

Housing Authority of the City of Monroe

Monroe, Louisiana



Annual Comprehensive Financial Report

For the Year Ended June 30, 2022

**Housing Authority of the City of Monroe
Monroe, Louisiana**

Annual Comprehensive Financial Report

For the Year Ended June 30, 2022

**William Smart
Executive Director**

**Janet Sanderford
Accounting Director**

Prepared by the Accounting Department

Housing Authority of the City of Monroe

Table of Contents

| | <u>Statement</u> | <u>Page</u> |
|---|------------------|-------------|
| INTRODUCTORY SECTION | | |
| Letter of Transmittal | | 1-4 |
| Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting | | 5 |
| Organizational Chart | | 7 |
| Appointed Officials | | |
| Board of Commissioners | | 8 |
| Selected Administrative Officials | | 8 |
| FINANCIAL SECTION | | |
| INDEPENDENT AUDITOR’S REPORT | | 9-11 |
| REQUIRED SUPPLEMENTARY INFORMATION | | 13 |
| Management's Discussion and Analysis (MD&A) | | 14-19 |
| BASIC FINANCIAL STATEMENTS: | | 21 |
| Statement of Net Position | A | 22-23 |
| Statement of Revenues, Expenses, and Changes in Fund Net Position | B | 24 |
| Statement of Cash Flows | C | 25 |
| Notes to the Financial Statements | | |
| Index | | 27 |
| Notes | | 28-37 |
| SUPPLEMENTARY INFORMATION | | |
| | <u>Exhibit</u> | |
| Schedule of Compensation Paid Board Members | 1 | 38 |
| Schedule of Compensation, Benefits, and Other Payments to Agency Head (Executive Director) | 2 | 39 |
| HUD Required Schedules: | | |
| Financial Data Schedule | 3 | 40-49 |
| | <u>Table</u> | |
| STATISTICAL SECTION | | |
| Contents | | 51 |
| Net Position by Component | 1 | 52 |
| Changes in Net Position | 2 | 53 |
| General Fund Revenues by Source | 3 | 54 |
| Tenant Demographics: Occupancy Ratios by Program | 4 | 55 |
| Demographic and Economic Statistics | 5 | 56 |
| Principal Employers | 6 | 57 |
| Property Characteristics and Dwelling Unit Composition | 7 | 58 |
| Government Employees | 8 | 59 |

(Continued)

Housing Authority of the City of Monroe

Table of Contents

| | <u>Page</u> |
|---|-------------|
| COMPLIANCE SECTION | |
| Independent Auditor's Report on Internal Control over Financial Report and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards | 62-63 |
| Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance Required by Uniform Guidance | 64-66 |
| Schedule of Expenditures of Federal Awards | 67 |
| Notes to the Schedule of Expenditures of Federal Awards | 68 |
| Status of Prior Audit Findings | 69 |
| Schedule of Findings and Questioned Costs | 70-71 |
| Corrective Action Plan of Current Year Audit Findings and Questioned Costs | 72-73 |
| | (Concluded) |

INTRODUCTORY SECTION



December 21, 2022

Hal Hinchliffe, Chairman
and Members of the Board
Housing Authority of the City of Monroe
Monroe, Louisiana

Dear Board Members:

The Annual Comprehensive Financial Report of the Housing Authority of the City of Monroe for the year ended June 30, 2022 is submitted herewith. This report has been prepared by the Accounting Department personnel following the guidelines recommended by the Government Finance Officers Association of the United States and Canada. Additional information on the Housing Authority's financial condition is included in the management's discussion and analysis.

A. Management Responsibility Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the Housing Authority. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the Housing Authority. All disclosures necessary to enable the reader to gain an understanding of the Housing Authority's financial activities have been included.

B. Annual Report The Annual Comprehensive Financial Report consists of three parts:

(1) The Introductory Section. This section includes a transmittal letter, information on financial reporting achievements, the Housing Authority's organizational structure, recognition of the appointed officials of the Housing Authority and a list of selected administrative officials.

(2) The Financial Section. The financial section consists of management's discussion and analysis and basic financial statements. Various statements are also used to demonstrate finance-related legal and contractual compliance, present other information deemed useful, and provide details of data summarized in the financial statements.

(3) The Statistical Section. Included in this section are a number of tables of unaudited data depicting the financial history, demographics and other miscellaneous information of the Housing Authority for the past ten years.

The Housing Authority is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and the Uniform Guidance. Information related to this single audit includes the Schedule of Expenditures of Federal Awards, findings, and recommendations, if applicable, and auditor's reports on internal control and compliance with applicable laws and regulations. The single audit report is included at the end of Annual Comprehensive Financial Report.

The primary objective of the Housing Authority is to provide affordable housing for families which, due to economic hardship, are unable to obtain housing in the private real estate market. A second goal is to assist these families in achieving self-sufficiency. To accomplish these objectives, the Housing Authority participates in a number of programs which are discussed in the Notes to the Financial Statements included in this report.

- C. Reporting Entity** This report includes all funds of the Housing Authority. The Housing Authority is an independent governmental entity created by the State of Louisiana. This creation was contingent upon the local governing body of the city or parish declaring a need for the Housing Authority to function in such city or parish. Although it maintains close ties with the City of Monroe in several respects, the Housing Authority is not a component unit of the City as defined by the pronouncements of the Governmental Accounting Standards Board since it is not financially accountable for the operations of the Housing Authority, has no responsibility to fund deficits or rights to receive surpluses, and has not guaranteed the Housing Authority's debt.

The governing body of the Housing Authority is its Board of Commissioners comprised of five members appointed by the Mayor of the City. The Board appoints an Executive Director to administer the affairs of the Housing Authority. The primary source of funding for the Housing Authority is the U.S. Department of Housing and Urban Development (HUD), which oversees the expenses of most of the funds.

Monroe Housing Facilities Corporation is included by blended presentation in the Housing Authority's financial statements. This corporation is a legally separate entity governed by the same Board as the Housing Authority.

D. Major Initiatives

- The last available PHAS score reflects that the Housing Authority has maintained its designation of "High Performer" from the Department of Housing and Urban Development. This is a result of a dedicated caring staff and management's decision to set a High Performer rating as one of their highest goals.
- The Housing Authority has rental assistance programs that were created under Section 8 of the 1974 Federal Housing and Community Development Act. Under these programs, the Housing Authority provides subsidies to local landlords on behalf of low-income families and individuals living in privately-owned housing in the City of Monroe. The Department of Housing & Urban Development assesses Section 8 programs thru its SEMAP assessment. The last available score posted for Monroe Housing Authority was 97%.
- We are continuing to work on projects with new HVAC system and exterior waterproofing for Frances Tower and look to be completed in the coming year. We are also working on projects that are expected to be completed in the upcoming year for exterior waterproofing at McKen Plaza and security enhancements on all public housing properties.
- The Housing Authority now manages 6 Section 202 properties consisting of a total of 286 units of elderly housing as well as 5 tax credit properties, with a total of 335 units, all of which are elderly housing. We operate 16 units designed for handicapped families. Another tax credit property that we manage is a group of 50 single-family homes within our Robinson Place Community. Construction was completed on 23 single-family homes around 3rd and 4th street. We are working with community partners to offer homeownership programs to applicants in hopes of equipping them to purchase these homes once the 5-year compliance

period is fulfilled. Our goal is to turn this blighted area back into a thriving neighborhood.

- For our adult residents, MHA continues to provide HISET (GED) training and testing, career training and job readiness skills services through partnerships with Delta Community College, ULM, Opportunities Industrialization Center of Ouachita (OIC), and NOVA Workforce Institute of Northeast Louisiana.
- We will be completing the 4th year of a 4-year \$2.3 million Jobs Plus grant. We were one of 7 Housing Authorities in the United States to be awarded this special grant. This grant is designed to benefit our residents in our Burg Jones Community, emphasizing work force development and helping them to achieve self-sufficiency.
- Through partnerships with the Ouachita Council on Aging, Senior Care Service, and numerous health care and fitness organizations, MHA continues to provide our senior residents with programs and supportive services designed to allow them to age in place with dignity and respect.
- We also partner with organizations like the Children’s Coalition and Prime Time to bring on-site Early Head Start and Head Start Centers and with OIC to bring site-based quality afterschool enrichment programs for our resident children and families.

E. Long Term Financial Planning The Housing Authority is founded on the belief that affordable housing is central to the physical and emotional health, the productivity, and the self-esteem of the people it serves. Recognizing its responsibility to maintain physical properties while affording dignity and respect to every individual, the objective of the Housing Authority is to improve the quality of life through a community partnership. HUD has made major changes to the operating subsidy calculation and requires housing authorities to manage their properties according to an asset management model. This requires project-based management, project-based budgeting, and project-based accounting. All of these changes must be accomplished while maintaining the overall mission of the Housing Authority as stated above.

F. Internal Control Management of the Housing Authority is responsible for establishing and maintaining internal control designed to ensure that the assets of the Housing Authority are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. We believe the Housing Authority's internal controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

G. As a recipient of federal, state, and local financial assistance, the Housing Authority also is responsible for ensuring that adequate internal control is in place to ensure compliance with applicable laws and regulations related to those programs.

As a part of the Housing Authority's single audit described earlier, tests are made to determine the adequacy of internal control, including that portion related to federal awards programs, as well as to determine that the Housing Authority has complied with applicable laws and regulations.

H. Budgetary Controls In addition, the Housing Authority maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Housing Authority. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by function by fund. Revisions to the budget enacted require Housing Authority approval. As demonstrated by the statements and schedules included in the financial section of this report, the Housing Authority continues to meet its responsibility for sound financial management.

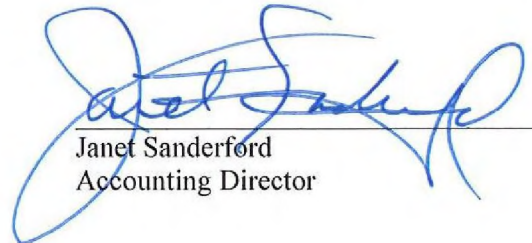
- I. Independent Audits** The report of our independent certified public accountants, Rector, Reeder and Lofton PC, follows as an integral component of this report. Their audit of the financial statements and accompanying combining and individual fund statements and schedules was performed in accordance with auditing standards generally accepted in the United States of America and, accordingly, included a review of the Housing Authority's system of budgetary and accounting controls.
- J. Award** The Government Finance Officers Association (GFOA) of the United States and Canada issues a Certificate of Achievement for Excellence in Financial Reporting to governments for their Annual Comprehensive Financial Report. To be awarded this certificate, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, whose contents conform to program standards. Such report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements. This certificate is valid for a period of one year only. The award is granted only after an intensive review of the financial report by an expert panel of certified public accountants. The Housing Authority has received the GFOA Certificate since 1998.

Management believes that the Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022, which will be submitted to GFOA for review, will conform to the principles and standards of this organization.

- K. Acknowledgments** We feel that the staff of Monroe Housing Authority meets the challenges of the ongoing COVID environment and continues to make this Housing Authority one of the premier Housing Authorities in the nation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our entire staff but especially those of the Accounting Department. We want to express our appreciation to them for their assistance. We also thank the members of the Housing Authority for their interest and support in planning and conducting the financial operations of the Housing Authority in a responsible and progressive manner.



William Smart
Executive Director



Janet Sanderford
Accounting Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Housing Authority of the City of Monroe
Louisiana**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

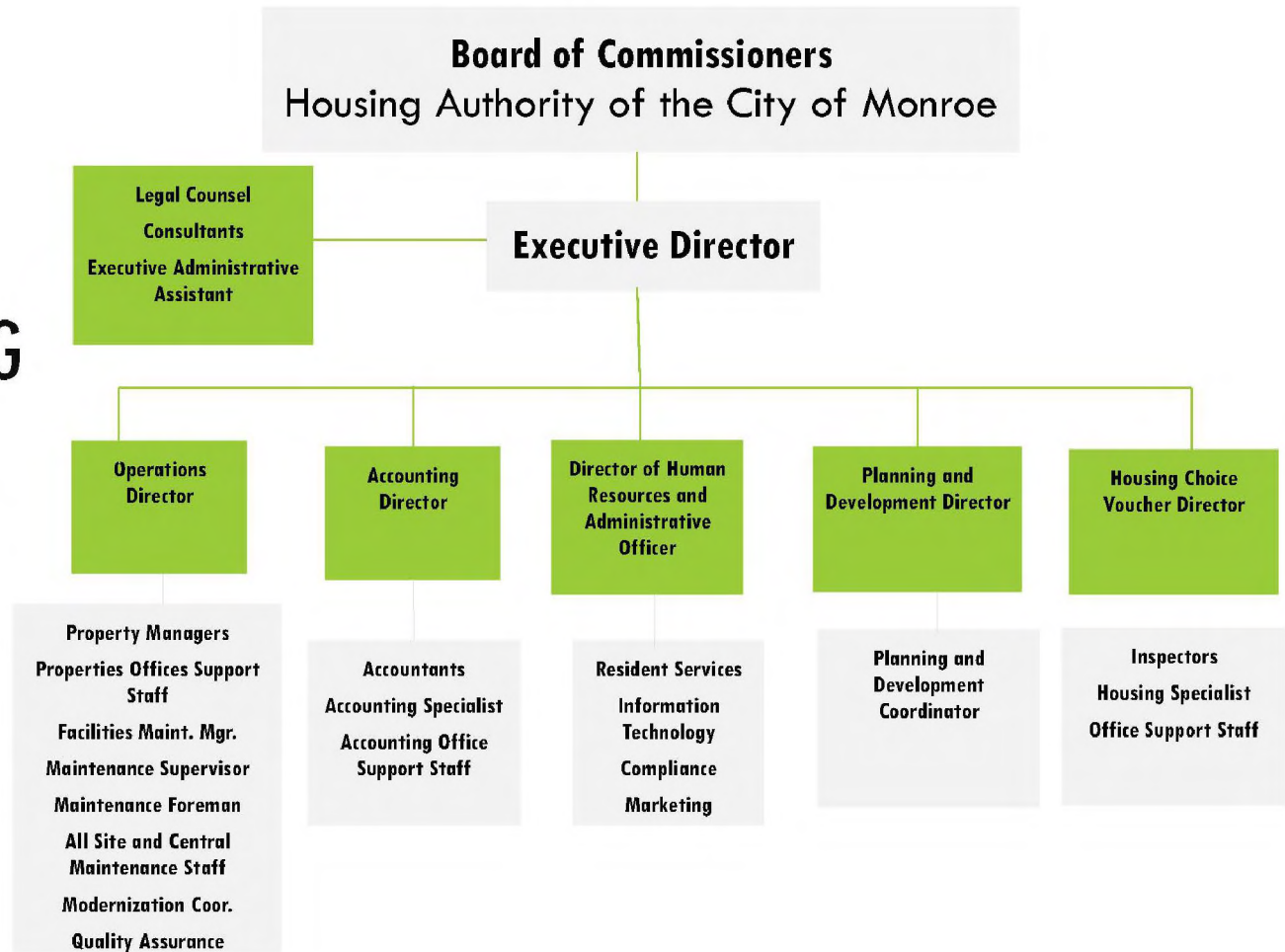
Housing Authority of the City of Monroe

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Housing Authority of the City of Monroe



**MONROE HOUSING
AUTHORITY
ORGANIZATION
CHART**



Housing Authority of the City of Monroe

Appointed Officials Board of Commissioners

Mr. Hal Hinchliffe, Chairman

Mr. Rick Miller, Vice Chairman

Mr. Joe Farr

Ms. Angelina Jones

Ms. Beverly V. Lewis

Selected Administrative Officials

Mr. William Smart

Executive Director

Cheryl Farmer

Operations Director

Janet Sanderford

Accounting Director

Naomi Jackson

Housing Choice Voucher Director

Jason Roubique

Planning & Development Director

Shelva Thomas

Director of Human Resources and
Administrative Officer

FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Housing Authority of the City of Monroe
Monroe, Louisiana

HUD – New Orleans Office
501 Magazine 9th Floor
New Orleans, Louisiana 70130

Report on the Audit of Financial Statements

Opinions

We have audited the financial statements of the business-type activities of the Housing Authority of the City of Monroe as of and for the year ended June 30, 2022, and the related notes to the financial statements which collectively comprise the Housing Authority of the City of Monroe '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 respective financial position of the business-type activities of the Housing Authority of the City of Monroe, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards (*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 Monroe 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 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 Monroe 's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of 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 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 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 purpose of expressing an opinion on the effectiveness of the Housing Authority of the City of Monroe'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 Monroe's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 16, 2022, on our consideration of the Housing Authority of the City of Monroe'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 Monroe'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 Housing Authority of the City of Monroe's internal control over financial reporting and compliance.

Rector, Reeder & Lofton, P.C.
Certified Public Accountants

Loganville, Georgia
December 16, 2022

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REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION
AND ANALYSIS (MD&A)

Housing Authority of the City of Monroe
Management's Discussion and Analysis (MD&A)
June 30, 2022

As management of the Housing Authority, we offer readers of the Housing Authority's financial statements this narrative overview and analysis of the financial activities of the Housing Authority for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1 - 4 of this report.

