

ESTES PARK HOUSING AUTHORITY
FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2022
WITH
REPORT OF INDEPENDENT AUDITORS

**ESTES PARK HOUSING AUTHORITY
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2022**

<u>Contents</u>	<u>Page</u>
Report of Independent Auditors	1-3
Financial Statements:	
Statement of Net Position	4-5
Statement of Revenues, Expenses and Changes in Net Position	6
Statement of Cash Flows	7-8
Notes to Financial Statements	9-32
Supplementary Information:	
Schedule of Combining Statements of Net Position	33-34
Schedule of Combining Statements of Revenues, Expenses and Changes in Net Position	35
Required Pension Information	36-37
Required Other Post Employment Benefits Information	38-39

REPORT OF INDEPENDENT AUDITORS

To the Board of Commissioners
Estes Park Housing Authority:

Opinions

We have audited the accompanying financial statements of the business-type activities (primary government) and the discretely presented component unit of the Estes Park Housing Authority (the "Authority") as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, as listed in the accompanying table of contents.

In our opinion, based on our audit and the report of the other auditor, the financial statements referred to above present fairly, in all material respects, the net position of the primary government and the discretely presented component unit of the Authority, as of December 31, 2022, and the changes in their net position and, where applicable, their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the discretely presented component unit. Those statements, which were prepared in accordance with the accounting standards issued by the Financial Accounting Standards Board, were audited by an other auditor whose report has been furnished to us. We have applied audit procedures on the conversion adjustments to the financial statements of the discretely presented component unit, to conform those financial statements to present in accordance with the accounting standards issued the Governmental Accounting Standards Board. Our opinion, as it relates to the amounts included for the discretely presented component unit, prior to these conversion adjustments, are based solely on the report of the other auditor.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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 opinions.

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 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 Authority's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' report that includes our opinions. 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 auditing standards generally accepted in the United States of America 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 auditing standards generally accepted in the United States of America, we:

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

Other Matters

Required Supplementary Information

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by the missing information.

Accounting principles generally accepted in the United States of America require that the required pension information and required other post employment benefits information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government 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.

Other Matters (continued)

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying combining statements of net position and combining statements of revenues, expenses and changes in net position are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such 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 statements of net position and combining statements of revenues, expenses and changes in net position are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Novogradac & Company LLP

October 17, 2023
Toms River, New Jersey

FINANCIAL STATEMENTS

**ESTES PARK HOUSING AUTHORITY
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2022**

ASSETS

	<u>Primary Government</u>	<u>Discretely Presented Component Unit</u>	<u>Total Reporting Entity (Memorandum Only)</u>
Current assets:			
Cash and cash equivalents	\$ 1,625,785	\$ 264,923	\$ 1,890,708
Tenant security deposits	168,596	40,467	209,063
Accounts receivable, net	31,669	2,153	33,822
Prepaid expenses	<u>39,113</u>	<u>6,390</u>	<u>45,503</u>
 Total current assets	 <u>1,865,163</u>	 <u>313,933</u>	 <u>2,179,096</u>
Non-current assets:			
Restricted deposits	548,221	98,284	646,505
Other assets	-	118,971	118,971
Land held for sale	629,809	-	629,809
Notes receivable, net	37,104	-	37,104
Accrued pension benefit	42,785	-	42,785
Capital assets, net	<u>12,890,602</u>	<u>11,061,190</u>	<u>23,951,792</u>
 Total non-current assets	 <u>14,148,521</u>	 <u>11,278,445</u>	 <u>25,426,966</u>
 Total assets	 <u>16,013,684</u>	 <u>11,592,378</u>	 <u>27,606,062</u>

DEFERRED OUTFLOWS OF RESOURCES

State of Colorado LGDTF	16,594	-	16,594
State of Colorado HCTF	<u>744</u>	<u>-</u>	<u>744</u>
 Total deferred outflows of resources	 <u>17,338</u>	 <u>-</u>	 <u>17,338</u>
 Total assets and deferred outflows of resources	 <u>\$ 16,031,022</u>	 <u>\$ 11,592,378</u>	 <u>\$ 27,623,400</u>

See accompanying notes to financial statements.

ESTES PARK HOUSING AUTHORITY
STATEMENT OF NET POSITION (continued)
AS OF DECEMBER 31, 2022

LIABILITIES

	<u>Primary Government</u>	<u>Discretely Presented Component Unit</u>	<u>Total Reporting Entity (Memorandum Only)</u>
Current liabilities:			
Accounts payable	\$ 83,101	\$ 17,937	\$ 101,038
Accrued expenses	55,270	75,177	130,447
Tenant security deposits	161,301	38,676	199,977
Prepaid rent	17,686	6,215	23,901
Notes payable, current	<u>685,977</u>	<u>41,772</u>	<u>727,749</u>
Total current liabilities	<u>1,003,335</u>	<u>179,777</u>	<u>1,183,112</u>
Non-current liabilities:			
Notes payable, non-current	9,763,364	3,520,558	13,283,922
Accrued OPEB liability	<u>33,452</u>	<u>-</u>	<u>33,452</u>
Total non-current liabilities	<u>9,796,816</u>	<u>3,520,558</u>	<u>13,317,374</u>
Total liabilities	<u>10,800,151</u>	<u>3,700,335</u>	<u>14,500,486</u>

DEFERRED INFLOWS OF RESOURCES

State of Colorado LGDTF	370,818	-	370,818
State of Colorado HCTF	<u>11,817</u>	<u>-</u>	<u>11,817</u>
Total deferred inflows of resources	<u>382,635</u>	<u>-</u>	<u>382,635</u>

NET POSITION

Net position:			
Net investment in capital assets	2,914,854	7,498,860	10,413,714
Restricted	548,221	98,284	646,505
Unrestricted	<u>1,385,161</u>	<u>294,899</u>	<u>1,680,060</u>
Total net position	<u>4,848,236</u>	<u>7,892,043</u>	<u>12,740,279</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 16,031,022</u>	<u>\$ 11,592,378</u>	<u>\$ 27,623,400</u>

See accompanying notes to financial statements.

**ESTES PARK HOUSING AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Primary Government</u>	<u>Discretely Presented Component Unit</u>	<u>Total Reporting Entity (Memorandum Only)</u>
Operating revenues:			
Rental revenue	\$ 1,887,999	\$ 489,255	\$ 2,377,254
Grant revenue	35,205	-	35,205
Management and maintenance fees	84,268	-	84,268
Other revenues	<u>170,501</u>	<u>1,354</u>	<u>171,855</u>
 Total operating revenues	 <u>2,177,973</u>	 <u>490,609</u>	 <u>2,668,582</u>
Operating expenses:			
Administrative	865,560	161,929	1,027,489
Utilities	196,216	62,724	258,940
Maintenance	445,403	111,828	557,231
Depreciation	<u>410,671</u>	<u>355,760</u>	<u>766,431</u>
 Total operating expenses	 <u>1,917,850</u>	 <u>692,241</u>	 <u>2,610,091</u>
 Operating income (loss)	 <u>260,123</u>	 <u>(201,632)</u>	 <u>58,491</u>
Non-operating revenues (expenses):			
Interest income	2,690	1,284	3,974
Insurance proceeds	11,269	-	11,269
Development fees	59,416	-	59,416
Interest expense	<u>(370,084)</u>	<u>(83,919)</u>	<u>(454,003)</u>
 Net non-operating expenses	 <u>(296,709)</u>	 <u>(82,635)</u>	 <u>(379,344)</u>
 Change in net position	 (36,586)	 (284,267)	 (320,853)
Net position, beginning of year	<u>4,884,822</u>	<u>8,176,310</u>	<u>13,061,132</u>
Net position, end of year	<u>\$ 4,848,236</u>	<u>\$ 7,892,043</u>	<u>\$ 12,740,279</u>

See accompanying notes to financial statements.

