

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA

**AUDITED FINANCIAL STATEMENTS
AND SUPPLEMENTAL DATA**

TWELVE MONTHS ENDED JUNE 30, 2022

Mike Estes, P.C.

A Professional Accounting Corporation

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MIKE ESTES, CPA

MIKE ESTES, P.C.
A PROFESSIONAL ACCOUNTING CORPORATION
4040 FOSSIL CREEK BLVD. – SUITE 100
FORT WORTH, TEXAS 76137

Phone (817) 831-3556
Fax (817) 831-3558
e-mail: office@mikeestepc.com
website: mikeestepc.com

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AICPA GOVERNMENTAL
AUDIT QUALITY CENTER

Independent Auditor's Report

Board of Commissioners
Housing Authority of New Roads
New Roads, Louisiana

Report on the Audit of the Financial Statements

Disclaimer of Opinion

We do not express an opinion on the accompanying financial statements of the Housing Authority of New Roads, Louisiana as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Housing Authority of New Roads, Louisiana basic financial statements as listed in the table of contents.

Matter Giving Rise to Disclaimer of Opinion

We were unable to obtain sufficient documentation on approximately \$71,515 of expenditures made during the year ended June 30, 2022. In addition, several disbursements were made with only one authorized signature. Some were made without any authorized signature. Gaps of checks are missing. Several checks were written out of sequence. Accordingly, we do not express an opinion on these financial statements.

Emphasis of Matter

Also included in Supplementary Information is an Agreed-Upon Procedures report, which reports on an Agreed-Upon Procedures engagement now required by the Louisiana Legislative Auditor. Our opinion is not modified in respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Managements' Discussion and Analysis on pages 4 to 10 be presented to supplement the basic financial statements.

Such information, is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards general accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority of the City of New Roads, Louisiana’s basic financial statements. The statement of modernization costs-uncompleted, financial data schedules, and the schedule of expenditures of federal awards, 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*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the statement of modernization costs-uncompleted, financial data schedules, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 24, 2023 on our consideration of the Housing Authority of the City of New Roads, Louisiana’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Housing Authority of the City of New Roads, Louisiana’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Audit Standards* in considering the Housing Authority of the City of New Roads, Louisiana’s internal control over financial reporting and compliance.

Mike Estes, P.C.

Mike Estes, P.C.
Fort Worth, Texas
January 24, 2023

HOUSING AUTHORITY OF NEW ROADS, LA

REQUIRED SUPPLEMENTAL INFORMATION

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

June 30, 2022

The management of Housing Authority of New Roads, LA presents the following discussion and analysis (MD&A) of the Housing Authority's financial activities for the fiscal year ending June 30, 2022. This represents an overview of financial information. Please read this discussion and analysis in conjunction with the Authority's included audited financial statements.

FINANCIAL HIGHLIGHTS

- The primary source of funding for these activities continues to be subsidies and grants from the Department of Housing and Urban Development (HUD), whereas tenant rentals provide a secondary but also significant source of funding.
- The Housing Authority's assets exceeded its liabilities by \$1,230,347 at the close of the fiscal year ended 2022.
 - ✓ Of this amount \$962,640 represents a restriction equal to the net amount invested in land, buildings, furnishings, leasehold improvements, equipment, and construction in progress, minus associated debts.
 - ✓ The remainder of \$267,707 of unrestricted assets could be used to meet the Housing Authority's ongoing obligations to citizens and creditors. As a measure of financial strength, this amount equals 47% of the total operating expenses of \$576,312 for the fiscal year 2022, which means the Authority might be able to operate about 6 months using the unrestricted assets alone, compared to 4 months in the prior fiscal year.
- The Housing Authority's total net position decreased by \$32,171, a 2% decrease from the prior fiscal year 2021.
- The decrease in net position of these funds was accompanied by an increase in unrestricted cash by \$98,957 from fiscal year 2021.
- The Authority Spent \$9,226 on capital asset additions.
- These changes led to a decrease in total assets by \$34,452 and a decrease in total liabilities by \$2,281. As related measure of financial health, there are still over \$10 of current assets covering each dollar of total current liabilities, which compares to \$7 covering the prior fiscal year's liabilities.
- The Housing Authority continues to operate without the need for debt borrowing.

OVERVIEW OF THE FINANCIAL STATEMENTS

This MD&A is intended to serve as an introduction to the Housing Authority's basic financial statements. The Housing Authority is a special-purpose government engaged in business-type activities. Accordingly, only fund financial statements are presented as the basic financial statements, comprised of two components: (1) fund financial statements and (2) a series of notes to the financial statements. These provide information about the activities of the Housing Authority as a whole and present a longer-term view of the Housing Authority's finances. This report also contains other supplemental information in addition to the basic financial statements themselves demonstrating how projects funded by HUD have been completed, and whether there are inadequacies in the Authority's internal controls.

Reporting on the Housing Authority as a Whole

One of the most important questions asked about the Authority's finances is, "Is the Housing Authority as a whole better off, or worse off, as a result of the achievements of fiscal year 2022?" The Statement of net position and the Statement of Revenues, Expenses, and Changes in Net Position report information about the Housing Authority as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

Fund Financial Statements

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

The Housing Authority's financial statements report its net position and changes in net position. One can think of the Housing Authority's net position – the difference between assets and liabilities – as one way to measure the Authority's financial health, or financial position. Over time, increases and decreases in the Authority's net position are one indicator of whether its financial health is improving or deteriorating. One will need to consider other non-financial factors, however, such as the changes in the Authority's occupancy levels or its legal obligations to HUD, to assess the overall health of the Housing Authority.

