

HOUSING AUTHORITY OF THE CITY OF
BOGALUSA, LOUISIANA

REPORT ON EXAMINATION
OF
FINANCIAL STATEMENTS AND SUPPLEMENTAL DATA

YEAR ENDED SEPTEMBER 30, 2021

HOUSING AUTHORITY OF THE CITY OF
BOGALUSA, LOUISIANA

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the Housing Authority of the City of Bogalusa, Indiana as of and for the year ended September 30, 2021, and the related notes to the financial statements as listed in the table of contents. We did not audit the financial statements of Pine Trace Homes RAD I, LP; Pine Trace Homes RAD II, LP; and Cypress Pointe RAD, LP, discretely presented component units of the Authority which represent 100% of the assets and deferred outflows of resources, net position and revenues of the aggregate discretely presented component units in the 'Discrete Component Units' column of the Authority's basic financial statements, as of and for the year ended December 31, 2020.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of Pine Trace Homes RAD I, LP; Pine Trace Homes RAD II, LP; and Cypress Pointe RAD, LP, discretely presented components units of the Authority which represent 100% of the assets and deferred outflows of resources, net position and revenues of the aggregate discretely presented component units. Those statements were audited by another auditor whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the aggregate discretely presented component units, is based solely on the reports of the other auditor. We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Authority as of September 30, 2021, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 7 through 15 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

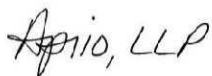
Other Information

Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. Supplementary data is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying Financial Data Schedule is presented for the Department of Housing and Urban Development's information and is not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements. Additionally, the accompanying Schedule of Compensation, Benefits and Other Payments to the Executive Director is presented for the Office of the Louisiana Legislative Auditor's information and is not a required part of the basic financial statements.

The Financial Data Schedule and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting data and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting data and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 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 June 3, 2022 on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.



Birmingham, Alabama
June 3, 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 Bogalusa
 Bogalusa, Louisiana

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 Authority, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority’s basic financial statements, and have issued our report thereon dated June 3, 2022. Our report includes a reference to another auditor who audited the financial statements of Pine Trace Homes RAD I, LP; Pine Trace Homes RAD II, LP; and Cypress Pointe RAD, LP, discretely presented component units of the Authority, as described in our report on the Authority’s financial statements. We conducted our audit in accordance with 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 Discrete Component Units were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Discrete Component Units.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Authority'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.

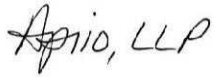
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be *material weaknesses* or *significant deficiencies*. Given these limitations, during our audit we did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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority'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 Authority'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 Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Aprio, LLP". The signature is written in a cursive, slightly slanted style.

Birmingham, Alabama

June 3, 2022

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

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

Report on Compliance for the Major Federal Program

We have audited the Authority's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Authority's major federal program for the year ended September 30, 2021. The Authority's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Authority's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the *Uniform Guidance* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of Authority's compliance.

Opinion on the Major Program

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 its major federal program for the year ended September 30, 2021.

Report on Internal Control Over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

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

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

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 our testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Aprio, LLP

Birmingham, Alabama
June 3, 2022

**HOUSING AUTHORITY OF THE CITY OF BOGALUSA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

The Housing Authority of the City of Bogalusa's ("the Authority") Management's Discussion and Analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Authority's financial activity, (c) identify changes in the Authority's financial position (its ability to address the next and subsequent year challenges), and (d) identify individual program issues or concerns.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Authority's financial statements. This MD&A covers only the Authority's Enterprise Fund and does not analyze the financial position or current year's activity of the Discretely Presented Component Units. Separate audit reports have been issued on the financial statements of the Discretely Presented Component Units. The audited financial statements of the Discretely Presented Component Units have been included in the financial statements of the Authority.

Financial Highlights

- The Authority's net position remained stable at \$12.5 million during 2021.

- Revenues decreased \$3.2 million during 2021, and were \$6.2 million and \$3 million for 2020 and 2021, respectively.

- Expenses decreased \$.5 million, and were \$3.5 million and \$3 million for 2020 and 2021, respectively.

USING THIS ANNUAL REPORT

The Report includes three major sections, the "Management's Discussion and Analysis (MD&A)", "Basic Financial Statements", and "Other Required Supplementary Information":

MD&A

*~ MANAGEMENT DISCUSSION
AND ANALYSIS ~*

BASIC FINANCIAL STATEMENTS

*~ AUTHORITY-WIDE FINANCIAL STATEMENTS ~
~ NOTES TO FINANCIAL STATEMENTS ~*

OTHER REQUIRED SUPPLEMENTARY INFORMATION

*~ REQUIRED SUPPLEMENTARY INFORMATION ~
(OTHER THAN MD&A)*

Authority-Wide Financial Statements

Statement of Net Position

These Statements include a Statement of Net Position, which is similar to a Balance Sheet. The Statement of Net Position reports all financial and capital resources for the Authority. The statement is presented in the format in which assets and deferred outflows of resources, equal liabilities, deferred inflows of resources and “Net Position”, formerly known as net assets. Assets and liabilities are presented in order of liquidity and are classified as “Current” (convertible into cash within one year), and “Non-current”.

The focus of the Statement of Net Position (the “Unrestricted Net Position”) is designed to represent the net available liquid (non-capital) assets and deferred outflows of resources, net of liabilities and deferred inflows of resources, for the entire Authority. Net Position (formerly net assets) is reported in three broad categories:

Net Investment in Capital Assets: This component of Net Position consists of all Capital Assets, reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Position: This component of Net Position consists of restricted assets, when constraints are placed on the asset by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc.

Unrestricted Net Position: Consists of Net Position that does not meet the definition of “Net Investment in Capital Assets”, or “Restricted Net Position.”

Statement of Revenues, Expenses, and Changes in Net Position

The Authority-wide financial statements also include a Statement of Revenues, Expenses and Changes in Net Position (similar to an Income Statement). This Statement includes operating revenues, such as rental income, operating expenses, such as administrative, utilities, maintenance, and depreciation, and non-operating revenue and expenses, such as capital grant revenue, investment income and interest expense.

The focus of the Statement of Revenues, Expenses and Changes in Net Position is the “Change in Net Position”, which is similar to Net Income or Loss.

Statement of Cash Flows

Finally, a Statement of Cash Flows is included, which discloses net cash provided by, or used for operating activities, non-capital financing activities, investing activities and from capital and related financing activities.

THE AUTHORITY'S PROGRAMS

Housing Choice Voucher Program – Under the Housing Choice Voucher Program, the Authority administers contracts with independent landlords that own the property. The Authority subsidizes the family's rent through a Housing Assistance Payment made to the landlord. The program is administered under an Annual Contributions Contract (ACC) with HUD. HUD provides Annual Contributions Funding to enable the Authority to structure a lease that sets the participants' rent at 30% of household income.

Other Programs – In addition to the significant programs above, the Authority also maintains the following programs:

- Housing Choice Voucher CARES Act Funding Program
- Blended Component Unit
- Emergency Housing Voucher Program

AUTHORITY-WIDE STATEMENTS

Condensed Statement of Net Position

The following table reflects the Condensed Statement of Net Position compared to the prior year.

TABLE 1
CONDENSED STATEMENT OF NET POSITION

	<u>2021</u>	<u>2020</u>	<u>Variance</u>
Assets and Deferred Outflows of Resources:			
Current and Restricted Assets	\$ 1,705,894	\$ 1,806,347	\$ (100,453)
Capital Assets	273,971	254,241	19,730
Notes Receivable	10,619,000	10,619,000	-
Deferred Outflows of Resources	-	-	-
Total Assets and Deferred Outflows of Resources	\$ 12,598,865	\$ 12,679,588	\$ (80,723)
Liabilities and Deferred Inflows of Resources:			
Current Liabilities	\$ 111,536	\$ 178,909	\$ (67,373)
Non-Current Liabilities	22,376	25,321	(2,945)
Deferred Inflows of Resources	-	-	-
Total Liabilities and Deferred Inflows of Resources	\$ 133,912	\$ 204,230	\$ (70,318)
Net Position:			
Net Investment in Capital Assets	\$ 273,971	\$ 254,241	\$ 19,730
Restricted Net Position	102,317	219,883	(117,566)
Unrestricted Net Position	12,088,665	12,001,234	87,431
Total Net Position	\$ 12,464,953	\$ 12,475,358	\$ (10,405)

Major Factors Affecting the Condensed Statement of Net Position

During 2021, current and restricted assets, and restricted net position decreased due to a reduction of cash restricted for housing assistance payments.

Current liabilities decreased due to reductions of unearned revenues and accounts payable due to vendors.

Table 2 presents details on the change in Unrestricted Net Position

TABLE 2

CHANGE IN UNRESTRICTED NET POSITION

Unrestricted Net Position, October 1, 2020	\$ 12,001,234
Results of Operations	(11,344)
Capital Asset Purchases from Operations	(42,595)
Investment Income	939
Net Housing Assistance Payments Funded with Restricted Reserves	150,050
Emergency Housing Voucher Subsidies Recognized	(32,484)
Depreciation Expense	<u>22,865</u>
Unrestricted Net Position, September 30, 2021	<u><u>\$ 12,088,665</u></u>

While the results of operations are a significant measure of the Authority's activities, the analysis of the changes in Unrestricted Net Position provides a clearer understanding of the change in financial well-being.

TABLE 3

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

The following Schedule compares the revenues and expenses for the current and previous fiscal years.

