

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

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

**Year Ended December 31, 2025**

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



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

## **MANAGEMENT'S DISCUSSION AND ANALYSIS Year Ended December 31, 2025**

This section of the Housing Authority of the City of Fort Lupton, Colorado's annual financial report presents our discussion and analysis of the Authority's financial performance during the fiscal year ended on December 31, 2025. This discussion and analysis is designed to assist the reader in focusing on the significant financial issues and activities and to identify any significant changes in financial position. Please read and consider the information presented in conjunction with the basic financial statements as a whole.

### **FINANCIAL HIGHLIGHTS**

The term "Net Position" refers to the difference between assets and liabilities. The Authority's total net position as of December 31, 2025 was \$2,134,629. The net position increased by \$69,168 or 3% over the prior year. Of this amount, \$1,072,676 was reported as "unrestricted net position". Unrestricted net position represents the amount available to be used to meet the Authority's ongoing obligations to creditors and operations of facilities.

Operating income for the Authority was \$1,042,288 for the year ended December 31, 2025. This was an increase of \$67,873 or 7% over the prior year.

Operating expenses for the Authority were \$1,217,705 for the year ended December 31, 2025. This was a decrease of (\$8,453) or 1% from the prior year.

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

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

#### **Required Financial Statements**

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

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

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended December 31, 2025**

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

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

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

Notes to Financial Statements

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

Supplemental Information

This report also contains the Financial Data Schedule (FDS) as referenced in the section of *supplemental information*. HUD has established *Uniform Financial Reporting Standards* that require Housing Authorities to submit financial information electronically to HUD using the FDS format. The submitted financial information transmitted to the Real Estate Assessment Center (REAC) for the year ended December 31, 2025 is required to be included in the audit reporting package.

**FINANCIAL ANALYSIS**

**CONDENSED STATEMENT OF NET POSITION**

	FY 2025	FY 2024	Dollar Change	Percent Change
Current and other assets	\$ 1,276,138	\$ 1,122,498	\$ 153,640	14%
Capital assets	1,437,692	1,572,861	(135,169)	-9%
Total Assets	<u>2,713,830</u>	<u>2,695,359</u>	<u>18,471</u>	<u>1%</u>
Current liabilities	147,066	163,610	(16,544)	-10%
Other liabilities	10,980	18,757	(7,777)	-41%
Long-term debt outstanding	421,155	447,531	(26,376)	-6%
Total Liabilities	<u>579,201</u>	<u>629,898</u>	<u>(50,697)</u>	<u>-8%</u>
Net Position				
Net investment in capital assets	978,650	1,059,323	(80,673)	-8%
Restricted	83,303	67,843	15,460	23%
Unrestricted	1,072,676	938,295	134,381	14%
Total Net Position	<u>\$ 2,134,629</u>	<u>\$ 2,065,461</u>	<u>\$ 69,168</u>	<u>3%</u>

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended December 31, 2025**

**FINANCIAL ANALYSIS (CONT'D)**

Net Position may serve, over time, as a useful indicator of a government's financial position. In the case of the Authority, assets exceeded liabilities by \$2,134,629 at the close of the year ended December 31, 2025. This represents an increase of \$69,168 over the prior year which was the result of operations for the year ended December 31, 2025.

Current and other assets increased by \$153,640. This was attributed to operations before depreciation and offset by capital improvements and debt service payments which resulted in a net increase in cash and investments of \$110,153, an increase of \$9,597 in the amount due from HUD and by an increase in prepaid insurance of \$31,816. Prepaid insurance increased because the Authority paid the annual premiums annually instead of paying monthly.

Current liabilities decreased by (\$16,544) which was attributed to the normal fluctuation from year to year based on timing of payments. Other liabilities decreased by (\$34,153) which was mostly due to principal payments on a leased copier, subscription for software and mortgage principal payments.

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

Unrestricted net position as of December 31, 2025 was \$1,072,676, an increase of \$134,381. Unrestricted net position represents the amount available to be used to meet the Authority's ongoing obligations to creditors and operations of facilities. The Authority has sufficient funds to meet requirements for cash outlays in the next fiscal year as well as the financial capacity to sustain operations. At the end of the current fiscal year, the Authority is able to report positive balances in all categories of net position. The same situation held true for the prior fiscal year.

As of December 31, 2025, the Authority had net position of \$83,303 restricted for the Weld County NSP program for which the transfer of these properties has not occurred as of December 31, 2025.

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

As can be seen on the next page, total revenues increased by \$61,408. This was a combination of an increase in rental income of \$43,513 or 7%, an increase in other revenue of \$17,386 and by an increase of \$806 in Federal operating grants. The increase in rental income was attributed to the fluctuation from year-to-year based on occupancy and rent composition. The increase in other revenue was mostly attributed to the Authority providing maintenance services for the Keenesburg Housing Authority and had increased by \$13,169 over the prior year.

HUD operating subsidy for the Authority was \$148,774 for the year ended December 31, 2025. This was a decrease of (\$26,086) from the prior year. The operating subsidy funding is determined by HUD on an annual basis and is primarily based on income and utility expenses. The Authority also recognized \$108,973 of HUD capital grants for operations for the fiscal year ended December 31, 2025 compared to \$89,020 in the prior year. This amount will vary on the approved budget by HUD. The Authority has flexibility in the use of these funds.

HUD program income increased by \$6,939 in Columbine Court what was mostly due to an increase in contract rents and changes in rent compositions.

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended December 31, 2025**

**FINANCIAL ANALYSIS (CONT'D)**

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

	<u>FY 2025</u>	<u>FY 2024</u>	<u>Dollar Change</u>	<u>Percent Change</u>
<b>Revenues</b>				
Program revenues				
Rental	\$ 673,020	\$ 629,507	\$ 43,513	7%
HUD program revenue	520,070	519,264	806	0.2%
Other program revenue	58,902	58,867	35	0.1%
Other revenue	48,043	30,657	17,386	57%
General revenues				
Interest	4,787	5,119	(332)	-6%
Total Revenues	<u>1,304,822</u>	<u>1,243,414</u>	<u>61,408</u>	<u>5%</u>
<b>Expenses</b>				
Depreciation	232,232	236,484	(4,252)	-2%
Operating	985,473	989,674	(4,201)	-0.4%
Nonoperating	17,949	17,364	585	3%
Total Expenses	<u>1,235,654</u>	<u>1,243,522</u>	<u>(7,868)</u>	<u>-1%</u>
Changes in Net Position	69,168	(108)	69,276	
Beginning Net Position	<u>2,065,461</u>	<u>2,065,569</u>	<u>4,131,030</u>	
Ending Net Position	<u>\$ 2,134,629</u>	<u>\$ 2,065,461</u>	<u>\$ 69,168</u>	

Operating expenses for the Authority were \$985,473 for the year ended December 31, 2025. This was a decrease of (\$4,201) or less than 1% from the prior year. The various expense category fluctuations were not attributed to any specific event or unusual circumstance other than the typical variability from year to year.