USING THIS ANNUAL REPORT

The Housing Authority's annual report consists of financial statements that show combined information about the Housing Authority's most significant programs:

Public Housing Capital Fund Program	\$ -
Low Rent Public Housing	138,561
Cares LR	<u>4,337</u>
Total funding received this current fiscal year	<u>\$ 142,898</u>

The Housing Authority's auditors provided assurance in their independent auditors' report with which this MD&A is included, that the basic financial statements are fairly stated. The auditors provide varying degrees of assurance regarding the other information included in this report. A user of this report should read the independent auditors' report carefully to determine the level of assurance provided for each of the other parts of this report.

Reporting the Housing Authority's Most Significant Funds

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

The Housing Authority's enterprise funds use the following accounting approach for Proprietary funds: All the Housing Authority's services are reported in enterprise funds. The focus of proprietary funds is on income measurement, which, together with the maintenance of net position, is an important financial indicator.

FINANCIAL ANALYSIS

The Housing Authority's net position was \$1,230,347 as of June 30, 2022. Of this amount, \$962,640 was invested in capital assets and \$267,707 was unrestricted. No other specific Assets are restricted. Also, there are no other restrictions on general net position.

Housing Authority of New Roads, LA
 Management's Discussion and Analysis (MD&A)
 June 30, 2022

CONDENSED FINANCIAL STATEMENTS

**Condensed Statement of Net Position
 As of June 30, 2022**

	2022	2021
ASSETS		
Current assets	\$ 307,477	\$ 228,592
Capital assets, net of depreciation	<u>962,640</u>	<u>1,075,977</u>
Total assets	<u>1,270,117</u>	<u>1,304,569</u>
LIABILITIES		
Current liabilities	34,031	32,069
Non-current liabilities	<u>5,739</u>	<u>9,982</u>
Total liabilities	<u>39,770</u>	<u>42,051</u>
NET POSITION		
Invested in capital assets, net of depreciation	962,640	1,075,977
Unrestricted net position	<u>267,707</u>	<u>186,541</u>
Total net position	<u>\$ 1,230,347</u>	<u>\$ 1,262,518</u>

The net position of these funds decreased by \$32,171, or by 2%, from those of fiscal year 2021, as explained below. In the narrative that follows, the detail factors causing this change are discussed:

Housing Authority of New Roads, LA
 Management's Discussion and Analysis (MD&A)
 June 30, 2022

CONDENSED FINANCIAL STATEMENTS (Continued)

Condensed Statement of Revenues, Expenses, and Changes in Fund Net Position
Fiscal Year Ended June 30, 2022

	<u>2022</u>	<u>2021</u>
OPERATING REVENUES		
Tenant Revenue	\$ 157,515	\$ 158,100
HUD grants for operations	142,898	252,514
Other non-tenant revenue	243,441	66,126
Total operating revenues	<u>543,854</u>	<u>476,740</u>
OPERATING EXPENSES		
General	147,422	121,772
Ordinary maintenance and repairs	119,480	78,619
Administrative expenses and management fees	176,852	197,040
Utilities	9,708	9,412
Tenant services	287	3,192
Depreciation	122,563	123,579
Total operating expenses	<u>576,312</u>	<u>533,614</u>
Income (losses) from operations	<u>(32,458)</u>	<u>(56,874)</u>
NON-OPERATING REVENUES		
Interest income	287	2,535
Total non-operating revenues	<u>287</u>	<u>2,535</u>
Income (losses) before capital contributions	<u>(32,171)</u>	<u>(54,339)</u>
CAPITAL CONTRIBUTIONS	<u>-</u>	<u>-</u>
CHANGES IN NET POSITION	<u>(32,171)</u>	<u>(54,339)</u>
NET POSITION - BEGINNING	1,262,518	1,316,857
NET POSITION - END	<u>\$ 1,230,347</u>	<u>\$ 1,262,518</u>

EXPLANATIONS OF FINANCIAL ANALYSIS

Compared with the prior fiscal year, total operating and capital contributions increased \$64,886 from a combination of larger offsetting factors. Reasons for most of this change are listed below:

- Total tenant revenue decreased by \$585 from that of the prior fiscal year because the amount of rent each tenant pays is based on a sliding scale of their personal income. Included in this total is other tenant revenues (such as fees collected from tenants for late payment of rent, damages to their units, and other assessments) which decreased by \$860.
- Federal revenues from HUD for operations decreased by \$109,616 from that of the prior fiscal year. The determination of operating grants is based in part upon operations performance of prior years. This amount fluctuates from year-to-year because of the complexities of the funding formula HUD employs. Generally, this formula calculates an allowable expense level adjusted for inflation, occupancy, and other factors, and then uses this final result as a basis for determining the grant amount. The amount of rent subsidy received from HUD depends upon an eligibility scale of each tenant.
- No Federal Capital Funds were drawn for the fiscal year. The Housing Authority was still in the process of completing projects funded from grants by HUD for fiscal years 2021 through 2022 and submitted a new grant during fiscal year 2022.
- Total other operating revenue increased by \$177,315 and interest income decreased by \$2,248 from the prior fiscal year.