	<u>2021</u>	<u>2020</u>	<u>Variance</u>
Revenues:			
Tenant Rental and Other Revenue	\$ -	\$ 32,091	\$ (32,091)
Operating Grants	2,764,911	3,586,660	(821,749)
Interest Income	939	328	611
Other Revenue	247,672	276,279	(28,607)
Gain on Disposition of Capital Assets	-	2,321,836	(2,321,836)
Total Revenues	<u>\$ 3,013,522</u>	<u>\$ 6,217,194</u>	<u>\$ (3,203,672)</u>
Expenses:			
Administrative Expenses	\$ 344,869	\$ 336,871	\$ 7,998
Utilities	-	22,542	(22,542)
Maintenance and Operations	778	35,768	(34,990)
General Expense	46,227	109,265	(63,038)
Depreciation	22,865	14,346	8,519
Bad Debt Expense	-	467,671	(467,671)
Housing Assistance Payments	2,609,188	2,519,871	89,317
Total Expenses	<u>\$ 3,023,927</u>	<u>\$ 3,506,334</u>	<u>\$ (482,407)</u>
Excess (Deficiency) of Revenues Over Expenses	<u>\$ (10,405)</u>	<u>\$ 2,710,860</u>	<u>\$ (2,721,265)</u>

Major Factors Affecting the Schedule of Revenue, Expenses and Changes in Net Position

Operating grants decreased due to reductions of Public Housing and Capital Fund Program subsidies recognized. The gain recognized on capital asset dispositions during fiscal year 2020 resulted from recognitions of assets in exchange for capital assets disposed of through participation in HUD's Rental Assistance Demonstration (RAD) Program.

General expenses decreased due primarily to a reduction of expenses incurred in connection with the fiscal 2020 RAD conversion. The 2020 bad debt expense was a result of management's assessment of the collectability of various accrued interest receivable balances, and the resulting write-down. No such write-down applied to fiscal year 2021. Housing assistance payments increased due to increases of leasing and rental rates.

Capital Assets

As of fiscal year-end, the Authority had \$.3 million invested in a variety of capital assets as reflected in the following schedule. For additional detail see the Notes to the Financial Statements.

**TABLE 4
CAPITAL ASSETS AT YEAR-END
(NET OF DEPRECIATION)**

	<u>2021</u>	<u>2020</u>	<u>Variance</u>	<u>% Change</u>
Land	\$ -	\$ -	\$ -	#DIV/0!
Buildings and Improvements	432,455	432,455	-	0%
Furniture and Equipment	293,751	251,156	42,595	17%
Accumulated Depreciation	<u>(452,235)</u>	<u>(429,370)</u>	<u>(22,865)</u>	<u>5%</u>
Net Capital Assets	<u>\$ 273,971</u>	<u>\$ 254,241</u>	<u>\$ 19,730</u>	<u>8%</u>

**TABLE 5
CHANGE IN CAPITAL ASSETS**

The following reconciliation summarizes the change in Capital Assets.

Beginning Balance, October 1, 2020	\$ 254,241
Additions:	
Equipment Purchases	42,595
Depreciation Expense	<u>(22,865)</u>
Ending Balance, September 30, 2021	<u>\$ 273,971</u>

ECONOMIC FACTORS

Significant economic factors affecting the Authority are as follows:

- Federal funding provided by Congress to the Department of Housing and Urban Development
- Local labor supply and demand, which can affect salary and wage rates
- Local inflationary, recessionary and employment trends, which can affect resident incomes and therefore the amount of rental income
- Inflationary pressure on utility rates, supplies and other costs

FINANCIAL CONTACT

The individual to be contacted regarding this report is the Executive Director. Specific requests may be submitted to the Housing Authority of the City of Bogalusa, PO Box 1113, Bogalusa, Louisiana 70427.

HOUSING AUTHORITY OF THE CITY OF BOGALUSA
 STATEMENT OF NET POSITION
 SEPTEMBER 30, 2021

**ASSETS AND DEFERRED
 OUTFLOWS OF RESOURCES**

	<u>Enterprise Fund</u>	<u>Discrete Component Units</u>	<u>Total Reporting Entity</u>
<u>Current Assets</u>			
Cash and Cash Equivalents	\$ 1,517,055	\$ 3,597,466	\$ 5,114,521
Accounts Receivable	2,255	16,105	18,360
Prepaid Costs	19,007	50,026	69,033
Total Current Assets	<u>1,538,317</u>	<u>3,663,597</u>	<u>5,201,914</u>
<u>Restricted Assets</u>			
Cash and Cash Equivalents	167,577	2,194,438	2,362,015
Investments	-	7,034,012	7,034,012
Total Restricted Assets	<u>167,577</u>	<u>9,228,450</u>	<u>9,396,027</u>
<u>Capital Assets</u>			
Land	-	534,556	534,556
Buildings and Improvements	432,455	30,682,494	31,114,949
Furniture and Equipment	293,751	2,045,708	2,339,459
Construction in Process	-	6,526,555	6,526,555
	<u>726,206</u>	<u>39,789,313</u>	<u>40,515,519</u>
(Less): Accumulated Depreciation	(452,235)	(811,775)	(1,264,010)
Net Capital Assets	<u>273,971</u>	<u>38,977,538</u>	<u>39,251,509</u>
<u>Other Assets</u>			
Notes Receivable	10,619,000	-	10,619,000
Amortizable Fees, Net	-	550,455	550,455
Total Other Assets	<u>10,619,000</u>	<u>550,455</u>	<u>11,169,455</u>
Total Assets	<u>12,598,865</u>	<u>52,420,040</u>	<u>65,018,905</u>
Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 12,598,865</u>	<u>\$ 52,420,040</u>	<u>\$ 65,018,905</u>

See the accompanying notes to financial statements.

HOUSING AUTHORITY OF THE CITY OF BOGALUSA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

LIABILITIES, DEFERRED INFLOWS OF
RESOURCES AND NET POSITION

	Enterprise Fund	Discrete Component Units	Total Reporting Entity
<u>Current Liabilities</u>			
Accounts Payable	\$ 22,191	\$ 2,828,217	\$ 2,850,408
Accrued Wages and Payroll Taxes	1,853	-	1,853
Accrued Compensated Absences	8,137	-	8,137
Accrued Interest Payable	-	51,359	51,359
Tenant Security Deposits	-	49,765	49,765
Unearned Revenue	79,355	7,672	87,027
Current Portion of Capital Debt	-	20,178,611	20,178,611
Total Current Liabilities	111,536	23,115,624	23,227,160
<u>Long Term Liabilities</u>			
Long Term Capital Debt	-	23,568,485	23,568,485
Accrued Interest Payable	-	1,619,085	1,619,085
Accrued Compensated Absences	22,376	-	22,376
Total Long Term Liabilities	22,376	25,187,570	25,209,946
Total Liabilities	133,912	48,303,194	48,437,106
Deferred Inflows of Resources	-	-	-
Total Liabilities and Deferred Inflows of Resources	133,912	48,303,194	48,437,106
<u>Net Position</u>			
Net Investment in Capital Assets	273,971	3,298,454	3,572,425
Restricted Net Position	102,317	1,160,438	1,262,755
Unrestricted Net Position	12,088,665	(342,046)	11,746,619
Total Net Position	12,464,953	4,116,846	16,581,799
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 12,598,865	\$ 52,420,040	\$ 65,018,905

See the accompanying notes to financial statements.

HOUSING AUTHORITY OF THE CITY OF BOGALUSA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Enterprise Fund</u>	<u>Discrete Component Units</u>	<u>Total Reporting Entity</u>
<u>Operating Revenues</u>			
Dwelling Rent	\$ -	\$ 1,666,851	\$ 1,666,851
Operating Grants	2,764,911	-	2,764,911
Other Revenue	247,672	609,498	857,170
Total Operating Revenues	<u>3,012,583</u>	<u>2,276,349</u>	<u>5,288,932</u>
<u>Operating Expenses</u>			
Administrative	344,869	759,910	1,104,779
Tenant Services	-	97,795	97,795
Utilities	-	238,785	238,785
Maintenance and Operations	778	371,574	372,352
General Expense	46,227	413,440	459,667
Housing Assistance Payments	2,609,188	-	2,609,188
Depreciation	22,865	667,626	690,491
Total Operating Expenses	<u>3,023,927</u>	<u>2,549,130</u>	<u>5,573,057</u>
Operating Income (Loss)	<u>(11,344)</u>	<u>(272,781)</u>	<u>(284,125)</u>
<u>Non-Operating Revenues (Expenses)</u>			
Interest Income	939	376,587	377,526
Loss on Investments	-	(273,687)	(273,687)
Interest Expense	-	(1,690,789)	(1,690,789)
Financing Fees	-	(221,286)	(221,286)
Organizational Costs	-	(47,944)	(47,944)
Total Non-Operating Rev/(Exp)	<u>939</u>	<u>(1,857,119)</u>	<u>(1,856,180)</u>
Increase (decrease) before Capital Contributions	<u>(10,405)</u>	<u>(2,129,900)</u>	<u>(2,140,305)</u>
Capital Contributions	<u>-</u>	<u>2,528,317</u>	<u>2,528,317</u>
Increase (Decrease) in Net Position	<u>(10,405)</u>	<u>398,417</u>	<u>388,012</u>
Net Position, Beginning	12,475,358	3,718,429	16,193,787
Net Position, Ending	<u>\$ 12,464,953</u>	<u>\$ 4,116,846</u>	<u>\$ 16,581,799</u>

See the accompanying notes to financial statements.