**ESTES PARK HOUSING AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Primary Government</u>
Cash Flows from Operating Activities:	
Cash received from tenants and grantors	\$ 2,173,416
Cash paid to suppliers and employees	<u>(1,620,647)</u>
Net cash provided by operating activities	<u>552,769</u>
Cash Flows from Non-Capital and Related Financing Activities:	
Insurance proceeds received	<u>11,269</u>
Net cash provided by non-capital and related financing activities	<u>11,269</u>
Cash Flows from Capital and Related Financing Activities:	
Purchase of capital assets	(60,033)
Issuance on notes payable	176,632
Principal payments on notes payable	(122,324)
Interest paid on notes payable	<u>(370,084)</u>
Net cash used in capital and related financing activities	<u>(375,809)</u>
Cash Flows from Investing Activities:	
Development costs received	59,416
Payments received on notes receivable	12,073
Interest on investments	<u>2,690</u>
Net cash provided by investing activities	<u>74,179</u>
Net increase in cash and cash equivalents and restricted deposits	262,408
Cash and cash equivalents and restricted deposits, beginning of year	<u>2,080,194</u>
Cash and cash equivalents and restricted deposits, end of year	<u>\$ 2,342,602</u>
Reconciliation of cash and cash equivalents and restricted deposits to the Statement of Net Position is as follows:	
Cash and cash equivalents	\$ 1,625,785
Tenant security deposits	168,596
Restricted deposits	<u>548,221</u>
Total cash and cash equivalents and restricted deposits	<u>\$ 2,342,602</u>

See accompanying notes to financial statements.

ESTES PARK HOUSING AUTHORITY
STATEMENT OF CASH FLOWS (continued)
YEAR ENDED DECEMBER 31, 2022

	<u>Primary Government</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 260,123
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	410,671
Changes in operating assets, deferred outflows of resources, liabilities, and deferred inflows of resources:	
Accounts receivable, net	(8,029)
Prepaid expenses	(33,856)
Other assets	12,563
Pension benefit	(42,785)
Deferred outflows of resources	55,599
Accounts payable	36,940
Accrued expenses	9,000
Tenant security deposits	5,483
Prepaid rent	(2,011)
Accrued pension liability	(250,281)
Accrued other post employment benefits liability	(1,396)
Deferred inflows of resources	<u>100,748</u>
Net cash provided by operating activities	<u>\$ 552,769</u>
Schedule of non-cash investing and financing activities:	
Payoff of construction loan through refinance of debt	<u>\$ (4,623,368)</u>

See accompanying notes to financial statements.

**ESTES PARK HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization

The Estes Park Housing Authority (the "Authority") is a governmental, public organization created under federal and state housing laws for the purpose of creating and facilitating affordable housing opportunities and services for persons of low and moderate income in the Town of Estes Park (the "Town").

The Authority is governed by a board of commissioners who are appointed by the Board of Trustees of the Town. The Authority's board of commissioners has contracted with Loveland Housing Authority for management and accounting services of the Authority.

B. Basis of Accounting / Financial Statement Presentation

The Authority's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

The Authority's funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, and losses from assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

The Authority's financial statements are prepared in accordance with GASB 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments ("GASB 34"), as amended. GASB 34 requires the basic financial statements to be prepared using the economic resources measurement focus and the accrual basis of accounting and requires the presentation of Statements of Net Position, Statements of Revenues, Expenses and Changes in Net Position and Statements of Cash Flows. GASB 34 also requires the Authority to include Management's Discussion and Analysis as part of the Required Supplementary Information.

The Authority's primary source of non-exchange revenue relates to grants and subsidies. In accordance with GASB 33, *Accounting and Financial Reporting for Non-exchange Transactions* ("GASB 33"), grant and subsidy revenue are recognized at the time eligible program expenditures occur and/or the Authority has complied with the grant and subsidy requirements.

On January 1, 2022, the Authority adopted Statement No. 87 of the Government Accounting Standards Board, Leases ("GASB 87"). GASB 87 increases the transparency and comparability among governmental organizations by requiring the recognition of lease assets and lease liabilities on the statement of net position by lessees and the disclosure of key information about leasing arrangements. For the year ended December 31, 2022, the adoption of GASB 87 did not have a material effect on the financial statements of the Authority.

C. Reporting Entity

In accordance with GASB 61, *The Financial Reporting Entity Omnibus - An Amendment of GASB Statement No. 14 and No. 34*, the Authority's basic financial statements include those of the Authority and any component units. Component units are legally separate organizations whose majority of officials are appointed by the primary government or the organization is fiscally dependent on the primary government and there is a potential for those organizations either to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

ESTES PARK HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Reporting Entity (continued)

An organization has a financial benefit or burden relationship with the primary government if any one of the following conditions exist:

1. The primary government (Authority) is legally entitled to or can otherwise access the organization's resources.
2. The primary government is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization.
3. The primary government is obligated in some manner for the debt of the organization.

Based upon the application of these criteria, this report includes two blended component units and one discretely presented component unit. The Authority's blended component units as of December 31, 2022 consisted of the following:

Peak View, LLC

Peak View, LLC was formed on July, 10, 2020 as a Colorado Limited Liability Company to manage the construction of a twenty-six (26) unit apartment building, known as Peak View Apartments. The purpose of Peak View, LLC is to provide affordable housing options to the Town as defined by the regulations of the Colorado Housing Finance Agency ("CHFA"). Peak View, LLC is wholly owned by the Authority and does not issue separate financial statements.

Dry Gulch, LLLP

Dry Gulch, LLLP was formed on July 31, 2002 as a Colorado Limited Partnership to construct, acquire, own, operate, manage and sell or otherwise dispose of a forty-four (44) unit apartment building, known as Talon Pointe Apartments. Dry Gulch, LLLP is wholly owned by the Authority and does not issue separate financial statements.

The Authority's discretely presented component unit is reported as of and for the year ended December 31, 2022 in a separate column to emphasize that it is legally separate from the primary government and are included under the "Discretely Presented Component Unit" column on the Statement of Net Position and Statement of Revenues, Expenses and Changes in Net Position. As of December 31, 2022, the Authority's discretely presented component unit consisted of the following:

Falcon Ridge Apartments, LLLP

Falcon Ridge Apartments, LLLP was formed on November 5, 2014 as a Colorado Limited Partnership to manage the construction of a sixty-six (66) unit apartment building, known as Falcon Ridge Apartments. The purpose of Falcon Ridge Apartments, LLLP is to construct, acquire, own, operate, manage and sell or otherwise dispose of the 66 unit rental housing project. Falcon Ridge Apartments, LLLP is managed by the Estes Park Housing Authority.

The discretely presented component unit issues its own separate audited financial statements which are presented as of and for the year ended December 31, 2022 and can be obtained by writing to the Executive Director, Loveland Housing Authority, 375 W 37th Street, #200, Loveland, CO 80538.

ESTES PARK HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Use of Management Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the allowance for doubtful accounts, accrued expenses and other liabilities, depreciable lives of properties and equipment, and contingencies. Actual results could differ significantly from these estimates.

E. Cash and Cash Equivalents

Cash and cash equivalents consists of all cash balances and highly liquid investments with a maturity of three months or less at the time of acquisition. The Colorado Public Deposit Protection Act ("PDPA") requires that all units of local government deposit cash in eligible depositories. Eligibility is determined by state regulations.

The PDPA also requires that deposits be fully collateralized at all times by eligible collateral as determined by the PDPA. The PDPA allows the financial institution to create a single collateral pool for all public funds held.

F. Accounts Receivable, Net

Rents are due from tenants on the first day of each month. As a result, tenants receivable balances primarily consist of rents past due and vacated tenants. An allowance for doubtful accounts is established to provide for accounts which may not be collected in the future for any reason. Collection losses on accounts receivable are charged against the allowance for doubtful accounts.

The Authority also recognizes a receivable for providing management services to affiliated entities.

G. Allowance for Doubtful Accounts

The Authority periodically reviews all accounts receivable to determine the amount, if any, that may be uncollectable. If it is determined that an account or accounts may be uncollectable, the Authority prepares an analysis of such accounts and records an appropriate allowance against such amounts.

H. Notes Receivable

The Authority has utilized funds to assist in low income buyers in the purchase of affordable housing through the issuance of mortgage notes. When preparing financial statements in accordance with generally accepted accounting principles, management is required to make estimates as to the collectability of such mortgage notes. When estimating collectability, management analyzes the value of the underlying mortgaged property, the property, the property's ability to generate positive cash flow, and current economic trends and conditions. Management utilizes these estimates and judgments in connection with establishing an allowance for uncollectable amounts during an accounting period.