Compared with the prior fiscal year, total operating expenses increased \$42,698, or by 8%, but this also was made up of a combination of offsetting factors. Again, reasons for most of this change are listed below:

- Depreciation expense decreased by \$1,016 from that of the prior fiscal year.
- Maintenance and repairs increased by \$40,861 from that of the prior fiscal year due to changes in the following: Repair staff wages increased by \$10,579 and related employee benefit contributions increased by \$18. Materials used increased by \$19,722 and contract labor costs increased by \$10,542.
- General Expenses increased by \$25,650 from that of the prior fiscal year. Payments in lieu of taxes (PILOT) decreased by \$2. PILOT is calculated as a percentage of rent minus utilities and therefore changed proportionately to the changes in each of these. Insurance premiums increased by \$16,165, other general expenses increased by \$2,367 and bad debts increased by \$11,258. Lastly, compensated absences decreased by \$4,138.
- Administrative Expenses decreased by \$20,188 from that of the prior fiscal year due to a combination of factors. Administrative staff salaries decreased by \$5,022 and related employee benefit contributions decreased by \$6,927; therefore, total staff salaries and benefit costs decreased. Outside professional fees changed as follows: audit fees increased by \$2,100. In addition, staff travel reimbursements increased by \$663, office expenses decreased by \$1,560 and sundry expenses decreased by \$10,653.
- Utilities Expense increased by \$296 from that of the prior fiscal year because water cost increased by \$519, electricity cost decreased by \$1,461, gas cost increased by \$523, and other utilities expense (such as labor, benefits, garbage, sewage, and waste removal) increased by \$715.
- Total Tenant Services decreased by \$2,905 from that of the prior fiscal year due to the following combination of factors: relocation costs decreased by \$2,905.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2022, the Housing Authority had a total cost of \$3,848,852 invested in a broad range of assets and construction in progress from projects funded in 0 through 0, listed below. This amount, not including depreciation, represents increases of \$9,226 from the prior year. More detailed information about capital assets appears in the notes to the financial statements.

**Statement of Capital Assets
As of June 30, 2022**

	<u>2022</u>	<u>2021</u>
Land	\$ 92,379	\$ 92,379
Buildings	3,166,192	3,156,966
Leasehold improvements	448,767	448,767
Furniture and equipment	141,514	141,514
Accumulated Depreciation	<u>(2,886,212)</u>	<u>(2,763,649)</u>
Total	<u>\$ 962,640</u>	<u>\$ 1,075,977</u>

As of the end of the 2022 fiscal year, the Authority is still in the process of completing HUD grants obtained during 2021 through 2022 fiscal years. Monies will be received and spent for completing these projects during fiscal year 2023.

Debt

Non-current liabilities also include accrued annual leave due to employees. The Housing Authority has not incurred any mortgages, leases, or bond indentures for financing capital assets or operations.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Housing Authority is primarily dependent upon HUD for the funding of operations; therefore, the Housing Authority is affected more by Federal budget than by local economic conditions. The capital budgets for the 2023 fiscal year have already been submitted to HUD for approval and no major changes are expected.

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

CONTACTING THE HOUSING AUTHORITY'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, investors, and creditors with a general overview of the Housing Authority's finances, and to show the Housing Authority's accountability for the money it receives. If you have questions about this report, or wish to request additional financial information, contact Thomas Nelson, at Housing Authority of New Roads, LA; 151 Cherry St, New Roads, LA 70760.

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
STATEMENT OF NET POSITION

JUNE 30, 2022

ASSETS

Current assets

Cash and cash equivalents	\$ 172,834
Investments	69,300
Accounts receivable net	50,025
Interest receivable	119
Prepaid items and other assets	2,264
Inventory	4,690
Restricted assets - cash and cash equivalents	8,245

Total Current Assets	307,477
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Capital Assets, net

Land and other non-depreciated assets	92,379
Other capital assets - net of depreciation	870,261

Total Capital Assets, net	962,640
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Total Assets	\$ 1,270,117
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LIABILITIES

Current Liabilities

Accounts payable	\$ 17,545
Unearned income	3,109
Compensated absences payable	5,132
Deposits due others	8,245

Total Current Liabilities	34,031
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Noncurrent Liabilities

Compensated absences payable	5,739
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Total Liabilities	39,770
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NET POSITION

Net investment in capital assets	962,640
Unrestricted	267,707

Net Position	\$ 1,230,347
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HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN FUND NET POSITION

FOR THE YEAR ENDED JUNE 30, 2022

OPERATING REVENUES	
Dwelling rental	\$ 157,515
Governmental operating grants	142,898
Other income	243,441
	543,854
OPERATING EXPENSES	
Administration	176,852
Tenant services	287
Utilities	9,708
Ordinary maintenance & operations	119,480
General expenses	147,422
Depreciation	122,563
	576,312
Total Operating Expenses	576,312
Income (Loss) from Operations	(32,458)
Non Operating Revenues (Expenses)	
Interest earnings	287
	287
Total Non-Operating Revenues (Expenses)	287
Income (Loss) before contribution	(32,171)
Capital Contribution	0
	0
Change in net position	(32,171)
Total net position - beginning	1,262,518
Total net position - ending	\$ 1,230,347