HOUSING AUTHORITY OF THE CITY OF BOGALUSA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Enterprise Fund	Discrete Component Units	Total Reporting Entity
<u>Cash flows from operating activities:</u>			
Cash Received from Dwelling Rent	\$ -	\$ 1,768,248	\$ 1,768,248
Cash Received from Operating Grants	2,740,375	-	2,740,375
Cash Received from Other Sources	247,367	523,991	771,358
Cash Payments for Salaries and Benefits	(268,181)	(237,378)	(505,559)
Cash Payments to Vendors and Landlords	<u>(2,777,355)</u>	<u>(1,801,111)</u>	<u>(4,578,466)</u>
Net cash provided (used) by operating activities	<u>(57,794)</u>	<u>253,750</u>	<u>195,956</u>
<u>Cash flows from capital and related financing activities:</u>			
Proceeds Received from the Issuance of Capital Debt	-	11,880,752	11,880,752
Capital Outlay	(42,595)	(11,248,128)	(11,290,723)
Principal, Interest and Fees Paid on Capital Debt	-	(9,243,556)	(9,243,556)
Contributions from Partners	-	2,528,317	2,528,317
Net cash provided (used) by capital and related financing activities	<u>(42,595)</u>	<u>(6,082,615)</u>	<u>(6,125,210)</u>
<u>Cash flows from investing activities:</u>			
Interest Earned from Cash and Investments	939	376,587	377,526
Transfer from Investments	-	5,812,723	5,812,723
Organizational Costs Paid	-	(47,944)	(47,944)
Net cash provided (used) by investing activities	<u>939</u>	<u>6,141,366</u>	<u>6,142,305</u>
Net increase (decrease) in cash and restricted cash	(99,450)	312,501	213,051
Total cash and restricted cash, beginning of year	<u>1,784,082</u>	<u>5,479,403</u>	<u>7,263,485</u>
Total cash and restricted cash, end of year	<u><u>\$ 1,684,632</u></u>	<u><u>\$ 5,791,904</u></u>	<u><u>\$ 7,476,536</u></u>

Continued on next page

**HOUSING AUTHORITY OF THE CITY OF BOGALUSA
STATEMENT OF CASH FLOWS - CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Enterprise Fund	Discrete Component Units	Total Reporting Entity
<u>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</u>			
Operating Income (Loss)	\$ (11,344)	\$ (272,781)	\$ (284,125)
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and Amortization	22,865	673,618	696,483
Change in Accounts Receivable (Tenants)	-	(5,797)	(5,797)
Change in Accounts Receivable (Other)	(305)	502	197
Change in Prepaid Costs	1,308	(168,991)	(167,683)
Change in Accounts Payable (Operating)	(42,894)	6,014	(36,880)
Change in Accrued Expenses	(2,888)	-	(2,888)
Change in Unearned Revenue (Tenants)	-	(2,201)	(2,201)
Change in Unearned Revenue (Grants)	(24,536)	-	(24,536)
Change in Security Deposits Held	-	23,386	23,386
Net cash provided (used) by operating activities	<u>\$ (57,794)</u>	<u>\$ 253,750</u>	<u>\$ 195,956</u>

See the accompanying notes to financial statements.

HOUSING AUTHORITY OF THE CITY OF BOGALUSA

BOGALUSA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2021

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Housing Authority have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Authority is a Special Purpose Government engaged only in business-type activities and therefore, presents only the financial statements required for the enterprise fund, in accordance with GASB Statement 34 paragraph 138 and GASB Statement 63.

The Authority has multiple programs which are accounted for in one enterprise fund, which is presented as the "Enterprise Fund" in the basic financial statements as follows:

Enterprise Fund – In accordance with the Enterprise Fund Method, activity is recorded using the accrual basis of accounting and the measurement focus is on the flow of economic resources. Under the accrual basis of accounting revenues are recorded when earned and expenses are recorded when are incurred. This required the Housing Authority to account for operations in a manner similar to private business or where the Board has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

Governmental Accounting Standards – The Housing Authority has applied all applicable Governmental Accounting Standards Board pronouncements as well as applicable pronouncements issued by the Financial Accounting Standards Board.

Cash and Investments

The Housing Authority considers cash in checking accounts to be cash equivalents. Investments consisted of money market accounts.

Prepaid Costs

Prepaid costs consisted of insurance payments applicable to fiscal year 2022.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE A - SIGNIFICANT ACCOUNTING POLICIES - Continued

Capital Assets

Property and equipment are recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. The costs of maintenance and repairs are expensed, while significant renewals and betterments are capitalized. Small dollar value equipment items are expensed. Depreciation on assets has been expensed in the Statement of Revenues, Expenses and Changes in Net Position. Estimated useful lives are as follows:

Buildings and Improvements	15 - 33 years
Furniture and Equipment	3 - 7 years

Authority management has assessed the carrying values of capital asset balances as of September 30, 2021, and as of June 3, 2022. No significant capital asset value impairments exist as of the noted dates.

Estimated useful lives of discretely presented component units' (see Note B below) capital assets are as follows:

Buildings and Improvements	20 - 40 years
Furniture and Equipment	10 years

The Partnerships' management has assessed the carrying values of capital asset balances as of December 31, 2020, and as of June 3, 2022. No significant capital asset value impairments exist as of the noted dates.

Amortizable Fees

Amortizable fees consist of prepaid permanent loan fees of \$368,840 and tax credit fees of \$187,607, reported net of accumulated amortization of \$5,992. Prepaid permanent loan fees will be amortized over the lives of the applicable permanent loans once converted from construction loans. Tax credit fees are amortized over a 10-year period using the straight-line method.

Accounts Payable

The Authority's accounts payable balance consisted of \$22,191 of amounts due to vendors and service providers. The discretely presented component units' accounts payable balance consisted of \$122,743 due to vendors and service providers, \$2,660,474 due to contractors for construction costs payable, and \$45,000 due to the Authority for administrative fees.

Unearned Revenue

The Authority recognizes revenues as earned. Funds received before the Authority is eligible to apply them are recorded as a liability under unearned revenue. As of September 30, 2021, the Authority's unearned revenue balance consisted of grant proceeds.

Deferred Outflows and Inflows of Resources

A Deferred Outflow of Resources is a consumption of assets by the Authority that is applicable to a future reporting period. Conversely, a Deferred Inflow of Resources is an acquisition of assets by the Authority that is applicable to a future reporting period. The Authority did not have any deferred outflows or inflows as of September 30, 2021.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE A - SIGNIFICANT ACCOUNTING POLICIES - Continued

Revenue Accounting Policies

Dwelling rent income, HUD grants recognized for operations, and other miscellaneous operating receipts are reported as operating revenue. All other revenue is reported as non-operating revenue.

These financial statements do not contain material inter-program revenues and expenses for internal activity. The policy is to eliminate any material inter-program revenues and expenses for these financial statements.

Cost Allocation

The Authority allocates indirect costs to programs on the basis of one or more of the following methods: direct salaries and wages, percentage of office square footage, number of vouchers and/or units, estimated/actual time spent, number of checks processed, or the allotment stipulated in contractual agreements.

Income Taxes (Discretely Presented Component Units/ Partnerships – see Note B below)

All items of taxable income are passed through to and are reported by its individual partners on their respective income tax returns. The Partnerships are required to file and do file tax returns with the Internal Revenue Service. These financial statements do not reflect a provision for income taxes and the Partnerships have no other tax positions which must be considered for disclosure. Income tax returns filed by the Partnerships are subject to examination by the Internal Revenue Service for a period of three years. The Partnerships were formed during 2017. As of the date of this Report, the Partnerships are subject to tax examinations for tax years 2019 through 2021.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE B - REPORTING ENTITY DEFINITION

The Housing Authority was chartered as a public corporation under the laws of the State of Louisiana for the purpose of providing safe and sanitary dwelling accommodations for the residents of the City of Bogalusa. The Authority is governed by a five-member Board of Commissioners appointed by the City. However, the Housing Authority has complete legislative and administrative authority and it recruits and employs personnel. The Authority adopts a budget that is approved by the Board of Commissioners. Subsidies for operations are received primarily from HUD. The Authority has substantial legal authority to control its affairs without local government approval; therefore, all operations of the Authority are a separate reporting entity as reflected in this report. The Authority is responsible for its debts and is entitled to surpluses.

In determining how to define the reporting entity, management has considered all potential component units. The decision to include a component unit in the reporting entity was made by applying the criteria set forth in *Section 2100 and 2600 of the Codification of Governmental Accounting and Financial Reporting Standards, Statement No. 14 (amended) of the Governmental Accounting Standards Board: The Financial Reporting Entity; Statement No. 39: Determining Whether Certain Organizations are Component Units; and Statement No. 61: The Financial Reporting Entity Omnibus*. These criteria include manifestation of oversight responsibility including financial accountability, appointment of a voting majority, imposition of will, financial benefit to or burden on a primary organization, financial accountability as a result of fiscal dependency, potential for dual inclusion, and organizations included in the reporting entity although the primary organization is not financially accountable. Based upon the application of these criteria, the reporting entity includes the following component units. There are no other component units.

Blended Component Unit

Magic City Housing and Development Corporation (the Corporation/ a *Blended Component Unit*) is a related not-for-profit Louisiana corporation, which was created to assist the Authority and its affiliates in developing low-moderate income housing in and near the Bogalusa community. The Corporation's Board of Directors consists of the Board of Commissioners of the Authority. The Corporation's fiscal year end is September 30 and its financial balances as of and for the fiscal year ended September 30, 2021 have been consolidated into the Authority's financial statements. The consolidated financial balances and activity are also reported in the '6.2 Component Unit – Blended' column of the attached supplemental Financial Data Schedule. The Corporation does not issue separate, stand-alone financial statements.

Discretely Presented Component Units (the Partnerships)

Pine Trace Homes RAD I, LP (PTHRI, LPI a *Discrete Component Unit*) is a limited partnership formed in 2017 to acquire, own and operate a 92-unit rental property in Bogalusa known as Pine Trace Homes RAD I Apartments. The project was developed and operates under the low-income housing tax credit program. PTHRI, LP's year end is December 31 and a copy of its financial statements as of December 31, 2020, and for the year then ended can be obtained by contacting the Authority at PO Box 1113 Bogalusa, Louisiana 70427. Due to its fiscal dependence on the Authority and the existence of a financial benefit or burden relationship, the PTHRI, LP's financial balances as of December 31, 2020, and transactions for the period then ended are reported discretely with the financial statements of the Authority.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE B - REPORTING ENTITY DEFINITION - Continued

Discretely Presented Component Units (the Partnerships) - Continued

Pine Trace Homes RAD II, LP (PTHRII, LPI a *Discrete Component Unit*) is a limited partnership formed in 2017 to acquire, own and operate a 140-unit rental property in Bogalusa known as Pine Trace Homes RAD II Apartments. The project was developed and operates under the low-income housing tax credit program. PTHRII, LP's year end is December 31 and a copy of its financial statements as of December 31, 2020, and for the year then ended can be obtained by contacting the Authority at PO Box 1113 Bogalusa, Louisiana 70427. Due to its fiscal dependence on the Authority and the existence of a financial benefit or burden relationship, the PTHRII, LP's financial balances as of December 31, 2020, and transactions for the period then ended are reported discretely with the financial statements of the Authority.