**OCCUPANCY**

The Public Housing program has 50 units of housing or 600-unit months available. There were 6 vacancy months resulting in 594-unit months leased for the year, a 99% occupancy rate.

The Columbine Court program has 30 units of housing for 360-unit months available. There 12 vacancy months for a total of 348-unit months leased for the year, a 99% occupancy rate.

The market rentals have 15 units, with 14 habitable. There are 168-unit months available. There were 3 vacancy months for a total of 165-unit months available, a 98% occupancy rate.

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

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended December 31, 2025**

**CAPITAL ASSETS**

The Authority's capital assets as of December 31, 2025, amounts to \$1,437,692. The capital assets includes land, buildings, improvements, equipment, leased assets and subscription assets, less accumulated depreciation.

The total decrease in the Authority's capital assets for the current fiscal year was 9% in terms of net book value. The actual amount to purchase or construct capital assets was \$97,063 for the year. Depreciation charges for the year totaled \$232,232. Additional information on the Authority's capital assets can be found in Note H of the notes to financial statements of this report.

Capital Improvements made during 2025 include a new camera security system at Crane Court. We also upgraded all of our units at Crane to have new GFIs and 10-year battery powered fire alarms to HUD requirements for the new NSPIRE inspection standards. We also installed the 10-year battery fire alarms at Columbine. We put a new roof and gutters on the 311 1<sup>st</sup> Street Market property. We built new stairs at 210 1<sup>st</sup> Street, another market property, because the original staircase was structurally unsound. The Authority continues to remodel apartments as tenants move out, in an attempt to modernize. We fully remodeled 4 units in 2025, 2 for Public Housing and 2 at Columbine.

**DEBT ADMINISTRATION**

The Authority has outstanding mortgages payable of \$449,982 for real property. The revenue from the Market Rentals are pledged to repay the mortgages. Additional information on the Authority's long-term debt can be found in Note L of the notes to financial statements of this report.

The Authority recognized a copier lease payable of \$3,351 and a subscription liability for accounting/housing software of \$5,709 as of December 31, 2025. Additional information on the lease and subscription liabilities can be found in Note J and Note K of the notes to financial statements of this report.

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

The Board of Commissioners and Management of the Housing Authority considered many factors when approving the fiscal year 2026 budget. The user charges are based on a tenant's income as established by HUD guidelines and are not adjustable. Operating subsidy is based on rental income, other income and utility consumption and costs. The amount of funding is also established and approved by HUD. In projecting the amount of rental income, the Authority considered prior year rental income and occupancy rates. The operating expenses are expected to increase by the economy's inflation rate.

**REQUEST FOR INFORMATION**

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

**INDEPENDENT AUDITOR'S REPORT**

## INDEPENDENT AUDITOR'S REPORT

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

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of the major fund of the Housing Authority of the City of Fort Lupton, Colorado, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of Fort Lupton, Colorado's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the major fund of the Housing Authority of the City of Fort Lupton, Colorado as of December 31, 2025, and the changes in financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 2026 on our consideration of the Housing Authority of the City of Fort Lupton, Colorado's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Housing Authority of the City of Fort Lupton, Colorado's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority of the City of Fort Lupton, Colorado's internal control over financial reporting and compliance.

*Niewedde & Wiens, CPA's*

York, Nebraska  
March 30, 2026

## **BASIC FINANCIAL STATEMENTS**

HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO  
STATEMENT OF NET POSITION - PROPRIETARY FUND  
December 31, 2025

ASSETS	<u>Housing</u>
<b>CURRENT ASSETS:</b>	
Cash and cash equivalents	\$ 921,121
Investments	127,508
Accounts receivable, net	11,306
Due from other governments	9,597
Prepaid insurance	74,001
<i>Restricted:</i>	
Cash and cash equivalents	132,605
TOTAL CURRENT ASSETS	<u>1,276,138</u>
<b>NONCURRENT ASSETS:</b>	
Capital Assets, non-depreciable	516,498
Capital Assets, depreciable, net	916,474
Capital Assets, right-to-use leased asset, net	1,636
Capital Assets, right-to-use subscription asset, net	3,084
TOTAL NONCURRENT ASSETS	<u>1,437,692</u>
TOTAL ASSETS	<u>\$ 2,713,830</u>
<b>LIABILITIES</b>	
<b>CURRENT LIABILITIES:</b>	
Accounts payable	\$ 36,680
Accrued payroll and benefits	14,929
Compensated absence payable	5,100
Unearned revenue	2,812
Accrued interest payable	1,865
Tenant security deposit payable	49,302
Lease payable, current	1,842
Subscription payable, current	5,709
Notes payable, current	28,827
TOTAL CURRENT LIABILITIES	<u>147,066</u>
<b>NONCURRENT LIABILITIES:</b>	
Compensated absence payable	9,471
Lease payable	1,509
Notes payable	421,155
TOTAL NONCURRENT LIABILITIES	<u>432,135</u>
TOTAL LIABILITIES	<u>579,201</u>
<b>NET POSITION</b>	
Net investment in capital assets	978,650
Restricted	83,303
Unrestricted	1,072,676
TOTAL NET POSITION	<u>\$ 2,134,629</u>

See accompanying notes.

HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN  
FUND NET POSITION - PROPRIETARY FUND  
Year Ended December 31, 2025

	<b>Housing</b>
<b>OPERATING REVENUES</b>	
Rental income	\$ 673,020
HUD program revenue	262,323
Other program revenue	58,902
Other income	48,043
	1,042,288
<b>TOTAL OPERATING REVENUES</b>	
 <b>OPERATING EXPENSES</b>	
Administrative	255,385
Tenant Services	22,669
Utilities	165,182
Ordinary maintenance and operations	387,284
General expense	154,953
Depreciation	232,232
	1,217,705
<b>TOTAL OPERATING EXPENSES</b>	
<b>OPERATING INCOME (LOSS)</b>	<b>(175,417)</b>
 <b>NONOPERATING REVENUES (EXPENSES)</b>	
HUD operating subsidy	148,774
HUD capital grants - operations	108,973
Interest income	4,787
Interest expense	(17,949)
	244,585
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	
<b>INCREASE (DECREASE) IN NET POSITION</b>	<b>69,168</b>
 <b>NET POSITION:</b>	
Net position, beginning balance	2,065,461
<b>NET POSITION - ENDING BALANCE</b>	<b>\$ 2,134,629</b>

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO**  
**STATEMENT OF CASH FLOWS - PROPRIETARY FUND**  
**Year Ended December 31, 2025**

	<b>Housing</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Rental receipts	\$ 669,600
HUD receipts	262,299
Other program receipts	58,902
Other receipts	48,043
Tenant security deposits	3,806
Cash payments for goods and services	(583,116)
Cash payments to employees for services	(433,448)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>26,086</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>	
HUD operating subsidy	139,201
HUD capital grants - operations	108,973
<b>NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES</b>	<b>248,174</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>	
Purchases and construction of capital assets	(97,063)
Principal paid on lease liabilities	(1,753)
Principal paid on subscription liabilities	(2,568)
Interest paid on capital debt	(17,335)
Principal paid on capital debt	(50,175)
<b>NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>(168,894)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Net (deposits) withdrawals to investments	(3,135)
Interest received	4,787
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<b>1,652</b>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>107,018</b>
<b>CASH AND CASH EQUIVALENTS-BEGINNING</b>	<b>946,708</b>
<b>CASH AND CASH EQUIVALENTS-END OF YEAR</b>	<b>\$ 1,053,726</b>

HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO  
STATEMENT OF CASH FLOWS - PROPRIETARY FUND (CONT'D)  
Year Ended December 31, 2025

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

	Housing
Operating income (loss)	\$ (175,417)
Adjustments to reconcile income from operations to net cash provided by operating activities:	
Depreciation	232,232
Change in assets and liabilities:	
(Increase) decrease in accounts receivable	(2,073)
(Increase) decrease in due from other governments	(24)
(Increase) decrease in prepaid insurance	(31,816)
Increase (decrease) in accounts payable	3,125
Increase (decrease) in accrued payroll and benefits	(1,698)
Increase (decrease) in tenant security deposits	3,806
Increase (decrease) in unearned revenue	139
Increase (decrease) in accrued leave	(2,188)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 26,086

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2025**

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

Organization

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

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

Financial Reporting Entity

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

Basis of accounting, measurement focus, and financial statement presentation

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

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

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

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2025**

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

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

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

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

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

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

**Weld Co. NSP** - This program accounts for the operation and maintenance of 2 individual houses that were purchased and renovated through the Neighborhood Stabilization Program. The program is primarily funded by tenant rents. As of December 31, 2025, the deed to the properties has not been transferred to the Authority.

Budgetary Process

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

Cash and Investments

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

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

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2025**

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

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

Accounts Receivable

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

Prepaid Items

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

Capital Assets and Depreciation

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

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

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

Grant Revenue

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

Use of Restricted/Unrestricted Net Position

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

Inventory

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

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2025**

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

Estimates

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

Compensated Absences

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

Postemployment Benefits Other Than Pensions (OPEB)

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

Leases

Leases have been accrued as defined by GASB 87.

Subscription-Based Information Technology Arrangements

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

Income Taxes

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

Taxpayer's Bill of Rights

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

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2025**

**NOTE B - DEPOSITS AND INVESTMENTS**

At December 31, 2025, the Authority's carrying amount of deposits was \$1,181,234 and the bank balances were \$1,187,494. As required by the Colorado Public Deposit Protection Act (PDPA), any amount in excess of \$250,000 (including accrued interest) shall be collateralized as required by the Public Deposit Protection Acts, article 10.5 of title 11, C.R.S., as amended or article 47 of title 11, C.R.S, as amended. Of the balance \$377,508 was covered by federal depository insurance and \$809,986 was collateralized by the Public Deposit Protection Act.

**NOTE C – ACCOUNTS RECEIVABLE**

A summary of accounts receivable as presented in the Statement of Net Position at December 31, 2025 is as follows:

Tenants	\$	11,306
Allowance for doubtful accounts		<u>    --</u>
	\$	<u>    11,306</u>

**NOTE D – DUE FROM OTHER GOVERNMENTS**

A summary of due from other governments as presented in the Statement of Net Position at December 31, 2025 is as follows:

HUD – operating subsidy	\$	9,573
HUD – Section 8 rental assistance		<u>    24</u>
	\$	<u>    9,597</u>

**NOTE E – RESTRICTED ASSETS**

Cash and cash equivalents of \$132,605 at December 31, 2025 are restricted for Tenant Security Deposits in the amount of \$49,302 and \$83,303 is restricted for the Weld County NSP Program as further detailed in Note M.

**NOTE F – ACCOUNTS PAYABLE**

A summary of accounts payable as presented in the Statement of Net Position at December 31, 2025 is as follows:

Vendors and contractors	\$	<u>    36,680</u>
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**NOTE G – UNEARNED REVENUE**

A summary of unearned revenue as presented in the Statement of Net Position at December 31, 2025 is as follows:

Tenant prepaid rents	\$	<u>    2,812</u>
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**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2025**