The Notes to the Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2022

CASH FLOWS FROM OPERATING ACTIVITIES	
Rental receipts	\$ 91,588
Other receipts	239,709
Federal grants	113,733
Payments to vendors	(219,737)
Payments to employees – net	(158,606)
	66,687
Net cash provided (used) by operating activities	66,687
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of capital assets	(9,226)
	(9,226)
Net cash provided (used) by capital and related financing activities	(9,226)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest income	837
Proceeds from maturities of investments	40,659
	41,496
Net cash provided (used) by investing activities	41,496
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	98,957
CASH AND CASH EQUIVALENTS	
Beginning of Fiscal Year	82,122
	181,079
CASH AND CASH EQUIVALENTS	
End of Fiscal Year	\$ 181,079

Continued

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2022

**RECONCILIATION OF OPERATING
INCOME (LOSS) TO NET CASH
PROVIDED (USED) BY OPERATING
ACTIVITIES**

Operating income (loss)	\$	(32,458)
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation Expense		122,563
Provision of uncollectible accounts		64,236
Change in assets and liabilities:		
Receivables		(91,863)
Inventories		124
Prepaid items		2,717
Account payables		1,318
Deposits due others		50
		<hr/>
Net cash provided (used) by operations	\$	<u>66,687</u>

Concluded

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2022

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HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2022

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

A. REPORTING ENTITY Housing Authorities are chartered as public corporations under the laws (LSA – R.S. 40.391) of the State of Louisiana for the purpose of providing safe and sanitary dwellings accommodations. This creation was contingent upon the local governing body of the city or parish declaring a need for the Housing Authority to function in such city or parish. The Housing Authority is governed by a five member Board of Commissioners. The members, appointed by the Honorable Mayor of the City of New Roads, serve staggered multi-year terms.

The Housing Authority has the following units:

PHA Owned Housing	FW 2004	60
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GASB Statement 14 establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Housing Authority is considered a primary government, since it is a special purpose government that has a separate governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement 14, fiscally independent means that the Housing Authority may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt with HUD approval.

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

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

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2022

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

Based on the previous criteria, the Housing Authority has determined that there are no component units that should be considered as part of the Housing Authority reporting entity.

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

The transactions of the Housing Authority are reported in a proprietary enterprise fund. The general fund accounts for the transactions of the Public Housing Low Rent program and the Capital Fund program.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary funds' principal ongoing operations. According to the Authority's policy, governmental operating grants are considered operating revenues. The other principal operating revenues of the Housing Authority are rent and maintenance charges to residents and operating fees earned. Operating expenses for proprietary funds include the administrative costs of providing the service. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2022

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

On the Statement of Cash Flows, cash and cash equivalents, end of year, is \$181,079. This is comprised of cash and cash equivalents of \$172,834 and restricted assets – cash of \$8,245, on the statement of net position.

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

The investments are reflected at quoted market prices except for the following which are required/permitted as per GASB Statement No. 31:

Investments in *nonparticipating* interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.

Definitions:

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

F. REVENUE RECOGNITION Revenues and other governmental fund financial resource increments are recognized in the accounting period in which they become susceptible to accrual – that is, when they become *measurable* and *available* to the finance expenditures of the fiscal period. “Available” is determined as collectible within the 12 months of the fiscal year or soon enough thereafter to be used in pay liabilities of the current period.

G. INVENTORY All purchased inventory items are valued at cost using the first-in, first-out method. Inventory is recorded using the purchase method. At year end, the amount of inventory is recorded for external financial reporting.

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

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2022

I. CAPITAL ASSETS Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The capitalization threshold is \$2,000. Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Site improvements	15 years
Buildings	15-40 years
Building improvements	15 years
Furniture and equipment	5-7 years
Computers	3 years

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

K. COMPENSATED ABSENCES The Housing Authority follows Louisiana Civil Service regulations for accumulated annual and sick leave. Employees may accumulate up to three hundred hours of annual leave which may be received upon termination or retirement. Sick leave hours accumulate, but the employee is not paid for them if not used by his/her retirement or termination date.

L. POST EMPLOYMENT BENEFITS The Authority does not recognize or pay any post employment benefits. Accordingly, Governmental Accounting Standards Board (GASB) Statement Number 45 does not apply.

M. NET POSITION AND FLOW ASSUMPTIONS Net position is reported as restricted when constraints are placed on net position use as either:

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

Restricted resources are used first when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2022

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

NOTE 2 – DEPOSITS AND INVESTMENTS The Housing Authority has reported their investments with a maturity at time of purchase of one year or less at amortized cost. Investments with maturity at time of purchase of greater than one year are presented at fair value at June 30, 2022. Deposits are stated at cost, which approximates fair value.

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

Credit Rate Risk: GASB 40 disclosure of credit rate risk does not apply, since the Authority's only investments are certificates of deposit.

Custodial Credit Risk: The Authority's policy requires the financial institution to cover the first \$250,000 of deposits with FDIC coverage. Any excess deposits must be collateralized with securities held by the pledging financial institution, with a fair market value that equals or exceeds the amount of excess deposits.

Restricted Cash: \$8,245 is restricted in the General Fund for security deposits.