FINANCIAL HIGHLIGHTS In fiscal year 2022, the Housing Authority had the following changes:

- The assets of the Housing Authority exceeded its liabilities at the close of the most recent fiscal year by \$53,458,963 (*net position*). Of this amount, \$33,029,349 may be used to meet the government's ongoing obligations to citizens and creditors.
- The Housing Authority's total net position increased by \$4,500,498 for current year which is due to the positive results of operations.
- At the end of the current fiscal year, unrestricted net position was \$33,029,349 or 150% of the total operating expenses.
- The Housing Authority continues to operate without the need for debt borrowings during the current fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS This discussion and analysis is intended to serve as an introduction to the Housing Authority's basic financial statements. The Housing Authority's basic financial statements comprise two components: 1) fund financial statements, and 2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. The Housing Authority is a special-purpose government engaged only in business-type activities. Accordingly, only fund financial statements are presented as the basic financial statements.

FUND FINANCIAL STATEMENTS A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Housing Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Housing Authority are reported as proprietary funds.

USING THIS ANNUAL REPORT

The Housing Authority's annual report consists of financial statements that show information about the Housing Authority funds and current year's activity.

Our auditors have provided assurance in their independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance are being provided by the auditors regarding the supplementary information and other information included in this report. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts of this report.

The Introductory Section and the Statistical Section were prepared by the Housing Authority without association by the independent auditors. Accordingly, the Housing Authority assumes full responsibility for the accuracy of these two sections.

**Housing Authority of the City of Monroe
Management's Discussion and Analysis (MD&A)
June 30, 2022**

Reporting the Housing Authority's Most Significant Funds

The Housing Authority's financial statements provide detailed information about the most significant funds. Some funds are required to be established by the Department of Housing and Urban Development (HUD). However, the Housing Authority establishes other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using grants and other money. The Housing Authority's enterprise funds use the following accounting approach:

Proprietary funds – All of the Housing Authority's services are reported in enterprise funds. These funds are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets, liabilities and deferred outflows/inflows of resources associated with the operation of these funds are included on the statement of net position.

FINANCIAL ANALYSIS

The Housing Authority's net position was \$53,458,963 at June 30, 2022. Of this amount, \$33,029,349 was unrestricted. Restricted net position is reported separately to show legal constraints from U. S. Department of Housing and Urban Development regulations that limit the Housing Authority to use these funds only for housing assistance payments (HAP) of the Section 8 Tenant Based program, which was \$79,078 for the fiscal year end.

As we noted earlier, the Housing Authority uses funds to help it control and manage money for particular purposes. The general fund is used to account for the public housing, capital fund, resident opportunities and supportive services, economic development programs, and the Central Office Cost Center. The tenant based Section 8 fund accounts for the Section 8 Housing Choice Voucher program, the Disaster Voucher program, the DHAP program and the Emergency Housing Voucher program. The Monroe Housing Facilities and Management Fees earned on properties managed by the Housing Authority are accounted for in separate funds. Our analysis below focuses on the net position and the change in net position of the primary government as a whole.

**Housing Authority of the City of Monroe
Management's Discussion and Analysis (MD&A)
June 30, 2022**

Table 1

**Net Position
June 30,**

| | <u>2022</u> | <u>2021</u> | <u>Variance</u> | <u>% Change</u> |
|---|-----------------------------|-----------------------------|----------------------------|-----------------|
| Current Assets | \$ 33,918,463 | \$ 30,558,585 | \$ 3,359,878 | 10.99% |
| Capital Assets | 20,350,536 | 18,885,784 | 1,464,752 | 7.76% |
| Other Noncurrent Assets | 2,638,025 | 2,774,002 | (135,977) | -4.90% |
| Total Assets | <u>\$ 56,907,024</u> | <u>\$ 52,218,371</u> | <u>\$ 4,688,653</u> | 8.98% |
| Current Liabilities | \$ 2,479,575 | \$ 2,349,585 | \$ 129,990 | 5.53% |
| Noncurrent Liabilities | 968,486 | 910,321 | 58,165 | 6.39% |
| Total Liabilities | <u>3,448,061</u> | <u>3,259,906</u> | <u>188,155</u> | 5.77% |
| Invested in Capital Assets | 20,350,536 | 18,468,106 | 1,882,430 | 10.19% |
| Restricted | 79,078 | - | 79,078 | 100.00% |
| Unrestricted | 33,029,349 | 30,490,359 | 2,538,990 | 8.33% |
| Total Net Position | <u>53,458,963</u> | <u>48,958,465</u> | <u>4,500,498</u> | 9.19% |
| Total Liabilities & Net Position | <u>\$ 56,907,024</u> | <u>\$ 52,218,371</u> | <u>\$ 4,688,653</u> | 8.98% |

Total Assets increased by \$4,688,653 or 8.98% during FY2022. Current Assets increased by \$3,359,878 or 10.99% due to an increase in cash and investments of \$1,985,785 and an increased in accounts receivable of \$1,272,985. Amounts due from HUD increased by \$819,493 or 58.29% making up the majority of this increase. Capital Assets increased by \$1,464,752 or 7.76% due to increased improvements made during the year, including weatherproofing and HVAC improvements at Francis Towers and McKeen Plaza. Additionally, the Housing Authority has purchased security cameras with the emergency capital fund program. Other noncurrent assets decreased by \$135,977 or 4.90% due to the repayment of notes receivable.

Total Liabilities increased by \$188,155 or 5.77%. Current liabilities increased by \$129,990 or 5.53% due to increases in accounts payable and other accruals at year-end. Noncurrent liabilities increased by \$58,165 or 6.39% due to increases in the noncurrent portion of compensated absences and the addition of FSS escrows in the current year.

Total Net Position increased by \$4,500,498 or 9.19%. Invested in Capital Assets increased by \$1,882,430 or 10.19%, Restricted increased by \$79,078 or 100% due to amounts restricted for HAP equity, and Unrestricted increased by \$2,538,990 or 8.33%.

Housing Authority of the City of Monroe
Management's Discussion and Analysis (MD&A)
June 30, 2022

Table 2

Changes in Net Position
For the Years Ended June 30,

| | <u>2022</u> | <u>2021</u> | <u>Variance</u> | <u>% Change</u> |
|----------------------------|-----------------------------|-----------------------------|----------------------------|-----------------|
| Tenant Revenue | \$ 4,181,678 | \$ 4,305,805 | \$ (124,127) | -2.88% |
| Grant Funding | 20,846,451 | 18,315,647 | 2,530,804 | 13.82% |
| Interest Income | 183,854 | 184,075 | (221) | -0.12% |
| Other Income | 1,256,327 | 1,731,943 | (475,616) | -27.46% |
| Total Revenue | <u>26,468,310</u> | <u>24,537,470</u> | <u>1,930,840</u> | 7.87% |
| Administration | 3,376,045 | 3,569,220 | (193,175) | -5.41% |
| Tenant Services | 320,703 | 729,350 | (408,647) | -56.03% |
| Utilities | 443,507 | 472,118 | (28,611) | -6.06% |
| Protective Services | 80,769 | 77,813 | 2,956 | 3.80% |
| Maintenance | 5,331,764 | 4,671,097 | 660,667 | 14.14% |
| General | 1,810,111 | 2,123,381 | (313,270) | -14.75% |
| HAP Expense | 7,929,987 | 7,825,506 | 104,481 | 1.34% |
| Depreciation | 2,772,778 | 2,756,152 | 16,626 | 0.60% |
| Total Expenses | <u>22,065,664</u> | <u>22,224,637</u> | <u>(158,973)</u> | -0.72% |
| Change in Net Position | 4,402,646 | 2,312,833 | 2,089,813 | 90.36% |
| Prior Period Adjustment | 97,852 | - | 97,852 | 100.00% |
| Beginning Net Position | <u>48,958,465</u> | <u>46,645,632</u> | <u>2,312,833</u> | 4.96% |
| Ending Net Position | <u>\$ 53,458,963</u> | <u>\$ 48,958,465</u> | <u>\$ 4,500,498</u> | 9.19% |

Total revenues increased by \$1,930,840 or 7.87% for the current fiscal year. The majority of this increase was in grant funding of \$2,530,804 or 13.82% due to increased capital improvements made during the year. This amount was offset slightly by a decrease in tenant revenue of \$124,127 or 2.88% due to a slight decrease in occupancy, and a decrease in other income of \$475,616 or 27.46% due to decreased management fees and insurance proceeds received in the prior period.

Total expenses decreased slightly by \$158,973 or 0.72%. The majority of this decrease was in tenant services, which decreased by \$408,647 or 56.03% due to CARES Act funding received in the prior year that was used for tenants' needs during the pandemic. Administrative expenses also decreased by \$193,175 or 5.41% due to decreased management and bookkeeping fees received during the year. General expenses decreased by \$313,270 or 14.75% due to the write-off of bad debt in the prior year.

**Housing Authority of the City of Monroe
Management's Discussion and Analysis (MD&A)
June 30, 2022**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2022, the Housing Authority had \$20,350,536 invested in a broad range of capital assets, including land, buildings, and furniture and equipment. This amount represents a net increase (including additions, deductions and depreciation) of \$1,464,302 or 8%, from last year.

**Table 3
Capital Assets at Year-end**

| | 2022 | 2021 | Total Change | % Change |
|-----------------------------|-----------------------------|-----------------------------|----------------------------|-----------------|
| Land and site improvements | \$ 2,628,361 | \$ 2,591,864 | \$ 36,497 | 1.41% |
| Buildings | 96,106,748 | 94,426,750 | 1,679,998 | 1.78% |
| Furniture and equipment | 1,990,282 | 1,866,820 | 123,462 | 6.61% |
| Construction in Progress | 5,051,949 | 2,689,626 | 2,362,323 | 87.83% |
| | <u>105,777,340</u> | <u>101,575,060</u> | <u>4,202,280</u> | 4.14% |
| Accumulated Depreciation | <u>(85,427,254)</u> | <u>(82,689,276)</u> | <u>(2,737,978)</u> | 3.31% |
| Total Capital Assets | <u>\$ 20,350,086</u> | <u>\$ 18,885,784</u> | <u>\$ 1,464,302</u> | 7.75% |

This year's increase of \$1,464,752 is mainly due to completion of the HVAC project at McKeen Plaza and continued projects of weatherproofing McKeen Plaza and Francis Towers, HVAC project at Francis Towers and security cameras being installed at each development. The costs associated with the projects was offset by current year depreciation.

We present more detailed information on capital assets in Note 5 in the notes to the financial statements.

Debt

Our long-term debt includes accrued annual and sick leave. We present more detail about our long-term liabilities in Note 10 in the notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Housing Authority is primarily dependent upon HUD for the funding of operations; therefore, the Housing Authority is affected more by the Federal budget than by local economic conditions.

The capital fund programs are multiple year budgets and have remained relatively stable. Capital fund programs are used for the modernization of public housing properties, including administrative fees involved in the modernization.

**Housing Authority of the City of Monroe
Management's Discussion and Analysis (MD&A)
June 30, 2022**

CONTACTING THE HOUSING AUTHORITY'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, investors and creditors with a general overview of the Housing Authority's finances and to show the Housing Authority's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Janet Sanderford, Accounting Director, at the Housing Authority of the City of Monroe, 300 Harrison Street, Monroe, Louisiana 71201, telephone number (318) 998-3761.

Housing Authority of the City of Monroe

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Housing Authority of the City of Monroe

BASIC FINANCIAL STATEMENTS

**HOUSING AUTHORITY OF THE CITY OF MONROE
MONROE, LOUISIANA**

STATEMENT OF NET POSITION

June 30, 2022

ASSETS & DEFERRED OUTFLOWS

Current Assets

| | |
|--|-----------------------|
| Cash and cash equivalents - unrestricted | \$ 9,588,445 |
| Cash and cash equivalents - restricted | 500,319 |
| Investments - unrestricted | 19,176,080 |
| Accounts receivable, net | 3,943,172 |
| Notes receivable - current | 172,455 |
| Prepaid expenses | 520,603 |
| Inventories, net | <u>17,389</u> |
| Total Current Assets | <u>33,918,463</u> |

Noncurrent Assets

Capital Assets:

| | |
|---|---------------------------------|
| Land & Improvements | 2,628,811 |
| Buildings | 96,106,748 |
| Furniture & equipment | 1,990,282 |
| Construction in progress | <u>5,051,949</u> |
| | 105,777,790 |
| Less: Accumulated depreciation | <u>(85,427,254)</u> |
| Total Capital Assets | <u>20,350,536</u> |
| Total Noncurrent Notes Receivable | <u>2,638,025</u> |
| Total Noncurrent Assets | <u>22,988,561</u> |
| Deferred Outflows of Resources | <u>-</u> |
| TOTAL ASSETS & DEFERRED OUTFLOWS | \$ <u>56,907,024</u> |

The accompanying notes are an integral part of the financial statements.

LIABILITIES, DEFERRED INFLOWS & NET POSITION

Current Liabilities

| | |
|--|----------------------|
| Accounts payable | \$ 927,400 |
| Accrued liabilities | 681,775 |
| Unearned revenue | 131,933 |
| Other current liabilities | 344,747 |
| Tenant security deposits/escrow deposits | <u>393,720</u> |
| Total Current Liabilities | <u>2,479,575</u> |

Noncurrent Liabilities

| | |
|----------------------------------|--------------------|
| Accrued compensated absences | 940,965 |
| Other noncurrent liabilities | <u>27,521</u> |
| Total Noncurrent Liabilities | <u>968,486</u> |

TOTAL LIABILITIES 3,448,061

Deferred Inflows of Resources -

NET POSITION

| | |
|----------------------------------|-------------------|
| Net Investment in Capital Assets | 20,350,536 |
| Restricted | 79,078 |
| Unrestricted | <u>33,029,349</u> |

TOTAL NET POSITION 53,458,963

TOTAL LIABILITIES, DEFERRED INFLOWS & NET POSITION \$ 56,907,024

**HOUSING AUTHORITY OF THE CITY OF MONROE
MONROE, LOUISIANA**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN PROGRAM NET POSITION
FOR THE YEAR ENDED JUNE 30, 2022**

Operating Revenues

| | |
|---------------------------------|-------------------|
| Dwelling rent | \$ 4,181,678 |
| Governmental grants & subsidy | 17,086,968 |
| Other income | 1,241,864 |
| Total Operating Revenues | 22,510,510 |

Operating Expenses

| | |
|--------------------------------|-------------------|
| Administration | 3,376,045 |
| Tenant services | 320,703 |
| Utilities | 443,507 |
| Maintenance & operations | 5,331,764 |
| Protective services | 80,769 |
| General expense | 1,810,111 |
| Housing assistance payments | 7,929,987 |
| Depreciation & amortization | 2,772,778 |
| Total Operating Expense | 22,065,664 |

| | |
|------------------------------------|----------------|
| Net Operating Income/(Loss) | 444,846 |
|------------------------------------|----------------|

Nonoperating Revenues/(Expenses)

| | |
|---|----------------|
| Investment income | 183,854 |
| Gain/(Loss) on disposition of assets | 14,463 |
| Net Nonoperating Revenues/(Expenses) | 198,317 |

| | |
|---|----------------|
| Net Income/(Loss) before capital contributions | 643,163 |
|---|----------------|

| | |
|----------------|-----------|
| Capital grants | 3,759,483 |
|----------------|-----------|

| | |
|--|------------------|
| Increase/(Decrease) in Net Position | 4,402,646 |
|--|------------------|

| | |
|--------------------------------|------------|
| Prior period adjustment | 97,852 |
| Total Net Position - beginning | 48,958,465 |

| | |
|-----------------------------|---------------|
| Total Net Position - ending | \$ 53,458,963 |
|-----------------------------|---------------|

The accompanying notes are an integral part of the financial statements.

**HOUSING AUTHORITY OF THE CITY OF MONROE
MONROE, LOUISIANA**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022**

CASH FLOWS FROM OPERATING ACTIVITIES

| | | |
|--|----|-------------|
| Receipts from customers and users | \$ | 5,423,542 |
| Governmental grants & subsidy - operations | | 17,086,968 |
| Payments to suppliers | | (6,237,672) |
| Payments for housing assistance | | (7,929,987) |
| Payments to employees | | (6,209,301) |
| | | 2,133,550 |
| NET CASH PROVIDED/(USED) FROM OPERATING ACTIVITIES | | 2,133,550 |

CASH FLOWS FROM INVESTING ACTIVITIES

| | | |
|--|--|----------|
| Purchase of investments | | (69,574) |
| Proceeds from notes receivable | | 131,965 |
| Interest received | | 183,854 |
| | | 246,245 |
| NET CASH PROVIDED/(USED) FROM INVESTING ACTIVITIES | | 246,245 |

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

| | | |
|--|--|-------------|
| Grant revenue - CFP capital grants | | 3,759,483 |
| Acquisition of capital assets - CFP | | (3,759,483) |
| Proceeds from disposition of capital assets | | 20,903 |
| Additions from operations | | (484,487) |
| | | (463,584) |
| NET CASH PROVIDED/(USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES | | (463,584) |

| | | |
|--|----|------------|
| NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS | | 1,916,211 |
| CASH & CASH EQUIVALENTS AT BEGINNING OF PERIOD | | 8,172,553 |
| CASH & CASH EQUIVALENTS AT END OF PERIOD | \$ | 10,088,764 |

CASH FLOWS FROM OPERATING ACTIVITIES

| | | |
|---|----|-------------|
| Net Income/(Loss) from operations | \$ | 444,846 |
| Adjustments to reconcile net loss to net cash provided by operating activities: | | |
| Depreciation & amortization | | 2,772,778 |
| Decrease (Increase) in accounts receivable | | (1,171,121) |
| Decrease (Increase) in prepaid expenses | | (102,609) |
| Decrease (Increase) in inventory | | 1,501 |
| Increase (Decrease) in accounts payable | | (528,092) |
| Increase (Decrease) in accrued liabilities | | 479,105 |
| Increase (Decrease) in unearned revenue | | (113,803) |
| Increase (Decrease) in other current liabilities | | 317,873 |
| Increase (Decrease) in security/trust deposits | | 33,072 |
| | | 33,072 |
| NET CASH PROVIDED/(USED) FROM OPERATING ACTIVITIES | \$ | 2,133,550 |

The accompanying notes are an integral part of the financial statements.