ESTES PARK HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. Prepaid Expenses

Prepaid expenses represent amounts paid as of year-end that will benefit future operations.

J. Capital Assets, Net

Capital assets are stated at cost. Expenditures for repairs and maintenance are charged directly to expense as they are incurred. Expenditures determined to represent additions or betterments are capitalized. Upon the sale or retirement of capital assets, the cost and related accumulated depreciation are eliminated from the accounts and any related gain or loss is reflected in the Statement of Revenues, Expenses and Changes in Net Position. Depreciation is computed on the straight-line method over the estimated useful lives of the assets. The useful lives of the assets are estimated as follows:

- Buildings and improvements 27.5 Years
- Equipment 5-15 Years

The Authority has established a capitalization threshold of \$2,000.

K. Impairment of Long Lived Assets

The Authority reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of the asset may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the asset to the future net undiscounted cash flow expected to be generated and any estimated proceeds from the eventual disposition. If the long-lived assets are considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the asset exceeds the fair value as determined from an appraisal, discounted cash flows analysis, or other valuation technique. The Authority recognized no loss on impairment for the year ended December 31, 2021.

L. Accounts Payable and Accrued Liabilities

The Authority recognizes a liability for goods and services received but not paid for as of year-end. It also recognizes a liability for wages and fringe benefits related to services performed at year-end but not yet paid to employees or taxing authorities.

M. Prepaid Rent

The Authority's prepaid rent primarily consists of the prepayment of rent by residents applicable to future periods.

N. Pensions

For the purposes of measuring the net pension liability, deferred outflows of resources, and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association of Colorado's ("PERA") Local Government Division Trust Fund ("LGDTF") and additions to/deductions from LGDTF's fiduciary net position have been determined on the same basis as they are reported by PERA. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

ESTES PARK HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

O. Other Post Employment Benefits

For the purposes of measuring the net Other Post Employment Benefits ("OPEB") liability, deferred outflows of resources, and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the PERA's Health Care Trust Fund ("HCTF") and additions to/deductions from HCTF's fiduciary net position have been determined on the same basis as they are reported by PERA. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

P. Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources until that time.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents a acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources until that time.

Q. Net Position Classifications

Net Position is displayed in three components:

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.

Restricted net position — Consists of resources with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted net position — All other resources that do not meet the definition of "restricted" or "net investment in capital assets."

R. Use of Restricted Assets

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

S. Operating Revenues and Expenses

The Authority defines its operating revenues as income derived from charges to residents and others for services provided as well as government subsidies and grants used for operating purposes. Operating expenses are costs incurred in the operation of its program activities to provide services to residents and others. The Authority classifies all other revenues and expenses as non-operating.

ESTES PARK HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

T. Taxes

The Authority is a unit of local government under the State of Colorado law and is exempt from real estate, sales and income taxes by both the federal and state governments.

U. Budgets and Budgetary Accounting

The Authority adopts an annual operating budget, which is used as a management tool throughout the accounting cycle, but is not legally required. Therefore, budgetary information is not presented in the financial statements.

V. 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. Significant losses are covered by commercial insurance and there have been no significant reductions in insurance coverage. Claims expenditures and liabilities are reported when it is probable that a loss has occurred, the amount of the loss can be reasonably estimated, and said amount exceeds insurance coverage. Settlement amounts have not exceeded insurance coverage for the last three years.

W. Regulated Leases

The Authority is a lessor of residential dwelling units under regulated leases as defined by GASB 87 and as such recognizes rental revenue in accordance with the terms of the lease contract. The leases which are twelve months in length are regulated by HUD as to rent, unit size, household composition and tenant income. For the year ended December 31, 2022, rental revenue earned under the aforementioned leases totaled \$1,887,999 for the primary government and \$489,255 for the discretely presented component unit.

NOTE 2. CASH AND CASH EQUIVALENTS AND RESTRICTED DEPOSITS

As of December 31, 2022, the Authority had funds on deposit in checking and savings accounts. The carrying amount of the primary government's cash and cash equivalents (including restricted deposits) was \$2,342,602 and the bank balances approximated \$2,342,347.

<u>Cash Category</u>	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>	<u>Total Reporting Entity (Memorandum Only)</u>
Cash and cash equivalents	\$ 1,625,785	\$ 264,923	\$ 1,890,708
Tenant security deposits	168,596	40,467	209,063
Restricted deposits	<u>548,221</u>	<u>98,284</u>	<u>646,505</u>
Total cash and cash equivalents	<u>\$ 2,342,602</u>	<u>\$ 403,674</u>	<u>\$ 2,746,276</u>

ESTES PARK HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022

NOTE 2. CASH AND CASH EQUIVALENTS AND RESTRICTED DEPOSITS (continued)

Of the primary government's bank balances, \$265,593 was covered by federal depository insurance and the remaining \$2,076,754 was collateralized with an authorized escrow agent in the financial institution's name as of December 31, 2022.

Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The Authority does not have a formal policy for custodial credit risk. As of December 31, 2022, the Authority's bank balances were not exposed to custodial credit risk.

NOTE 3. ACCOUNTS RECEIVABLE, NET

Accounts receivable, net consisted of the following as of December 31, 2022:

<u>Description</u>	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>	<u>Total Reporting Entity (Memorandum Only)</u>
Accounts receivable - tenants	\$ 3,097	\$ 2,153	\$ 5,250
Accounts receivable - management fees	<u>28,572</u>	<u>-</u>	<u>28,572</u>
Total accounts receivable	<u>\$ 31,669</u>	<u>\$ 2,153</u>	<u>\$ 33,822</u>

Accounts Receivable - Tenants

Tenant accounts receivable represents amounts owed to the Authority by tenants for outstanding rent. The balance is shown net of an allowance for doubtful accounts of \$2,048.

Accounts Receivable - Management Fees

Accounts receivable - management fees represent amounts due to the Authority for providing management services to affiliated entities. Management estimates the amounts to be fully collectible and therefore no allowance for doubtful accounts has been established.

NOTE 4. RESTRICTED DEPOSITS

As of December 31, 2022, restricted deposits consisted of the following:

<u>Cash Category</u>	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>	<u>Total Reporting Entity (Memorandum Only)</u>
Construction reserves	\$ 142,199	\$ -	\$ 142,199
Reserve for replacement	337,766	86,336	424,102
Down payment assistance escrows	68,256	-	68,256
Assurance escrows	-	11,948	11,948
Tenant security deposits	<u>168,596</u>	<u>40,467</u>	<u>209,063</u>
Total restricted deposits	<u>\$ 716,817</u>	<u>\$ 138,751</u>	<u>\$ 855,568</u>

ESTES PARK HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022

NOTE 4. RESTRICTED DEPOSITS (continued)

Construction reserves represent funds that are restricted for the construction of an apartment complex as part of Peak View, LLC.

Reserve for replacement are restricted for repairs and replacement of buildings and equipment.

Down payment assistance escrows are restricted to be loaned to individuals to assist with the purchase of private home.

Assurance escrows are restricted for the repayment of principal and interest on related outstanding debt.

Tenant security deposits represent amounts held by the Authority on behalf of tenants. Upon termination from the Authority, the tenant is due amounts deposited plus interest earned less any amounts charged for damage to the unit.

NOTE 5. LAND HELD FOR SALE

Land held for sale consists of a parcel of land known as Castle Ridge purchased utilizing funds borrowed from Van Horn Bank. As of December 31, 2022, land held for sale totaled \$629,809.

NOTE 6. CAPITAL ASSETS, NET

The following is a summary of the primary government's changes in capital assets for the year ended December 31, 2022:

Description	December 31, 2021	Additions	Dispositions	Transfers	December 31, 2022
<u>Non-depreciable:</u>					
Land	\$ 1,684,982	\$ -	\$ -	\$ -	\$ 1,684,982
Construction in progress	-	-	-	-	-
Subtotal	<u>1,684,982</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,684,982</u>
<u>Depreciable:</u>					
Buildings and improvements	16,604,011	41,784	-	-	16,645,795
Equipment	30,300	18,249	-	-	48,549
Subtotal	<u>16,634,311</u>	<u>60,033</u>	<u>-</u>	<u>-</u>	<u>16,694,344</u>
Less: accumulated depreciation	<u>5,078,053</u>	<u>410,671</u>	<u>-</u>	<u>-</u>	<u>5,488,724</u>
Net capital assets	<u>\$ 13,241,240</u>	<u>\$ (350,638)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,890,602</u>

Depreciation expense for the primary government for the year ended December 31, 2022 amounted to \$410,671.