Cypress Pointe RAD, LP (CPR, LPI a *Discrete Component Unit*) is a limited partnership formed in 2017 to acquire, own and operate a 112-unit rental property in Bogalusa known as Cypress Pointe RAD Apartments. The project was developed and operates under the low-income housing tax credit program. CPR, LP's year end is December 31 and a copy of its financial statements as of December 31, 2020, and for the year then ended can be obtained by contacting the Authority at PO Box 1113 Bogalusa, Louisiana 70427. Due to its fiscal dependence on the Authority and the existence of a financial benefit or burden relationship, the CPR, LP's financial balances as of December 31, 2020, and transactions for the period then ended are reported discretely with the financial statements of the Authority.

NOTE C - CASH AND INVESTMENT DEPOSITS

Custodial Credit Risk - The Housing Authority policy is to limit credit risk by adherence to the list of HUD-permitted investments, which are backed by the full faith and credit of or a guarantee of principal and interest by the U.S. Government.

Interest Rate Risk - The Housing Authority's formal investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from interest rate volatility.

The U.S. Department of HUD requires housing authorities to invest excess funds in obligations of the U.S., certificates of deposit or any other federally insured investments.

The Authority's cash and cash equivalents consisted of funds held in interest-bearing checking accounts totaling a reconciled balance of \$1,684,632.

The Authority's deposit balances with financial institutions totaled \$1,695,524 and were secured as follows:

	Bank Deposits
Insured by FDIC	\$ 1,000,000
Collateralized with specific securities in the Authority's name which are held by a third-party financial institution	592,850
Uncollateralized	102,674
	<u>\$ 1,695,524</u>

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE C - CASH AND INVESTMENT DEPOSITS - Continued

The Authority's uncollateralized deposits consisted of non-federal funds held by Magic City Housing Development Corporation, the blended component unit.

The Partnerships' cash and cash equivalents consisted of funds held in checking accounts totaling a reconciled balance of \$5,791,904. Investments consisted of Fidelity Treasury investments of \$7,034,012 and are reported at fair value measured using quoted prices in active markets for identical assets (Level 1).

Cash and cash equivalents were insured up to \$250,000 at each financial institution by the Federal Deposit Insurance Corporation (FDIC). As of December 31, 2020, \$2,818,460 of the Partnerships' deposit balances were uninsured.

The Partnerships realized a loss of \$273,687 from the 2020 sale of U.S. Treasury Notes and Strips held as of December 31, 2019. The calculation of realized gains or losses is independent of a calculation of the net change in the fair value of investments.

NOTE D - CONCENTRATION OF RISK

The Housing Authority receives most of its funding from HUD. These funds and grants are subject to modification by HUD depending on the availability of funding.

NOTE E - CONTRACTUAL COMMITMENTS

The Authority did not have any significant outstanding contractual commitments as of September 30, 2020. The Partnerships had outstanding contractual commitments of \$3,961,105 as of December 31, 2020, which consisted of obligations under one construction contract.

NOTE F - SIGNIFICANT ESTIMATES

These financial statements are prepared in accordance with generally accepted accounting principles. The financial statements include some amounts that are based on management's best estimates and judgments. The most significant estimates relate to depreciation and useful lives, the realizable value of notes and interest receivable and earned sick leave to be utilized. These estimates may be adjusted as more current information becomes available, and any adjustment could be significant.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE G – RISK MANAGEMENT

The Housing Authority is exposed to various risks of losses related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Housing Authority carries commercial insurance for all risks of loss, including workman's compensation and employee health and accident insurance. The Housing Authority has not had any significant reductions in insurance coverage, or any claims not reimbursed.

NOTE H – RESTRICTED ASSETS AND NET POSITION

The Authority's restricted assets consisted of the following as of the end of the fiscal year:

Funds held for Housing Assistance Payments	\$	69,833
Emergency Housing Voucher Proceeds		32,484
Unexpended CARES Act Funds		<u>65,260</u>
Total Restricted Assets	\$	<u>167,577</u>

Because there is not an off-setting liability for the funds held for housing assistance payments and the Emergency Housing Voucher proceeds, \$102,317 of these restricted assets are reported as restricted net position in the Statement of Net Position.

The Partnerships' restricted assets consisted of the following as of the end of December 31, 2020:

	<u>PTH RAD I, LP</u>	<u>PTH RAD II, LP</u>	<u>CP RAD, LP</u>	<u>Total DCU's</u>
Replacement reserves	\$ 51,371	\$ 50,085	\$ 298,320	\$ 399,776
Operating reserves	338,621	401,631	3,250	743,502
Escrow deposits	17,160	-	-	17,160
Debt issuance proceeds	<u>-</u>	<u>7,034,012</u>	<u>1,034,000</u>	<u>8,068,012</u>
Total Restricted Assets	<u>\$ 407,152</u>	<u>\$ 7,485,728</u>	<u>\$ 1,335,570</u>	<u>\$ 9,228,450</u>

The replacement reserves, operating reserves and escrow deposits totaling \$1,160,438 are reported as restricted net position in the Statement of Net Position.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE I – CAPITAL ASSETS

A summary of the Authority's capital asset balances as of, and activity for the fiscal year ended September 30, 2021, is as follows:

	October 1, 2020		Transfers and	September 30, 2021
	<u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u>
Buildings and Improvements	\$ 432,455	\$ -	\$ -	\$ 432,455
Furniture and Equipment	<u>251,156</u>	<u>42,595</u>	<u>-</u>	<u>293,751</u>
Total Capital Assets	683,611	42,595	-	726,206
Less Accumulated Depreciation				
Buildings and Improvements	(178,214)	(19,823)	-	(198,037)
Furniture and Equipment	<u>(251,156)</u>	<u>(3,042)</u>	<u>-</u>	<u>(254,198)</u>
Net Book Value	<u><u>\$ 254,241</u></u>	<u><u>\$ 19,730</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 273,971</u></u>

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE I – CAPITAL ASSETS - Continued

A summary of the Partnerships' capital asset balances as of December 31, 2020, is as follows:

	<u>PTH RAD I, LP</u>	<u>PTH RAD II, LP</u>	<u>CP RAD, LP</u>	<u>TOTAL</u>
Land	\$ 90,085	\$ 251,471	\$ 193,000	\$ 534,556
Buildings and Improvements	10,642,897	12,687,035	7,352,562	30,682,494
Furniture and Equipment	846,200	965,423	234,085	2,045,708
Construction in Process	-	-	6,526,555	6,526,555
Less: Accumulated Depreciation	<u>(433,696)</u>	<u>(284,969)</u>	<u>(93,110)</u>	<u>(811,775)</u>
Total Capital Assets	<u>\$ 11,145,486</u>	<u>\$ 13,618,960</u>	<u>\$ 14,213,092</u>	<u>\$ 38,977,538</u>

A summary of the Partnerships' capital asset activity for the year ended December 31, 2020, is as follows:

	<u>January 1, 2020</u> <u>Balance</u>	<u>Additions</u>	<u>Transfers and</u> <u>Deletions</u>	<u>December 31, 2020</u> <u>Balance</u>
Land	\$ 468,363	\$ 66,193	\$ -	\$ 534,556
Construction in Process	<u>7,363,700</u>	<u>3,610,545</u>	<u>(4,447,690)</u>	<u>6,526,555</u>
Total Assets not being Depreciated	7,832,063	3,676,738	(4,447,690)	7,061,111
Buildings and Improvements	16,669,203	9,565,601	4,447,690	30,682,494
Furniture and Equipment	<u>1,235,582</u>	<u>810,126</u>	<u>-</u>	<u>2,045,708</u>
Total Capital Assets	25,736,848	14,052,465	-	39,789,313
Less Accumulated Depreciation	<u>(144,149)</u>	<u>(667,626)</u>	<u>-</u>	<u>(811,775)</u>
Net Book Value	<u>\$ 25,592,699</u>	<u>\$ 13,384,839</u>	<u>\$ -</u>	<u>\$ 38,977,538</u>

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE J – NOTE RECEIVABLE

A summary of the Authority’s notes receivable as of September 30, 2021, is as follows:

Due from Pine Trace RAD I, LP		
Credit Note dated October 2018, matures October 2060	\$ 2,452,000	
Land Note dated October 2018, matures October 2060	73,000	
Cash Note dated October 2018, matures October 2060	1,300,000	
Accrued Interest, 6.50% compounded annually on principal and interest	787,402	
Allowance against Accrued Interest	(787,402)	3,825,000
<hr/>		
Due from Pine Trace RAD II, LP		
Credit Note dated November 2018, matures November 2060	\$ 1,965,000	
Land Note dated November 2018, matures November 2060	195,000	
Cash Note dated November 2018, matures November 2060	1,500,000	
Accrued Interest, 7.75% compounded annually on principal and interest	868,670	
Allowance against Accrued Interest	(868,670)	3,660,000
<hr/>		
Due from Cypress Pointe RAD, LP		
Credit Note dated October 2019, matures October 2061	\$ 2,100,000	
Cash Note dated October 2019, matures October 2061	1,034,000	
Accrued Interest, 6.50% compounded annually on principal and interest	510,590	
Allowance against Accrued Interest	(510,590)	3,134,000
<hr/>		
Notes Receivable		\$ 10,619,000
		<hr/> <hr/>

Each of the above notes are secured with subordinate mortgages against the applicable dwelling properties.