Housing Authority of the City of Monroe

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Housing Authority of the City of Monroe
Notes to the Financial Statements
June 30, 2022

INDEX

| | <u>Page</u> |
|---|-------------|
| NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES | 28 |
| A. REPORTING ENTITY | 28 |
| B. FUNDS | 29 |
| C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING..... | 30 |
| Proprietary Funds..... | 30 |
| D. CASH AND CASH EQUIVALENTS..... | 30 |
| E. INVESTMENTS | 30 |
| F. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES | 30 |
| G. INVENTORY | 30 |
| H. PREPAID ITEMS..... | 31 |
| I. CAPITAL ASSETS..... | 31 |
| J. UNEARNED REVENUES | 31 |
| K. COMPENSATED ABSENCES | 31 |
| L. RESTRICTED NET POSITION | 31 |
| M. INTERFUND ACTIVITY..... | 31 |
| N. USE OF ESTIMATES..... | 32 |
| NOTE 2 - CASH AND CASH EQUIVALENTS | 32 |
| NOTE 3 - ACCOUNTS RECEIVABLE | 32 |
| NOTE 4 - NOTES RECEIVABLE | 33 |
| NOTE 5 - CAPITAL ASSETS | 33 |
| NOTE 6 - RETIREMENT SYSTEM..... | 33 |
| NOTE 7 - ACCOUNTS AND OTHER PAYABLES..... | 34 |
| NOTE 8 - ACCRUED LIABILITIES..... | 34 |
| NOTE 9 - COMPENSATED ABSENCES | 34 |
| NOTE 10 - LONG-TERM LIABILITIES | 35 |
| NOTE 11 - COMMITMENTS AND CONTINGENCIES | 35 |
| NOTE 12 - RISK MANAGEMENT | 35 |
| NOTE 13 - ECONOMIC DEPENDENCE | 35 |
| NOTE 14 - SUBSEQUENT EVENTS..... | 35 |
| NOTE 15 - RESERVES HELD WITH HUD | 36 |
| NOTE 16 - RELATED PARTY TRANSACTIONS | 36 |
| NOTE 17 - NEW GASB STANDARDS | 36 |
| NOTE 18 - PRIOR PERIOD ADJUSTMENT | 37 |
| NOTE 19 - RESTRICTED NET POSITION..... | 37 |

Housing Authority of the City of Monroe
Notes to the Financial Statements
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The accompanying financial statements of the Housing Authority have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. REPORTING ENTITY Housing Authorities are chartered as public corporations under the laws (LSA-R.S. 40:391) of the state of Louisiana for the purpose of providing affordable housing. This creation was contingent upon the local governing body of the city or parish declaring a need for the Housing Authority to function in such city or parish. The Housing Authority is governed by a five member Board of Commissioners. The members, appointed by the Honorable Mayor of the City of Monroe, serve a staggered term of four years.

The Housing Authority has the following units:

| | | |
|---|--------------|------|
| PHA Owned Housing | FW 2006 | 1518 |
| Section 8 | | |
| Housing Choice Vouchers | FW 2072 (VO) | 1558 |
| Managing Agent (Section 202 Elderly Housing Projects and Tax Credit Projects) | | |
| Ouachita Grand Plaza, Inc. | | 91 |
| Passman Plaza, Inc. | | 41 |
| Passman Plaza II, Inc. | | 39 |
| Passman Plaza III, Inc. | | 60 |
| Claiborne Creek Apartments, LLP | | 72 |
| Claiborne Creek II, LLP | | 60 |
| Chauvin Pointe, LLP | | 74 |
| Chauvin Pointe II, LLP | | 65 |
| South Pointe, LLP | | 37 |
| South Pointe II, LLP | | 44 |
| South Pointe III, LLP | | 36 |
| South Pointe IV, LLP | | 6 |
| Alabama Place, LLP | | 16 |
| Franciscan Apartments | | 8 |
| Robinson Place II | | 50 |
| Preservation Mills | | 23 |

GASB Standards establish criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of these Standards, the Housing Authority is considered a *primary government*, since it is a special purpose government that has a separate governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Standards, fiscally independent means that the Housing Authority may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt.

The Housing Authority is a related organization of the City of Monroe since the City of Monroe appoints a voting majority of the Housing Authority's governing board. The City of Monroe is not financially accountable for the Housing Authority as it cannot impose its will on the Housing Authority and there is no potential for the Housing Authority to provide financial benefit to, or impose financial burdens on, the City of Monroe.

Housing Authority of the City of Monroe
Notes to the Financial Statements
June 30, 2022

Accordingly, the Housing Authority is not a component unit of the financial reporting entity of the City of Monroe.

Governmental Accounting Standards Board (GASB) Codification Section 2100 establishes criteria for determining which, if any, component units should be considered part of the Housing Authority for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability, which includes:

1. Appointing a voting majority of an organization's governing body, and:
 - a. The ability of the government to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the government.
2. Organizations for which the government does not appoint a voting majority but are fiscally dependent on the government and a financial benefit or burden is present.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the Housing Authority has determined that the following component unit should be considered as part of the Housing Authority reporting entity.

Monroe Housing Facilities Corporation (Corporation) is a legally separate entity. The Board is the same as the Board of Commissioners of the Housing Authority. The Corporation is fiscally dependent on the Housing Authority because operations and administration of the Corporation are handled by the same personnel of the Housing Authority, and no costs are being charged to the Corporation for these services. Based on the above, it has been determined that the Corporation is a component unit of the Housing Authority and should be included in the Housing Authority's financial statements through blended presentation. The Corporation does not issue separate financial statements.

B. FUNDS The accounts of the Housing Authority are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

All funds of the Housing Authority are classified as proprietary. The general fund accounts for the transactions of the public housing low rent program, the capital fund program, the resident opportunities and supportive services program, the economic development program, and the Central Office Cost Center. The tenant based Section 8 fund accounts for the tenant based Section 8 programs. The management fees fund accounts for the activity of the Section 202 elderly housing projects and tax credit properties for which the Housing Authority is the managing agent and the Monroe housing facilities fund accounts for the activity of the Monroe Housing Facilities Corporation.

Housing Authority of the City of Monroe
Notes to the Financial Statements
June 30, 2022

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Proprietary Funds Proprietary funds are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets, liabilities, and deferred outflows/inflows of resources associated with the operation of these funds are included on the statement of net position.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Housing Authority's funds are rent and maintenance charges to residents and administration fees earned. Operating expenses for proprietary funds include the administrative costs of providing the service and the housing assistance payments to residents. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. CASH AND CASH EQUIVALENTS Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits and cash with fiscal agent. Under state law, the Housing Authority may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

E. INVESTMENTS Investments are limited by LSA-R.S. 33:2955 and the Housing Authority's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

The investments are reflected at fair value except for the following which are required/permitted per GASB Statement No. 31:

1. Investments in *nonparticipating* interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.
2. The Housing Authority reported at amortized cost money market investments and *participating* interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

Definitions:

Interest-earning investment contracts include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

Money market investments are short-term, highly liquid debt instruments that include U. S. Treasury obligations.

F. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES During the course of operations, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as due from other funds or due to other funds on the statement of net position. Short-term interfund loans are classified as interfund receivables/payables.

G. INVENTORY All purchased inventory items are valued at cost using just-in-time method. Materials and supplies at the project level are expensed as they are purchased.

Housing Authority of the City of Monroe
Notes to the Financial Statements
June 30, 2022

H. PREPAID ITEMS Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

I. CAPITAL ASSETS Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The capitalization threshold is \$5,000 for any movable items. The capitalization threshold for intangible assets is \$200,000. Donated capital assets are recorded at their acquisition value. Estimated useful life is management's estimate of how long the asset is expected to meet service demands.

Any expenditures incurred for purposes of improving any buildings or structure or any site improvement will be expensed up to \$100,000, excluding repairs that involve returning an asset to its existing state (roof repairs where shingles are being replaced and the replacement of rotten wood where found).

Straight line depreciation is used based on the following estimated useful lives using a full-year convention method:

| | |
|-------------------------|-------------|
| Site improvements | 15 years |
| Buildings | 30 years |
| Furniture and equipment | 5 - 7 years |

J. UNEARNED REVENUES The Housing Authority reports unearned revenues on its statement of net position. Unearned revenues arise when resources are received by the Housing Authority before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the Housing Authority has a legal claim to the resources, the liability for unearned revenue is removed from the statement of net position and the revenue is recognized.

K. COMPENSATED ABSENCES Although the Housing Authority is no longer under Louisiana Civil Service, the Housing Authority still follows Louisiana Civil Service policies for accumulated annual, compensatory, and sick leave. Employees may accumulate up to three hundred hours of annual leave which may be received upon termination or retirement. Sick leave hours accumulate, but the employee is not paid for them if not used by his/her retirement or termination date. The Board may approve payment of one-half of sick leave if the employee has been with the Housing Authority for ten years and is 55 years of age. Compensatory leave credited to an employee may be used by the employee or may be paid out to the employee at any time. The Board may approve employees' extended time off prior to their retirement, to use accumulated leave balances above the compensated absence payout policy.

L. RESTRICTED NET POSITION Net position is reported as restricted when constraints placed on net position use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Restricted resources are used first when an expense is incurred for purposes for which both restricted and unrestricted net position is available. The restricted net position for housing assistance payments (HAP) reported in the Statement of Net Position is restricted by enabling legislation.

M. INTERFUND ACTIVITY Interfund activity is reported as loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate. Services provided, deemed to be at market, or near market rates, are treated as revenues and expenses.

Housing Authority of the City of Monroe
Notes to the Financial Statements
June 30, 2022

All other interfund transfers are reported as transfers. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

N. USE OF ESTIMATES The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues, expenses and other financing sources and uses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - CASH AND CASH EQUIVALENTS The Housing Authority's deposits are recorded at cost. The carrying amount of deposits totaled \$29,264,844, which includes \$19,176,080 held in certificates of deposit that are classified as investments.

Interest Rate Risk: The Housing Authority's policy does not address interest rate risk.

Credit Rate Risk: The Housing Authority's investments are in certificates of deposit, which do not have credit ratings; however, the Housing Authority's policy does not address credit rate risk.

Custodial Credit Risk-Deposits: In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As of June 30, 2022 the Housing Authority's cash and investments balance was \$29,264,844, with a bank balance was \$29,684,537 of which \$1,750,000 was covered with federal depository insurance (GASB Category 1) and the remaining balance of \$27,934,537 was collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Housing Authority's name (GASB Category 3). Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Housing Authority that the fiscal agent has failed to pay deposited funds upon request. The Housing Authority's policy does not address custodial credit risk.

NOTE 3 - ACCOUNTS RECEIVABLE The receivables at June 30, 2022, are as follows:

| | |
|---|---------------------|
| A/R – HUD | \$ 2,225,433 |
| A/R – Other government | 12,874 |
| A/R – Miscellaneous | 16,025 |
| A/R – Affiliates & managed properties (net of allowance of \$621,613) | 1,496,154 |
| A/R – Tenants' (net of allowance of \$37,070) | 87,232 |
| Fraud recovery (net of allowance of \$189,127) | 7,602 |
| Accrued interest receivable – Robinson Place II, LP | <u>97,852</u> |
| | <u>\$ 3,943,172</u> |

The accounts receivable - other are balances due from other entities the Housing Authority manages or are in development and repayment agreements for fraudulently reporting wrong income amounts for past rental calculations. The Housing Authority accounts receivable - other is net of an allowance for doubtful accounts of \$621,613, in which the COCC is \$321,524 and Monroe Housing Facilities is \$300,089.

Housing Authority of the City of Monroe
Notes to the Financial Statements
June 30, 2022

NOTE 4 - NOTES RECEIVABLE The Housing Authority entered into a note receivable during the year ended June 30, 2013. The note receivable was between Monroe Housing Facilities and Alabama Place for cost incurred with the construction of the property in the amount of \$541,648 at an interest rate of 3%. The amount of the note receivable at June 30, 2022 was \$246,189. Of this amount, \$38,019 is due within a year to Monroe Housing Facilities.

During the fiscal year ended June 30, 2017, the Housing Authority's Monroe Housing Facilities fund entered into two notes receivables. One note was with Claiborne Creek I for \$877,731 and the other note was with Claiborne Creek II for \$691,560, in order to provide a bridge loan until permanent financing could be arranged, at an interest rate of 3%. The amount of these notes receivable at June 30, 2022 was \$1,114,291 in which \$97,957 is due within one year.

During the fiscal year ended June 30, 2019, the Housing Authority had approved for the Monroe Housing Facilities fund to enter into a notes receivable with Robinson Place II Development up to \$2,000,000 to facilitate financing to construct the new development at an interest rate of 4%; however, the amount of the note receivable used was \$1,450,000. The amount of this notes receivable at June 30, 2022 was \$1,450,000 in which \$36,479 is due within one year.

The Housing Authority expects to receive the notes receivable in full; and therefore, no allowance for doubtful accounts was recorded. These entities are affiliates of the Housing Authority, but they are not considered to be not component units.

NOTE 5 - CAPITAL ASSETS The balances and changes in capital assets are as follows:

| | <u>Beginning Balances</u> | <u>Additions</u> | <u>Adjustments/ Transfers</u> | <u>Ending Balances</u> |
|--|-------------------------------|--------------------|-----------------------------------|----------------------------|
| Enterprise Activities | | | | |
| Capital assets: | | | | |
| Land and improvements | \$ 2,591,864 | \$ 36,947 | \$ - | \$ 2,628,811 |
| Construction in progress | 2,689,626 | 4,019,272 | (1,656,949) | 5,051,949 |
| Buildings and site improvements | 94,426,750 | 23,049 | 1,656,949 | 96,106,748 |
| Furniture & equipment | 1,866,820 | 164,702 | (41,240) | 1,990,282 |
| Total capital assets | <u>101,575,060</u> | <u>4,243,970</u> | <u>(41,240)</u> | <u>105,777,790</u> |
| Less accumulated depreciation for: | | | | |
| Buildings & improvements | (81,089,434) | (2,667,998) | - | (83,757,432) |
| Furniture & equipment | (1,599,842) | (104,780) | 34,800 | (1,669,822) |
| Total accumulated depreciation | <u>(82,689,276)</u> | <u>(2,772,778)</u> | <u>34,800</u> | <u>(85,427,254)</u> |
| Enterprise activity capital assets, net | <u>\$ 18,885,784</u> | | | <u>\$ 20,350,536</u> |

NOTE 6 - RETIREMENT SYSTEM The Housing Authority participates in the Housing-Renewal and Local Agency Retirement Plan, administered by Broussard, Bush & Hurst, which is a defined contribution plan. The plan consists of employees of various local and regional housing authorities, urban renewal agencies, and other similar organizations. Through this plan, the Housing Authority provides pension benefits for all of its full-time employees. All regular and full-time employees are eligible to participate in the plan on the first day of the month after completing six months of continuous and uninterrupted employment. Plan provisions and changes to plan contributions are determined by the Board of the Housing Authority. The Housing Authority does not have any assets in a trust to fund pension benefits.

Housing Authority of the City of Monroe
Notes to the Financial Statements
June 30, 2022

Under a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The employer is required to make monthly contributions equal to 14.0 percent of each participant's basic (excludes overtime) compensation.

The Housing Authority's contribution for each employee and income allocated to the employee's account are fully vested after five years of continuous service. Housing Authority's contributions and interest forfeited by employees who leave employment before five years of service are used to offset future contributions of the Housing Authority.

Normal retirement date shall be the first day of the month following the employee's 65th birthday or after 10 years of participation in the plan.

The Housing Authority's contributions were calculated using the base salary amount of \$3,107,312. The members' contributions were \$5,703 for the year ended June 30, 2022. The Housing Authority made the required contributions of \$439,708 for the year ended June 30, 2022.

During the fiscal year ended June 30, 2022, the Housing Authority had \$0 in forfeitures that was recognized in the current year pension expense. At June 30, 2022, the Housing Authority had \$0 in payables to the retirement plan for the June 2022 employee and employer required contributions.