ESTES PARK HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022

NOTE 6. CAPITAL ASSETS, NET (continued)

The following is a summary of the discretely presented component unit's capital assets activity for the year ended December 31, 2022:

Description	December 31, 2021	Additions	Dispositions	Transfers	December 31, 2022
<u>Non-depreciable:</u>					
Land	\$ 1,320,000	\$ -	\$ -	\$ -	\$ 1,320,000
Subtotal	<u>1,320,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,320,000</u>
<u>Depreciable:</u>					
Buildings and improvements	11,976,814	10,536	-	-	11,987,350
Equipment	150,760	-	-	-	150,760
Subtotal	<u>12,127,574</u>	<u>10,536</u>	<u>-</u>	<u>-</u>	<u>12,138,110</u>
Less: accumulated depreciation	<u>2,041,160</u>	<u>355,760</u>	<u>-</u>	<u>-</u>	<u>2,396,920</u>
Net capital assets	<u>\$ 11,406,414</u>	<u>\$ (345,224)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,061,190</u>

Depreciation expense for the discretely presented component unit for the year ended December 31, 2022 amounted to \$355,760.

NOTE 7. NOTES RECEIVABLE

Notes receivable of the primary government consisted of the following as of December 31, 2022:

Description

Since 2010, the Authority has made several loans to individual homeowners, through a down payment assistance program. These notes carry an interest rate of 2.00% and mature ten years from date of issuance. Payments are due in monthly payments of principal and interest until maturity.

\$ 37,104

Since 2003, the Authority has made multiple loans to individual owners at Vista Ridge Condominiums, through funding from the Town of Estes Park and the Colorado Division of Housing. The intent of providing these funds is to produce and preserve the affordability of the property for persons of low and moderate income. These notes carry an interest rate of 10.00% and mature upon sale or transfer of the property. As of December 31, 2022, the balance of these loans totaled \$1,526,000 and are shown net of an allowance for uncollectable notes receivable totaling \$1,526,000.

-

Total notes receivable

\$ 37,104

Accrued interest receivable totaled -\$0- for the year ended December 31, 2022.

ESTES PARK HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022

NOTE 8. ACCOUNTS PAYABLE

As of December 31, 2022, accounts payable for the primary government and discretely presented component unit totaled \$83,101 and \$17,937, respectively, and consisted of accounts payable to vendors. Vendors accounts payables represents amounts payable to contractors and vendors for materials received or services rendered.

NOTE 9. NOTES PAYABLE

Notes payable of the primary government consisted of the following as of December 31, 2022:

<u>Description</u>	<u>Amount</u>
<p>In December 2018, the Authority entered into a loan agreement with Van Horn Bank in the amount of \$520,000, for the purchase of land, known as Castle Ridge. This land will be held for sale by the Authority. The loan is due in quarterly payments of principal and interest in the amount of \$9,140. The loan is secured by the land, accrues interest at a rate of 5.0% and matures in December 2023, when a final balloon payment will be due.</p>	\$ 473,593
<p>On August 28, 2020, the Authority entered into a loan agreement with the Bank of Colorado in the amount of \$705,000, to provide financing for The Pines Project. The loan is due in monthly payments of principal and interest in the amount of \$2,989. The loan accrues interest at a rate of 3.00%, is secured by the underlying property and matures in August 2030, when a final balloon payment will be due.</p>	670,191
<p>On May 12, 2017, the Authority entered into a loan agreement with the Bank of Colorado in the amount of \$1,232,746, to provide financing for the purchase of Dry Gulch, LLLP. The loan is due in monthly payments of principal and interest in the amount of \$6,308.52. The loan accrues interest at a rate of 4.53% and matures in May 2027.</p>	1,111,456
<p>On September 26, 2017, the Authority entered into a loan agreement with the Loveland Housing Development Corporation ("LHDC") in the amount of \$500,000, to provide financing for the purchase of Lone Tree Village Apartments. The loan accrues interest at a rate of 5.00% and was extended to mature in October 1, 2027, when all outstanding principal and interest will be due in full.</p>	500,000
<p>On September 26, 2017, the Authority entered into a loan agreement with the Bank of Colorado in the amount of \$1,900,000, to provide financing for the purchase of the Lone Tree Village Apartments. The loan is due in monthly payments of principal and interest in the amount of \$8,059. The loan accrues interest at a rate of 3.15%, is secured by the underlying property and matures in October 2027, when a final balloon payment will be due.</p>	1,684,717

ESTES PARK HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022

NOTE 9. NOTES PAYABLE (continued)

On August 28, 2020, Peak View, LLC entered into a loan agreement with the CHFA in the amount of \$1,050,000, to provide financing for the construction of Peak View Apartments. The loan accrues interest at a rate of 3.5% and is due in monthly payments of interest. The loan is secured by the underlying property. The loan converted to a permanent loan in August 2022 to have a new maturity date of September 1, 2030 accruing interest at 3.5%. The loan is due in monthly payments of principal and interest in the amount of \$4,067.61. 1,034,611

On August 28, 2020, Peak View, LLC entered into a loan agreement with the Bank of Colorado in the amount of \$4,800,000, to provide financing for the construction of Peak View Apartments. The loan accrues interest at a rate of 3% and is due in monthly payments of interest. The loan is secured by the underlying property. The loan converted to a permanent loan in August 2022 with a new maturity date of December 1, 2030. 4,786,910

On August 31, 2020, Peak View, LLC entered into a loan agreement with the Town of Estes in the amount of \$187,863, to provide financing for the construction of Peak View Apartments. The loan accrues interest at a rate of 1.75% and is due in monthly payments of principal and interest starting August 2024. The loan is secured by the underlying property and matures on August 31, 2033, at which time the remaining balance of principal and interest will be due in full. 187,863

Total notes payable 10,449,341
Less: current portion 685,977

Notes payable, net of current portion \$ 9,763,364

Interest expense totaled \$370,084 for the primary government for the year ending December 31, 2022.

Annual debt service for principal over the next five years and in five-year increments thereafter is as follows:

Year	Principal	Interest	Total
2023	\$ 685,977	\$ 604,141	\$ 1,290,118
2024	237,790	299,298	537,088
2025	245,622	291,556	537,178
2026	253,417	283,761	537,178
2027	3,174,859	234,722	3,409,581
2028-2032	5,840,343	517,611	6,357,954
2033-2037	<u>11,333</u>	<u>374</u>	<u>11,707</u>
	<u>\$ 10,449,341</u>	<u>\$ 2,231,463</u>	<u>\$ 12,680,804</u>

ESTES PARK HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022

NOTE 9. NOTES PAYABLE (continued)

The following is a summary of the primary government's activity in notes payable during the year ended December 31, 2022:

Description	December 31, 2021	Additions	Payments	December 31, 2022	Amounts due within one Year
Van Horn - Castle Ridge Loan	\$ 486,033	\$ -	\$ (12,440)	\$ 473,593	\$ 473,593
Bank of Colorado - The Pines	685,419	-	(15,228)	670,191	15,700
Bank of Colorado - Talons Pointe	1,133,880	-	(22,424)	1,111,456	25,523
LHDC - Lone Tree	500,000	-	-	500,000	-
Bank of Colorado - Lone Tree	1,728,470	-	(43,753)	1,684,717	45,203
CHFA - Peak View, LLC	1,050,000	-	(15,389)	1,034,611	12,600
Town of Estes - Peak View	187,863	-	-	187,863	-
Bank of Colorado - Peak View	<u>4,623,368</u>	<u>4,800,000</u>	<u>(4,636,458)</u>	<u>4,786,910</u>	<u>113,358</u>
Total notes payable	<u>\$ 10,395,033</u>	<u>\$ 4,800,000</u>	<u>\$ (4,745,692)</u>	<u>\$ 10,449,341</u>	<u>\$ 685,977</u>

Notes payable of the discretely presented component unit consisted of the following as of December 31, 2022:

Description	Amount
The Colorado Housing and Finance Authority loan of \$2,000,000 closed on February 27, 2017. The loan bears interest at 4.75% (including a 0.25% HUD risk share mortgage insurance premium). The loan will mature after a term of 30 years.	\$ 1,793,037
The Colorado Division of Housing loan in the amount of \$1,800,000 is funded with Community Development Block Grant Disaster Recovery funds. The loan is scheduled to mature after 30 years (April 1, 2045). The loan bears interest at 0% and requires payments from cash flow only.	<u>1,769,293</u>
Total notes payable	3,562,330
Less: current portion	<u>41,772</u>
Notes payable, net of current portion	<u>\$ 3,520,558</u>

Interest expense totaled \$83,919 for the discretely presented component unit for the year ended December 31, 2022.