NOTE K – DEFINED CONTRIBUTION RETIREMENT PLAN

The Authority provides retirement benefits for all of its eligible full-time employees through a defined contribution plan, known as the Housing Agency Retirement Trust Plan, administered by Mercer. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The Authority contributes 6.5% of the eligible employees’ base salaries, and employees are required to contribute 5% to the plan. Contributions and allocated investment earnings are fully vested after 5 years of continuous service. During 2021, the Authority made the required contributions in the amount of \$12,457, and there were no significant unpaid pension liabilities outstanding as of September 30, 2021.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE L – ACCRUED COMPENSATED ABSENCES

It is the Housing Authority's policy to permit employees to accumulate a limited amount of earned annual leave. All regular full-time employees earn and accumulate annual leave based on years of service. Upon termination of employment, employees will be paid for unused leave up to a specified maximum. The Authority's leave liability accrual is divided and reported between current and non-current liabilities in the Statement of Net Position.

Because management cannot reasonably estimate the amount of earned sick leave which will be utilized, the Authority has not accrued all of its earned but unused sick leave in its Statement of Net Position. However, management does not anticipate that the amount of unaccrued earned sick leave as of fiscal year-end, that will be utilized in subsequent fiscal years will be significant to its financial statements.

A summary of the Authority's accrued compensated absences liability balance as of September 30, 2021, and activity for the fiscal year then ended is as follows:

	<u>October 1,</u> <u>2020 Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>September 30,</u> <u>2021 Balance</u>	<u>Due Within</u> <u>One Year</u>
Compensated Absences	\$ 33,100	\$ 25,011	\$ 27,598	\$ 30,513	\$ 8,137
Less: Current portion	(7,779)			(8,137)	
Long Term Liabilities	<u>\$ 25,321</u>	<u>\$ 25,011</u>	<u>\$ 27,598</u>	<u>\$ 22,376</u>	<u>\$ 8,137</u>

NOTE M – COMMITMENTS AND CONTINGENCIES

Amounts received or receivable from HUD are subject to audit and adjustment by grantor agencies. If expenses are disallowed as a result of these audits, the claims for reimbursement to the grantor agency would become a liability of the Authority. In the opinion of management, any such adjustments would not be significant.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE N – LONG-TERM LIABILITIES (Partnerships)

A summary of the Partnerships' notes and interest payable liabilities is as follows:

<u>Creditor and Description</u>	<u>Interest Rate</u>	<u>Payment Terms</u>	<u>Maturity</u>	<u>Principal Balance</u>	<u>Interest Payable</u>
Construction Loan due to Bellweather Enterprise Real Estate Capital, LLC; dated October 2018; original principal amount of \$3,431,900; collateralized by first mortgage on the applicable property/apartment complex	5.13%	Interest only through maturity	October 2021	\$ 3,431,900	\$ 15,160
HOME Loan due the Louisiana Housing Corporation; dated October 2018; original principal amount of \$1,000,000; collateralized by third mortgage on the applicable property/apartment complex	5.10%	Annual payments from available Net Cash Flows	October 2060	900,000	65,325
Credit Note payable to HACB; dated October 2018; original principal amount of \$2,452,000; collateralized by subordinate mortgage on the applicable property/apartment complex	6.50%	Annual payments from available Net Cash Flows	October 2060	2,452,000	365,500
Land Note payable to HACB; dated October 2018; original principal amount of \$73,000; collateralized by subordinate mortgage on the applicable property/apartment complex	6.50%	Annual payments from available Net Cash Flows	October 2060	73,000	10,882

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE N – LONG-TERM LIABILITIES (Partnerships) – Continued

<u>Creditor and Description</u>	<u>Interest Rate</u>	<u>Payment Terms</u>	<u>Maturity</u>	<u>Principal Balance</u>	<u>Interest Payable</u>
Cash Note payable to HACB; dated October 2018; original principal amount of \$1,300,000; collateralized by subordinate mortgage on the applicable property/apartment complex	6.50%	Annual payments from available Net Cash Flows	October 2060	1,300,000	193,781
Notes and Interest Payable - Pine Trace Homes RAD I, LP				\$ 8,156,900	\$ 650,648
Construction Loan due to Bellweather Enterprise Real Estate Capital, LLC; dated November 2018; original principal amount of \$5,000,000; collateralized by first mortgage on the applicable property/apartment complex	5.18%	Interest only through maturity	May 2021	\$ 5,000,000	\$ 22,303
Construction Loan due to Sterling Bank; dated November 2018; original principal amount of \$2,700,000; collateralized by second mortgage on the applicable property/apartment complex	6.25%	Interest only through maturity	May 2021	2,700,000	13,896
HOME Loan due the Louisiana Housing Corporation; dated November 2018; original principal amount of \$1,000,000; collateralized by third mortgage on the applicable property/apartment complex	5.10%	Annual payments from available Net Cash Flows	November 2060	900,000	62,105

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE N – LONG-TERM LIABILITIES (Partnerships) – Continued

<u>Creditor and Description</u>	<u>Interest Rate</u>	<u>Payment Terms</u>	<u>Maturity</u>	<u>Principal Balance</u>	<u>Interest Payable</u>
Credit Note payable to HACB; dated November 2018; original principal amount of \$1,965,000; collateralized by subordinate mortgage on the applicable property/apartment complex	7.75%	Annual payments from available Net Cash Flows	November 2060	1,965,000	332,815
Land Note payable to HACB; dated November 2018; original principal amount of \$195,000; collateralized by subordinate mortgage on the applicable property/apartment complex	7.75%	Annual payments from available Net Cash Flows	November 2060	195,000	33,028
Cash Note payable to HACB; dated November 2018; original principal amount of \$1,500,000; collateralized by subordinate mortgage on the applicable property/apartment complex	7.75%	Annual payments from available Net Cash Flows	November 2060	1,500,000	254,058
Construction Bonds Loan issued through the Louisiana Housing Corporation; dated November 2018; original principal amount of \$7,000,000; collateralized by the applicable property/apartment complex	2.40%	Interest only through maturity	June 2021	6,815,050	-
Notes and Interest Payable - Pine Trace Homes RAD II, LP				\$ 19,075,050	\$ 718,205

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE N – LONG-TERM LIABILITIES (Partnerships) – Continued

<u>Creditor and Description</u>	<u>Interest Rate</u>	<u>Payment Terms</u>	<u>Maturity</u>	<u>Principal Balance</u>	<u>Interest Payable</u>
Credit Note payable to HACB; dated October 2019; original principal amount of \$2,100,000; collateralized by subordinate mortgage on the applicable property/apartment complex	8.00%	Annual payments from available Net Cash Flows	October 2061	2,100,000	202,087
Cash Note payable to HACB; dated October 2019; original principal amount of \$1,034,000; collateralized by subordinate mortgage on the applicable property/apartment complex	8.00%	Annual payments from available Net Cash Flows	October 2061	1,034,000	99,504
Construction Bonds Loan issued through the Louisiana Housing Corporation; dated October 2019; original principal amount of \$9,500,000; collateralized by the applicable property/apartment complex	5.50%	Interest only through maturity	May 2022	7,589,490	-
CDBG Loan payable to the LA Office of Community Development; dated October 2019; original principal amount of \$4,579,878; collateralized by the applicable property/apartment complex	0.00%	Interest only through maturity	May 2060	2,368,600	-
Notes and Interest Payable - Cypress Pointe RAD, LP				<u>\$ 13,092,090</u>	<u>\$ 301,591</u>
Total DCU's Notes and Interest Payable				<u>\$ 40,324,040</u>	<u>\$ 1,670,444</u>

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE N – LONG-TERM LIABILITIES (Partnerships) - Continued

Projected future principal retirements are as follows:

2021	\$ 17,946,950
2022	7,589,490
2060	11,653,600
2061	3,134,000
	<u>\$ 40,324,040</u>

A summary of the Partnerships' long-term liability balances as of December 31, 2020, and activity for the year then ended is as follows:

	<u>January 1, 2020 Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>December 31, 2020 Balance</u>	<u>Due Within One Year</u>
Notes Payable	\$ 36,272,915	\$ 11,880,752	\$ 7,829,627	\$ 40,324,040	\$ 17,946,950
Developer Fees Payable	2,155,061	1,267,995	-	3,423,056	2,231,661
Accrued Interest Payable	717,913	2,468,308	1,515,777	1,670,444	51,359
Less: Current portion	(9,557,035)			(20,229,970)	
Long Term Liabilities	<u>\$ 29,588,854</u>			<u>\$ 25,187,570</u>	<u>\$ 20,229,970</u>

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE O – BLENDED COMPONENT UNIT – CONDENSED FINANCIAL STATEMENTS

Condensed Statement of Net Position

	MCHDC
	9/30/2021
Assets	
Current assets	\$ 1,107,624
Notes receivable	10,619,000
Total assets	11,726,624
Liabilities	
Current liabilities	2,003
Total liabilities	2,003
Net position	
Unrestricted net position	11,724,621
Total net position	\$ 11,724,621

Condensed Statement of Revenues, Expenses and Changes in Net Position

	MCHDC
	FY ended
	9/30/2021
Revenues	
Operating revenues	\$ 166,937
Interest income	433
Total revenues	167,370
Expenses	
Administrative and general	37,100
Total expenses	37,100
Increase of	
net position	130,270
Beginning net position	975,351
Net position transfer from the Authority	10,619,000
Ending net position	\$ 11,724,621

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE O – BLENDED COMPONENT UNIT – CONDENSED FINANCIAL STATEMENTS - Continued

Condensed Statement of Cash Flows

	MCHDC FY ended 9/30/2021
From all operating activities	\$ 125,277
Increase in cash and cash equivalents	125,277
Beginning current and restricted cash	980,905
Ending cash and cash equivalents	\$ 1,106,182