NOTE 7 - ACCOUNTS AND OTHER PAYABLES The payables at June 30, 2022, are as follows:

| | |
|--------------------------------|---------------------|
| A/P – Vendors | \$ 590,227 |
| A/P – Other government (PILOT) | 337,173 |
| Tenants' Security Deposits | 393,720 |
| Unearned revenue | <u>131,933</u> |
| | <u>\$ 1,453,053</u> |

NOTE 8 - ACCRUED LIABILITIES The accrued liabilities at June 30, 2022, are as follows:

| | |
|--|---------------------|
| Accrued wages/payroll taxes payable | \$ 240,690 |
| Accrued compensated absences – current | 441,085 |
| Accrued liabilities – other | <u>344,747</u> |
| | <u>\$ 1,026,522</u> |

For retainage payable at fiscal yearend of \$325,605, the amount related to construction in progress was \$309,491.

NOTE 9 - COMPENSATED ABSENCES At June 30, 2022, employees of the Housing Authority have accumulated and vested \$1,382,050 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. In the past, the liability has been liquidated by the General fund and Tenant Based Section 8 fund.

Housing Authority of the City of Monroe
Notes to the Financial Statements
June 30, 2022

NOTE 10 - LONG-TERM LIABILITES The following is a summary of the long-term liabilities for the year ended June 30, 2022:

| | Balance July 1, 2021 | Increases | Decreases | Balance June 30, 2022 | Current Portion of Balance |
|----------------------|-------------------------|-------------------|---------------------|--------------------------|-------------------------------|
| FSS Escrow Deposits | \$ 32,063 | \$ 13,799 | \$ (18,341) | \$ 27,521 | \$ - |
| Compensated absences | 1,368,174 | 435,576 | (421,700) | 1,382,050 | 441,085 |
| | <u>\$ 1,400,237</u> | <u>\$ 449,375</u> | <u>\$ (440,041)</u> | <u>\$ 1,409,571</u> | <u>\$ 441,085</u> |

NOTE 11 - COMMITMENTS AND CONTINGENCIES

Litigation At June 30, 2022, the Housing Authority was involved in various litigation. It is the opinion of the legal advisor of the Housing Authority that this litigation would not have a material effect on the financial statements.

Grant Disallowances The Housing Authority participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. The Housing Authority management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

Construction Commitments There are certain construction contracts at June 30, 2022. The Housing Authority had eight open contracts at fiscal year-end for repairs and renovations. The contracts of \$7,176,027 had \$1,506,465 remaining at fiscal year-end.

NOTE 12 - RISK MANAGEMENT The Housing Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Housing Authority carries commercial insurance through the Louisiana Housing Council Authorities Group Self-Insurance Trust; however, the Housing Authority does not carry flood insurance except for on one property. This self-insurance program is a public entity risk pool, which has been approved by both the State of Louisiana Insurance Commission and the Department of Housing and Urban Development. The Trust operates as any other commercial insurance company. Five insurance companies currently share the excess coverage insurance. No additional assessments can be made against the Housing Authority. The Housing Authority is responsible only for the premium payments. The current policy limits on most commercial coverage has been in effect for multiple years. Settled claims have not exceeded commercial excess coverage in any of the last three years. The Housing Authority has not made any significant reductions in insurance coverage.

In June 2019, the Board of Commissioners approved for the Housing Authority to establish a self-insurance fund to cover future flooding costs in the amount of \$2,000,000. However, as of June 30, 2022, no action has been taken regarding the resolution.

NOTE 13 - ECONOMIC DEPENDENCE Due to the amount of funding received, the Housing Authority is economically dependent on the Department of Housing and Urban Development. The Department of Housing and Urban Development provided \$20,856,451 to the Housing Authority, which represents approximately 83% of the Housing Authority’s total revenue for the year.

NOTE 14 - SUBSEQUENT EVENTS Events that occur after the balance sheet date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. Management evaluated the activity of the Authority through December 16, 2022, 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.

Housing Authority of the City of Monroe
Notes to the Financial Statements
June 30, 2022

NOTE 15 - RESERVES HELD WITH HUD Due to HUD operating the Section 8 Housing Choice Voucher Program under cash management, HUD maintains reserves for the Housing Authority that have not been utilized. As of June 30, 2022, the Housing Authority had \$889,544 in HUD-Held Reserves.

NOTE 16 - RELATED PARTY TRANSACTIONS The following entities are managed by the Housing Authority and considered to be affiliates. The related entities have officers who are on the Housing Authority Board and some who are employees of the Housing Authority. As noted in these notes to financial statements, accounts receivable from these entities were \$1,496,154 as of June 30, 2022, notes receivable and accrued interest due from these entities were \$2,810,480 and \$97,852 respectively as of June 30, 2022. Additionally, the Housing Authority billed \$395,691 in management fees to these entities during the year.

Tax Credit

Claiborne Creek Apartments, I
Claiborne Creek Apartments, II
Robinson Place II, LP
Alabama Place

Other Managed Entities

Preservation Mills
St. John Plaza
Ouachita Grand Plaza, Inc.
Passman Plaza, I
Passman Plaza, II
South Pointe I
South Pointe II
South Pointe III

NOTE 17 - NEW GASB STANDARDS In the current fiscal year the Housing Authority implemented the following statements:

GASB Statement No. 87, Leases is effective for periods beginning after June 15, 2021, with earlier application encouraged. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financing of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Authority has reviewed this standard in the current year and there are no leases identified that are material to the financial statements.

GASB Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period, effective for reporting periods beginning after December 15, 2019, with earlier application encouraged. The objective of this statement is to enhance the relevance and comparability of information about capital assets and the cost of borrow for a reporting period and to simplify accounting for certain interest costs. The Authority has adopted the provisions of this Statement and applicable costs are reflected in the financial statements.

Housing Authority of the City of Monroe
Notes to the Financial Statements
June 30, 2022

GASB Statement No. 92 Omnibus 2020 has various effective dates ranging from issue date to periods beginning after June 15, 2021. The primary objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified in GASB Statements 87, 73, 74, and 84. The Authority has adopted the provisions of this Statement and has modified note disclosures as applicable.

GASB Statement No. 98, The Annual Comprehensive Financial Report, effective for fiscal years ending after December 31, 2021, with earlier application encouraged. This Statement establishes the term *annual comprehensive financial report* and its acronym ACFR. The Authority has adopted the provisions of this Statement and applicable changes have been made.

NOTE 18 - PRIOR PERIOD ADJUSTMENTS During the current fiscal year, the Authority recorded a prior period adjustment of \$97,852 which consisted of accrued interest receivable related to Robinson Place II, LP.

NOTE 19 - RESTRICTED NET POSITION The Authority's Restricted Net Position of \$79,078 consists of HAP equity of \$58,324 and Emergency Housing Voucher equity of \$20,754.

**Housing Authority of the City of Monroe
Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2022**

Exhibit 1

The members of the Board of Commissioners serve without compensation. The members of the Board of Commissioners are as follows:

Mr. Hal Hinchliffe, Chairman

Mr. Rick Miller, Vice Chairman

Mr. Joe Farr

Ms. Angelina Jones

Ms. Beverly V. Lewis

Housing Authority of the City of Monroe
Schedule of Compensation, Benefits, and Other Payments to Agency Head (Executive Director)
For the Year Ended June 30, 2022

Exhibit 2

Agency Head Name: William Smart, Executive Director

| <u>Purpose</u> | <u>Amount</u> |
|--------------------------------|--------------------------|
| Salary | \$ 140,808 |
| Benefits-insurance | 17,005 |
| Benefits-retirement | 19,713 |
| Benefits-FICA | 18,209 |
| Benefits-performance incentive | 12,600 |
| Car allowance | 9,000 |
| Cell phone | 640 |
| Dues | <u>0</u> |
| Total | <u><u>\$ 217,975</u></u> |

HOUSING AUTHORITY OF THE CITY OF MONROE
Monroe, Louisiana

FINANCIAL DATA SUBMISSION SUMMARY
NET POSITION ACCOUNTS
June 30, 2022

| FDS Line# | Account Description | Public Housing 14.850 | Public Housing CARES Act 14.PHC | Blended Component Unit | Housing Choice Vouchers 14.871 | HCV CARES Act 14.HCC | Jobs - Plus Pilot Initiative 14.895 | DHAP-IKE 14.IKE |
|--|--|-----------------------------|---------------------------------------|------------------------------|---|----------------------------|---|--------------------|
| ASSETS & DEFERRED OUTFLOWS: | | | | | | | | |
| CURRENT ASSETS: | | | | | | | | |
| Cash: | | | | | | | | |
| 111 | Cash - unrestricted | \$ 5,578,710 | \$ 0 | \$ 1,238,917 | \$ 809,397 | \$ 0 | \$ 0 | \$ 100,318 |
| 112 | Cash - restricted modernization & development | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 113 | Cash - other restricted | 0 | 0 | 0 | 85,845 | 0 | 0 | 0 |
| 114 | Cash - tenant security deposits | 393,720 | 0 | 0 | 0 | 0 | 0 | 0 |
| 115 | Cash - restricted for payment of current liabilities | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 100 | Total Cash | <u>5,972,430</u> | <u>0</u> | <u>1,238,917</u> | <u>895,242</u> | <u>0</u> | <u>0</u> | <u>100,318</u> |
| Accounts and notes receivable: | | | | | | | | |
| 121 | Accounts receivable - PHA projects | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 122 | Accounts receivable - HUD other projects | 806,918 | 0 | 0 | 0 | 0 | 1,391,414 | 0 |
| 124 | Accounts receivable - other government | 0 | 0 | 0 | 12,874 | 0 | 0 | 0 |
| 125 | Accounts receivable - miscellaneous | 0 | 0 | 760,250 | 0 | 0 | 0 | 0 |
| 126 | Accounts receivable - tenants rents | 123,570 | 0 | 0 | 732 | 0 | 0 | 0 |
| 126.1 | Allowance for doubtful accounts - tenants | (37,070) | 0 | 0 | 0 | 0 | 0 | 0 |
| 126.2 | Allowance for doubtful accounts - other | 0 | 0 | (300,089) | 0 | 0 | 0 | 0 |
| 127 | Notes receivable - current | 0 | 0 | 172,455 | 0 | 0 | 0 | 0 |
| 128 | Accounts receivable - fraud | 76,036 | 0 | 0 | 120,693 | 0 | 0 | 0 |
| 128.1 | Allowance for doubtful accounts-fraud | (68,434) | 0 | 0 | (120,693) | 0 | 0 | 0 |
| 129 | Accrued interest receivable | 0 | 0 | 97,852 | 0 | 0 | 0 | 0 |
| 120 | Total receivables - net | <u>901,020</u> | <u>0</u> | <u>730,468</u> | <u>13,606</u> | <u>0</u> | <u>1,391,414</u> | <u>0</u> |
| Other current assets: | | | | | | | | |
| 131 | Investments - unrestricted | 14,548,018 | 0 | 4,609,147 | 18,915 | 0 | 0 | 0 |
| 132 | Investments - restricted | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 135 | Investments - restricted for payment of current | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 142 | Prepaid expenses and other assets | 7,913 | 0 | 1,782 | 0 | 0 | 0 | 0 |
| 143 | Inventories | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 143.1 | Allowance for obsolete inventories | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 144 | Interprogram due from | 1,385,471 | 0 | 0 | 0 | 0 | 0 | 0 |
| 145 | Assets held for sale | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 150 | TOTAL CURRENT ASSETS | <u>22,814,852</u> | <u>0</u> | <u>6,580,314</u> | <u>927,763</u> | <u>0</u> | <u>1,391,414</u> | <u>100,318</u> |
| NONCURRENT ASSETS: | | | | | | | | |
| Capital Assets: | | | | | | | | |
| 161 | Land | 2,062,904 | 0 | 528,960 | 0 | 0 | 0 | 0 |
| 162 | Buildings | 94,669,914 | 0 | 1,436,834 | 0 | 0 | 0 | 0 |
| 163 | Furniture & equipment - dwellings | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 164 | Furniture & equipment - admin | 1,461,073 | 0 | 6,761 | 49,726 | 0 | 0 | 0 |
| 165 | Leasehold improvements | 0 | 0 | 36,947 | 0 | 0 | 0 | 0 |
| 166 | Accumulated depreciation | (83,736,640) | 0 | (1,260,709) | (41,672) | 0 | 0 | 0 |
| 167 | Construction in process | 5,051,949 | 0 | 0 | 0 | 0 | 0 | 0 |
| 168 | Infrastructure | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 160 | Total capital assets - net | <u>19,509,200</u> | <u>0</u> | <u>748,793</u> | <u>8,054</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| 171 | Notes receivable - noncurrent | 0 | 0 | 2,638,025 | 0 | 0 | 0 | 0 |
| 172 | Notes receivable - noncurrent - past due | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 173 | Grants receivable - noncurrent | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 174 | Other assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 176 | Investment in joint ventures | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 180 | TOTAL NONCURRENT ASSETS | <u>19,509,200</u> | <u>0</u> | <u>3,386,818</u> | <u>8,054</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| 200 | Deferred Outflows of Resources | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 290 | TOTAL ASSETS & DEFERRED OUTFLOWS | <u>\$ 42,324,052</u> | <u>\$ 0</u> | <u>\$ 9,967,132</u> | <u>\$ 935,817</u> | <u>\$ 0</u> | <u>\$ 1,391,414</u> | <u>\$ 100,318</u> |

| Resident Opportunity and Supportive Services 14.870 | Disaster Housing Assistant Grant 97.109 | Business Activities | COCC | Emergency Housing Voucher 14.EHV | Elimination | TOTAL |
|--|---|------------------------|--------------|--|----------------|---------------|
| \$ 0 | \$ 81,051 | \$ 1,251,703 | \$ 483,474 | \$ 44,875 | \$ 0 | \$ 9,588,445 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 20,754 | 0 | 106,599 |
| 0 | 0 | 0 | 0 | 0 | 0 | 393,720 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 81,051 | 1,251,703 | 483,474 | 65,629 | 0 | 10,088,764 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 27,101 | 0 | 0 | 0 | 0 | 0 | 2,225,433 |
| 0 | 0 | 0 | 0 | 0 | 0 | 12,874 |
| 0 | 0 | 18,762 | 1,354,780 | 0 | 0 | 2,133,792 |
| 0 | 0 | 0 | 0 | 0 | 0 | 124,302 |
| 0 | 0 | 0 | 0 | 0 | 0 | (37,070) |
| 0 | 0 | 0 | (321,524) | 0 | 0 | (621,613) |
| 0 | 0 | 0 | 0 | 0 | 0 | 172,455 |
| 0 | 0 | 0 | 0 | 0 | 0 | 196,729 |
| 0 | 0 | 0 | 0 | 0 | 0 | (189,127) |
| 0 | 0 | 0 | 0 | 0 | 0 | 97,852 |
| 27,101 | 0 | 18,762 | 1,033,256 | 0 | 0 | 4,115,627 |
| 0 | 0 | 0 | 0 | 0 | 0 | 19,176,080 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 510,908 | 0 | 0 | 520,603 |
| 0 | 0 | 0 | 17,389 | 0 | 0 | 17,389 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 175,295 | 0 | (1,560,766) | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 27,101 | 81,051 | 1,270,465 | 2,220,322 | 65,629 | (1,560,766) | 33,918,463 |
| 0 | 0 | 0 | 0 | 0 | 0 | 2,591,864 |
| 0 | 0 | 0 | 0 | 0 | 0 | 96,106,748 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 472,722 | 0 | 0 | 1,990,282 |
| 0 | 0 | 0 | 0 | 0 | 0 | 36,947 |
| 0 | 0 | 0 | (388,233) | 0 | 0 | (85,427,254) |
| 0 | 0 | 0 | 0 | 0 | 0 | 5,051,949 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 84,489 | 0 | 0 | 20,350,536 |
| 0 | 0 | 0 | 0 | 0 | 0 | 2,638,025 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 84,489 | 0 | 0 | 22,988,561 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| \$ 27,101 | \$ 81,051 | \$ 1,270,465 | \$ 2,304,811 | \$ 65,629 | \$ (1,560,766) | \$ 56,907,024 |