ESTES PARK HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022

NOTE 9. NOTES PAYABLE (continued)

The following is a summary of the discretely presented component unit's activity in notes payable during the year ended December 31, 2022:

Description	December 31, 2021	Additions	Payments	December 31, 2022	Amounts due within one Year
CHFA - Falcon Ridge	\$ 1,832,975	\$ -	\$ (39,938)	\$ 1,793,037	\$ 41,772
State of Colorado - Falcon Ridge	<u>1,784,589</u>	<u>-</u>	<u>(15,296)</u>	<u>1,769,293</u>	<u>-</u>
Total notes payable	<u>\$ 3,617,564</u>	<u>\$ -</u>	<u>\$ (55,234)</u>	<u>\$ 3,562,330</u>	<u>\$ 41,772</u>

NOTE 10. PENSION PLAN

A. Plan Description

The 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"). Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes, administrative rules set forth at 8 C.C.R. 1502-1, and applicable 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.

B. Benefits

The LGDTF serves as a defined benefit retirement plan where retirees received a monthly benefit for their lifetime, and generally, an annual increase each year, as eligible. Members of affiliated employers are eligible to received a lifetime monthly retirement benefit when certain age and service credit requirements are met. These eligibilities vary by the membership date and consider credited service at key dates. The benefits are based upon a defined or fixed multiplier, age, years of credited service, and highest average salary. For most employees, highest average salary, as of December 31, 2019, in one-twelfth of the average of the highest annual salaries that are associated with three periods of twelve consecutive months under PERA covered employment. The basic retirement equals 2.5% multiplied by highest annual salary multiplied by years of service. If a member reaches early retirement eligibility and wishes to begin benefit payments prior to achieving the full retirement requirements, then the monthly amount is reduced to consider the early receipt of monthly payments. Alternatively, if greater, a lifetime benefit is available that is calculated by annualizing the members' account. At benefit commencement, the member can choose from different payment options, some of which can continue after the retirees' death to a named beneficiary, and for which the benefit amount is appropriately adjusted.

In addition to retirement benefits, the LGDTF provides refund opportunities with matching employer dollars, if eligible, when leaving covered employment, and disability retirement and survivor benefits for those meeting certain criteria.

ESTES PARK HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022

NOTE 10. PENSION PLAN (continued)

C. Contributions

Employers are required to contribute to the LGDTF at a rate set by Colorado statute. Employer contribution requirements, as a percentage of salary, are summarized on the table below:

January 1st through December 31st	<u>2021</u>
Employer contribution rate	10.50%
Amount of employer contribution apportioned to the Health Care Trust Fund	(1.02%)
Amount apportioned to the LGDTF	9.48%
Amortization equalization disbursement	2.20%
Supplemental amortization equalization disbursement	1.50%
Defined contribution supplement	<u>0.02%</u>
Total employer contribution rate to the LGDTF	12.68%

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

At December 31, 2022, the Authority reported a benefit of \$42,785 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31 2020, and rolled forward to December 31, 2021.

For the year ended December 31, 2022, the Authority recognized a pension benefit of \$136,923. At December 31, 2022, the Authority reported deferred outflows of resources and deferred inflows of resources from the following sources.

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Changes of Assumptions	\$ 14,503	\$ -
Differences between expected and actual experience	2,091	715
Net differences between projected and actual earnings on pension plan investments	<u>-</u>	<u>370,103</u>
Total	\$ <u>16,594</u>	\$ <u>370,818</u>

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

Year ending December 31:	<u>Amount</u>
2023	\$ (55,000)
2024	(58,758)
2025	(164,075)
2026	<u>(76,391)</u>
	\$ <u>(354,224)</u>

**ESTES PARK HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022**

NOTE 10. PENSION PLAN (continued)

E. Actuarial Assumptions

The actuarial assumptions used in the December 31, 2021, valuation were based on the results of the 2020 automatic adjustment provision (AAP) assessment, statutorily recognized July 1, 2021, and effective July 1, 2022. The December 31, 2021, valuation used 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	3.20%-12.40%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/2007	1.00%
PERA benefit structure hired after 12/31/2006	Financed by the Annual Increase Reserve

Healthy mortality assumptions for active members were based on the Pub-2010 Contingent Survivor Table, a table specifically developed for actively working people. To allot for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 97 percent factor applied to male rates and a 105 percent factor applied to female rates.

Post retirement non-disabled mortality assumptions were based on the Pub-2010 Healthy Annuitant Mortality 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.

The mortality assumption for disabled retirees was based on 99 percent of the PubS-2010 Disabled Retiree Mortality Table.

F. Long-Term Expected Rate of Return

The long-term expected rate of return is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The current long-term expected rate of return, the target allocation, and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>30-Year Expected Geometric Real Rate of Return</u>
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%

ESTES PARK HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022

NOTE 10. PENSION PLAN (continued)

G. Discount Rate

The discount rate used to measure the total pension liability was 7.25 percent. The basis for the projection of liabilities and the plan fiduciary net position used to determine the discount rate was an actual valuation performed as of December 31, 2020, and the financial status of the LGDTF as of the prior measurement date. 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 percent.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103 percent, at which point the AED and SAED will each drop 0.50 percent 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 benefit reserve, as appropriate. AIR transfers to the FNP position and the subsequent AIR benefit payments were estimated and included in the projections.
- The projected benefit payments reflected the lowered annual increase cap, from 1.25% to 1.00% resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the Trust Fund'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 percent on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent. There was no change in the discount rate from the prior measurement date.

ESTES PARK HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022

NOTE 10. PENSION PLAN (continued)

H. Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Authority's proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the Authority's 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 percent) or 1 percentage point higher (8.25 percent) than the current rate.

	1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
Authority's proportionate share of the net pension (asset) liability	\$ <u>293,362</u>	\$ <u>(42,785)</u>	\$ <u>(323,958)</u>

NOTE 11. OTHER POST EMPLOYMENT BENEFITS PLAN

A. Plan Description

The 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"). Eligible employees of the 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. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. Title 24, Article 51, Part 12 of the C.R.S., as amended, sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report that can be obtained at www.copera.org/investments/pera-financial-reports.

B. Benefits

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. 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 are eligible for a premium subsidy, if enrolled in a health care plan under PERACare.

Enrollment in the PERACare 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.

**ESTES PARK HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022**

NOTE 11. OTHER POST-EMPLOYMENT BENEFITS PLAN (continued)

B. Benefits (continued)

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 basis for 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 percent 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 on behalf of benefit recipients not covered by Medicare Part A.

C. 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 percent of PERA-includable salary into the HCTF.

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

At December 31, 2022, the Authority reported a liability of \$33,452, for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2020 and rolled forward to December 31, 2021.

For the year ended December 31, 2022, the Authority recognized an OPEB deficit of \$1,192. At December 31, 2022, the Authority reported deferred outflows of resources and deferred inflows of resources from the following sources.