**NOTE H – CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2025 was as follows:

	Balance 1/1/2025	Increases	Decreases	Balance 12/31/2025
<b>Non-depreciable assets:</b>				
Land	\$ 516,498	\$ -	\$ -	\$ 516,498
Construction in progress	-	-	-	-
<b>Total non-depreciable assets</b>	<u>516,498</u>	<u>-</u>	<u>-</u>	<u>516,498</u>
<b>Depreciable assets</b>				
Buildings	5,214,872	72,971	-	5,287,843
Equipment - Dwelling	193,004	17,452	-	210,456
Equipment - Administration	172,642	6,640	-	179,282
<b>Total depreciable assets</b>	<u>5,580,518</u>	<u>97,063</u>	<u>-</u>	<u>5,677,581</u>
<b>Total Capital Assets</b>	<u>6,097,016</u>	<u>97,063</u>	<u>-</u>	<u>6,194,079</u>
<b>Accumulated depreciation</b>				
Buildings	4,265,733	195,633	-	4,461,366
Equipment - Dwelling	153,956	14,777	-	168,733
Equipment - Administration	114,056	16,953	-	131,009
Total accumulated depreciation	<u>4,533,745</u>	<u>227,363</u>	<u>-</u>	<u>4,761,108</u>
<b>Depreciable assets, net</b>	<u>1,046,773</u>	<u>(130,300)</u>	<u>-</u>	<u>916,474</u>
<b>Capital assets, net</b>	<u>\$ 1,563,271</u>	<u>\$ (130,300)</u>	<u>\$ -</u>	<u>\$ 1,432,972</u>
<b>Right-to-use leased assets:</b>				
Administrative equipment	\$ 8,181	\$ -	\$ -	\$ 8,181
<b>Total leased assets</b>	<u>8,181</u>	<u>-</u>	<u>-</u>	<u>8,181</u>
<b>Accumulated depreciation</b>				
Administrative equipment	4,760	1,785	-	6,545
Total accumulated amortization	<u>4,760</u>	<u>1,785</u>	<u>-</u>	<u>6,545</u>
<b>Net Right-to-use leased assets</b>	<u>\$ 3,421</u>	<u>\$ (1,785)</u>	<u>\$ -</u>	<u>\$ 1,636</u>
<b>Right-to-use subscription assets:</b>				
Accounting/Housing software	\$ 12,336	\$ -	\$ -	\$ 12,336
<b>Total subscription assets</b>	<u>12,336</u>	<u>-</u>	<u>-</u>	<u>12,336</u>
<b>Accumulated amortization:</b>				
Accounting/Housing software	6,168	3,084	-	9,252
Total accumulated amortization	<u>6,168</u>	<u>3,084</u>	<u>-</u>	<u>9,252</u>
<b>Net, subscription assets</b>	<u>\$ 6,168</u>	<u>\$ (3,084)</u>	<u>\$ -</u>	<u>\$ 3,084</u>

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2025**

**NOTE I—ACCRUED COMPENSATED ABSENCES**

A summary of accrued compensated absences as presented in the Statement of Net Position as of December 31, 2025 is as follows:

	Beginning Balance	Net Change	Ending Balance	Due within One Year
Compensated absences	\$ 15,276	\$ (705)	\$ 14,571	\$ 5,100

**NOTE J—LEASE LIABILITY**

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

	Balance 1/1/25	Issued	Retired	Balance 12/31/25	Due within One Year
Administrative equipment	\$ 5,104	\$ --	\$ (1,753)	\$ 3,351	\$ 1,842

Principal and interest requirements for the lease is as follows:

Fiscal Year	Principal	Interest	Total
2026	\$ 1,842	\$ 126	\$ 1,968
2027	1,509	30	1,539
	\$ 3,351	\$ 156	\$ 3,507

**NOTE K—SUBSCRIPTION PAYABLE**

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

	Balance 1/1/25	Issued	Retired	Balance 12/31/24	Due within One Year
Subscription liability	\$ 8,277	\$ --	\$ (2,568)	\$ 5,709	\$ 5,709

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

Fiscal Year	Principal	Interest	Total
2026	\$ 5,709	\$ 392	\$ 6,101

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2025**

**NOTE L – LONG-TERM LIABILITIES**

**Direct Borrowings:**

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

On November 23, 2020, the Authority obtained a mortgage from a local financial institution for the financing of market rate rental known as 210 Harrison. The loan had an original amount of \$38,802 which bears interest at 3% adjustable on December 1, 2025. The loan requires monthly principal and interest payments of \$336 and matures June 2032. The balance due at December 31, 2025 was \$23,162.

On November 23, 2020, the Authority obtained a mortgage from a local financial institution for the financing of 7 market rate rentals known as 200 1<sup>st</sup> Street. The loan had an original amount of \$536,169 which bears interest at 3 % adjustable on December 1, 2025. The loan requires monthly principal and interest payments of \$3,150 and matures April 2041. The balance due at December 31, 2025 was \$419,053.

On November 23, 2020, the Authority obtained a mortgage from a local financial institution for the financing of a 5-acre tract of land known as 911 S. Denver. The loan had an original amount of \$84,403 which bears interest at 3% adjustable on December 15, 2025. The loan requires monthly principal and interest payments of \$1,381 and matures July 2026. The balance due at December 31, 2025 was \$7,767.

A summary of changes in Notes Payable - Properties for the year ended December 31, 2025 are as follows:

Description	Balance 1/1/2025	Additions	Retired	Balance 12/31/2025	Due Within One Year
Mortgage-Columbine	\$ 8,556	\$ -	\$ (8,556)	\$ -	\$ -
Mortgage-210 Harrison	26,332	-	(3,170)	23,162	3,131
Mortgage-200 1st Street	441,762	-	(22,709)	419,053	17,929
Mortgage-911 S. Denver	23,507	-	(15,740)	7,767	7,767
Total	<u>\$ 500,157</u>	<u>\$ -</u>	<u>\$ (50,175)</u>	<u>\$ 449,982</u>	<u>\$ 28,827</u>
			Less current maturities	<u>(28,827)</u>	
			Long-term portion	<u>\$ 421,155</u>	

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2025**

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

Principal and interest requirements for the notes are as follows:

Fiscal Year	Principal	Interest	Total
2026	\$ 28,827	\$ 13,007	\$ 41,834
2027	28,848	12,986	41,834
2028	29,738	12,096	41,834
2029	30,623	11,211	41,834
2030	31,599	10,235	41,834
2031-2035	158,790	39,286	198,076
2036-2039	141,557	28,502	170,059
	\$ 449,982	\$ 127,323	\$ 577,305

**NOTE M—NET POSITION**

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

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

A summary of restricted net position as of December 31, 2025 is as follows:

**Weld County NSP Program \$83,303**– On June 9, 2014, the Authority signed an agreement with the Weld County Housing Authority whereas the Authority would receive 2 NSP (Neighborhood Stabilization Program) Houses. According to the agreement the Authority would receive all the benefits until the time of the Deed Restriction transfer documents had occurred. In addition, the Authority is required to deposit any moneys received for rent are to be held in a separate account until such time as the terms of the Deed Restriction (transfer documents) have been defined. As of December 31, 2025, the transfer of the properties has not occurred, and the net position is being reported as restricted.

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2025**

**NOTE N – CONTINGENCIES**

The Authority receives revenues from various federal and state grant programs, which are subject to audit and adjustment by the respective grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Authority expects such amounts, if any, to be immaterial.

The Authority administers the Public Housing Operating Fund program, which is subject to federal cash-management requirements under 2 CFR Part 200. These requirements generally provide that interest earned on federal cash advances in excess of \$500 annually must be remitted to the federal government.

Historically, interest earned on long-term operating reserves was not remitted, as such balances were understood to represent the cumulative result of prior-period operating activities and not unexpended federal cash advances. Management interpreted interest earned on these balances to have lost its federal character upon being applied against allowable program expenditures in prior periods.