NOTE P – DISCRETE COMPONENT UNITS – CONDENSED FINANCIAL STATEMENTS

Condensed Statement of Net Position

	PTH RAD I, LP 12/31/2020	PTH RAD II, LP 12/31/2020	CP RAD, LP 12/31/2020	Total DCU's 12/31/2020
Assets				
Current and restricted assets	\$ 772,198	\$ 8,228,837	\$ 3,891,012	\$ 12,892,047
Capital assets	11,145,486	13,618,960	14,213,092	38,977,538
Other assets	161,081	269,306	120,068	550,455
Total assets	12,078,765	22,117,103	18,224,172	52,420,040
Liabilities				
Current liabilities	4,490,051	15,345,439	3,235,134	23,070,624
Current liabilities due to the Authority	30,000	15,000	-	45,000
Non-current liabilities	965,325	2,153,500	9,958,090	13,076,915
Non-current liabilities due to the Authority	4,395,163	4,279,901	3,435,591	12,110,655
Total liabilities	9,880,539	21,793,840	16,628,815	48,303,194
Net position				
Net investment in capital assets	2,019,831	207,983	1,070,640	3,298,454
Restricted net position	407,152	451,716	301,570	1,160,438
Unrestricted net position	(228,757)	(336,436)	223,147	(342,046)
Total net position	\$ 2,198,226	\$ 323,263	\$ 1,595,357	\$ 4,116,846

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE P – DISCRETE COMPONENT UNITS – CONDENSED FINANCIAL STATEMENTS - Continued

Condensed Statement of Revenues, Expenses and Changes in Net Position

	<u>PTH RAD I, LP</u> <u>12/31/2020</u>	<u>PTH RAD II, LP</u> <u>12/31/2020</u>	<u>CP RAD, LP</u> <u>12/31/2020</u>	<u>Total DCU's</u> <u>12/31/2020</u>
Revenues				
Operating revenue	\$ 709,600	\$ 938,280	\$ 628,469	\$ 2,276,349
Investment income	42,108	59,787	1,005	102,900
Total revenues	751,708	998,067	629,474	2,379,249
Expenses				
Administrative and Operating expenses	472,287	779,565	599,652	1,851,504
Operating expenses to the Authority	15,000	15,000	-	30,000
Interest Expense	555,961	493,486	82,843	1,132,290
Interest Expense to the Authority	273,323	245,302	39,874	558,499
Financing Fees	203,786	17,500	-	221,286
Depreciation	351,962	231,750	83,914	667,626
Other expenses	-	25,194	22,750	47,944
Total expenses	1,872,319	1,807,797	829,033	4,509,149
Increase of net position	(1,120,611)	(809,730)	(199,559)	(2,129,900)
Beginning net position	790,520	1,132,993	1,794,916	3,718,429
Contributions	2,528,317	-	-	2,528,317
Ending net position	\$ 2,198,226	\$ 323,263	\$ 1,595,357	\$ 4,116,846

Condensed Statement of Cash Flows

	<u>PTH RAD I, LP</u> <u>12/31/2020</u>	<u>PTH RAD II, LP</u> <u>12/31/2020</u>	<u>CP RAD, LP</u> <u>12/31/2020</u>	<u>Total DCU's</u> <u>12/31/2020</u>
From (used by) all operating activities	\$ 244,802	\$ 70,979	\$ (62,031)	\$ 253,750
From (used by) all capital activities	(6,814,426)	(1,734,543)	2,466,354	(6,082,615)
From (used by) all investing activities	6,102,071	61,040	(21,745)	6,141,366
Net increase (decrease) of cash and restricted cash	(467,553)	(1,602,524)	2,382,578	312,501
Beginning cash and restricted cash	1,215,051	2,774,343	1,490,009	5,479,403
Ending cash and restricted cash	\$ 747,498	\$ 1,171,819	\$ 3,872,587	\$ 5,791,904

NOTES TO FINANCIAL STATEMENTS – CONTINUED

NOTE Q – DIFFERENT REPORTING STANDARDS

The financial statements of the Discrete Component Units were not prepared in accordance with *Generally Accepted Governmental Accounting Standards* (GAGAS). However, in these financial statements items have been presented in the same categories as the Housing Authority's Enterprise Fund.

If the financial statements of the Discrete Component Units were prepared in accordance with GAGAS, they would have adopted GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This Statement amends or supersedes the accounting and financial reporting guidance for certain items previously reported as assets or liabilities, including debt issuance costs. Under GASBS No. 65, debt issuance costs are to be reported as an expense as incurred, rather than capitalized and amortized over the life of the applicable debt.

With financial statement preparation in accordance with GAGAS, including the adoption of GASBS No. 65, the Discrete Component Units' liabilities would have been \$476,243 more than (and net position less than) what is currently being reported in these financial statements. Additionally, the expenses reported in the Statement of Revenues, Expenses and Changes in Net Position would have been \$476,243 more than what is currently being reported in these financial statements.

NOTE R – RELATED PARTY TRANSACTIONS

During fiscal year 2020, the Authority provided rental assistance funding to the Partnerships in the amount of \$2,016,689 reported as housing assistance payments expense in the Statement of Revenues, Expenses and Changes in Net Position.

NOTE S – SUBSEQUENT EVENTS

In preparing the financial statements, management evaluated subsequent events through June 3, 2022, the date the financial statements were available to be issued. Management has determined that no significant subsequent events have occurred which require disclosure in the financial statements.

HOUSING AUTHORITY OF THE CITY OF BOGALUSA
BOGALUSA, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED SEPTEMBER 30, 2021

EXPENDITURES

Section 8 Housing Choice Voucher Program	
Total Assistance Listing No. 14.871	<u>\$ 2,686,887</u>
Emergency Housing Voucher Program	
Total Assistance Listing No. 14.EHV	<u>67,857</u>
Housing Choice Voucher CARES Act Funding	
Total Assistance Listing No. 14.HCC	<u>10,167</u>
TOTAL HUD EXPENDITURES	<u>2,764,911</u>
TOTAL FEDERAL EXPENDITURES	<u><u>\$ 2,764,911</u></u>

NOTE 1 – BASIS OF PRESENTATION

The above Schedule of Expenditures of Federal Awards includes the federal award activity of the Authority under programs of the federal government for the year ended September 30, 2021. The information on this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Because the Schedule presents only a selected portion of operations of the Authority, it is not intended to and does not present the financial net position, changes in net position, or cash flows of the Authority.

NOTE 2 – 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 allowed or are limited as to reimbursement.

NOTE 3 – INDIRECT COST RATE

The Authority has elected not to use the 10% *De Minimus Indirect Cost Rate* allowed under the Uniform Guidance.

Bogalusa Housing Authority (LA024)
BOGALUSA, LA

Entity Wide Balance Sheet Summary

Fiscal Year

End: 09/30/2021

	Project Total	6.2 Component Unit - Blended	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	14.EHV Emergency Housing Voucher	Total Enterprise Fund	6.1 Component Unit - Discretely Presented	Total Reporting Entity
111 Cash - Unrestricted	\$ -	\$ 1,106,182	\$ 375,500	\$ -	\$ 35,373	\$ 1,517,055	\$ 3,547,701	5,064,756
112 Cash - Restricted - Modernization and Development	-	-	-	-	-	-	-	-
113 Cash - Other Restricted	-	-	69,833	65,260	32,484	167,577	2,194,438	2,362,015
114 Cash - Tenant Security Deposits	-	-	-	-	-	-	49,765	49,765
115 Cash - Restricted for Payment of Current Liabilities	-	-	-	-	-	-	-	-
100 Total Cash	\$ -	\$ 1,106,182	\$ 445,333	\$ 65,260	\$ 67,857	\$ 1,684,632	\$ 5,791,904	\$ 7,476,536
121 Accounts Receivable - PHA Projects	-	-	-	-	-	-	-	-
122 Accounts Receivable - HUD Other Projects	-	-	-	-	-	-	-	-
124 Accounts Receivable - Other Government	-	-	-	-	-	-	-	-
125 Accounts Receivable - Miscellaneous	-	-	2,255	-	-	2,255	7,197	9,452
126 Accounts Receivable - Tenants	-	-	-	-	-	-	8,908	8,908
126.1 Allowance for Doubtful Accounts - Tenants	-	-	-	-	-	-	-	-
126.2 Allowance for Doubtful Accounts - Other	-	-	-	-	-	-	-	-
127 Notes, Loans, & Mortgages Receivable - Current	-	-	-	-	-	-	-	-
128 Fraud Recovery	-	-	18,210	-	-	18,210	-	18,210
128.1 Allowance for Doubtful Accounts - Fraud	-	-	(18,210)	-	-	(18,210)	-	(18,210)
129 Accrued Interest Receivable	-	-	-	-	-	-	-	-
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$ -	\$ -	\$ 2,255	\$ -	\$ -	\$ 2,255	\$ 16,105	\$ 18,360
131 Investments - Unrestricted	-	-	-	-	-	-	-	-
132 Investments - Restricted	-	-	-	-	-	-	7,034,012	7,034,012
135 Investments - Restricted for Payment of Current Liability	-	-	-	-	-	-	-	-
142 Prepaid Expenses and Other Assets	-	1,442	17,565	-	-	19,007	50,026	69,033
143 Inventories	-	-	-	-	-	-	-	-
143.1 Allowance for Obsolete Inventories	-	-	-	-	-	-	-	-
144 Inter Program Due From	-	-	-	-	-	-	-	-
145 Assets Held for Sale	-	-	-	-	-	-	-	-
150 Total Current Assets	\$ -	\$ 1,107,624	\$ 465,153	\$ 65,260	\$ 67,857	\$ 1,705,894	\$ 12,892,047	\$ 14,597,941
161 Land	-	-	-	-	-	-	534,556	534,556
162 Buildings	-	-	432,455	-	-	432,455	30,682,494	31,114,949
163 Furniture, Equipment & Machinery - Dwellings	-	-	-	-	-	-	2,045,708	2,045,708