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Changes of Assumptions	\$ 693	\$ 1,815
Differences between expected and actual experience	51	7,932
Net differences between projected and actual investment earnings on OPEB plan investments	<u>-</u>	<u>2,070</u>
Total	<u>\$ 744</u>	<u>\$ 11,817</u>

ESTES PARK HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022

NOTE 11. OTHER POST-EMPLOYMENT BENEFITS PLAN (continued)

D. OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (continued)

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

<u>Year ending December 31:</u>	<u>Amount</u>
2023	\$ (2,585)
2024	(2,382)
2025	(2,649)
2026	(2,463)
2027	(935)
Thereafter	<u>(59)</u>
	<u>\$ (11,073)</u>

E. Actuarial Assumptions

The actuarial assumptions used in the December 31, 2021, valuation were based on the results of the 2020 automatic adjustment provision (AAP) assessment, statutorily recognized July 1, 2021, and effective July 1, 2022.

The December 31, 2020, valuation used 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	3.20% - 11.30%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	4.50% in 2021, 6.00% in 2022 gradually decreasing to 4.50% in 2029
Medicare Part A premiums	3.75% in 2021 gradually increasing to 4.50% in 2029

**ESTES PARK HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022**

NOTE 11. OTHER POST-EMPLOYMENT BENEFITS PLAN (continued)

E. Actuarial Assumptions (continued)

In determining the additional liability for PERACare enrollees who are age sixty-five or older and who are not eligible for premium-free Medicare Part A, the following monthly costs/premiums are assumed for 2021 for the PERA Benefit Structure:

<u>Medicare Plan</u>	<u>Cost for Members Without Medicare Part A</u>	<u>Premiums for Members Without Medicare Part A</u>	<u>Cost for Members Without Medicare Part A Adjusted to Age 65</u>
Medicare Advantage/Self-Insured Prescription	\$633	\$230	\$591
Kaiser Permanent Medicare Advantage HMO	\$596	\$199	\$562

The 2020 Medicare Part A premium is \$471 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 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 heuristics developed by health plan actuaries and administrators, and projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services. Effective December 31, 2020, 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 that were used to measure the total OPEB liability are summarized in the table below:

<u>Year</u>	<u>PERACare Medicare Plans</u>	<u>Medicare Part A Premiums</u>
2021	4.50%	3.75%
2022	6.00%	3.75%
2023	5.80%	4.00%
2024	5.60%	4.00%
2025	5.40%	4.00%
2026	5.10%	4.25%
2027	4.90%	4.25%
2028	4.70%	4.25%
2029+	4.50%	4.50%

Healthy mortality assumptions for active members were based on the PubS-2010 Employee Table, with generational projection using scale MP-2019. To allot for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 97 percent factor applied to male rates and a 87 percent factor applied to female rates.

**ESTES PARK HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022**

NOTE 11. OTHER POST-EMPLOYMENT BENEFITS PLAN (continued)

E. Actuarial Assumptions (continued)

Post retirement non-disabled mortality assumptions were based on 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

The mortality assumption for disabled retirees was based on 90 percent of the PubS-2010 Employee Table.

F. Long-Term Expected Rate of Return

The long-term expected rate of return is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The current long-term expected rate of return, the target allocation, and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>30-Year Expected Geometric Real Rate of Return</u>
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%

G. Discount Rate

The discount rate used to measure the total OPEB liability was 7.25 percent. The basis for the projection of liabilities and the plan fiduciary net position used to determine the discount rate was an actual valuation performed as of December 31, 2019, and the financial status of the HCTF as of the prior measurement date. 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, 2021, 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 percent.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

**ESTES PARK HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022**

NOTE 11. OTHER POST-EMPLOYMENT BENEFITS PLAN (continued)

G. Discount Rate (continued)

- Estimated transfers of dollars into the Trust Fund 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.

H. Sensitivity of the Authority's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the Authority's proportionate share of the net OPEB liability calculated using the discount rate of 7.25 percent, as well as what the Authority's 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 percent) or 1 percentage point higher (8.25 percent) than the current rate.

	1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
Authority's proportionate share of the net OPEB liability	\$ <u>32,491</u>	\$ <u>33,452</u>	\$ <u>34,565</u>

NOTE 12. RESTRICTED NET POSITION

Restricted net position consists of the following as of December 31, 2022:

<u>Description</u>	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>	<u>Total Reporting Entity (Memorandum Only)</u>
Construction reserves	\$ 142,199	\$ -	\$ 142,199
Reserve for replacement	337,766	86,336	424,102
Down payment assistance escrows	68,256	-	68,256
Assurance escrows	<u>-</u>	<u>11,948</u>	<u>11,948</u>
Total restricted net position	\$ <u>548,221</u>	\$ <u>98,284</u>	\$ <u>646,505</u>

Construction reserves represent funds that are restricted for the construction of an apartment complex as part of Peak View, LLC.

Reserve for replacement are restricted for repairs and replacement of buildings and equipment.

Down payment assistance escrows are restricted to be loaned to individuals to assist with the purchase of private home.

Assurance escrows are restricted for the repayment of principal and interest on related outstanding debt.

ESTES PARK HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022

NOTE 13. CONDENSED FINANCIAL INFORMATION OF THE BLENDED COMPONENT UNITS

	<u>Peak View, LLC</u>	<u>Dry Gulch, LLLP</u>
Assets:		
Current assets	\$ 599,752	\$ 340,281
Non-current assets	-	-
Capital assets, net	<u>7,104,352</u>	<u>2,039,848</u>
Total assets	<u>7,704,104</u>	<u>2,380,129</u>
Liabilities:		
Current liabilities	57,538	70,884
Non-current liabilities	<u>6,009,384</u>	<u>5,669,556</u>
Total liabilities	<u>6,066,922</u>	<u>5,740,440</u>
Net Position:		
Net investment in capital assets	1,094,968	87,634
Restricted	142,199	150,107
Unrestricted	<u>400,015</u>	<u>(3,598,052)</u>
Net position	<u>\$ 1,637,182</u>	<u>\$ (3,360,311)</u>
Operating revenues:		
Tenant revenue	\$ 484,232	\$ 478,492
Other governmental grants	-	-
Other revenues	<u>11,152</u>	<u>3,429</u>
Total operating revenues	<u>495,384</u>	<u>481,921</u>
Operating expenses:		
Administrative	89,667	184,813
Utilities	30,421	60,202
Ordinary repairs and maintenance	31,014	151,277
Depreciation	<u>92,629</u>	<u>182,366</u>
Total operating expenses	243,731	578,658
Non-operating revenues (expenses)		
Investment income	382	800
Interest expense	<u>(181,036)</u>	<u>(398,708)</u>
Net non-operating revenues (expenses)	<u>(180,654)</u>	<u>(397,908)</u>
Change in net position	<u>\$ 70,999</u>	<u>\$ (494,645)</u>

NOTE 14 MANAGEMENT AGREEMENT

The Authority has entered into a management agreement with the Loveland Housing Authority to provide management and accounting services to the Authority. For the year ended December 31, 2022, the Authority incurred \$49,732 for management fees.

ESTES PARK HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2022

NOTE 15 **RELATED PARTY TRANSACTIONS**

Management Fees

The Authority receives management fees from affiliated entities for managing the operations of the projects. For the year ended December 31, 2022, the Authority earned \$40,814 for management fees from the affiliated entities.

Maintenance Fees

The Authority receives maintenance fees from affiliated entities for performing ordinary maintenance for the projects. For the year ended December 31, 2022, the Authority earned \$43,454 for maintenance fees from the affiliated entities.

Development Fees

The Authority was awarded low income housing tax credits for Falcon Ridge Apartments in the fall of 2014 and began development in 2015. During the year ended December 31, 2022, the Authority earned \$59,416 in development fees from Falcon Ridge Apartments, LLLP.