In May 2025, the U.S. Department of Housing and Urban Development (HUD) issued program-specific guidance indicating that interest earned on Public Housing Operating Funds in excess of \$500 annually may be subject to remittance, including interest attributable to operating reserves and commingled fund balances. Management believes this guidance represents a change in HUD's interpretation and enforcement posture as applied to the Public Housing Operating Fund program.

Management has evaluated the applicability of this guidance and concluded that, as of the reporting date, no present obligation exists to remit interest earned on long-term operating reserves. Accordingly, no liability has been recorded in the accompanying financial statements. However, the Authority is monitoring HUD guidance and enforcement activity, and if HUD's interpretation is ultimately applied retroactively or extended to long-term operating reserves, the Authority may be required to remit additional interest to the federal government in a future period.

**NOTE O - RISK MANAGEMENT**

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

During the year ended December 31, 2025, the Authority did not reduce insurance coverage from levels in place during the prior year. No settlements have exceeded coverage levels in place during the past three fiscal years.

**SUPPLEMENTAL INFORMATION-  
PROGRAM FINANCIAL SCHEDULES**

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO**  
**PROGRAM SCHEDULE OF NET POSITION**  
December 31, 2025

<b>ASSETS</b>	<b>Public Housing</b>	<b>Columbine Court</b>	<b>Market Rentals</b>	<b>Weld Co. NSP</b>	<b>Totals</b>
<b>CURRENT ASSETS:</b>					
Cash and cash equivalents	\$ 291,959	\$ 324,655	\$ 303,297	\$ 1,210	\$ 921,121
Investments	104,868		22,640	-	127,508
Accounts receivable, net	-	3,124	8,182	-	11,306
Due from other governments	9,573	24		-	9,597
Prepaid insurance	44,803	19,983	9,200	15	74,001
<i>Restricted:</i>					
Cash and cash equivalents	<u>22,610</u>	<u>8,814</u>	<u>16,122</u>	<u>85,059</u>	<u>132,605</u>
TOTAL CURRENT ASSETS	<u>473,813</u>	<u>356,600</u>	<u>359,441</u>	<u>86,284</u>	<u>1,276,138</u>
<b>NONCURRENT ASSETS:</b>					
Capital Assets, non-depreciable	119,640	65,000	331,858	-	516,498
Capital Assets, depreciable, net	315,980	98,491	495,084	6,919	916,474
Capital Assets, right-to-use leased asset, net	1,636	-	-	-	1,636
Capital Assets, right-to-use subscription asset, net	<u>3,084</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,084</u>
TOTAL NONCURRENT ASSETS	<u>440,340</u>	<u>163,491</u>	<u>826,942</u>	<u>6,919</u>	<u>1,437,692</u>
TOTAL ASSETS	<u>\$ 914,153</u>	<u>\$ 520,091</u>	<u>\$ 1,186,383</u>	<u>\$ 93,203</u>	<u>\$ 2,713,830</u>
<b>LIABILITIES</b>					
<b>CURRENT LIABILITIES:</b>					
Accounts payable	\$ 19,870	\$ 7,800	\$ 8,602	\$ 408	\$ 36,680
Accrued payroll and benefits	6,156	5,888	2,653	232	14,929
Compensated absence payable	2,652	1,581	765	102	5,100
Unearned revenue	2,168	-	350	294	2,812
Accrued interest payable	-	-	1,865	-	1,865
Tenant security deposit payable	22,610	8,814	16,122	1,756	49,302
Lease payable, current	1,842	-	-	-	1,842
Subscription payable, current	5,709	-	-	-	5,709
Notes payable, current	<u>-</u>	<u>-</u>	<u>28,827</u>	<u>-</u>	<u>28,827</u>
TOTAL CURRENT LIABILITIES	<u>61,007</u>	<u>24,083</u>	<u>59,184</u>	<u>2,792</u>	<u>147,066</u>
<b>NONCURRENT LIABILITIES:</b>					
Compensated absence payable	4,925	2,936	1,421	189	9,471
Lease payable	1,509	-	-	-	1,509
Notes payable	<u>-</u>	<u>-</u>	<u>421,155</u>	<u>-</u>	<u>421,155</u>
TOTAL NONCURRENT LIABILITIES	<u>6,434</u>	<u>2,936</u>	<u>422,576</u>	<u>189</u>	<u>432,135</u>
TOTAL LIABILITIES	<u>67,441</u>	<u>27,019</u>	<u>481,760</u>	<u>2,981</u>	<u>579,201</u>
<b>NET POSITION</b>					
Net investment in capital assets	431,280	163,491	376,960	6,919	978,650
Restricted	-	-	-	83,303	83,303
Unrestricted	<u>415,432</u>	<u>329,581</u>	<u>327,663</u>	<u>-</u>	<u>1,072,676</u>
TOTAL NET POSITION	<u>\$ 846,712</u>	<u>\$ 493,072</u>	<u>\$ 704,623</u>	<u>\$ 90,222</u>	<u>\$ 2,134,629</u>

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO**  
**PROGRAM SCHEDULE OF REVENUES, EXPENSES AND**  
**CHANGES IN NET POSITION**  
**Year Ended December 31, 2025**

	Public Housing	Columbine Court	Market Rentals	Weld Co. NSP	Totals
<b>OPERATING REVENUES</b>					
Rental income	\$ 295,069	\$ 132,839	\$ 211,512	\$ 33,600	\$ 673,020
HUD program revenue	-	262,323	-	-	262,323
Other program revenue	-	-	58,902	-	58,902
Other income	31,409	17,596	-	501	49,506
<b>TOTAL OPERATING REVENUES</b>	<b>326,478</b>	<b>412,758</b>	<b>270,414</b>	<b>34,101</b>	<b>1,043,751</b>
<b>OPERATING EXPENSES</b>					
Administrative	131,610	78,186	40,780	4,809	255,385
Tenant Services	9,331	13,338	-	-	22,669
Utilities	87,870	53,824	19,649	3,839	165,182
Ordinary maintenance and operations	196,414	128,453	59,249	3,168	387,284
General expense	84,577	35,559	29,324	6,956	156,416
Depreciation	146,074	33,271	50,415	2,472	232,232
<b>TOTAL OPERATING EXPENSES</b>	<b>655,876</b>	<b>342,631</b>	<b>199,417</b>	<b>21,244</b>	<b>1,219,168</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(329,398)</b>	<b>70,127</b>	<b>70,997</b>	<b>12,857</b>	<b>(175,417)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
HUD operating subsidy	148,774	-	-	-	148,774
HUD capital grants - operations	108,973	-	-	-	108,973
Interest income	3,576	74	1,006	131	4,787
Interest expense	(518)	(31)	(17,400)	-	(17,949)
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>260,805</b>	<b>43</b>	<b>(16,394)</b>	<b>131</b>	<b>244,585</b>
<b>INCREASE (DECREASE) IN NET POSITION</b>	<b>(68,593)</b>	<b>70,170</b>	<b>54,603</b>	<b>12,988</b>	<b>69,168</b>
<b>NET POSITION:</b>					
Net position, beginning balance	915,305	422,902	650,020	77,234	2,065,461
<b>NET POSITION - ENDING BALANCE</b>	<b>\$ 846,712</b>	<b>\$ 493,072</b>	<b>\$ 704,623</b>	<b>\$ 90,222</b>	<b>\$ 2,134,629</b>

