\$62,362				\$60,528	\$183,418		\$183,418
94200 Ordinary Maintenance and Operations - Materials and Other	\$29,835	\$44,961	\$137			\$80,172	\$155,105		\$155,105
94300 Ordinary Maintenance and Operations Contracts	\$6,290	\$9,562	\$571			\$17,776	\$34,199		\$34,199
94500 Employee Benefit Contributions - Ordinary Maintenance									
94000 Total Maintenance	\$96,653	\$116,885	\$708	\$0	\$0	\$158,476	\$372,722		\$372,722
95100 Protective Services - Labor									
95200 Protective Services - Other Contract Costs	\$665	\$3,494				\$809	\$4,968		\$4,968
95300 Protective Services - Other									
95500 Employee Benefit Contributions - Protective Services									
95000 Total Protective Services	\$665	\$3,494	\$0	\$0	\$0	\$809	\$4,968		\$4,968
96110 Property Insurance	\$21,259	\$18,664			\$10,494	\$21,313	\$71,730		\$71,730
96120 Liability Insurance									
96130 Workmen's Compensation									
96140 All Other Insurance									
96100 Total Insurance Premiums	\$21,259	\$18,664	\$0	\$0	\$10,494	\$21,313	\$71,730		\$71,730
96200 Other General Expenses		\$598	\$2,923			\$502	\$4,023		\$4,023
96210 Compensated Absences	\$464	\$470	-\$20		-\$382	\$456	\$988		\$988
96300 Payments in Lieu of Taxes									
96400 Bad debt - Tenant Rents		\$2,019				\$3,491	\$5,510		\$5,510
96500 Bad debt - Mortgages									
96600 Bad debt - Other									
96800 Severance Expense									
96000 Total Other General Expenses	\$464	\$3,087	\$2,903	\$0	-\$382	\$4,449	\$10,521		\$10,521
96710 Interest of Mortgage (or Bonds) Payable						\$4,732	\$4,732		\$4,732
96720 Interest on Notes Payable (Short and Long Term)									
96730 Amortization of Bond Issue Costs									
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0	\$4,732	\$4,732		\$4,732
96900 Total Operating Expenses	\$258,906	\$321,566	\$28,340	\$0	\$85,459	\$288,261	\$982,532		\$982,532
97000 Excess of Operating Revenue over Operating Expenses	\$114,401	\$24,645	-\$14,549	\$0	\$547,238	\$195,769	\$867,504		\$867,504
97100 Extraordinary Maintenance									
97200 Casualty Losses - Non-capitalized									
97300 Housing Assistance Payments					\$537,532		\$537,532		\$537,532
97350 HAP Portability-In									
97400 Depreciation Expense	\$42,677	\$33,696				\$111,017	\$187,390		\$187,390
97500 Fraud Losses									
97600 Capital Outlays - Governmental Funds									
97700 Debt Principal Payment - Governmental Funds									
97800 Dwelling Units Rent Expense									
90000 Total Expenses	\$301,583	\$355,262	\$28,340	\$0	\$622,991	\$399,278	\$1,707,454		\$1,707,454

Housing Authority of the City of Lamar (CO006)