At June 30, 2022, the Housing Authority's carrying amount of deposits was \$250,379 and the bank balance was \$254,233, which includes \$69,300 in certificates of deposits classified as investments. The entire bank balance was covered by FDIC Insurance.

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2022

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

<u>Class of Receivables</u>	
Local sources:	
Tenants	\$ 7,054
HUD	42,971
	50,025
Total	\$ 50,025

The tenants account receivables is net of an allowance for doubtful accounts of \$146,176.

NOTE 4 – CAPITAL ASSETS The changes in capital assets are as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Non-depreciable assets				
Land and buildings	\$ 92,379	\$ 0	\$ 0	\$ 92,379
Depreciable assets:				
Buildings	3,605,733	9,226	0	3,614,959
Furniture and equipment	141,514	0	0	141,514
Total capital assets	3,839,626	9,226	0	3,848,852
Less: accumulated depreciation				
Buildings	2,623,645	121,053	0	2,744,698
Furniture and equipment	140,004	1,510	0	141,514
Total accumulated depreciation	2,763,649	122,563	0	2,886,212
Total capital assets, net	\$ 1,075,977	\$ (113,337)	\$ 0	\$ 962,640

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2022

NOTE 5 – ACCOUNTS PAYABLE The payables at June 30, 2022 are as follows:

Vendors	\$	15,537
Payroll taxes		
Retirement withheld		932
Utilities		1,076
Total	\$	17,545

NOTE 6 – COMPENSATED ABSENCES At June 30, 2022, employees of the Housing Authority have accumulated and vested \$10,871 of employee leave computed in accordance with GASB, Codification Section C60.

NOTE 7 – LONG-TERM OBLIGATIONS The following is a summary of the long-term obligation transactions for the year ended June 30, 2022.

		Compensated Absences
Balance, beginning	\$	13,612
Additions		8,615
Deletions		(11,356)
Balance, ending		10,871
Amounts due in one year	\$	5,132

NOTE 8 – OTHER INCOME This is composed of the following:

\$101,408	Settlement of class action lawsuit with HUD
\$72,046	Surplus cash
\$19,893	Management fees for City of New Roads Section 8 Program
\$14,781	Waived PILOT
\$10,431	Tenant repayment agreements
\$8,851	Insurance proceeds
\$16,031	Other
\$243,441	Total

The Authority received \$101,408 as a settlement in a lawsuit for money damages that many PHAs participated in. The suit was against the HUD for breach of contract regarding HUD’s reduction of the operating subsidy for 2012.

The Authority received \$72,046 of surplus cash as a co-general partner in the limited partnership of False River Partners, L.P. The Authority is not a component unit of False River Partners, L.P. The limited partnership was organized in 2016 to develop, construct, own, maintain, and operate a 48-unit housing project in the city of New Roads.

The Authority discontinued its management of the City’s Section 8 Program during the fiscal year.

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2022

NOTE 9 – RETIREMENT SYSTEM The Housing Authority participates in the Housing Renewal and Local Agency Retirement Plan, which is a defined contribution plan. The plan consists of employees of various local and regional housing authorities, urban renewal agencies, and other similar organizations. Through this plan, the Housing Authority provides pension benefits for all of its full-time employees. All full-time employees are eligible to participate in the plan on the first day of the month after completing one month of continuous and uninterrupted employment.

Under a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Each participant in the plan is required to make a monthly contribution equal to 5% of his effective compensation, and may make additional contributions up to the minimum IRS individual limit. The employer is required to make monthly contributions equal to 9% of each participant's effective compensation.

The Housing Authority's contribution for each employee and income allocated to the employee's account is fully vested after five years of continuous service. The Housing Authority's contributions and interest forfeited by employees who leave employment before five years of service are first used to pay for plan expenses and if there is any residual amount, the amount is refunded to the Housing Authority.

The Housing Authority has the right to establish or amend retirement plan provisions. The Housing Authority's Joinder Agreement with the Housing Renewal and Local Agency Retirement Plan may be amended or modified by Board Resolution. Amendment of the Joinder Agreement is limited to provisions affecting plan specifications.

The Housing Authority made the required contributions of \$14,444 for the year ended June 30, 2022, of which \$7,197 was paid by the Housing Authority and \$7,247 was paid by employees. No payments were made out of the forfeiture account. \$3,843 of checks written to the Plan during the audit year were outstanding as of June 30, 2022.

NOTE 10 – COMMITMENTS AND CONTINGENCIES

Commitments On March 31, 2022 the Authority executed an Employment Agreement with the new Executive Director. The term is two years, beginning March 31, 2022 through March 31, 2024.

The contract may be terminated for cause, as specified in the contract. The Board may also terminate without cause, if such termination, in the Board's opinion, serves the best interests of the Authority. If the Executive Director is terminated for any reason, due process is required, as outlined in the agreement. The Director may terminate the agreement upon 60 days of written notice to the Board.

If terminated without cause, the Executive Director shall be paid the lesser of three months base salary with any accrued annual leave, up and not exceeding 200 hours, or the base salary for the remaining term of the agreement. If terminated with cause, the Executive Director shall be paid all accrued compensation and benefits through the date of the termination.

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2022

Litigation The Housing Authority is presently involved in litigation with the former Executive Director, who was terminated on March 22, 2022. Legal counsel and Management claim the outcome is not determinable at this time. However, the Authority carries insurance that should cover an adverse result.