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO**  
**PROGRAM SCHEDULE OF CASH FLOWS**  
Year Ended December 31, 2025

	Public Housing	Columbine Court	Market Rentals	Weld Co. NSP	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Rental receipts	\$ 297,719	\$ 129,586	\$ 208,715	\$ 33,580	\$ 669,600
HUD receipts	-	262,299	-	-	262,299
Other program receipts	-	-	58,902	-	58,902
Other receipts	31,409	17,596	-	501	49,506
Tenant security deposits	978	178	2,650	-	3,806
Cash payments for goods and services	(285,242)	(187,008)	(96,875)	(15,454)	(584,579)
Cash payments to employees for services	(225,592)	(139,925)	(62,646)	(5,285)	(433,448)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(180,728)	82,726	110,746	13,342	26,086
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>					
HUD operating subsidy	139,201	-	-	-	139,201
HUD capital grants - operations	108,973	-	-	-	108,973
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	248,174	-	-	-	248,174
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Purchases and construction of capital assets	(37,241)	(34,974)	(24,848)	-	(97,063)
Principal paid on lease liabilities	(1,753)	-	-	-	(1,753)
Principal paid on subscription liabilities	(2,568)	-	-	-	(2,568)
Interest paid on capital debt	(518)	(42)	(16,775)	-	(17,335)
Principal paid on capital debt	-	(8,556)	(41,619)	-	(50,175)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(42,080)	(43,572)	(83,242)	-	(168,894)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>					
Net (deposits) withdrawals to investments	(2,336)	-	(799)	-	(3,135)
Interest received	3,576	74	1,006	131	4,787
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	1,240	74	207	131	1,652
NET INCREASE (DECREASE) IN CASH	26,606	39,228	27,711	13,473	107,018
CASH AND CASH EQUIVALENTS-BEGINNING	287,963	294,241	291,708	72,796	946,708
CASH AND CASH EQUIVALENTS-END OF YEAR	\$ 314,569	\$ 333,469	\$ 319,419	\$ 86,269	\$ 1,053,726

**HOUSING AUTHORITY OF THE CITY OF FORT LUPTON, COLORADO**  
**PROGRAM SCHEDULE OF CASH FLOWS (CONT'D)**  
Year Ended December 31, 2025

	<u>Public Housing</u>	<u>Columbine Court</u>	<u>Market Rentals</u>	<u>Weld Co. NSP</u>	<u>Totals</u>
<b>RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>					
Operating income (loss)	\$ (329,398)	\$ 70,127	\$ 70,997	\$ 12,857	\$ (175,417)
Adjustments to reconcile income from operations to net cash provided by operating activities:					
Depreciation	146,074	33,271	50,415	2,472	232,232
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	2,974	(2,017)	(3,030)	-	(2,073)
(Increase) decrease in due from other governments	-	(24)	-	-	(24)
(Increase) decrease in prepaid insurance	(2,618)	(19,983)	(9,200)	(15)	(31,816)
Increase (decrease) in accounts payable	4,084	1,284	(279)	(1,964)	3,125
Increase (decrease) in accrued payroll and benefits	(2,131)	1,344	(935)	24	(1,698)
Increase (decrease) in tenant security deposits	978	178	2,650	-	3,806
Increase (decrease) in unearned revenue	1,162	(1,236)	233	(20)	139
Increase (decrease) in accrued leave	(1,853)	(218)	(105)	(12)	(2,188)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>\$ (180,728)</b>	<b>\$ 82,726</b>	<b>\$ 110,746</b>	<b>\$ 13,342</b>	<b>\$ 26,086</b>