HOUSING AUTHORITY OF THE CITY OF MONROE
Monroe, Louisiana

FINANCIAL DATA SUBMISSION SUMMARY
NET POSITION ACCOUNTS
June 30, 2022

| FDS Line# | Account Description | Public Housing 14.850 | Public Housing CARES Act 14.PHC | Blended Component Unit | Housing Choice Vouchers 14.871 | HCV CARES ACT 14.HCC | Jobs - Plus Pilot Initiative 14.895 | DHAP-IKE 14.IKE |
|--|---|--------------------------|---------------------------------------|------------------------------|---|----------------------------|---|--------------------|
| LIABILITIES, DEFERRED INFLOWS & NET POSITION: | | | | | | | | |
| LIABILITIES: | | | | | | | | |
| CURRENT LIABILITIES: | | | | | | | | |
| 311 | Cash overdraft | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| 312 | Accounts payable <= 90 days | 559,294 | 0 | 0 | 3,642 | 0 | 5,943 | 0 |
| 313 | Accounts payable > 90 days | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 321 | Accrued salaries/payroll withholding | 103,197 | 0 | 409 | 24,669 | 0 | 0 | 0 |
| 322 | Accrued compensated absences - current | 127,818 | 0 | 0 | 55,901 | 0 | 0 | 0 |
| 324 | Accrued contingency liability | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 325 | Accrued interest payable | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 331 | Accounts payable - HUD PHA programs | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 332 | Accounts payable - PHA projects | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 333 | Accounts payable - other gov. | 337,173 | 0 | 0 | 0 | 0 | 0 | 0 |
| 341 | Tenant security deposits | 393,720 | 0 | 0 | 0 | 0 | 0 | 0 |
| 342 | Unearned revenue | 92,730 | 0 | 0 | 2,453 | 0 | 0 | 0 |
| 343 | Current portion of L-T debt - capital projects | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 344 | Current portion of L-T debt - operating borrowings | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 345 | Other current liabilities | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 346 | Accrued liabilities - other | 325,605 | 0 | 0 | 19,142 | 0 | 0 | 0 |
| 347 | Interprogram (due to) | 151,076 | 0 | 2,463 | 0 | 0 | 1,385,471 | 0 |
| 348 | Loan Liability - current | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 310 | TOTAL CURRENT LIABILITIES | <u>2,090,613</u> | <u>0</u> | <u>2,872</u> | <u>105,807</u> | <u>0</u> | <u>1,391,414</u> | <u>0</u> |
| NONCURRENT LIABILITIES: | | | | | | | | |
| 351 | Long-term debt, net of current - capital projects | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 352 | Long-term debt, net of current - operating borrowing | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 353 | Noncurrent liabilities - other | 0 | 0 | 0 | 27,521 | 0 | 0 | 0 |
| 354 | Accrued comp. absences - long term | 250,874 | 0 | 0 | 186,689 | 0 | 0 | 0 |
| 355 | Loan liability - noncurrent | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 356 | FASB 5 liabilities | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 357 | Accrued pensions & OPEB liabilities | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 350 | TOTAL NONCURRENT LIABILITIES | <u>250,874</u> | <u>0</u> | <u>0</u> | <u>214,210</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| 300 | TOTAL LIABILITIES | <u>2,341,487</u> | <u>0</u> | <u>2,872</u> | <u>320,017</u> | <u>0</u> | <u>1,391,414</u> | <u>0</u> |
| 400 | Deferred Inflow of Resources | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| NET POSITION: | | | | | | | | |
| 508.4 | Net Investment in Capital Assets | 19,509,200 | 0 | 748,793 | 8,054 | 0 | 0 | 0 |
| 511.4 | Restricted | 0 | 0 | 0 | 58,324 | 0 | 0 | 0 |
| 512.4 | Unrestricted | 20,473,365 | 0 | 9,215,467 | 549,422 | 0 | 0 | 100,318 |
| 513 | TOTAL NET POSITION | <u>39,982,565</u> | <u>0</u> | <u>9,964,260</u> | <u>615,800</u> | <u>0</u> | <u>0</u> | <u>100,318</u> |
| 600 | TOTAL LIABILITIES, DEFERRED INFLOWS & NET POSITIOI | <u>\$ 42,324,052</u> | <u>\$ 0</u> | <u>\$ 9,967,132</u> | <u>\$ 935,817</u> | <u>\$ 0</u> | <u>\$ 1,391,414</u> | <u>\$ 100,318</u> |

| | Resident Opportunity and Supportive Services 14.870 | Disaster Housing Assistant Grant 97.109 | Business Activities | COCC | Emergency Housing Voucher 14.EHV | Elimination | TOTAL |
|----|--|---|------------------------|---------------------|--|-----------------------|----------------------|
| \$ | 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| | 5,345 | 0 | 824 | 15,179 | 0 | 0 | 590,227 |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 0 | 0 | 0 | 112,415 | 0 | 0 | 240,690 |
| | 0 | 0 | 0 | 257,366 | 0 | 0 | 441,085 |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 0 | 0 | 0 | 0 | 0 | 0 | 337,173 |
| | 0 | 0 | 0 | 0 | 0 | 0 | 393,720 |
| | 0 | 0 | 0 | 0 | 36,750 | 0 | 131,933 |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 0 | 0 | 0 | 0 | 0 | 0 | 344,747 |
| | 21,756 | 0 | 0 | 0 | 0 | (1,560,766) | 0 |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | <u>27,101</u> | <u>0</u> | <u>824</u> | <u>384,960</u> | <u>36,750</u> | <u>(1,560,766)</u> | <u>2,479,575</u> |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 0 | 0 | 0 | 0 | 0 | 0 | 27,521 |
| | 0 | 0 | 0 | 503,402 | 0 | 0 | 940,965 |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | <u>0</u> | <u>0</u> | <u>0</u> | <u>503,402</u> | <u>0</u> | <u>0</u> | <u>968,486</u> |
| | <u>27,101</u> | <u>0</u> | <u>824</u> | <u>888,362</u> | <u>36,750</u> | <u>(1,560,766)</u> | <u>3,448,061</u> |
| | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| | 0 | 0 | 0 | 84,489 | 0 | 0 | 20,350,536 |
| | 0 | 0 | 0 | 0 | 20,754 | 0 | 79,078 |
| | <u>0</u> | <u>81,051</u> | <u>1,269,641</u> | <u>1,331,960</u> | <u>8,125</u> | <u>0</u> | <u>33,029,349</u> |
| | <u>0</u> | <u>81,051</u> | <u>1,269,641</u> | <u>1,416,449</u> | <u>28,879</u> | <u>0</u> | <u>53,458,963</u> |
| \$ | <u>27,101</u> | \$ <u>81,051</u> | \$ <u>1,270,465</u> | \$ <u>2,304,811</u> | \$ <u>65,629</u> | \$ <u>(1,560,766)</u> | \$ <u>56,907,024</u> |

HOUSING AUTHORITY OF THE CITY OF MONROE
Monroe, Louisiana

FINANCIAL DATA SUBMISSION SUMMARY
REVENUES, EXPENSES AND CHANGES IN NET POSITION ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2022

| FDS Line# | Account Description | Public Housing 14.850 | Public Housing CARES Act 14.PHC | Blended Component Unit | Housing Choice Vouchers 14.871 | HCV CARES Act 14.HCC | Jobs - Plus Pilot Initiative 14.895 | DHAP-IKE 14.IKE |
|------------------|---|-----------------------------|---------------------------------------|------------------------------|---|----------------------------|---|--------------------|
| REVENUES: | | | | | | | | |
| 70300 | Net tenant rental revenue | \$ 3,761,766 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| 70400 | Tenant revenue - other | 419,912 | 0 | 0 | 0 | 0 | 0 | 0 |
| 70500 | Total tenant revenue | 4,181,678 | 0 | 0 | 0 | 0 | 0 | 0 |
| 70600 | HUD PHA grants - operating | 6,848,605 | 480,827 | 0 | 8,888,998 | 165,592 | 561,907 | 0 |
| 70610 | HUD PHA grants - capital | 3,759,483 | 0 | 0 | 0 | 0 | 0 | 0 |
| 70710 | Management fee | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 70720 | Asset management fee | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 70730 | Bookkeeping fee | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 70740 | Front line service fee | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 70750 | Other fees | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 70700 | Total fee revenue | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 70800 | Other government grants | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 71100 | Investment income - unrestricted | 30,003 | 0 | 20,885 | 5 | 0 | 0 | 0 |
| 71200 | Mortgage interest income | 0 | 0 | 132,961 | 0 | 0 | 0 | 0 |
| 71300 | Proceeds from disposition of assets held for sale | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 71310 | Cost of sale of assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 71400 | Fraud recovery | 129,872 | 0 | 0 | 100,876 | 0 | 0 | 0 |
| 71500 | Other revenue | 342,336 | 0 | 30,000 | 117,281 | 0 | 0 | 0 |
| 71600 | Gain/(loss) on disposition | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 72000 | Investment income - restricted | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 70000 | TOTAL REVENUES | \$ 15,291,977 | \$ 480,827 | \$ 183,846 | \$ 9,107,160 | \$ 165,592 | \$ 561,907 | \$ 0 |
| EXPENSES: | | | | | | | | |
| Administrative | | | | | | | | |
| 91100 | Administrative salaries | \$ 554,580 | \$ 23,904 | \$ 0 | \$ 225,289 | \$ 108,300 | \$ 37,012 | \$ 0 |
| 91200 | Auditing fees | 19,750 | 0 | 0 | 500 | 0 | 0 | 0 |
| 91300 | Management fees | 1,484,244 | 0 | 0 | 217,032 | 0 | 0 | 0 |
| 91310 | Bookkeeping fees | 133,930 | 0 | 0 | 135,645 | 0 | 0 | 0 |
| 91400 | Advertising & marketing | 6,619 | 0 | 0 | 160 | 0 | 0 | 0 |
| 91500 | Employee benefits - administrative | 269,500 | 8,667 | 0 | 96,565 | 38,672 | 5,360 | 0 |
| 91600 | Office expense | 134,033 | 25,764 | 0 | 92,413 | 18,294 | 21,774 | 0 |
| 91700 | Legal expense | 24,796 | 0 | 0 | 0 | 0 | 0 | 0 |
| 91800 | Travel expense | 4,314 | 0 | 0 | 0 | 0 | 181 | 0 |
| 91810 | Allocated overhead | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 91900 | Other operating - administrative | 46,128 | 0 | 1,666 | 3,579 | 0 | 10,072 | 0 |
| 91000 | Total Administrative Expense | 2,677,894 | 58,335 | 1,666 | 771,183 | 165,266 | 74,399 | 0 |
| 92000 | Asset management fee | 182,800 | 0 | 0 | 0 | 0 | 0 | 0 |
| Tenant services | | | | | | | | |
| 92100 | Tenant services - salaries | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 92200 | Relocation costs | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 92300 | Employee benefits - tenant services | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 92400 | Other tenant services | 55,679 | 0 | 0 | 0 | 0 | 227,606 | 0 |
| 92500 | Total Tenant Services | 55,679 | 0 | 0 | 0 | 0 | 227,606 | 0 |

| Resident Opportunity and Supportive Services 14.870 | Disaster Housing Assistant Grant 97.109 | Business Activities | COCC | Emergency Housing Voucher 14.EHV | Elimination | TOTAL |
|--|---|------------------------|--------------|--|----------------|---------------|
| \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 3,761,766 |
| 0 | 0 | 0 | 0 | 0 | 0 | 419,912 |
| 0 | 0 | 0 | 0 | 0 | 0 | 4,181,678 |
| 79,464 | 0 | 0 | 0 | 61,575 | 0 | 17,086,968 |
| 0 | 0 | 0 | 0 | 0 | 0 | 3,759,483 |
| 0 | 0 | 0 | 1,701,984 | 0 | (1,701,984) | 0 |
| 0 | 0 | 0 | 182,800 | 0 | (182,800) | 0 |
| 0 | 0 | 0 | 270,018 | 0 | (270,018) | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 2,154,802 | 0 | (2,154,802) | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 50,893 |
| 0 | 0 | 0 | 0 | 0 | 0 | 132,961 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 230,748 |
| 0 | 0 | 395,690 | 464,302 | 0 | (338,493) | 1,011,116 |
| 0 | 0 | 0 | 14,463 | 0 | 0 | 14,463 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| \$ 79,464 | \$ 0 | \$ 395,690 | \$ 2,633,567 | \$ 61,575 | \$ (2,493,295) | \$ 26,468,310 |
| \$ 29,620 | \$ 0 | \$ 42,376 | \$ 880,801 | \$ 2,777 | \$ 0 | \$ 1,904,659 |
| 0 | 0 | 0 | 22,500 | 0 | 0 | 42,750 |
| 0 | 0 | 0 | 0 | 708 | (1,701,984) | 0 |
| 0 | 0 | 0 | 0 | 443 | (270,018) | 0 |
| 0 | 0 | 3,582 | 6,190 | 0 | 0 | 16,551 |
| 8,755 | 0 | 10,594 | 420,328 | 1,019 | 0 | 859,460 |
| 0 | 0 | 0 | 106,666 | 298 | 0 | 399,242 |
| 0 | 0 | 0 | 3,648 | 0 | 0 | 28,444 |
| 35 | 0 | 0 | 9,366 | 0 | 0 | 13,896 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3,636 | 0 | 15,490 | 30,059 | 413 | 0 | 111,043 |
| 42,046 | 0 | 72,042 | 1,479,558 | 5,658 | (1,972,002) | 3,376,045 |
| 0 | 0 | 0 | 0 | 0 | (182,800) | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 37,418 | 0 | 0 | 0 | 0 | 0 | 320,703 |
| 37,418 | 0 | 0 | 0 | 0 | 0 | 320,703 |

HOUSING AUTHORITY OF THE CITY OF MONROE
Monroe, Louisiana

FINANCIAL DATA SUBMISSION SUMMARY
REVENUES, EXPENSES AND CHANGES IN NET POSITION ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2022

| FDS Line# | Account Description | Public Housing 14.850 | Public Housing CARES Act 14.PHC | Blended Component Unit | Housing Choice Vouchers 14.871 | HCV CARES Act 14.HCC | Jobs - Plus Pilot Initiative 14.895 | DHAP-IKE 14.IKE |
|---|--|-----------------------------|---------------------------------------|------------------------------|---|----------------------------|---|--------------------|
| Utilities | | | | | | | | |
| 93100 | Water | 45,684 | 0 | 0 | 0 | 0 | 0 | 0 |
| 93200 | Electricity | 291,271 | 0 | 11,327 | 0 | 0 | 0 | 0 |
| 93300 | Gas | 67,490 | 4,017 | 1,790 | 0 | 0 | 0 | 0 |
| 93400 | Fuel | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 93500 | Labor | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 93600 | Sewer | 17,588 | 0 | 0 | 0 | 0 | 0 | 0 |
| 93700 | Employee benefits - utilities | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 93800 | Other utilities expense | 664 | 0 | 171 | 0 | 0 | 0 | 0 |
| 93000 | Total Utilities Expense | <u>422,697</u> | <u>4,017</u> | <u>13,288</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Ordinary Maintenance & Operation | | | | | | | | |
| 94100 | Labor | 613,950 | 28,244 | 4,704 | 0 | 0 | 0 | 0 |
| 94200 | Materials | 888,477 | 14,572 | 1,662 | 4,773 | 326 | 0 | 0 |
| 94300 | Contracts | 2,575,061 | 12,661 | 8,701 | 32,455 | 0 | 0 | 0 |
| 94300-010 | Contract Costs - Garbage & Trash Removal | 109,577 | 0 | 0 | 0 | 0 | 0 | 0 |
| 94300-020 | Contract Costs - Heating & Cooling | 193,537 | 0 | 0 | 0 | 0 | 0 | 0 |
| 94300-030 | Contract Costs - Snow Removal | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 94300-040 | Contract Costs - Elevator Maintenance | 29,147 | 0 | 1,673 | 0 | 0 | 0 | 0 |
| 94300-050 | Contract Costs - Landscape & Grounds | 294,822 | 2,143 | 2,439 | 0 | 0 | 0 | 0 |
| 94300-060 | Contract Costs - Unit Turnaround | 236,327 | 10,393 | 0 | 0 | 0 | 0 | 0 |
| 94300-070 | Contract Costs - Electrical | 96,980 | 0 | 1,250 | 0 | 0 | 0 | 0 |
| 94300-080 | Contract Costs - Plumbing | 73,706 | 0 | 0 | 0 | 0 | 0 | 0 |
| 94300-090 | Contract Costs - Extermination | 55,585 | 0 | 0 | 0 | 0 | 0 | 0 |
| 94300-100 | Contract Costs - Janitorial | 15,030 | 125 | 0 | 0 | 0 | 0 | 0 |
| 94300-110 | Contract Costs - Routine Maintenance | 460,935 | 0 | 0 | 0 | 0 | 0 | 0 |
| 94300-120 | Contract Costs - Other | 1,009,415 | 0 | 3,339 | 32,455 | 0 | 0 | 0 |
| 94500 | Employee benefit contributions | 287,519 | 9,139 | 2,377 | 0 | 0 | 0 | 0 |
| 94000 | Total Ordinary Maintenance & Operation | <u>4,365,007</u> | <u>64,616</u> | <u>17,444</u> | <u>37,228</u> | <u>326</u> | <u>0</u> | <u>0</u> |
| | | | | | 37,228 | | | |
| Protective services | | | | | | | | |
| 95100 | Protective services - salaries | 78,410 | 2,359 | 0 | 0 | 0 | 0 | 0 |
| 95200 | Protective services - other contract costs | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 95300 | Other protective services | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 95500 | Employee benefits - protective services | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 95000 | Total Protective Services | <u>78,410</u> | <u>2,359</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Insurance Premiums | | | | | | | | |
| 96110 | Property insurance | 364,366 | 0 | 6,712 | 0 | 0 | 0 | 0 |
| 96120 | Liability insurance | 71,552 | 0 | 0 | 8,191 | 0 | 0 | 0 |
| 96130 | Workmen's compensation | 23,942 | 0 | 0 | 7,890 | 0 | 0 | 0 |
| 96140 | Insurance - other | 49,715 | 0 | 594 | 5,085 | 0 | 0 | 0 |
| 96100 | Total Insurance Premiums | <u>509,575</u> | <u>0</u> | <u>7,306</u> | <u>21,166</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| General Expenses | | | | | | | | |
| 96200 | Other general expense | 0 | 0 | 0 | 98,272 | 0 | 0 | 0 |
| 96210 | Compensated absences | 147,506 | 0 | 0 | 45,989 | 0 | 0 | 0 |
| 96300 | Payments in lieu of taxes | 337,173 | 0 | 0 | 0 | 0 | 0 | 0 |
| 96400 | Bad debt - tenant rents | 259,057 | 0 | 0 | 0 | 0 | 0 | 0 |
| 96500 | Bad debt - mortgages | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 96600 | Bad debt - other | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 96800 | Severance expense | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 96000 | Total General Expenses | <u>743,736</u> | <u>0</u> | <u>0</u> | <u>144,261</u> | <u>0</u> | <u>0</u> | <u>0</u> |