NOTE 16 **SUBSEQUENT EVENTS**

Events that occur after the financial statement date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the financial statement date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the financial statement date require disclosure in the accompanying notes to the financial statements. Subsequent events have been evaluated through October 17, 2023, which is the date the financial statements were available to be issued, and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

SUPPLEMENTARY INFORMATION

ESTES PARK HOUSING AUTHORITY
SCHEDULE OF COMBINING STATEMENTS OF NET POSITION
AS OF DECEMBER 31, 2022

	ASSETS							
	Management <u>Fund</u>	Cleave <u>Street</u>	The <u>Pines</u>	Talons <u>Pointe</u>	Lone <u>Tree</u>	Peak <u>View, LLC</u>	<u>Elimination</u>	<u>Total</u>
Current assets:								
Cash and cash equivalents	\$ 634,595	\$ 57,337	\$ 143,961	\$ 119,339	\$ 271,084	\$ 399,469	\$ -	\$ 1,625,785
Tenant security deposits	-	8,137	16,857	39,770	55,211	48,621	-	168,596
Accounts receivable, net	41,796	1,009	12	956	1,120	-	(13,224)	31,669
Prepaid expenses	<u>7,709</u>	<u>855</u>	<u>510</u>	<u>14,941</u>	<u>5,635</u>	<u>9,463</u>	<u>-</u>	<u>39,113</u>
Total current assets	<u>684,100</u>	<u>67,338</u>	<u>161,340</u>	<u>175,006</u>	<u>333,050</u>	<u>457,553</u>	<u>(13,224)</u>	<u>1,865,163</u>
Non-current assets:								
Restricted deposits	68,256	-	83,139	165,275	89,352	142,199	-	548,221
Land held for sale	629,809	-	-	-	-	-	-	629,809
Notes receivable, net	1,011,604	-	-	-	-	-	(974,500)	37,104
Accrued interest receivable	3,583,600	-	-	-	-	-	(3,583,600)	-
Accrued pension benefit	42,785	-	-	-	-	-	-	42,785
Capital assets, net	<u>18,249</u>	<u>259,499</u>	<u>775,970</u>	<u>2,039,848</u>	<u>2,692,684</u>	<u>7,104,352</u>	<u>-</u>	<u>12,890,602</u>
Total non-current assets	<u>5,354,303</u>	<u>259,499</u>	<u>859,109</u>	<u>2,205,123</u>	<u>2,782,036</u>	<u>7,246,551</u>	<u>(4,558,100)</u>	<u>14,148,521</u>
Total assets	<u>6,038,403</u>	<u>326,837</u>	<u>1,020,449</u>	<u>2,380,129</u>	<u>3,115,086</u>	<u>7,704,104</u>	<u>(4,571,324)</u>	<u>16,013,684</u>
	DEFERRED OUTFLOWS OF RESOURCES							
State of Colorado LGDTF	16,594	-	-	-	-	-	-	16,594
State of Colorado HCTF	<u>744</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>744</u>
Total deferred outflows of resources	<u>17,338</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,338</u>
Total assets and deferred outflows of resources	<u>\$ 6,055,741</u>	<u>\$ 326,837</u>	<u>\$ 1,020,449</u>	<u>\$ 2,380,129</u>	<u>\$ 3,115,086</u>	<u>\$ 7,704,104</u>	<u>\$ (4,571,324)</u>	<u>\$ 16,031,022</u>

See Report of Independent Auditors.

ESTES PARK HOUSING AUTHORITY
SCHEDULE OF COMBINING STATEMENTS OF NET POSITION
AS OF DECEMBER 31, 2022

	LIABILITIES							
	Management <u>Fund</u>	Cleave <u>Street</u>	The <u>Pines</u>	Talons <u>Pointe</u>	Lone <u>Tree</u>	Peak <u>View, LLC</u>	<u>Elimination</u>	<u>Total</u>
Current liabilities:								
Accounts payable	\$ 21,600	\$ 3,301	\$ 4,412	\$ 21,941	\$ 37,318	\$ 7,753	\$ (13,224)	\$ 83,101
Accrued expenses	42,731	392	1,068	6,175	4,420	484	-	55,270
Tenant security deposits	-	7,578	14,880	38,890	53,902	46,051	-	161,301
Prepaid rent	-	-	1,032	3,878	9,526	3,250	-	17,686
Notes payable, current	<u>473,593</u>	<u>-</u>	<u>15,700</u>	<u>25,523</u>	<u>45,203</u>	<u>125,958</u>	<u>-</u>	<u>685,977</u>
Total current liabilities	<u>537,924</u>	<u>11,271</u>	<u>37,092</u>	<u>96,407</u>	<u>150,369</u>	<u>183,496</u>	<u>(13,224)</u>	<u>1,003,335</u>
Non-current liabilities:								
Notes payable, non-current	-	-	654,491	5,644,033	2,139,514	5,883,426	(4,558,100)	9,763,364
Accrued OPEB liability	<u>33,452</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,452</u>
Total non-current liabilities	<u>33,452</u>	<u>-</u>	<u>654,491</u>	<u>5,644,033</u>	<u>2,139,514</u>	<u>5,883,426</u>	<u>(4,558,100)</u>	<u>9,796,816</u>
Total liabilities	<u>571,376</u>	<u>11,271</u>	<u>691,583</u>	<u>5,740,440</u>	<u>2,289,883</u>	<u>6,066,922</u>	<u>(4,571,324)</u>	<u>10,800,151</u>
	DEFERRED INFLOWS OF RESOURCES							
State of Colorado LGDTF	370,818	-	-	-	-	-	-	370,818
State of Colorado HCTF	<u>11,817</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,817</u>
Total deferred inflows of resources	<u>382,635</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>382,635</u>
	NET POSITION							
Net position:								
Net investment in capital assets	18,249	259,499	1,369,657	(1,309,986)	507,967	1,094,968	974,500	2,914,854
Restricted	68,256	-	83,139	165,275	89,352	142,199	-	548,221
Unrestricted	<u>5,015,225</u>	<u>56,067</u>	<u>(1,123,930)</u>	<u>(2,215,600)</u>	<u>227,884</u>	<u>400,015</u>	<u>(974,500)</u>	<u>1,385,161</u>
Total net position	<u>5,101,730</u>	<u>315,566</u>	<u>328,866</u>	<u>(3,360,311)</u>	<u>825,203</u>	<u>1,637,182</u>	<u>-</u>	<u>4,848,236</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 6,055,741</u>	<u>\$ 326,837</u>	<u>\$ 1,020,449</u>	<u>\$ 2,380,129</u>	<u>\$ 3,115,086</u>	<u>\$ 7,704,104</u>	<u>\$ (4,571,324)</u>	<u>\$ 16,031,022</u>

See Report of Independent Auditors.

ESTES PARK HOUSING AUTHORITY
SCHEDULE OF COMBINING STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2022

	Management Fund	Cleave Street	The Pines	Talons Pointe	Lone Tree	Peak View, LLC	Elimination	Total
Operating revenues:								
Tenant revenue	\$ -	\$ 87,421	\$ 196,315	\$ 478,492	\$ 641,539	\$ 484,232	\$ -	\$ 1,887,999
Grant revenue	35,205	-	-	-	-	-	-	35,205
Management fee revenue	334,213	-	-	-	-	-	(249,945)	84,268
Other revenues	<u>139,877</u>	<u>1,045</u>	<u>1,398</u>	<u>3,429</u>	<u>13,600</u>	<u>11,152</u>	<u>-</u>	<u>170,501</u>
Total operating revenues	<u>509,295</u>	<u>88,466</u>	<u>197,713</u>	<u>481,921</u>	<u>655,139</u>	<u>495,384</u>	<u>(249,945)</u>	<u>2,177,973</u>
Operating expenses:								
Administrative	394,144	21,239	99,552	184,813	193,043	89,667	(116,898)	865,560
Utilities	-	17,425	2,608	60,202	85,560	30,421	-	196,216
Maintenance	146,990	14,116	37,345	151,277	197,708	31,014	(133,047)	445,403
Depreciation	<u>-</u>	<u>21,443</u>	<u>48,928</u>	<u>182,366</u>	<u>65,305</u>	<u>92,629</u>	<u>-</u>	<u>410,671</u>
Total operating expenses	<u>541,134</u>	<u>74,223</u>	<u>188,433</u>	<u>578,658</u>	<u>541,616</u>	<u>243,731</u>	<u>(249,945)</u>	<u>1,917,850</u>
Operating income (loss)	<u>(31,839)</u>	<u>14,243</u>	<u>9,280</u>	<u>(96,737)</u>	<u>113,523</u>	<u>251,653</u>	<u>-</u>	<u>260,123</u>
Non-operating revenues (expenses):								
Interest income	342,943	21	131	800	-	382	(341,587)	2,690
Insurance proceeds	-	-	-	-	11,269	-	-	11,269
Development fees	59,416	-	-	-	-	-	-	59,416
Interest expense	<u>(24,119)</u>	<u>-</u>	<u>(20,638)</u>	<u>(398,708)</u>	<u>(87,170)</u>	<u>(181,036)</u>	<u>341,587</u>	<u>(370,084)</u>
Net non-operating revenues (expenses)	<u>378,240</u>	<u>21</u>	<u>(20,507)</u>	<u>(397,908)</u>	<u>(75,901)</u>	<u>(180,654)</u>	<u>-</u>	<u>(296,709)</u>
Change in net position	346,401	14,264	(11,227)	(494,645)	37,622	70,999	-	(36,586)
Transfers	<u>144,117</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(144,117)</u>	<u>-</u>	<u>-</u>
Net position, beginning of year	<u>4,611,212</u>	<u>301,302</u>	<u>340,093</u>	<u>(2,865,666)</u>	<u>787,581</u>	<u>1,710,300</u>	<u>-</u>	<u>4,884,822</u>
Net position, end of year	<u>\$ 5,101,730</u>	<u>\$ 315,566</u>	<u>\$ 328,866</u>	<u>\$ (3,360,311)</u>	<u>\$ 825,203</u>	<u>\$ 1,637,182</u>	<u>\$ -</u>	<u>\$ 4,848,236</u>