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

Construction Projects There are certain renovation or construction projects in progress at June 30, 2022. These include modernizing rental units. These projects are being funded by HUD. Funds are requested periodically as the cost is incurred.

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

The Housing Authority transfers risk of loss by participating in a public entity risk pool and contracting with a commercial insurance carrier for all major categories of exposed risk.

This includes coverage of property, general liability, public liability, auto, and worker's compensation. The risk pool and insurance contracted are obligated to meet settlements up to the maximum coverage, after the PHA's premiums and deductions are met.

Louisiana State law prohibits one governmental entity assessing another entity. If the Louisiana Housing Council, Inc. Group Self Insurance Risk Management Agency risk pool is unable to meet its obligations, the risk to the Housing Authority is only that its own claim would be unpaid.

Coverage has not significantly changed from the previous year and settlements for each of the past three years have not exceeded insurance coverage.

COVID-19 The COVID-19 pandemic has impacted the Authority's dealings with tenants and applicants. The Authority received a CARES Act grant of \$15,160, which was fully advanced and expended by June 30, 2022.

NOTE 11 – ECONOMIC DEPENDENCE The Department of Housing and Urban Development provided \$142,898 to the Housing Authority, which represents approximately 26% of the Housing Authority's total revenue and capital contributions for the year.

NOTE 12 - SUBSEQUENT EVENTS Management has evaluated events and transactions subsequent to the statement of net position date through, January 24, 2023, of the independent auditor's report for potential recognition or disclosure in the financial statements.



MIKE ESTES, CPA

MIKE ESTES, P.C.
A PROFESSIONAL ACCOUNTING CORPORATION
4040 FOSSIL CREEK BLVD. – SUITE 100
FORT WORTH, TEXAS 76137

Phone (817) 831-3556
Fax (817) 831-3558
e-mail: office@mikeestepc.com
website: mikeestepc.com

MEMBER OF THE
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC
ACCOUNTANTS
and the
AICPA GOVERNMENTAL
AUDIT QUALITY CENTER

Report on Internal Control Over Financial Reporting and on Compliance and
Other Matters Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards*

Independent Auditor's Report

Housing Authority of New Roads
New Roads, Louisiana

We were engaged to audit, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Housing Authority of the City of New Roads, Louisiana, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of New Roads, Louisiana's basic financial statements and have issued our report thereon dated January 24, 2023. Our report disclaims an opinion on such financial statements because we were unable to obtain sufficient documentation on approximately \$71,515 of expenditures made during the year ended June 30, 2022. In addition, several disbursements were made with only one authorized signature. Some were made without any authorized signature. Gaps of checks are missing. Several checks were written out of sequence. Accordingly, we do not express an opinion on these financial statements.

Report on Internal Control Over Financial Reporting

In connection with our engagement to audit the financial statements of the Housing Authority of the City of New Roads, Louisiana, we considered the Housing Authority of the City of New Roads, Louisiana's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of the City of New Roads, Louisiana's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the City of New Roads, Louisiana's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all the deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items Findings 2022-001 through 2022-006 to be material weaknesses.

Report on Compliance and Other Matters

In connection with our engagement to audit the financial statements of the Housing Authority of the City of New Roads, Louisiana, 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items Findings 2022-001 through 2022-006. Additionally, if the scope of our work had been sufficient to enable us to express opinions on the basic financial statements, other instances of noncompliance or other matters may have been identified and reported herein.

The Housing Authority of the City of New Roads Louisiana's Response to Findings

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

Purpose of this Report

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

Mike Estes, P.C.

Mike Estes, P.C.
Fort Worth, Texas
January 24, 2023

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED YEAR ENDED JUNE 30, 2022

Section I – Summary of the Auditor’s Results

Financial Statement Audit

1. Type of Auditor’s Report Issued on Financial Statements – Disclaimer.
2. Internal Control Over Financial Reporting:
 - a. Material weakness(es) identified? ✓ yes ✓ no
 - b. Significant deficiency(ies) identified? yes ✓ none reported
3. Noncompliance material to financial statements noted? ✓ yes ✓ no

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2022

Section II – Findings related to the financial statements which are required to be reported in accordance with Governmental Auditing Standards generally accepted in the United States of America:

Low Rent Program-CDFA#14.850, Capital fund Program\$14.872

2022-001-Accounting Information Needs Improvement

Criteria and Specific Requirement

Disbursements should be adequately supported by detailed invoices. In addition, adequate internal control procedures require that disbursements should include two authorized signatures. Payments should not be held. Critical services need to be timely paid for, among other reasons, to prevent potential interruption or loss of services.

Condition Found

(a)-a minimum of \$71,515 of disbursements were not adequately supported by invoices. Many were paid to re-occurring vendors that submitted monthly or periodic statements. However, for the portion that is included in the \$71,515, invoices were not available for our review that may have supported those statements.

(b)-on multiple small contractors, there was no evidence that proof of insurance was obtained.

(c)- for most of the year, monthly information was not submitted to the fee accountant in a timely manner. Besides this being an undue burden on the fee accountant to try to do several months' work in a short period, the latter was unable to provide timely, monthly or year-to-date financial statements to management.

(d)-many of the disbursements had only one authorized signature. Approximately four checks did not have even one authorized signature.