| Resident Opportunity and Supportive Services 14.870 | Disaster Housing Assistant Grant 97.109 | Business Activities | COCC | Emergency Housing Voucher 14.EHV | Elimination | TOTAL |
|--|---|------------------------|---------|--|-------------|-----------|
| 0 | 0 | 0 | 426 | 0 | 0 | 46,110 |
| 0 | 0 | 0 | 1,793 | 0 | 0 | 304,391 |
| 0 | 0 | 0 | 1,100 | 0 | 0 | 74,397 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 186 | 0 | 0 | 17,774 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 835 |
| 0 | 0 | 0 | 3,505 | 0 | 0 | 443,507 |
| 0 | 0 | 0 | 376,633 | 0 | 0 | 1,023,531 |
| 0 | 0 | 0 | 46,410 | 17 | 0 | 956,237 |
| 0 | 0 | 0 | 131,161 | 105 | (338,493) | 2,421,651 |
| 0 | 0 | 0 | 0 | 0 | 0 | 109,577 |
| 0 | 0 | 0 | 0 | 0 | 0 | 193,537 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 30,820 |
| 0 | 0 | 0 | 0 | 0 | 0 | 299,404 |
| 0 | 0 | 0 | 0 | 0 | 0 | 246,720 |
| 0 | 0 | 0 | 195 | 0 | 0 | 98,425 |
| 0 | 0 | 0 | 0 | 0 | 0 | 73,706 |
| 0 | 0 | 0 | 0 | 0 | 0 | 55,585 |
| 0 | 0 | 0 | 1,256 | 0 | 0 | 16,411 |
| 0 | 0 | 0 | 0 | 0 | (338,493) | 122,442 |
| 0 | 0 | 0 | 129,710 | 105 | 0 | 1,175,024 |
| 0 | 0 | 0 | 168,933 | 0 | 0 | 467,968 |
| 0 | 0 | 0 | 723,137 | 122 | (338,493) | 4,869,387 |
| 0 | 0 | 0 | 0 | 0 | 0 | 80,769 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 500 | 0 | 0 | 371,578 |
| 0 | 0 | 0 | 56,291 | 0 | 0 | 136,034 |
| 0 | 0 | 0 | 32,890 | 0 | 0 | 64,722 |
| 0 | 0 | 0 | 24,680 | 0 | 0 | 80,074 |
| 0 | 0 | 0 | 114,361 | 0 | 0 | 652,408 |
| 0 | 0 | 25,000 | 0 | 2,625 | 0 | 125,897 |
| 0 | 0 | 0 | 242,081 | 0 | 0 | 435,576 |
| 0 | 0 | 0 | 0 | 0 | 0 | 337,173 |
| 0 | 0 | 0 | 0 | 0 | 0 | 259,057 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 25,000 | 242,081 | 2,625 | 0 | 1,157,703 |

HOUSING AUTHORITY OF THE CITY OF MONROE
Monroe, Louisiana

FINANCIAL DATA SUBMISSION SUMMARY
REVENUES, EXPENSES AND CHANGES IN NET POSITION ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2022

| FDS Line# | Account Description | Public Housing 14.850 | Public Housing CARES Act 14.PHC | Blended Component Unit | Housing Choice Vouchers 14.871 | HCV CARES Act 14.HCC | Jobs - Plus Pilot Initiative 14.895 | DHAP-IKE 14.IKE |
|-----------|--|-----------------------------|---------------------------------------|------------------------------|---|----------------------------|---|--------------------------|
| | Financial Expenses | | | | | | | |
| 96710 | Interest expense - mortgage payable | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 96720 | Interest expense - notes payable | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 96730 | Amortization expense | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 96700 | Total Financial Expenses | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| 96900 | TOTAL OPERATING EXPENSE | <u>9,035,798</u> | <u>129,327</u> | <u>39,704</u> | <u>973,838</u> | <u>165,592</u> | <u>302,005</u> | <u>0</u> |
| 97000 | EXCESS OPERATING REVENUE | <u>6,256,179</u> | <u>351,500</u> | <u>144,142</u> | <u>8,133,322</u> | <u>0</u> | <u>259,902</u> | <u>0</u> |
| | Other Expenses | | | | | | | |
| 97100 | Extraordinary maintenance | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 97200 | Casualty losses | 462,377 | 0 | 0 | 0 | 0 | 0 | 0 |
| 97300 | Housing assistance payments | 0 | 0 | 0 | 7,808,387 | 0 | 0 | 0 |
| 97350 | HAP portability-in | 0 | 0 | 0 | 97,309 | 0 | 0 | 0 |
| 97400 | Depreciation expense | 2,641,726 | 0 | 93,116 | 6,268 | 0 | 0 | 0 |
| 97500 | Fraud losses | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 97600 | Capital outlays - governmental funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 97700 | Debt principal payment - gov't funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 97800 | Dwelling units rents expense | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Total Other Expenses | <u>3,104,103</u> | <u>0</u> | <u>93,116</u> | <u>7,911,964</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| 90000 | TOTAL EXPENSES | <u>\$ 12,139,901</u> | <u>\$ 129,327</u> | <u>\$ 132,820</u> | <u>\$ 8,885,802</u> | <u>\$ 165,592</u> | <u>\$ 302,005</u> | <u>\$ 0</u> |
| 10010 | Operating transfer in | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10020 | Operating transfer out | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10030 | Operating transfers from/to primary gov't | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10040 | Operating transfers from/to comp. unit | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10050 | Proceeds from notes, loans & bonds | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10060 | Proceeds from property sales | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10070 | Extraordinary items, net gain/loss | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10080 | Special items, net gain/loss | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10091 | Inter project excess cash transfer in | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10092 | Inter project excess cash transfer out | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10093 | Transfers between project & program - in | 259,902 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10094 | Transfers between project & program - out | 0 | 0 | 0 | 0 | 0 | (259,902) | 0 |
| 10100 | Total other financing sources (uses) | <u>259,902</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>(259,902)</u> | <u>0</u> |
| 10000 | EXCESS OF REVENUE OVER EXPENSES | <u>\$ 3,411,978</u> | <u>\$ 351,500</u> | <u>\$ 51,026</u> | <u>\$ 221,358</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> |
| 11020 | Required annual debt principal payment | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11030 | Beginning Net Position | 36,219,087 | 0 | 0 | 394,442 | 0 | 0 | 100,318 |
| 11040-010 | Prior period adjustments | 0 | 0 | 97,852 | 0 | 0 | 0 | 0 |
| 11040-070 | Equity transfers | 351,500 | (351,500) | 9,815,382 | 0 | 0 | 0 | 0 |
| 11050 | Changes-compensated absence balance | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11060 | Changes -contingent liability balance | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11070 | Changes -unrec. pension transition liability | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11080 | Changes -doubtful accounts - dwelling rents | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11090 | Changes -doubtful accounts - other | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Ending Net Position | <u>\$ 39,982,565</u> | <u>\$ 0</u> | <u>\$ 9,964,260</u> | <u>\$ 615,800</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 100,318</u> |
| 11170 | Administrative fee equity | 0 | 0 | 0 | 557,476 | 0 | 0 | 0 |
| 11180 | Housing assistance payments equity | 0 | 0 | 0 | 58,324 | 0 | 0 | 0 |
| 11190 | Units Available | 18,230 | 0 | 0 | 18,696 | 0 | 0 | 0 |
| 11210 | Units Leased | 17,811 | 0 | 0 | 18,299 | 0 | 0 | 0 |

| Resident Opportunity and Supportive Services 14.870 | Disaster Housing Assistant Grant 97.109 | Business Activities | COCC | Emergency Housing Voucher 14.EHV | Elimination | TOTAL |
|--|---|------------------------|---------------------|--|-----------------------|----------------------|
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 79,464 | 0 | 97,042 | 2,562,642 | 8,405 | (2,493,295) | 10,900,522 |
| 0 | 0 | 298,648 | 70,925 | 53,170 | 0 | 15,567,788 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 462,377 |
| 0 | 0 | 0 | 0 | 24,291 | 0 | 7,832,678 |
| 0 | 0 | 0 | 0 | 0 | 0 | 97,309 |
| 0 | 0 | 0 | 31,668 | 0 | 0 | 2,772,778 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 31,668 | 24,291 | 0 | 11,165,142 |
| \$ 79,464 | \$ 0 | \$ 97,042 | \$ 2,594,310 | \$ 32,696 | \$ (2,493,295) | \$ 22,065,664 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | (259,902) | 0 |
| 0 | 0 | 0 | 0 | 0 | 259,902 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| \$ 0 | \$ 0 | \$ 298,648 | \$ 39,257 | \$ 28,879 | \$ 0 | \$ 4,402,646 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 81,051 | 10,786,375 | 1,377,192 | 0 | 0 | 48,958,465 |
| 0 | 0 | 0 | 0 | 0 | 0 | 97,852 |
| 0 | 0 | (9,815,382) | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| \$ 0 | \$ 81,051 | \$ 1,269,641 | \$ 1,416,449 | \$ 28,879 | \$ 0 | \$ 53,458,963 |
| 0 | 0 | 0 | 0 | 0 | 0 | 557,476 |
| 0 | 0 | 0 | 0 | 0 | 0 | 58,324 |
| 0 | 0 | 0 | 0 | 252 | 0 | 37,178 |
| 0 | 0 | 0 | 0 | 59 | 0 | 36,169 |

Housing Authority of the City of Monroe

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STATISTICAL SECTION

**Housing Authority of the City of Monroe
Statistical Section
Contents**

| | <u>Table Number</u> | <u>Page Number</u> |
|--|-------------------------|------------------------|
| Financial Trends | | |
| These schedules contain trend information to help the reader understand how the Housing Authority's financial performance and well being has changed over time. | | |
| Net Position by Component | 1 | 52 |
| Changes in Net Position | 2 | 53 |
| Revenue Capacity | | |
| This schedule contains information to help the reader assess the Housing Authority's most significant revenue source. | | |
| General Fund Revenues by Source | 3 | 54 |
| Demographic and Economic Information | | |
| These schedules offer demographic and economic indicators to help the reader understand the environment within which the Housing Authority's financial activities take place. | | |
| Tenant Demographics | 4 | 55 |
| Demographic and Economic Statistics | 5 | 56 |
| Principal Employers | 6 | 57 |
| Operating Information | | |
| These schedules contain service and infrastructure data to help the reader understand how the information in the Housing Authority's financial report relates to the services the Housing Authority provides and the activities it performs. | | |
| Property Characteristics and Dwelling Unit Composition | 7 | 58 |
| Government Employees | 8 | 59 |

HOUSING AUTHORITY OF THE CITY OF MONROE

Net Position by Component
Fiscal Years Ended June 30, 2013 through June 30, 2022
(Accrual Basis of Accounting)

| | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> |
|----------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Net Investment in capital assets | \$ 35,644,380 | \$ 35,463,463 | \$ 34,469,168 | \$ 31,363,390 | \$ 27,990,631 | \$ 24,445,087 | \$ 21,296,068 | \$ 19,404,617 | \$ 18,468,106 | \$ 20,350,536 |
| Restricted | 407,318 | 18,807 | 154,626 | 189,160 | - | 32,506 | - | 156,718 | - | 79,078 |
| Unrestricted | <u>15,376,586</u> | <u>16,211,688</u> | <u>18,032,211</u> | <u>18,927,674</u> | <u>20,028,458</u> | <u>23,272,156</u> | <u>25,440,283</u> | <u>27,084,297</u> | <u>30,490,359</u> | <u>33,029,349</u> |
| Total net position | \$ <u>51,428,284</u> | \$ <u>51,693,958</u> | \$ <u>52,656,005</u> | \$ <u>50,480,224</u> | \$ <u>48,019,089</u> | \$ <u>47,749,749</u> | \$ <u>46,736,351</u> | \$ <u>46,645,632</u> | \$ <u>48,958,465</u> | \$ <u>53,458,963</u> |

Unaudited - See accompanying independent auditors' report.

HOUSING AUTHORITY OF THE CITY OF MONROE

Changes in Net Position
Fiscal Years Ended June 30, 2013 through June 30, 2022
(Accrual Basis of Accounting)

| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|--------------------|--------------------|-------------------|-----------------------|-----------------------|---------------------|-----------------------|--------------------|---------------------|---------------------|
| Operating Revenues | | | | | | | | | | |
| Dwelling rental | \$ 3,598,384 | \$ 3,964,000 | \$ 4,100,781 | \$ 4,379,807 | \$ 4,488,026 | \$ 4,339,245 | \$ 4,262,243 | \$ 4,029,075 | \$ 3,998,857 | \$ 4,181,678 |
| Other | 1,635,189 | 1,565,857 | 1,468,057 | 1,555,778 | 1,645,904 | 2,283,420 | 1,793,060 | 1,561,893 | 2,038,891 | 1,241,864 |
| Federal grants | 11,902,646 | 11,823,604 | 12,907,171 | 14,255,814 | 13,869,425 | 14,047,767 | 17,057,332 | 16,750,478 | 16,197,603 | 17,086,968 |
| Total operating revenues | <u>17,136,219</u> | <u>17,353,461</u> | <u>18,476,009</u> | <u>20,191,399</u> | <u>20,003,355</u> | <u>20,670,432</u> | <u>23,112,635</u> | <u>22,341,446</u> | <u>22,235,351</u> | <u>22,510,510</u> |
| Operating Expenses | | | | | | | | | | |
| Administration | 3,048,675 | 3,138,980 | 3,197,155 | 3,280,757 | 3,297,853 | 3,352,856 | 3,386,971 | 3,315,236 | 3,569,220 | 3,376,045 |
| Tenant services | 63,897 | 117,279 | 172,699 | 104,674 | 157,778 | 76,852 | 237,654 | 613,081 | 729,350 | 320,703 |
| Utilities | 359,075 | 409,961 | 369,884 | 378,956 | 445,305 | 400,631 | 409,800 | 426,565 | 472,118 | 443,507 |
| Ordinary maintenance & operations | 3,195,123 | 3,270,470 | 3,007,479 | 7,232,949 | 6,417,456 | 4,428,833 | 8,078,301 | 6,649,936 | 4,671,097 | 5,331,764 |
| Protective services | 166,129 | 158,283 | 111,922 | 87,420 | 77,286 | 78,996 | 81,215 | 81,681 | 77,813 | 80,769 |
| General expenses | 1,129,036 | 1,307,706 | 1,200,209 | 1,400,380 | 1,512,129 | 1,605,396 | 1,606,854 | 1,768,175 | 2,123,381 | 1,810,111 |
| Housing assistance payments | 7,015,090 | 6,749,646 | 6,988,936 | 6,674,689 | 7,092,256 | 7,473,548 | 7,454,201 | 7,941,402 | 7,825,506 | 7,929,987 |
| Depreciation | 3,667,184 | 3,721,468 | 3,676,837 | 3,653,570 | 3,540,824 | 3,639,900 | 3,297,220 | 2,948,152 | 2,756,152 | 2,772,778 |
| Total operating expenses | <u>18,644,209</u> | <u>18,873,793</u> | <u>18,725,121</u> | <u>22,813,395</u> | <u>22,540,887</u> | <u>21,057,012</u> | <u>24,552,216</u> | <u>23,744,228</u> | <u>22,224,637</u> | <u>22,065,664</u> |
| Income (Loss) from Operations | <u>(1,507,990)</u> | <u>(1,520,332)</u> | <u>(249,112)</u> | <u>(2,621,996)</u> | <u>(2,537,532)</u> | <u>(386,580)</u> | <u>(1,439,581)</u> | <u>(1,402,782)</u> | <u>10,714</u> | <u>444,846</u> |
| Nonoperating Revenues (Expenses) | | | | | | | | | | |
| Investment earnings and gains/losses | 52,697 | 43,311 | 28,936 | 30,025 | 31,226 | 109,589 | 353,980 | 421,175 | 184,075 | 183,854 |
| Gain (loss) disposal of capital assets | - | 10,590 | (230,021) | (59,089) | 12,174 | 7,651 | 22,870 | - | - | 14,463 |
| Total nonoperating revenues (expenses) | <u>52,697</u> | <u>53,901</u> | <u>(201,085)</u> | <u>(29,064)</u> | <u>43,400</u> | <u>117,240</u> | <u>376,850</u> | <u>421,175</u> | <u>184,075</u> | <u>198,317</u> |
| Net Income (Loss) before Contributions | <u>(1,455,293)</u> | <u>(1,466,431)</u> | <u>(450,197)</u> | <u>(2,651,060)</u> | <u>(2,494,132)</u> | <u>(269,340)</u> | <u>(1,062,731)</u> | <u>(981,607)</u> | <u>194,789</u> | <u>643,163</u> |
| Capital Contributions | <u>2,445,250</u> | <u>1,732,105</u> | <u>1,412,244</u> | <u>475,279</u> | <u>33,000</u> | <u>-</u> | <u>49,333</u> | <u>890,888</u> | <u>2,118,044</u> | <u>3,759,483</u> |
| Change in Net Position | <u>\$ 989,957</u> | <u>\$ 265,674</u> | <u>\$ 962,047</u> | <u>\$ (2,175,781)</u> | <u>\$ (2,461,132)</u> | <u>\$ (269,340)</u> | <u>\$ (1,013,398)</u> | <u>\$ (90,719)</u> | <u>\$ 2,312,833</u> | <u>\$ 4,402,646</u> |

Unaudited - See accompanying independent auditors' report.