Lamar, CO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2024

	Project Total	14.182 N/C S/R Section 8 Programs	1 Business Activities	10.415 Rural Rental Housing Loans	14.871 Housing Choice Vouchers	10.427 Rural Rental Assistance Payments	Subtotal	ELIM	Total
10010 Operating Transfer In	\$226,765						\$226,765		\$226,765
10020 Operating transfer Out	-\$226,765						-\$226,765		-\$226,765
10030 Operating Transfers from/to Primary Government									
10040 Operating Transfers from/to Component Unit									
10050 Proceeds from Notes, Loans and Bonds									
10060 Proceeds from Property Sales									
10070 Extraordinary Items, Net Gain/Loss									
10080 Special Items (Net Gain/Loss)									
10091 Inter Project Excess Cash Transfer In									
10092 Inter Project Excess Cash Transfer Out									
10093 Transfers between Program and Project - In									
10094 Transfers between Project and Program - Out									
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$71,724	-\$9,051	-\$14,549	\$0	\$9,706	\$84,752	\$142,582		\$142,582
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0	\$67,735	\$67,735		\$67,735
11030 Beginning Equity	\$663,675	\$721,800	\$156,755	\$0	\$127,829	\$1,528,381	\$3,198,440		\$3,198,440
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors									
11050 Changes in Compensated Absence Balance									
11060 Changes in Contingent Liability Balance									
11070 Changes in Unrecognized Pension Transition Liability									
11080 Changes in Special Term/Severance Benefits Liability									
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents									
11100 Changes in Allowance for Doubtful Accounts - Other									
11170 Administrative Fee Equity					\$111,375		\$111,375		\$111,375
11180 Housing Assistance Payments Equity					\$26,160		\$26,160		\$26,160
11190 Unit Months Available	360	600	0	0	1284	720	2964		2964
11210 Number of Unit Months Leased	355	584	0	0	1156	645	2740		2740
11270 Excess Cash	\$246,203						\$246,203		\$246,203
11610 Land Purchases	\$0						\$0		\$0
11620 Building Purchases	\$916,625						\$916,625		\$916,625
11630 Furniture & Equipment - Dwelling Purchases	\$18,500						\$18,500		\$18,500
11640 Furniture & Equipment - Administrative Purchases	\$0						\$0		\$0
11650 Leasehold Improvements Purchases	\$0						\$0		\$0
11660 Infrastructure Purchases	\$0						\$0		\$0
13510 CFFP Debt Service Payments	\$0						\$0		\$0
13901 Replacement Housing Factor Funds	\$0						\$0		\$0

SINGLE AUDIT SECTION

Green & Associates LLC

Certified Public Accountants & Business Consultants

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

To the Board of Commissioners

Lamar Housing Authority

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of Lamar Housing Authority, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise Lamar Housing Authority's basic financial statements, and have issued our report thereon dated March 21, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Lamar Housing Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Lamar Housing Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of Lamar Housing Authority's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in black ink that reads "Gnum + Associates LLC". The signature is written in a cursive, flowing style.

Fort Collins, Colorado
March 21, 2025

Green & Associates LLC

Certified Public Accountants & Business Consultants

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

To the Board of Commissioners
Lamar Housing Authority

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Lamar Housing Authority's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Lamar Housing Authority's major federal programs for the year ended December 31, 2024. Lamar Housing Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Lamar Housing Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of Lamar Housing Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Lamar Housing Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to

identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

A handwritten signature in black ink that reads "Gurn + Associates LLC". The signature is written in a cursive, flowing style.

Fort Collins, Colorado

March 21, 2025

**Lamar Housing Authority
Schedule of Expenditures of Federal Awards
December 31, 2024**

Federal Grantor	CFDA Number	EXPENDITURES
U.S. Department of Housing and Urban Development:		
Housing Choice Vouchers (Cluster Total)	14.871	\$ 629,051
Capital Fund Program	14.872	226,765
Section 8 New Construction (Cluster Total)	14.195	129,503
Total US Department of Housing and Urban Development		<u>985,319</u>
U.S. Department of Agriculture		
Rural Development-Rental Assistance	10.427	237,997
Rural Development Loan	10.415	504,021
Total U.S. Department of Agriculture		<u>742,018</u>
Total Federal Financial Assistance		<u>\$ 1,727,337</u>

Notes to the Schedule of Expenditures of Federal Awards

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

Loan Guarantees

The Authority had three loans that were issued and guaranteed by the U.S. Department of Agriculture. The ending balances of each of the loans at December 31, 2024 were \$73,825, \$324,071, and \$38,681.

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

Lamar Housing Authority
Schedule of Findings and Questioned Costs
December 31, 2024

Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: unmodified

Internal control over financial reporting:

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

Noncompliance material to financial

- statements noted? ☐ Yes ☒ No

Federal Awards

Internal control over major programs:

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

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

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

☐ Yes ☒ No

Identification of major programs:

Rural Rental Housing Loans CFDA # 10.415
Rural Rental Housing Assistance CFDA # 10.427

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

Audited qualified as low-risk audited? ☒ Yes ☐ No

Current Year Findings:

None

Prior Year Findings:

None