Bogalusa Housing Authority (LA024)
BOGALUSA, LA

Entity Wide Balance Sheet Summary

Fiscal Year

End: 09/30/2021

	Project Total	6.2 Component Unit - Blended	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	14.EHV Emergency Housing Voucher	Total Enterprise Fund	6.1 Component Unit - Discretely Presented	Total Reporting Entity
164 Furniture, Equipment & Machinery - Administration	-	-	293,751	-	-	293,751	-	293,751
165 Leasehold Improvements	-	-	-	-	-	-	-	-
166 Accumulated Depreciation	-	-	(452,235)	-	-	(452,235)	(811,775)	(1,264,010)
167 Construction in Progress	-	-	-	-	-	-	6,526,555	6,526,555
168 Infrastructure	-	-	-	-	-	-	-	-
160 Total Capital Assets, Net of Accumulated Depreciation	\$ -	\$ -	\$ 273,971	\$ -	\$ -	\$ 273,971	\$ 38,977,538	\$ 39,251,509
171 Notes, Loans and Mortgages Receivable - Non-Current	-	10,619,000	-	-	-	10,619,000	-	10,619,000
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due	-	-	-	-	-	-	-	-
173 Grants Receivable - Non Current	-	-	-	-	-	-	-	-
174 Other Assets	-	-	-	-	-	-	550,455	550,455
176 Investments in Joint Ventures	-	-	-	-	-	-	-	-
180 Total Non-Current Assets	\$ -	\$ 10,619,000	\$ 273,971	\$ -	\$ -	\$ 10,892,971	\$ 39,527,993	\$ 50,420,964
200 Deferred Outflow of Resources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
290 Total Assets and Deferred Outflow of Resources	\$ -	\$ 11,726,624	\$ 739,124	\$ 65,260	\$ 67,857	\$ 12,598,865	\$ 52,420,040	\$ 65,018,905
311 Bank Overdraft	-	-	-	-	-	-	-	-
312 Accounts Payable <= 90 Days	-	-	-	-	-	-	2,828,217	2,828,217
313 Accounts Payable >90 Days Past Due	-	-	-	-	-	-	-	-
321 Accrued Wage/Payroll Taxes Payable	-	-	1,853	-	-	1,853	-	1,853
322 Accrued Compensated Absences - Current Portion	-	-	8,137	-	-	8,137	-	8,137
324 Accrued Contingency Liability	-	-	-	-	-	-	-	-
325 Accrued Interest Payable	-	-	-	-	-	-	51,359	51,359
331 Accounts Payable - HUD PHA Programs	-	-	-	-	-	-	-	-
332 Account Payable - PHA Projects	-	-	-	-	-	-	-	-
333 Accounts Payable - Other Government	-	-	-	-	-	-	-	-
341 Tenant Security Deposits	-	-	-	-	-	-	49,765	49,765
342 Unearned Revenue	-	-	14,095	65,260	-	79,355	7,672	87,027
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	-	-	-	-	-	-	20,178,611	20,178,611

Bogalusa Housing Authority (LA024)

BOGALUSA, LA

Entity Wide Balance Sheet Summary

Fiscal Year

End: 09/30/2021

	Project Total	6.2 Component Unit - Blended	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	14.EHV Emergency Housing Voucher	Total Enterprise Fund	6.1 Component Unit - Discretely Presented	Total Reporting Entity
344 Current Portion of Long-term Debt - Operating Borrowings	-	-	-	-	-	-	-	-
345 Other Current Liabilities	-	2,003	20,188	-	-	22,191	-	22,191
346 Accrued Liabilities - Other	-	-	-	-	-	-	-	-
347 Inter Program - Due To	-	-	-	-	-	-	-	-
348 Loan Liability - Current	-	-	-	-	-	-	-	-
310 Total Current Liabilities	\$ -	\$ 2,003	\$ 44,273	\$ 65,260	\$ -	\$ 111,536	\$ 23,115,624	\$ 23,227,160
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	-	-	-	-	-	-	23,568,485	23,568,485
352 Long-term Debt, Net of Current - Operating Borrowings	-	-	-	-	-	-	-	-
353 Non-current Liabilities - Other	-	-	-	-	-	-	1,619,085	1,619,085
354 Accrued Compensated Absences - Non Current	-	-	22,376	-	-	22,376	-	22,376
355 Loan Liability - Non Current	-	-	-	-	-	-	-	-
356 FASB 5 Liabilities	-	-	-	-	-	-	-	-
357 Accrued Pension and OPEB Liabilities	-	-	-	-	-	-	-	-
350 Total Non-Current Liabilities	\$ -	\$ -	\$ 22,376	\$ -	\$ -	\$ 22,376	\$ 25,187,570	\$ 25,209,946
300 Total Liabilities	\$ -	\$ 2,003	\$ 66,649	\$ 65,260	\$ -	\$ 133,912	\$ 48,303,194	\$ 48,437,106
400 Deferred Inflow of Resources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
508.4 Net Investment in Capital Assets	-	-	273,971	-	-	273,971	3,298,454	3,572,425
511.4 Restricted Net Position	-	-	69,833	-	32,484	102,317	1,160,438	1,262,755
512.4 Unrestricted Net Position	-	11,724,621	328,671	-	35,373	12,088,665	(342,046)	11,746,619
513 Total Equity - Net Assets / Position	\$ -	\$ 11,724,621	\$ 672,475	\$ -	\$ 67,857	\$ 12,464,953	\$ 4,116,846	\$ 16,581,799
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$ -	\$ 11,726,624	\$ 739,124	\$ 65,260	\$ 67,857	\$ 12,598,865	\$ 52,420,040	\$ 65,018,905

Bogalusa Housing Authority (LA024)

BOGALUSA, LA

Entity Wide Revenue and Expense Summary

Fiscal Year

End: 09/30/2021

	Project Total	6.2 Component Unit - Blended	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	14.EHV Emergency Housing Voucher	Total Enterprise Fund	6.1 Component Unit - Discretely Presented	Total Reporting Entity
70300 Net Tenant Rental Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,647,319	1,647,319
70400 Tenant Revenue - Other	-	-	-	-	-	-	19,532	19,532
70500 Total Tenant Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,666,851	\$ 1,666,851
70600 HUD PHA Operating Grants	-	-	2,686,887	10,167	67,857	2,764,911	-	2,764,911
70610 Capital Grants	-	-	-	-	-	-	-	-
70710 Management Fee	-	-	-	-	-	-	-	-
70720 Asset Management Fee	-	-	-	-	-	-	-	-
70730 Book Keeping Fee	-	-	-	-	-	-	-	-
70740 Front Line Service Fee	-	-	-	-	-	-	-	-
70750 Other Fees	-	-	-	-	-	-	-	-
70700 Total Fee Revenue	\$ -	\$ -	\$ 2,686,887	\$ 10,167	\$ 67,857	\$ 2,764,911	\$ -	\$ 2,764,911
70800 Other Government Grants	-	-	-	-	-	-	-	-
71100 Investment Income - Unrestricted	-	433	506	-	-	939	376,587	377,526
71200 Mortgage Interest Income	-	-	-	-	-	-	-	-
71300 Proceeds from Disposition of Assets Held for Sale	-	-	-	-	-	-	-	-
71310 Cost of Sale of Assets	-	-	-	-	-	-	-	-
71400 Fraud Recovery	-	-	-	-	-	-	-	-
71500 Other Revenue	-	166,937	80,735	-	-	247,672	609,498	857,170
71600 Gain or Loss on Sale of Capital Assets	-	-	-	-	-	-	-	-
72000 Investment Income - Restricted	-	-	-	-	-	-	-	-
70000 Total Revenue	\$ -	\$ 167,370	\$ 2,768,128	\$ 10,167	\$ 67,857	\$ 3,013,522	\$ 2,652,936	\$ 5,666,458
91100 Administrative Salaries	-	-	164,960	-	-	164,960	115,625	280,585
91200 Auditing Fees	-	4,405	24,960	-	-	29,365	13,062	42,427
91300 Management Fee	-	-	-	-	-	-	156,929	156,929
91310 Book-keeping Fee	-	-	-	-	-	-	47,388	47,388
91400 Advertising and Marketing	-	60	73	-	-	133	50,637	50,770
91500 Employee Benefit contributions - Administrative	-	-	75,322	-	-	75,322	18,885	94,207
91600 Office Expenses	-	20,693	31,015	10,167	-	61,875	159,712	221,587
91700 Legal Expense	-	3,106	-	-	-	3,106	29,291	32,397
91800 Travel	-	-	3,555	-	-	3,555	16,181	19,736
91810 Allocated Overhead	-	-	-	-	-	-	-	-

Bogalusa Housing Authority (LA024)

BOGALUSA, LA

Entity Wide Revenue and Expense Summary

Fiscal Year

End: 09/30/2021

	Project Total	6.2 Component Unit - Blended	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	14.EHV Emergency Housing Voucher	Total Enterprise Fund	6.1 Component Unit - Discretely Presented	Total Reporting Entity
91900 Other	-	2,112	4,441	-	-	6,553	135,074	141,627
91000 Total Operating - Administrative	\$ -	\$ 30,376	\$ 304,326	\$ 10,167	\$ -	\$ 344,869	\$ 742,784	\$ 1,087,653
92000 Asset Management Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,126	\$ 17,126
92100 Tenant Services - Salaries	-	-	-	-	-	-	-	-
92200 Relocation Costs	-	-	-	-	-	-	97,795	97,795
92300 Employee Benefit Contributions - Tenant Services	-	-	-	-	-	-	-	-
92400 Tenant Services - Other	-	-	-	-	-	-	-	-
92500 Total Tenant Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 97,795	\$ 97,795
93100 Water	-	-	-	-	-	-	67,746	67,746
93200 Electricity	-	-	-	-	-	-	105,439	105,439
93300 Gas	-	-	-	-	-	-	8,077	8,077
93400 Fuel	-	-	-	-	-	-	-	-
93500 Labor	-	-	-	-	-	-	-	-
93600 Sewer	-	-	-	-	-	-	57,523	57,523
93700 Employee Benefit Contributions - Utilities	-	-	-	-	-	-	-	-
93800 Other Utilities Expense	-	-	-	-	-	-	-	-
93000 Total Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 238,785	\$ 238,785
94100 Ordinary Maintenance and Operations - Labor	-	-	-	-	-	-	88,363	88,363
94200 Ordinary Maintenance and Operations - Materials and Other	-	-	-	-	-	-	32,704	32,704
94300 Ordinary Maintenance and Operations Contracts	-	-	778	-	-	778	236,002	236,780
94500 Employee Benefit Contributions - Ordinary Maintenance	-	-	-	-	-	-	14,505	14,505
94000 Total Maintenance	\$ -	\$ -	\$ 778	\$ -	\$ -	\$ 778	\$ 371,574	\$ 372,352
95100 Protective Services - Labor	-	-	-	-	-	-	-	-
95200 Protective Services - Other Contract Costs	-	-	-	-	-	-	-	-
95300 Protective Services - Other	-	-	-	-	-	-	-	-
95500 Employee Benefit Contributions - Protective Services	-	-	-	-	-	-	-	-
95000 Total Protective Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
96110 Property Insurance	-	-	1,001	-	-	1,001	382,334	383,335