HOUSING AUTHORITY OF THE CITY OF MONROE

General Fund Revenues by Source
Fiscal Years Ended June 30, 2013 Through 2022

| Fiscal Year | Dwelling rentals | | Federal sources (2) | | Interest earnings | | Other (1) | | Total | |
|----------------|------------------|---------------------|---------------------|---------------------|-------------------|---------------------|------------|---------------------|--------------|---------------------|
| | Amount | Percent of Total | Amount | Percent of Total | Amount | Percent of Total | Amount | Percent of Total | Amount | Percent of Total |
| 2013 | \$ 3,598,384 | 41.17% | \$ 4,143,185 | 47.41% | \$ 32,887 | 0.38% | \$ 965,163 | 11.04% | \$ 8,739,619 | 100% |
| 2014 | 3,964,000 | 40.38% | 4,820,440 | 49.10% | 22,070 | 0.22% | 1,010,272 | 10.29% | 9,816,782 | 100% |
| 2015 | 4,100,781 | 40.92% | 4,986,086 | 49.75% | 7,714 | 0.08% | 928,058 | 9.26% | 10,022,639 | 100% |
| 2016 | 4,379,807 | 36.38% | 6,726,774 | 55.87% | 7,481 | 0.06% | 926,220 | 7.69% | 12,040,282 | 100% |
| 2017 | 4,488,026 | 38.39% | 6,191,333 | 52.97% | 8,257 | 0.07% | 1,002,097 | 8.57% | 11,689,713 | 100% |
| 2018 | 4,339,245 | 37.04% | 5,717,414 | 48.81% | 30,174 | 0.26% | 1,627,033 | 13.89% | 11,713,866 | 100% |
| 2019 | 4,262,243 | 29.14% | 8,910,436 | 60.92% | 228,990 | 1.57% | 1,223,670 | 8.37% | 14,625,339 | 100% |
| 2020 | 4,029,075 | 31.04% | 7,750,435 | 59.70% | 311,971 | 2.40% | 890,656 | 6.86% | 12,982,137 | 100% |
| 2021 | 3,998,857 | 31.03% | 7,313,024 | 56.75% | 113,401 | 0.88% | 1,460,443 | 11.34% | 12,885,725 | 100% |
| 2022 | 3,761,766 | 28.50% | 7,970,806 | 60.39% | 30,003 | 0.23% | 1,436,622 | 10.89% | 13,199,197 | 100% |

Source: Annual Comprehensive Financial Reports of the Housing Authority of the City of Monroe.

(1) The other amount column includes maintenance charges, late charges, other miscellaneous revenue and gain on sale of capital assets.

(2) The federal sources do not include capital contributions.

Unaudited - See accompanying independent auditors' report.

Table 4

HOUSING AUTHORITY OF THE CITY OF MONROE

Tenant Demographics:
Occupancy Ratios by Program
Fiscal Years Ended June 30, 2013 Through June 30, 2022

| Fiscal Year | General Fund | | | Section 8 Program | | | Total | | |
|-------------|-----------------|------------------------|----------------|-------------------|------------------------|----------------|-----------------|------------------------|----------------|
| | Number of Units | Average occupied units | Occupied ratio | Number of units | Average occupied units | Occupied ratio | Number of Units | Average occupied units | Occupied ratio |
| 2013 | 1,522 | 1,486 | 97.63% | 1,547 | 1,514 | 97.87% | 3,069 | 3,000 | 97.75% |
| 2014 | 1,518 | 1,502 | 98.95% | 1,548 | 1,487 | 96.06% | 3,066 | 2,989 | 97.49% |
| 2015 | 1,518 | 1,497 | 98.62% | 1,548 | 1,534 | 99.10% | 3,066 | 3,031 | 98.86% |
| 2016 | 1,499 | 1,480 | 98.73% | 1,558 | 1,514 | 97.18% | 3,057 | 2,994 | 97.94% |
| 2017 | 1,462 | 1,429 | 97.74% | 1,561 | 1,547 | 99.10% | 3,023 | 2,976 | 98.45% |
| 2018 | 1,514 | 1,492 | 98.55% | 1,560 | 1,570 | 100.64% | 3,074 | 3,062 | 99.61% |
| 2019 | 1,511 | 1,491 | 98.68% | 1,558 | 1,529 | 98.14% | 3,069 | 3,020 | 98.40% |
| 2020 | 1,516 | 1,496 | 98.68% | 1,560 | 1,557 | 99.81% | 3,076 | 3,053 | 99.25% |
| 2021 | 1,516 | 1,494 | 98.55% | 1,560 | 1,530 | 98.08% | 3,076 | 3,024 | 98.31% |
| 2022 | 1,519 | 1,484 | 97.70% | 1,579 | 1,530 | 96.90% | 3,098 | 3,014 | 97.29% |

(1) General Fund total number of units reduced in 2016 due to significant flooding in March 2016 and units were temporarily off line while repair were made.

(2) Section 8 Program includes the Housing Choice Voucher Program and the Emergency Housing Voucher Program.

Unaudited - See accompanying independent auditors' report.

Table 5

**HOUSING AUTHORITY OF THE CITY OF MONROE
Monroe, Louisiana**

**Demographic and Economic Statistics
Last Ten Fiscal Years**

| <u>Fiscal Year Ended June 30</u> | <u>Population (1)</u> | <u>Personal Income</u> | <u>Per Capita Personal Income (2)</u> | <u>Unemployment Rate (3)</u> |
|--|-----------------------|----------------------------|---|----------------------------------|
| 2013 | 49,156 | \$ 1,663,733,976 | \$ 33,846 | 7.5 % |
| 2014 | 49,761 | 1,765,619,802 | 35,482 | 6.8 |
| 2015 | 49,601 | 1,800,169,093 | 36,293 | 6.6 |
| 2016 | 49,598 | 1,806,607,150 | 36,425 | 6.6 |
| 2017 | 49,367 | 1,787,776,538 | 36,214 | 6.1 |
| 2018 | 49,361 | 1,871,472,954 | 37,914 | 5.3 |
| 2019 | 47,877 | 1,883,816,319 | 39,347 | 5.9 |
| 2020 | 47,294 | 1,978,071,550 | 41,825 | 6.7 |
| 2021 | 48,241 | 2,183,001,732 | 45,252 | 7.4 |
| 2022 | 47,284 | 2,127,827,284 | 45,001 | 4.8 |

1. Population estimate data obtained from USA towns in profile
2. Per capita personal income obtained from US Bureau of Economic Analysis
3. Unemployment data obtained from Home Facts

Unaudited - See accompanying independent auditors' report.

Table 6

**HOUSING AUTHORITY OF THE CITY OF MONROE
Monroe, Louisiana**

Principal Employers

| | 2022 | | | 2013 | | |
|--|------|---------------------|-----------------------|------|---------------------|-----------------------|
| | Rank | Number of Employees | % of Total Employment | Rank | Number of Employees | % of Total Employment |
| Ouachita Parish School Board | 1 | 2,829 | 4.26% | 1 | 3,025 | 6.20% |
| Century Link | 2 | 2,000 | 3.01% | 5 | 1,360 | 2.79% |
| St. Francis Medical Center | 3 | 1,800 | 2.71% | 2 | 2,262 | 4.64% |
| State of Louisiana Civil Service | 4 | 1,363 | 2.05% | 6 | 1,206 | 2.46% |
| Monroe City School Board | 5 | 1,350 | 2.03% | 4 | 1,387 | 2.84% |
| Graphic Packaging | 6 | 1,106 | 1.66% | 7 | 1,167 | 2.39% |
| JP Morgan Chase Bank | 7 | 1,100 | 1.65% | 3 | 2,100 | 4.30% |
| IASIS Healthcare Corporation (Glenwood Hospital) | 8 | 951 | 1.43% | 9 | 950 | 1.95% |
| Walmart Stores | 9 | 912 | 1.37% | | | |
| City Monroe | 10 | 840 | 1.26% | 8 | 1,150 | 2.36% |
| E A Conway Medical center | | | | 10 | 725 | 1.49% |

Source:
North La. Economic Partnership
Monroe City School Board

Unaudited - See accompanying independent auditors' report.

Table 7

HOUSING AUTHORITY OF THE CITY OF MONROE
Monroe, Louisiana

Property Characteristics and Dwelling Unit Composition

June 30, 2022

| Project Number | Name of Development | Address | Year built or acquired | Bedroom Composition | | | | | | |
|----------------------|--|----------------------------------|------------------------|---------------------|-----|-----|-------|------|------|-------|
| | | | | Zero | One | Two | Three | Four | Five | Total |
| LA006-001 | Lock - Breece | 306 Winnsboro Road | 31-Oct-51 | | 26 | 66 | 43 | 15 | 0 | 150 |
| LA006-002 | Johnson-Carver Terrace | Texas Ave. (31 Carroll Dr.) | 31-Mar-52 | | 38 | 87 | 66 | 29 | 3 | 223 |
| LA006-005 | Foster Heights | Swayze and Louberta Sts. | 30-Sep-54 | | 8 | 89 | 77 | 6 | 2 | 182 |
| LA006-006 | Burg Jones Lane | 2601 Burg Jones Lane | 30-Jun-73 | | 10 | 80 | 122 | 71 | 18 | 301 |
| LA006-009 | Robinson Place | 1207 Milliken Drive | 30-Sep-73 | | 0 | 28 | 78 | 68 | 37 | 211 |
| LA006-010 | Miller Square | 4200 Matthew Street | 30-Apr-73 | | 0 | 0 | 74 | 111 | 7 | 192 |
| LA006-011 | Frances Tower | 300 Harrison Street | 31-Aug-78 | | 129 | 0 | 0 | 0 | 0 | 129 |
| LA006-013 | McKeen Plaza I | 1500 McKeen Place | 31-Jan-80 | | 100 | 0 | 0 | 0 | 0 | 100 |
| LA006-014 | Group Homes (scattered sites) | Scattered Sites | 31-Aug-84 | | 0 | 0 | 0 | 0 | 30 | 30 |
| | Total Units | | | | 311 | 350 | 460 | 300 | 97 | 1,518 |
| Managed Units | | | | | | | | | | |
| 064-EH150 | Ouachita Grand Plaza, Inc. (Mgr. Apt.) | 501 South Grand | 15-Jun-89 | 21 | 70 | 0 | 0 | 0 | 0 | 91 |
| 064-EE037 | Passman Plaza, Inc. (Mgr. Apt.) | 230 DeSiard Plaza Dr., #101-141 | 1-Nov-96 | | 40 | 1 | 0 | 0 | 0 | 41 |
| 064-EE050 | Passman Plaza II, Inc. | 230 DeSiard Plaza Dr. | 1-Nov-98 | | 39 | 0 | 0 | 0 | 0 | 39 |
| Tax Credit Dev. | Passman Plaza III, Inc. | 235 Lake Passman Dr. | 1-Mar-08 | | 0 | 60 | 0 | 0 | 0 | 60 |
| Tax Credit Dev. | Claiborne Creek Apartments, LP | 200 Claiborne Dr., West Monroe | 1-Oct-97 | | 60 | 12 | 0 | 0 | 0 | 72 |
| Tax Credit Dev. | Claiborne Creek II, LP | 200 Claiborne Dr., West Monroe | 1-Oct-99 | | 50 | 10 | 0 | 0 | 0 | 60 |
| Tax Credit Dev. | Chauvin Pointe I | 325 Chauvin Pointe Drive, Monroe | 1-Nov-01 | | 24 | 50 | 0 | 0 | 0 | 74 |
| Tax Credit Dev. | Chauvin Pointe II | 325 Chauvin Pointe Drive, Monroe | 1-Apr-04 | | 2 | 63 | 0 | 0 | 0 | 65 |
| 064-EE100 | South Pointe I (Mgr. Apt.) | 100 South Pointe Drive, Monroe | 1-May-02 | | 37 | 0 | 0 | 0 | 0 | 37 |
| 064-EE137 | South Pointe II | 100 South Pointe Drive, Monroe | 1-Jun-04 | | 44 | 0 | 0 | 0 | 0 | 44 |
| N/A | South Pointe III | 100 South Pointe Drive, Monroe | 1-Mar-10 | | 36 | 0 | 0 | 0 | 0 | 36 |
| N/A | South Pointe IV | 100 South Pointe Drive, Monroe | 1-Jun-10 | | 0 | 4 | 2 | 0 | 0 | 6 |
| N/A | Alabama Place | 3202 Alabama, Monroe | 1-Dec-12 | | 0 | 1 | 15 | 0 | 0 | 16 |
| N/A | Franciscan Apts. | 109 South 4th Street, Monroe | 7-Dec-14 | | 8 | 0 | 0 | 0 | 0 | 8 |
| N/A | Robinson Place II | Scattered Sites | 1-May-19 | | 0 | 0 | 50 | 0 | 0 | 50 |
| N/A | Preservation Mills | | 1-Oct-20 | | 0 | 0 | 24 | 0 | 0 | 24 |
| | Total Managed Units | | | 21 | 410 | 201 | 91 | 0 | 0 | 723 |

Source: Records of the Housing Authority of the City of Monroe.

Unaudited - See accompanying independent auditors' report.

Table 8

**HOUSING AUTHORITY OF THE CITY OF MONROE
Monroe, Louisiana**

**Government Employees
For Calendar Years 2021 and 2013**

| | 2021 | | | 2013 | | |
|---------------------|-----------|-----------|-------|-----------|-----------|-------|
| | Full Time | Part Time | Total | Full Time | Part Time | Total |
| Administrative | 44 | 5 | 49 | 36 | 13 | 49 |
| Maintenance | 31 | 0 | 31 | 27 | 8 | 35 |
| Security Attendants | 0 | 11 | 11 | 0 | 12 | 12 |
| Trash Pick-Up | 1 | 6 | 7 | 0 | 5 | 5 |
| Students | 0 | 0 | 0 | 0 | 12 | 12 |
| | 76 | 22 | 98 | 63 | 50 | 113 |

Source: Records of the Housing Authority of the City of Monroe.

Unaudited - See accompanying independent auditors' report.

Housing Authority of the City of Monroe

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**Housing Authority of the City of Monroe
Monroe, Louisiana**

**Single Audit Report
For the Year Ended June 30, 2022**



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

Board of Commissioners
Housing Authority of the City of Monroe
Monroe, Louisiana

HUD – New Orleans Office
501 Magazine 9th Floor
New Orleans, Louisiana 70130

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 Housing Authority of the City of Monroe, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of Monroe's basic financial statements, and have issued our report thereon dated December 16, 2022.

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 Monroe'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of the City of Monroe's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the City of Monroe's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Housing Authority of the City of Monroe's 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 a 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. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Rector, Reeder & Lofton, PC
Certified Public Accountants

Loganville, Georgia
December 16, 2022



INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE

Board of Commissioners
Housing Authority of the City of Monroe
Monroe, Louisiana

HUD – New Orleans Office
501 Magazine 9th Floor
New Orleans, Louisiana 70130

Report on Compliance for Each Major Federal Program

Qualified and Unmodified Opinions

We have audited the Housing Authority of the City of Monroe’s compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Housing Authority of the City of Monroe 's major federal programs for the year ended June 30, 2022. The Housing Authority of the City of Monroe's major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

Qualified Opinion on 14.850 Low Rent Public Housing Program

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2022.

Basis for Qualified and Unmodified Opinions

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

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

Matter(s) Giving Rise to Qualified Opinion on 14.850 Low Rent Public Housing Program

As described in the accompanying schedule of findings and questioned costs, the Authority did not comply with requirements regarding 14.850 Low Rent Public Housing as described in finding number 2022-001 for eligibility.

Compliance with such requirements is necessary, in our opinion, for the Authority to comply with requirements applicable to that program.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Other Matters

Government Auditing Standards requires the auditor to perform limited procedures on the Authority's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The Authority's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

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

control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2022-001, to be significant deficiencies.