See Report of Independent Auditors.

**ESTES PARK HOUSING AUTHORITY
REQUIRED PENSION INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2022**

SCHEDULE OF AUTHORITY CONTRIBUTIONS FOR THE LAST TEN FISCAL YEARS***

	December 31, <u>2014</u>	December 31, <u>2015</u>	December 31, <u>2016</u>	December 31, <u>2017</u>	December 31, <u>2018</u>	December 31, <u>2019</u>	December 31, <u>2020</u>	December 31, <u>2021</u>	December 31, <u>2022</u>
Contractually required contribution	\$ 26,298	\$ 27,546	\$ 30,024	\$ 34,367	\$ 36,083	\$ 38,332	\$ 43,706	\$ 43,840	\$ 43,840
Contributions in relation to the contractually required contribution	<u>26,298</u>	<u>27,546</u>	<u>30,024</u>	<u>34,367</u>	<u>36,083</u>	<u>38,332</u>	<u>43,706</u>	<u>43,840</u>	<u>43,840</u>
(Over) / under funded	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority's covered-employee payroll	<u>\$ 207,405</u>	<u>\$ 217,239</u>	<u>\$ 236,790</u>	<u>\$ 271,531</u>	<u>\$ 284,568</u>	<u>\$ 302,305</u>	<u>\$ 344,684</u>	<u>\$ 345,820</u>	<u>\$ 371,323</u>
Contributions as a percentage of covered-employee payroll	<u>12.68 %</u>	<u>12.68 %</u>	<u>12.68 %</u>	<u>12.66 %</u>	<u>12.68 %</u>	<u>12.68 %</u>	<u>12.68 %</u>	<u>12.68 %</u>	<u>11.81 %</u>

*** = Until a full 10 year trend is compiled the Authority is presenting information for those years that are available.

**ESTES PARK HOUSING AUTHORITY
REQUIRED PENSION INFORMATION (continued)
FOR THE YEAR ENDED DECEMBER 31, 2022**

SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF NET PENSION LIABILITY FOR THE LAST TEN FISCAL YEARS***

	December 31, <u>2014</u>	December 31, <u>2015</u>	December 31, <u>2016</u>	December 31, <u>2017</u>	December 31, <u>2018</u>	December 31, <u>2019</u>	December 31, <u>2020</u>	December 31, <u>2021</u>	December 31, <u>2022</u>
Authority's proportion of the net pension liability	<u>0.0389 %</u>	<u>0.0396 %</u>	<u>0.0417 %</u>	<u>0.0447 %</u>	<u>0.0447 %</u>	<u>0.0461 %</u>	<u>0.0501 %</u>	<u>0.0480 %</u>	<u>0.0499 %</u>
Authority's proportionate share of the net pension liability	<u>\$ 319,916</u>	<u>\$ 355,300</u>	<u>\$ 459,293</u>	<u>\$ 603,902</u>	<u>\$ 502,261</u>	<u>\$ 579,457</u>	<u>\$ 366,075</u>	<u>\$ 250,281</u>	<u>\$ (42,785)</u>
Authority's covered-employee payroll	<u>\$ 207,405</u>	<u>\$ 217,239</u>	<u>\$ 236,790</u>	<u>\$ 271,531</u>	<u>\$ 302,305</u>	<u>\$ 344,678</u>	<u>\$ 344,684</u>	<u>\$ 345,820</u>	<u>\$ 371,323</u>
Authority's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	<u>154.25 %</u>	<u>163.55 %</u>	<u>193.97 %</u>	<u>222.41 %</u>	<u>166.14 %</u>	<u>168.12 %</u>	<u>106.21 %</u>	<u>72.37 %</u>	<u>(11.52)%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>77.70 %</u>	<u>80.70 %</u>	<u>76.90 %</u>	<u>73.60 %</u>	<u>79.40 %</u>	<u>76.00 %</u>	<u>86.26 %</u>	<u>90.88 %</u>	<u>101.49 %</u>

*** = Until a full 10 year trend is compiled the Authority is presenting information for those years that are available.

See accompanying notes to financial statements.

**ESTES PARK HOUSING AUTHORITY
REQUIRED OTHER POST EMPLOYMENT BENEFITS INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2022**

SCHEDULE OF AUTHORITY CONTRIBUTIONS FOR THE LAST TEN FISCAL YEARS***

	December 31, <u>2017</u>	December 31, <u>2018</u>	December 31, <u>2019</u>	December 31, <u>2020</u>	December 31, <u>2021</u>	December 31, <u>2022</u>
Statutorily required contribution	\$ 2,903	\$ 3,083	\$ 3,516	\$ 3,516	\$ 3,459	\$ 3,788
Contributions in relation to the statutorily required contribution	<u>2,903</u>	<u>3,083</u>	<u>3,516</u>	<u>3,516</u>	<u>3,459</u>	<u>3,788</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority's covered-employee payroll	<u>\$ 284,568</u>	<u>\$ 302,305</u>	<u>\$ 344,678</u>	<u>\$ 344,684</u>	<u>\$ 345,820</u>	<u>\$ 371,323</u>
Contributions as a percentage of covered-employee payroll	<u>1.02 %</u>	<u>1.02 %</u>	<u>1.02 %</u>	<u>1.02 %</u>	<u>1.00 %</u>	<u>1.02 %</u>

*** = Until a full 10 year trend is compiled the Authority is presenting information for those years that are available.

See accompanying notes to financial statements.

**ESTES PARK HOUSING AUTHORITY
REQUIRED OTHER POST EMPLOYMENT BENEFITS INFORMATION (continued)
FOR THE YEAR ENDED DECEMBER 31, 2022**

SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THEIR NET OPEB LIABILITY FOR THE LAST TEN FISCAL YEARS***

	December 31, <u>2018</u>	December 31, <u>2019</u>	December 31, <u>2020</u>	December 31, <u>2021</u>	December 31, <u>2022</u>
Authority's proportion of the net OPEB liability	<u>0.0034 %</u>	<u>0.0035 %</u>	<u>0.0036 %</u>	<u>0.0037 %</u>	<u>0.0039 %</u>
Authority's proportionate share of the net OPEB liability	\$ <u>44,511</u>	\$ <u>45,553</u>	\$ <u>48,638</u>	\$ <u>34,848</u>	\$ <u>33,452</u>
Authority's covered-employee payroll	\$ <u>284,568</u>	\$ <u>302,305</u>	\$ <u>344,678</u>	\$ <u>345,820</u>	\$ <u>371,323</u>
Authority's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	<u>15.64 %</u>	<u>15.07 %</u>	<u>14.11 %</u>	<u>10.08 %</u>	<u>9.01 %</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>16.70 %</u>	<u>17.50 %</u>	<u>16.70 %</u>	<u>32.78 %</u>	<u>39.40 %</u>

*** = Until a full 10 year trend is compiled the Authority is presenting information for those years that are available.

See accompanying notes to financial statements.