(e)-we noted checks written out of order, with gaps of checks missing. In some instances, invoices, when they existed, were printed on the backs of checks.

(f)-property and insurance coverage is effective from April 1 to April 1. The insurance premium due for the coverage period April 1, 2021 to April 1, 2022 was not paid until January 2022. We contacted the insurance company, which stated the coverage never lapsed. On December 7, 2022, past-due premiums were paid for various types of insurance. It appears coverage did not lapse.

(g)-Six checks totaling \$3,844 written to the defined contribution plan were outstanding at year-end. \$8,327 were outstanding at the end of the prior year to the plan.

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2022

Section II – Findings related to the financial statements which are required to be reported in accordance with Governmental Auditing Standards generally accepted in the United States of America:

Cause

We are unable to determine the cause. We note that the prior Executive Director was placed on administrative leave in March 2022 and terminated, effective April 21, 2022. As noted in Footnote 10, the Authority executed an Employment Agreement with the new Executive Director. The issues noted in Condition Found occurred prior to the employment of the new Executive Director.

Effect

There is a lack of confidence that the disbursements not supported as noted above were proper payments. Internal controls were not as strong by accounting principles, and federal and state regulations.

Recommendation

Accounting records should be kept in a conscientious manner. Whenever possible, two authorized signatures should be utilized. Liabilities should be timely paid.

Origination Date and Prior Year Reference

The finding originated for the year ended June 30, 2020. It was Finding 2021-002 in the prior year.

Views of Responsible Official

I am Thomas Nelson, Executive Director and Designated Person to answer this finding. As noted above, I was hired effective March 31, 2022. I will follow the auditor's recommendations.

Low Rent Program-CDFA#14.850, Capital Fund Program#14.872

2022-002-Documentation of Executive Director's Salary Appears Inadequate

Criteria and Specific Requirement

All payments to employees, including those to the Executive Director, need to be adequately supported. This is required by generally accepted accounting principles, and federal and state law. Louisiana state law requires all employees to document their daily attendance, even if they operate under an Employment Agreement, as the former Executive Director did. In addition, they are required to report the days or parts of days used for vacation, sick, and compensatory.

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2022

Section II – Findings related to the financial statements which are required to be reported in accordance with Governmental Auditing Standards generally accepted in the United States of America:

Condition Found

(a)-the prior Executive Director operated via an Employment Agreement that was renewed periodically by the Board of Commissioners. For the last three years, we have been unable to determine the exact amount of the compensation. In addition, although the Board minutes sometimes mentioned raises, we could not locate percentages, dollar amounts, or who the raises pertained to. For one board meeting, we reviewed two different sets of board minutes that did not correlate.

(b)-there was little, if any, record of which days, or parts of days, the former E.D. used for vacation or sick time.

Cause

We do not know the cause.

Effect

Salaries were not adequately supported by records.

Recommendation

The Executive Director should better document the daily attendance.

Origination Date and Prior Year Reference

This finding first occurred for the year ended June 30, 2020. This was Finding 2021-001 in the prior year.

Views of Responsible Official

We will comply with the auditor's recommendation.

Low Rent Program-CDFA#14.850, Capital Fund Program#14.872

2022-003-Procurement and Monitoring Needs Improvement

Criteria and Specific Requirement

Federal regulations, as well as the Authority's own Procurement Policy, requires management to properly procure and monitor procurement-related activities.

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2022

Section II – Findings related to the financial statements which are required to be reported in accordance with Governmental Auditing Standards generally accepted in the United States of America:

Condition Found

The Authority contracted with two individuals to do the routine maintenance and/or unit turnaround. The totals paid to the two individuals were \$30,125 and \$9,915 respectively. 1099s were issued to both individuals for 2021. The \$9,915 appears correct, but the 1099 for the individual that received \$30,135 was under-reported. It does not appear that other bids were solicited. There is no evidence that the contractors had insurance.

There are no written monitoring records of the work performed.

Cause

We are not aware of the cause.

Effect

Controls were not as strong as needed to make sure the best work was solicited and performed, using the required bidding and monitoring procedures.

Recommendation

Jobs should be properly bid, in accordance with the Procurement Policy, Independent Cost Estimates are required by the Authority's Procurement Policy, as well as federal regulations, for awards above the small purchase threshold. Monitoring and checking for Davis-Bacon compliance need to be adequately documented.

Origination Date and Prior Reference

The finding originated for the year ended June 30, 2020. This was Finding 2021-003 in the prior year.

Views of Responsible Official

We will comply with the auditor's recommendation.

Low Rent Program-CDFA#-14.850

2022-004-Tenant File Maintenance Needs Improvement

Criteria and Specific Requirement

The Admissions and Occupancy Policy needs to be complied with.

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2022

Section II – Findings related to the financial statements which are required to be reported in accordance with Governmental Auditing Standards generally accepted in the United States of America:

Condition Found

We reviewed nine tenant files. Five were audit year move-ins and four were audit year recertifications for tenants that were in the program at the beginning of the audit year. The following exceptions were found:

(a)-there were notes for some inspections on canary yellow paper. However, there were no filled-in inspection checklists for any of the nine files reviewed.

(b)- Two of the move-ins moved out before their annual recertification was due. Two were not due for re-exam before our field work date. Of the remaining five, two were not timely re-examined. However, one of the two was in process when we reviewed the files.