**SUPPLEMENTAL INFORMATION –  
HUD FINANCIAL DATA SCHEDULE**

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

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2025

	Project Total	14.182 N/C S/R Section 8 Programs	1 Business Activities	Subtotal	Total
111 Cash - Unrestricted	\$291,959	\$324,655	\$304,507	\$921,121	\$921,121
112 Cash - Restricted - Modernization and Development			\$83,303	\$83,303	\$83,303
114 Cash - Tenant Security Deposits	\$22,610	\$8,814	\$17,878	\$49,302	\$49,302
100 Total Cash	\$314,569	\$333,469	\$405,688	\$1,053,726	\$1,053,726
122 Accounts Receivable - HUD Other Projects	\$9,573	\$24		\$9,597	\$9,597
126 Accounts Receivable - Tenants		\$3,124	\$8,182	\$11,306	\$11,306
126.1 Allowance for Doubtful Accounts - Tenants		\$0	\$0	\$0	\$0
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0		\$0	\$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$9,573	\$3,148	\$8,182	\$20,903	\$20,903
131 Investments - Unrestricted	\$104,868		\$22,640	\$127,508	\$127,508
142 Prepaid Expenses and Other Assets	\$44,803	\$19,983	\$9,215	\$74,001	\$74,001
150 Total Current Assets	\$473,813	\$356,600	\$445,725	\$1,276,138	\$1,276,138
161 Land	\$119,640	\$65,000	\$331,858	\$516,498	\$516,498
162 Buildings	\$2,817,774	\$1,403,699	\$1,066,370	\$5,287,843	\$5,287,843
163 Furniture, Equipment & Machinery - Dwellings	\$95,605	\$62,066	\$52,785	\$210,456	\$210,456
164 Furniture, Equipment & Machinery - Administration	\$29,184	\$25,050	\$125,048	\$179,282	\$179,282
166 Accumulated Depreciation	-\$2,626,583	-\$1,392,324	-\$742,200	-\$4,761,107	-\$4,761,107
160 Total Capital Assets, Net of Accumulated Depreciation	\$435,620	\$163,491	\$833,861	\$1,432,972	\$1,432,972
174 Other Assets	\$4,720			\$4,720	\$4,720
180 Total Non-Current Assets	\$440,340	\$163,491	\$833,861	\$1,437,692	\$1,437,692
290 Total Assets and Deferred Outflow of Resources	\$914,153	\$520,091	\$1,279,586	\$2,713,830	\$2,713,830
312 Accounts Payable <= 90 Days	\$19,870	\$7,800	\$9,010	\$36,680	\$36,680
321 Accrued Wage/Payroll Taxes Payable	\$6,156	\$5,888	\$2,885	\$14,929	\$14,929
322 Accrued Compensated Absences - Current Portion	\$2,652	\$1,581	\$867	\$5,100	\$5,100
325 Accrued Interest Payable			\$1,865	\$1,865	\$1,865
341 Tenant Security Deposits	\$22,610	\$8,814	\$17,878	\$49,302	\$49,302
342 Unearned Revenue	\$2,168		\$644	\$2,812	\$2,812
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue			\$28,827	\$28,827	\$28,827
348 Loan Liability - Current	\$7,551			\$7,551	\$7,551
310 Total Current Liabilities	\$61,007	\$24,083	\$61,976	\$147,066	\$147,066
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue			\$421,155	\$421,155	\$421,155
354 Accrued Compensated Absences - Non Current	\$4,925	\$2,936	\$1,610	\$9,471	\$9,471
355 Loan Liability - Non Current	\$1,509			\$1,509	\$1,509
350 Total Non-Current Liabilities	\$6,434	\$2,936	\$422,765	\$432,135	\$432,135
300 Total Liabilities	\$67,441	\$27,019	\$484,741	\$579,201	\$579,201
508.4 Net Investment in Capital Assets	\$431,280	\$163,491	\$383,879	\$978,650	\$978,650
511.4 Restricted Net Position			\$83,303	\$83,303	\$83,303
512.4 Unrestricted Net Position	\$415,432	\$329,581	\$327,663	\$1,072,676	\$1,072,676
513 Total Equity - Net Assets / Position	\$846,712	\$493,072	\$794,845	\$2,134,629	\$2,134,629
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$914,153	\$520,091	\$1,279,586	\$2,713,830	\$2,713,830

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

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2025

	Project Total	14.182 N/C S/R Section 8 Programs	1 Business Activities	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$287,107	\$121,569	\$245,112	\$653,788		\$653,788
70400 Tenant Revenue - Other	\$7,962	\$11,270		\$19,232		\$19,232
70500 Total Tenant Revenue	\$295,069	\$132,839	\$245,112	\$673,020	\$0	\$673,020
70800 HUD PHA Operating Grants	\$257,747	\$262,323		\$520,070		\$520,070
71100 Investment Income - Unrestricted	\$3,576	\$74	\$1,137	\$4,787		\$4,787
71500 Other Revenue	\$31,409	\$17,596	\$59,403	\$108,408	-\$1,463	\$106,945
70000 Total Revenue	\$587,801	\$412,832	\$305,652	\$1,306,285	-\$1,463	\$1,304,822
91100 Administrative Salaries	\$77,602	\$46,257	\$25,366	\$149,225		\$149,225
91200 Auditing Fees	\$4,706	\$2,806	\$1,539	\$9,051		\$9,051
91500 Employee Benefit contributions - Administrative	\$24,722	\$13,989	\$7,692	\$46,403		\$46,403
91600 Office Expenses	\$24,029	\$11,617	\$10,614	\$46,260		\$46,260
91700 Legal Expense	\$551	\$1,031	\$378	\$1,960		\$1,960
91900 Other		\$2,486		\$2,486		\$2,486
91000 Total Operating - Administrative	\$131,610	\$78,166	\$45,589	\$255,365	\$0	\$255,365
92400 Tenant Services - Other	\$9,331	\$13,338		\$22,669		\$22,669
92500 Total Tenant Services	\$9,331	\$13,338	\$0	\$22,669	\$0	\$22,669
93100 Water	\$32,289	\$7,926	\$7,979	\$48,194		\$48,194
93200 Electricity	\$12,027	\$27,231	\$2,476	\$41,734		\$41,734
93300 Gas	\$7,865	\$9,764	\$2,400	\$20,029		\$20,029
93600 Sewer	\$16,764	\$3,699	\$5,473	\$25,936		\$25,936
93800 Other Utilities Expense	\$18,925	\$5,204	\$5,160	\$29,289		\$29,289
93000 Total Utilities	\$87,870	\$53,824	\$23,488	\$165,182	\$0	\$165,182
94100 Ordinary Maintenance and Operations - Labor	\$94,637	\$65,151	\$25,258	\$185,046		\$185,046
94200 Ordinary Maintenance and Operations - Materials and Other	\$31,495	\$20,672	\$8,699	\$60,866		\$60,866
94300 Ordinary Maintenance and Operations Contracts	\$43,781	\$26,758	\$19,754	\$90,293		\$90,293
94500 Employee Benefit Contributions - Ordinary Maintenance	\$26,501	\$15,872	\$8,706	\$51,079		\$51,079
94000 Total Maintenance	\$196,414	\$128,453	\$62,417	\$387,284	\$0	\$387,284
96110 Property Insurance	\$67,750	\$26,186	\$30,083	\$124,019		\$124,019
96120 Liability Insurance	\$7,373	\$3,149	\$1,211	\$11,733		\$11,733
96130 Workmen's Compensation	\$3,048	\$1,818	\$996	\$5,862		\$5,862
96140 All Other Insurance	\$6,774	\$4,008	\$2,645	\$13,427		\$13,427
96100 Total Insurance Premiums	\$84,945	\$35,161	\$34,935	\$155,041	\$0	\$155,041
96200 Other General Expenses	\$0	\$617	\$1,465	\$2,082	-\$1,463	\$619
96210 Compensated Absences	-\$368	-\$219	-\$120	-\$707		-\$707
96000 Total Other General Expenses	-\$368	\$398	\$1,345	\$1,375	-\$1,463	-\$88
96710 Interest of Mortgage (or Bonds) Payable			\$17,400	\$17,400		\$17,400
96720 Interest on Notes Payable (Short and Long Term)	\$518	\$31		\$549		\$549
96700 Total Interest Expense and Amortization Cost	\$518	\$31	\$17,400	\$17,949	\$0	\$17,949
96900 Total Operating Expenses	\$510,320	\$309,391	\$185,174	\$1,004,885	-\$1,463	\$1,003,422
97000 Excess of Operating Revenue over Operating Expenses	\$77,481	\$103,441	\$120,478	\$301,400	\$0	\$301,400
97400 Depreciation Expense	\$146,074	\$33,271	\$52,887	\$232,232		\$232,232
90000 Total Expenses	\$656,394	\$342,662	\$238,061	\$1,237,117	-\$1,463	\$1,235,654
10010 Operating Transfer In	\$108,973			\$108,973	-\$108,973	\$0
10020 Operating transfer Out	-\$108,973			-\$108,973	\$108,973	\$0
10093 Transfers between Program and Project - In	\$0			\$0		\$0
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$68,593	\$70,170	\$67,591	\$69,168	\$0	\$69,168
11020 Required Annual Debt Principal Payments	\$0	\$0	\$28,827	\$28,827		\$28,827
11030 Beginning Equity	\$915,305	\$422,902	\$727,254	\$2,065,461		\$2,065,461
11190 Unit Months Available	600	360	192	1152		1152
11210 Number of Unit Months Leased	594	348	189	1131		1131
11270 Excess Cash	\$325,477			\$325,477		\$325,477
11620 Building Purchases	\$21,367			\$21,367		\$21,367
11630 Furniture & Equipment - Dwelling Purchases	\$12,930			\$12,930		\$12,930
11640 Furniture & Equipment - Administrative Purchases	\$2,944			\$2,944		\$2,944