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

Government Auditing Standards requires the auditor to perform limited procedures on the Authority's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The Authority's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Rector, Reeder & Lofton, PC
Certified Public Accountants

Loganville, Georgia
December 16, 2022

**HOUSING AUTHORITY OF THE CITY OF MONROE
MONROE, LOUISIANA**

**SCHEDULE OF EXPENDITURES OF FEDERAL FINANCIAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022**

| | Type | Federal Assistance Listing Number | Expenditures |
|---|--------------|--------------------------------------|-----------------------------|
| <u>FEDERAL GRANTOR</u> | | | |
| <u>U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT:</u> | | | |
| Public Housing: | | | |
| Low Rent Public Housing - subsidy | A - Major | 14.850 | \$ 6,241,643 |
| CARES Act Low Rent Public Housing - subsidy | A - Major | 14.PHC | <u>480,827</u> |
| Total Low Rent Public Housing - subsidy | | | 6,722,470 |
| Capital Fund Program | A - Major | 14.872 | 4,366,445 |
| Section 8 Housing Assistance Program: | | | |
| Housing Choice Voucher | A - Major | 14.871 | 8,888,998 |
| CARES Act Housing Choice Voucher | A - Major | 14.HCC | 165,592 |
| Emergency Housing Voucher | A - Major | 14.EHV | <u>61,575</u> |
| Total Housing Choice Voucher | | | 9,116,165 |
| Other Programs: | | | |
| Resident Opportunity and Supportive Services | B - Nonmajor | 14.870 | 79,464 |
| Jobs-Plus Pilot Initiative | B - Nonmajor | 14.895 | <u>561,907</u> |
| TOTAL FEDERAL FINANCIAL AWARDS | | | \$ <u>20,846,451</u> |
| Threshold for Type A & Type B | | | \$ <u>750,000</u> |

The accompanying notes are an integral part of this schedule.

HOUSING AUTHORITY OF THE CITY OF MONROE
Monroe, Louisiana

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

NOTE A - BASIS OF PRESENTATION:

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the Authority under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Authority.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE C - INDIRECT COST RATE:

The Authority did not elect to use the 10% de minimis cost rate.

NOTE D - SUBRECIPIENTS:

The Authority provided no federal awards to subrecipients during the fiscal year ending June 30, 2022.

NOTE E - DISCLOSURE OF OTHER FORMS OF ASSISTANCE:

- The Housing Authority of the City of Monroe received no federal awards of non-monetary assistance that are required to be disclosed for the year ended June 30, 2022.
- The Housing Authority of the City of Monroe had no loans, loan guarantees, or federally restricted endowment funds required to be disclosed for the fiscal year ended June 30, 2022.
- The Housing Authority of the City of Monroe maintains the following limits of insurance as of June 30, 2022:

| | |
|----------------------------|----------------|
| Property | \$ 142,007,729 |
| Liability | \$ 10,000,000 |
| Commercial Auto | \$ 1,000,000 |
| Worker Compensation | Regulatory |
| Public Officials Liability | \$ 1,000,000 |
| Fidelity Bond | \$ 200,000 |

Settled claims have not exceeded the above commercial insurance coverage limits over the past three years.

HOUSING AUTHORITY OF THE CITY OF MONROE
Monroe, Louisiana

STATUS OF PRIOR AUDIT FINDINGS

The audit report for the period ended June 30, 2021, contained five formal audit findings. The status of these findings are as follows:

2021-001, Cash Disbursements – Noncompliance – activities allowed and allowable costs

The Housing Authority did not have the proper monitoring of the payroll timesheets, and did not have the proper approval on certain tested disbursements.

Current Status: During our review of payroll, we noted that Authority’s payroll system has a function for supervisor approval. We then tested various payroll entries for proper approval. In addition to this control, we noted that the Executive Director or Accounting Director must also approve payroll before the pay run. **Consequently, this finding is cleared.**

2021-002, Public Housing Waiting List – Noncompliance – eligibility

The Housing Authority did not properly monitor and comply with the federal requirements and local ACOP policy which addresses the waiting list for Public Housing.

Current Status: In the prior year, the auditors were unable to tie batch reporting for tenant selection to the waiting list. During our review, we noted that staff has implemented a system to pull the waiting list monthly as audit evidence. We were able to tie the batch reports selected to an accompanying waiting list. **Consequently, this finding is cleared.**

2021-003, Tenant Participation Funds – Noncompliance – special requirements

The Housing Authority did not obtain or review written agreements as well as resident council budgets in order to monitor the tenant participation funds.

Current Status: The Authority was able to provide budgets for all resident councils, and we verified that expenditures charged to the corresponding accounts were supported with proper receipts/invoices and reflected in the budgets. **Consequently, this finding is cleared.**

2021-004, Capital Fund Environmental Reviews – Noncompliance – special requirements

The Housing Authority could not provide environmental reviews for certain projects requested by the prior auditor.

Current Status: The Authority currently has reviewed all properties and developments for environmental concerns and **consequently, this finding is cleared.**

2021-005 – Vendor Disbursements – Noncompliance – activities allowed and allowable costs

The Housing Authority incurred expenditures for the capital projects which were not reflected in the capital fund budget but were included in the 5-year plan.

Current Status: The Capital Fund Program grant information is contained in the Annual Plan and 5-year plan. **Consequently, this finding is cleared.**

**HOUSING AUTHORITY OF THE CITY OF MONROE
Monroe, Louisiana**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor’s Results:

Financial Statements

| | |
|--|----------------------|
| Type of report issued on the financial statements: | Unmodified |
| Internal control over financial reporting: | |
| Material weakness(es) identified? | No |
| Significant deficiency(ies) identified not considered to be material weaknesses? | None reported |
| Noncompliance material to the financial statements noted? | No |

Federal Awards

| | |
|--|------------|
| Internal controls over major programs: | |
| Material weakness(es) identified? | No |
| Significant deficiency(ies) identified not considered to be material weaknesses? | Yes |

| | |
|---|------------------|
| Type of report issued on the compliance for major programs: | Qualified |
|---|------------------|

| | |
|--|------------|
| Any audit findings disclosed that are required to be reported under 2 CFR §200.516(a)? | Yes |
|--|------------|

Identification of major program(s):

- ALN 14.850 – Low Rent Public Housing – Subsidy
- ALN 14.872 – Capital Fund Program
- ALN 14.871 – Housing Choice Voucher Program

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

| | |
|--|-----------|
| Low Risk Auditee under 2 CFR §200.520? | No |
|--|-----------|

Section II – Financial Statement Findings

Findings related to financial statements in accordance with GAGAS:

None reported

HOUSING AUTHORITY OF THE CITY OF MONROE
Monroe, Louisiana

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section III – Federal Award Findings and Questioned Costs

Findings and questioned costs for Federal Awards as defined in 2 CFR §200.516(a):

Finding 2022-001 – Public Housing Tenant Files – Eligibility – Rent Calculations – Noncompliance & Significant Deficiency – Public Housing Program – ALN 14.850, Grant Year 2021 & 2022

Condition & cause:

Our review of seventy-five (75) Public Housing Tenant Files revealed the following discrepancies:

- There were eight (8) instances of income miscalculations. We noted that the income miscalculations were mainly related to wage calculation or child support calculations. We extrapolated the total potential error and found it to be material to the financial statements at both the total and singular AMP level.
- There was one (1) instance of a file missing required childcare deduction verification.

Criteria:

The Code of Federal regulations, the Housing Authority Admissions and Occupancy Plan and specific HUD guidelines in documenting and maintaining Public Housing tenant files.

Recommendation:

We recommend that the Agency conduct a thorough tenant file audit of existing tenants to determine whether there are any misstatements. We also recommend that the Agency determine the best way to monitor compliance with local and federal regulations as it pertains to the upkeep of the tenant files.

Questioned Costs: None

Repeat Finding: No

Was sampling statistically valid? Yes



**Corrective Action Plan For Current Year Findings and Questioned Costs
For the Year Ended June 30, 2022**

Reference # and title: 2022-001 Public Housing Tenant Files – Eligibility – Rent Calculations

| | | |
|---|-----------------------------|-------------------|
| Federal program and specific federal award identification: | Asst. Listing Number | Award Year |
| FEDERAL GRANTER/ PASS THROUGH GRANTOR/PROGRAM NAME United States Department of Housing and Urban Development Public and Indian Housing Program | 14.850 | 2021 and 2022 |

Condition: The Code of Federal regulations, the Housing Authority Admissions and Occupancy Plan and specific HUD guidelines in documenting and maintaining Public Housing tenant files.

Our review of seventy-five (75) Public Housing Tenant Files revealed the following discrepancies:

- There were eight (8) instances of income miscalculations. We noted that the income miscalculations were mainly related to wage calculation or child support calculations. We extrapolated the total potential error and found it to be material to the financial statements at both the total and singular AMP level.
- There was one (1) instance of a file missing required childcare deduction verification.

Corrective action planned:

Monroe Housing Authority will develop more effective processes for measuring, monitoring, and reducing errors in subsidy payments due to rent calculation and tenant underreporting of income. Implementations and strategies to include:

- Resolution of income and rent issues identified in the report and communication to Tenants where applicable.
- Development and implementation of an ongoing quality control review process of income at initial certification and re-examination to mitigate wage/income calculation errors to PHA and tenants by:
 - Hiring (1) FTE to perform quality control review of verification of income (upfront and/or a third party), and Tenant files upon new lease and re-examinations.
 - Developing a Tenant File Review checklist to document the result of file reviews.
- Partner with the National Association of Housing and Redevelopment Officials (NAHRO) to train staff on Public Housing Occupancy, Eligibility, Income and Rent training to accurately calculate Tenant Rent and avoid common errors in occupancy and eligibility functions in addition to understanding updates to the HUD-50058.

Corrective Action Plan For Current Year Findings and Questioned Costs (cont.)

Person responsible for corrective action:

Mr. William Smart, Executive Director
Housing Authority of the City of Monroe
300 Harrison St.
Monroe, LA 71201

Telephone: (318) 388-1500
Fax: (318) 329-1397

Anticipated completion date: 6/30/2023

Respectfully Submitted,



Executive Director

**HOUSING AUTHORITY
OF THE CITY OF MONROE
Monroe, Louisiana**

STATEWIDE AGREED-UPON PROCEDURES

FOR THE FISCAL YEAR ENDED JUNE 30, 2022



Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures

Housing Authority of the City of Monroe

**INDEPENDENT ACCOUNTANT’S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Board of Directors of the Housing Authority of the City of Monroe and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Housing Authority of the City of Monroe (Entity) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LA’s Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2021 through June 30, 2022. The Entity’s management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity’s written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity’s operations:
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) **Disbursements**, including processing, reviewing, and approving.
 - d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management’s actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
 - e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
 - f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

Finding – Although we were able to gather the Authority's Ethics policy, we noted that it did not address the systems for monitoring ethics violations. We recommend that the Authority amend its policy to state the procedures and controls in place for ethics monitoring.

- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

N/A - There is no debt service at agency.

- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Finding – Although the Authority has an established IT Disaster Recovery/Business Continuity policy, it did not address the use of antivirus software or the timely applications of patches and updates.

- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Management's Response: The Housing Authority will review and update the ethics and information technology policies to include the reflected items above.

Board or Finance Committee

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.
 - c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit

report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

Bank Reconciliations

3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
 - b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
 - c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Collections

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - a) Employees responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.
6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.
7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Alternately,

the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the 10 deposits and:

- a) Observe that receipts are sequentially pre-numbered.
- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
- c) Trace the deposit slip total to the actual deposit per the bank statement.
- d) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
- e) Trace the actual deposit per the bank statement to the general ledger.

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

[Note: Exceptions to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]
10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:
 - a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
 - b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
 - a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]
 - b) Observe that finance charges and late fees were not assessed on the selected statements.
13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
 - a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
 - d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Alternately, the practitioner may use an equivalent selection source, such as an active vendor list. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
- b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
- c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).
- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

Payroll and Personnel

- 16. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- 17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
 - a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)
 - b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.
 - c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
 - d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.
- 18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.
- 19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Ethics

- 20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:
 - a. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

- b. Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Debt Service

- 21. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.
- 22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

N/A – There is no debt service at agency.

Fraud Notice

- 23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.
- 24. Observe the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

N/A – There was none noted during the year.

Information Technology Disaster Recovery/Business Continuity

- 25. Perform the following procedures, verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."
 - a. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.
 - b. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
 - c. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.
27. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
28. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:
 - a. Number and percentage of public servants in the agency who have completed the training requirements;
 - b. Number of sexual harassment complaints received by the agency;
 - c. Number of complaints which resulted in a finding that sexual harassment occurred;
 - d. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - e. Amount of time it took to resolve each complaint.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. 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.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Rector, Reeder & Lofton, P.C.
Rector, Reeder & Lofton, P.C.
Certified Public Accountants

Loganville, Georgia
December 13, 2022



December 16, 2022

To the Board of Commissioners
Housing Authority of the City of Monroe

We have audited the financial statements of the **Housing Authority of the City of Monroe** for the year ended **June 30, 2022**, and have issued our report thereon dated **December 16, 2022**. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have included this information in this letter dated **December 16, 2022**. Professional standards also require that we provide you with the following information related to our audit.

Our Responsibility under Generally Accepted Auditing Standards

As stated in our engagement letter, our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance about whether the financial statements are free of material misstatement. Because of the concept of reasonable assurance and because we did not perform a detailed examination of all transactions, there is a risk that material errors, irregularities, or illegal acts, including fraud and defalcations, may exist and not be detected by us.

As a part of our audit, we considered the internal control structure of the **Housing Authority of the City of Monroe**. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning the internal control structure of the agency.

Qualitative Aspects of Accounting Practices

Management has the responsibility for selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the **Housing Authority of the City of Monroe** are described in Note A to the financial statements. We noted no transactions entered into by the Organization during the year that were both significant and unusual, and of which, under professional standards, we are required to inform you, or transactions for which there is a lack of authoritative guidance or consensus. No new accounting policies were adopted and the application of existing policies was not changed during the year.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The financial statement disclosures are neutral, consistent and clear.

Difficulties Encountered in Performing the Audit

There were no difficulties encountered in conducting the audit of the **Housing Authority of the City of Monroe** for the year ended **June 30, 2022**.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management.

Disagreements with Management

For the purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated **December 16, 2022**.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

The following other matters or concerns came to our attention, during the course of our audit:

1. Control Deficiencies:

- a. The Housing Authority should review the payroll withholding accounts on a consistent monthly basis.
- b. The Housing Authority needs to document and agree the annual inventory of equipment to the detailed depreciation schedule.
- c. Due to a lack of staffing at the agency, there is a potential for certain controls and processes not to be performed on a consistent monthly basis.

2. Section 8 Waiting List

During our review of the Section 8 waiting list, we noted that the Authority implemented a "lottery" system to help increase voucher utilization, in conjunction with their normal waiting list procedures. Staff sent letters of interest to all applicants on the list, stating that HCV funding was available and if applicants were able to submit all documentation required and attended a screening appointment before a specified deadline, then they would become immediately available for housing. The Authority received roughly fifty (50) applicants through this method. There was no penalty for not taking part, and applicants who were deemed ineligible through this method would not be penalized and would be placed back on the original waiting list in their original position. After discussion with the HCV Coordinator, we found that this was not the first time this type of system had been used. However, there were no procedures in the Administrative Plan for this action, and there was no documentation as to the board approval of this process.

3. Jobs Plus Grant Program

Currently the Housing Authority has \$1,391,414 in amounts due from HUD as of June 30, 2022, which have not been received as of December 8, 2022. As a result of this failure to not draw down funds on a consistent basis, the Jobs Plus Grant program has borrowed \$1,385,471 from the Public Housing Program. Large receivables and interfunds reported to HUD through the FASPHA system or Financial Data Schedule are reviewed and questioned by the Financial Analyst.

The Grant Agreement is not straight forward, in regards to what expenditures will be disallowed, questioned or approved. It appears that the expenditures are in accordance with the revised budget and in keeping with the program requirements. However, it also appears from the fact that the requests for funds have NOT been approved, that they are indeed out of compliance. We have reached out to HUD to confirm the noncompliance. We also noted that Quarterly and Annual Reports have not been filed for the year ended June 30, 2022. We have been told and seen evidence that Quarterly reports were done in 2021 and prior. As of June 30, 2021, there was a balance of \$913,264 due from HUD, with one eLoccs being approved and drawn of \$83,757 in July 2021. We believe that the expenditures incurred are eligible expenditures under the Public Housing Program and the costs should not be questioned, but the HUD funding under this grant may not be realized until they are under full compliance.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Significant Audit Adjustments

For purposes of this letter, professional standards define a significant audit adjustment as a proposed correction of the financial statements that, in our judgment, may not have been detected except through our auditing procedures. These adjustments may include those proposed by us but not recorded by the Organization that could potentially cause future financial statements to be materially misstated. For purposes of reporting, we noted no adjustments that would be considered material to the financial statements.

Current Year Findings, Significant Deficiencies and Material Weaknesses

The current audit period for **June 30, 2022**, reported a finding for noncompliance and a significant deficiency as noted in the published financial statements as Finding Number 2022-001. The details of this finding are not duplicated in this document and the published financial statements should be reviewed for the information.

This information is intended solely for the use of the Audit Committee, Board of Commissioners, applicable government agencies and the management of the **Housing Authority of the City of Monroe** and should not be used for any other purpose.

Very truly yours,

Rector, Reeder & Lofton, P.C.
Certified Public Accountants