Bogalusa Housing Authority (LA024)

BOGALUSA, LA

Entity Wide Revenue and Expense Summary

Fiscal Year

End: 09/30/2021

	Project Total	6.2 Component Unit - Blended	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	14.EHV Emergency Housing Voucher	Total Enterprise Fund	6.1 Component Unit - Discretely Presented	Total Reporting Entity
96120 Liability Insurance	-	5,260	1,678	-	-	6,938	-	6,938
96130 Workmen's Compensation	-	-	2,544	-	-	2,544	2,215	4,759
96140 All Other Insurance	-	1,464	7,542	-	-	9,006	21,564	30,570
96100 Total insurance Premiums	\$ -	\$ 6,724	\$ 12,765	\$ -	\$ -	\$ 19,489	\$ 406,113	\$ 425,602
96200 Other General Expenses	-	-	1,727	-	-	1,727	548,909	550,636
96210 Compensated Absences	-	-	25,011	-	-	25,011	-	25,011
96300 Payments in Lieu of Taxes	-	-	-	-	-	-	1,335	1,335
96400 Bad debt - Tenant Rents	-	-	-	-	-	-	-	-
96500 Bad debt - Mortgages	-	-	-	-	-	-	-	-
96600 Bad debt - Other	-	-	-	-	-	-	-	-
96800 Severance Expense	-	-	-	-	-	-	-	-
96000 Total Other General Expenses	\$ -	\$ -	\$ 26,738	\$ -	\$ -	\$ 26,738	\$ 550,244	\$ 576,982
96710 Interest of Mortgage (or Bonds) Payable	-	-	-	-	-	-	-	-
96720 Interest on Notes Payable (Short and Long Term)	-	-	-	-	-	-	1,690,789	1,690,789
96730 Amortization of Bond Issue Costs	-	-	-	-	-	-	-	-
96700 Total Interest Expense and Amortization Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,690,789	\$ 1,690,789
96900 Total Operating Expenses	\$ -	\$ 37,100	\$ 344,607	\$ 10,167	\$ -	\$ 391,874	\$ 4,115,210	\$ 4,507,084
97000 Excess of Operating Revenue over Operating Expenses	\$ -	\$ 130,270	\$ 2,423,521	\$ -	\$ 67,857	\$ 2,621,648	\$ (1,462,274)	\$ 1,159,374
97100 Extraordinary Maintenance	-	-	-	-	-	-	-	-
97200 Casualty Losses - Non-capitalized	-	-	-	-	-	-	-	-
97300 Housing Assistance Payments	-	-	2,552,103	-	-	2,552,103	-	2,552,103
97350 HAP Portability-In	-	-	57,085	-	-	57,085	-	57,085
97400 Depreciation Expense	-	-	22,865	-	-	22,865	667,626	690,491
97500 Fraud Losses	-	-	-	-	-	-	-	-
90000 Total Expenses	\$ -	\$ 37,100	\$ 2,976,660	\$ 10,167	\$ -	\$ 3,023,927	\$ 4,782,836	\$ 7,806,763
10010 Operating Transfer In	-	-	-	-	-	-	-	-
10020 Operating transfer Out	-	-	-	-	-	-	-	-

Bogalusa Housing Authority (LA024)

BOGALUSA, LA

Entity Wide Revenue and Expense Summary

Fiscal Year

End: 09/30/2021

	Project Total	6.2 Component Unit - Blended	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	14.EHV Emergency Housing Voucher	Total Enterprise Fund	6.1 Component Unit - Discretely Presented	Total Reporting Entity
10070 Extraordinary Items, Net Gain/Loss	-	-	-	-	-	-	-	-
10080 Special Items (Net Gain/Loss)	-	-	-	-	-	-	2,528,317	2,528,317
10100 Total Other financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,528,317	\$ 2,528,317
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$ -	\$ 130,270	\$ (208,532)	\$ -	\$ 67,857	\$ (10,405)	\$ 398,417	\$ 388,012
11020 Required Annual Debt Principal Payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11030 Beginning Equity	\$ 10,619,000	\$ 975,351	\$ 881,007	\$ -	\$ -	\$ 12,475,358	\$ 3,718,429	\$ 16,193,787
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	(10,619,000)	10,619,000	-	-	-	-	-	-
11170 Administrative Fee Equity	\$ -	\$ -	\$ 602,642	\$ -	\$ -	\$ 602,642	\$ -	\$ 602,642
11180 Housing Assistance Payments Equity	\$ -	\$ -	\$ 69,833	\$ -	\$ -	\$ 69,833	\$ -	\$ 69,833
11190 Unit Months Available	-	-	4,332	-	-	4,332	4,128	8,460
11210 Number of Unit Months Leased	-	-	4,332	-	-	4,332	3,226	7,558
11610 Land Purchases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11620 Building Purchases	-	-	-	-	-	-	-	-
11630 Furniture & Equipment - Dwelling Purchases	-	-	-	-	-	-	-	-
11640 Furniture & Equipment - Administrative Purchases	-	-	-	-	-	-	-	-
13901 Replacement Housing Factor Funds	-	-	-	-	-	-	-	-

HOUSING AUTHORITY OF THE CITY OF BOGALUSA
BOGALUSA, LOUISIANA

SCHEDULE OF FINDINGS
AND QUESTIONED COSTS

SEPTEMBER 30, 2021

Section I: Summary of Auditor's Results:

FINANCIAL STATEMENTS

Type of auditor's report issued: Unmodified

Internal Control over financial reporting:

Are material weaknesses identified? Yes No

Are significant deficiencies that are not considered to be material weaknesses identified? Yes None Reported

Is noncompliance that could have a material effect on the financial statements identified? Yes No

FEDERAL AWARDS

Internal control over major programs:

Are material weaknesses identified? Yes No

Are significant deficiencies that are not considered to be material weaknesses identified? Yes None Reported

Type of report issued on compliance with requirements applicable to each major program: Unmodified

Are there any audit findings that are required to be reported in accordance with 2 CFR Section 200.516(a) of the Uniform Guidance? Yes No

Identification of major programs:

<u>Name of Federal Program</u>	<u>Assistance Listing No.</u>
Section 8 Housing Choice Voucher Program	14.871

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

Is the auditee identified as a low-risk auditee? Yes No

HOUSING AUTHORITY OF THE CITY OF BOGALUSA
BOGALUSA, LOUISIANA

SCHEDULE OF FINDINGS
AND QUESTIONED COSTS

SEPTEMBER 30, 2021

Section II: Financial Statement Findings:

Summary Schedule of Prior Year Findings:

None

Current Year Findings and Questioned Costs:

None

HOUSING AUTHORITY OF THE CITY OF BOGALUSA
BOGALUSA, LOUISIANA

SCHEDULE OF FINDINGS
AND QUESTIONED COSTS

SEPTEMBER 30, 2021

Section III: Federal Award Findings and Questioned Costs:

Summary Schedule of Prior Year Findings:

Finding 2020-001 - Federal Audit Deadlines Not Met

Public Housing Program – Assistance Listing No. 14.850a, Section 8 Housing Choice Voucher Program – Assistance Listing No. 14.871, Housing Choice Voucher CARES Act Funding – Assistance Listing No. 14.HCC, Capital Fund Program – Assistance Listing No. 14.872; Grant period – year ended September 30, 2020

Condition

The Authority did not submit its completed audit to the Federal Audit Clearinghouse or HUD within fifteen months of its year-end. Note that the deadlines applicable to the year ended September 30, 2020, included a temporary six-month extension.

Current Year Status

The Authority has completed its audit and intends to submit it to the Federal Audit Clearinghouse and HUD by June 30, 2022. This Finding is not restated.

Current Year Findings and Questioned Costs:

None

HOUSING AUTHORITY OF THE CITY OF BOGALUSA
BOGALUSA, LOUISIANA

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO THE
EXECUTIVE DIRECTOR

YEAR ENDED SEPTEMBER 30, 2021

EXPENDITURE PURPOSE

Salary	<u>\$ 70,257</u>
Benefits - Insurance	<u>13,172</u>
Benefits - Retirement	<u>4,567</u>
Per Diem	<u>112</u>
Travel	<u>2,709</u>
Registration Fees	<u>511</u>
Total Compensation, Benefits and Other Payments	<u><u>\$ 91,328</u></u>

Agency Head: Vonda Waskom, Executive Director

Basis of Presentation:

The above Schedule of Compensation, Benefits and Other Payments to the Executive Director is presented on the accrual basis of accounting. The information on this schedule is presented in accordance with the requirements of the *Louisiana Revised Statute (R.S.) 24:513A.(3)*, as amended by *Act 706 of the 2014 Legislative Session*.