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

Single Project Revenue and Expense

Submission Type: Audited/Non Single  
Audit

Fiscal Year End: 12/31/2025

Project: CO02900029 FORT LUPTON

	Low Rent	Capital Fund	Total Project
70300 Net Tenant Rental Revenue	\$287,107		\$287,107
70400 Tenant Revenue - Other	\$7,962		\$7,962
70500 Total Tenant Revenue	\$295,069	\$0	\$295,069
70600 HUD PHA Operating Grants	\$148,774	\$108,973	\$257,747
71100 Investment Income - Unrestricted	\$3,576		\$3,576
71500 Other Revenue	\$31,409		\$31,409
70000 Total Revenue	\$478,828	\$108,973	\$587,801
91100 Administrative Salaries	\$77,602		\$77,602
91200 Auditing Fees	\$4,706		\$4,706
91500 Employee Benefit contributions - Administrative	\$24,722		\$24,722
91600 Office Expenses	\$24,029		\$24,029
91700 Legal Expense	\$551		\$551
91000 Total Operating - Administrative	\$131,610	\$0	\$131,610
92400 Tenant Services - Other	\$9,331		\$9,331
92500 Total Tenant Services	\$9,331	\$0	\$9,331
93100 Water	\$32,289		\$32,289
93200 Electricity	\$12,027		\$12,027
93300 Gas	\$7,865		\$7,865
93600 Sewer	\$16,764		\$16,764
93800 Other Utilities Expense	\$18,925		\$18,925
93000 Total Utilities	\$87,870	\$0	\$87,870
94100 Ordinary Maintenance and Operations - Labor	\$94,637		\$94,637
94200 Ordinary Maintenance and Operations - Materials and Other	\$31,495		\$31,495
94300 Ordinary Maintenance and Operations Contracts	\$43,781		\$43,781
94500 Employee Benefit Contributions - Ordinary Maintenance	\$26,501		\$26,501
94000 Total Maintenance	\$196,414	\$0	\$196,414
96110 Property Insurance	\$67,750		\$67,750
96120 Liability Insurance	\$7,373		\$7,373
96130 Workmen's Compensation	\$3,048		\$3,048
96140 All Other Insurance	\$6,774		\$6,774
96100 Total Insurance Premiums	\$84,945	\$0	\$84,945
96210 Compensated Absences	-\$368		-\$368
96000 Total Other General Expenses	-\$368	\$0	-\$368
96720 Interest on Notes Payable (Short and Long Term)	\$518		\$518
96700 Total Interest Expense and Amortization Cost	\$518	\$0	\$518
96900 Total Operating Expenses	\$510,320	\$0	\$510,320
97000 Excess of Operating Revenue over Operating Expenses	-\$31,492	\$108,973	\$77,481
97400 Depreciation Expense	\$146,074		\$146,074
90000 Total Expenses	\$656,394	\$0	\$656,394
10010 Operating Transfer In	\$108,973		\$108,973
10020 Operating Transfer Out		-\$108,973	-\$108,973
10100 Total Other financing Sources (Uses)	\$108,973	-\$108,973	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$68,593	\$0	-\$68,593
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0
11030 Beginning Equity	\$915,305	\$0	\$915,305
11190 Unit Months Available	600		600
11210 Number of Unit Months Leased	594		594
11270 Excess Cash	\$325,477		\$325,477
11620 Building Purchases	\$21,367	\$0	\$21,367
11630 Furniture & Equipment - Dwelling Purchases	\$12,930	\$0	\$12,930
11640 Furniture & Equipment - Administrative Purchases	\$2,944	\$0	\$2,944

**GOVERNMENT AUDITING STANDARDS SECTION**

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

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

**Independent Auditors Report**

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the major fund of the Housing Authority of the City of Fort Lupton, Colorado as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of Fort Lupton, Colorado's basic financial statements, and have issued our report thereon dated March 30, 2026.

**Report on Internal Control Over Financial Reporting**

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

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider 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 the Housing Authority of the City of Fort Lupton, Colorado's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance 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.

*Niewedde & Wiens, CPA's*

York, Nebraska  
March 30, 2026

**AGREED-UPON PROCEDURE**

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

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

We have performed the procedures enumerated below on whether the electronic submission of certain information agrees with the hard copy documents within the reporting package for the year ended December 31, 2025. The U.S. Department of Housing and Urban Development, Real Estate Assessment Center (REAC) is responsible for the Uniform Financial Reporting Standards (UFRS) procedures.

The Housing Authority of the City of Fort Lupton, Colorado, has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of complying with the REAC's UFRS requirements for the submission of the PHA financial data for the year ended December 31, 2025. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are as follows:

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

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

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

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

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

We were engaged to perform an audit of the financial statements of the Housing Authority of the City of Fort Lupton, Colorado as of and for the year ended December 31, 2025, and have issued our report thereon dated March 30, 2026. The information in the "Hard Copy Documents" column was included within the scope, or was a by-product, of that audit. Further, our opinion on the fair presentation of the Housing Authority of the City of Fort Lupton, Colorado's Financial Data Schedule dated March 30, 2026, was expressed in relation to the basic financial statements of the Housing Authority taken as a whole.

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

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

*Niewedde & Wiens, CPA's*

York, Nebraska  
March 30, 2026