(c)-utility allowances were not reviewed during the year, and adjusted, if necessary.

Cause

We do not know the cause.

Effect

Preventative maintenance is not timely done if inspections are not timely and documented. In addition, tenants possibly might be billed for damages, which becomes more difficult when inspections are not timely done. Rents and utility allowances may change if re-exams and utility allowance reviews are timely.

Recommendation

(a), (b). and (c) above should be timely done.

Origination Date and Prior Year Reference

The finding originated in the prior year. It was Finding 2021-004.

View of Responsible Official

We have reviewed and updated our utility allowance. We are now adequately documenting our inspections. We are re-examining tenants timely.

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2022

Section II – Findings related to the financial statements which are required to be reported in accordance with Governmental Auditing Standards generally accepted in the United States of America:

Capital Fund Program #14.872

2022-005-Capital Fund Budget for 2018 Needs Revision and HUD Approval

Criteria and Specific Requirement

Draw-downs from CFP programs must be used for line items in accordance with CFP-approved budgets, in accordance with its 5 Year Plan, and HUD Notice PIH 2016-18.

Condition Found

For the 2018 CFP program, management drew down all of its authorized funds and used them for 1406 Operations. For the approved budget for the 2018 program for a total funding of \$126,374, only \$25,925 was approved for Operations.

Cause

Unknown

Effect

When CFP budgets are not followed, future CFP funding may be recaptured by HUD as a penalty.

Recommendation

Management should consult with HUD regarding this issue. The remaining fungibility of the Annual 5 Year Plan will likely have some impact on what the remedy is. The Actual Modernization Cost Certificates and attached costs breakdown for the 2015-2019 CFPs should be issued. The AMCCs are still required by HUD. The auditor is still required to agree the costs breakdown by category to the breakdown on the general ledger.

Origination Date and Prior Year Reference

This finding originated for the year ended June 30, 2020. It was Finding 2021-006 in the prior year.

Views of Responsible Official

We will comply with the auditor's recommendation.

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2022

Section II – Findings related to the financial statements which are required to be reported in accordance with Governmental Auditing Standards generally accepted in the United States of America:

Low Rent Program-CDFA#14.850 and Capital Fund Program #14.872

2022-006-Late Filing with the Legislative Auditor

Criteria and Specific Requirement

The audit report is due no later than six months after year-end, or for this year, December 31, 2022.

Condition Found

The audit report is just now being filed.

Cause

The new Executive Director was able to timely deliver the information needed for us to perform the audit. However, we were unable to determine the nature of a material, \$72,046 deposit until late December. Then, we were only able to receive the detail of this deposit approximately January 10, 2023, from a third party.

Effect

The state filing deadline was not met.

Recommendation

The Authority should timely deliver audit reports in the future.

Origination Date and Prior Year Reference

The finding originated last year. It was Finding 2021-007.

View of Responsible Official

We will comply with the auditor's recommendation.

NEW ROADS HOUSING AUTHORITY
151 Cherry St
New Roads, LA 70760
Phone No. (225) 638-8940 Fax No. (225) 638-5375

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
CORRECTIVE ACTION PLAN

YEAR ENDED JUNE 30, 2022

Corrective Action Plan Finding:

2022-001-Accounting Information Needs Improvement

Condition: (a)-a minimum of \$71,515 of disbursements were not adequately supported by invoices. Many were paid to re-occurring vendors that submitted monthly or periodic statements. However, for the portion that is included in the \$71,515, invoices were not available for our review that may have supported those statements.

(b)-on multiple small contractors, there was no evidence that proof of insurance was obtained.

(c)- for most of the year, monthly information was not submitted to the fee accountant in a timely manner. Besides this being an undue burden on the fee accountant to try to do several months' work in a short period, the latter was unable to provide timely, monthly or year-to-date financial statements to management.

(d)-many of the disbursements had only one authorized signature. Approximately four checks did not have even one authorized signature.

(e)-we noted checks written out of order, with gaps of checks missing. In some instances, invoices, when they existed, were printed on the backs of checks.

(f)-property and insurance coverage is effective from April 1 to April 1. The insurance premium due for the coverage period April 1, 2021 to April 1, 2022 was not paid until January 2022. We contacted the insurance company, which stated the coverage never lapsed. On December 7, 2022, past-due premiums were paid for various types of insurance. It appears coverage did not lapse.

(g)-Six checks totaling \$3,844 written to the defined contribution plan were outstanding at year-end. \$8,327 were outstanding at the end of the prior year to the plan.

Corrective Action Planned: I am Thomas Nelson, Executive Director and Designated Person to answer this finding. As noted above, I was hired effective March 31, 2022. I will follow the auditor's recommendations.

Person responsible for corrective action:

Thomas Nelson, Executive Director
Housing Authority of New Roads
151 Cherry St
New Roads, LA 70760

Telephone: (225) 638-8940
Fax: (225) 638-5375

Anticipated Completion Date: February 29, 2023

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
CORRECTIVE ACTION PLAN

YEAR ENDED JUNE 30, 2022

Corrective Action Plan Finding:

2022-002-Documentation of Executive Director's Salary Appears Inadequate

Condition: (a)-the prior Executive Director operated via an Employment Agreement that was renewed periodically by the Board of Commissioners. For the last three years, we have been unable to determine the exact amount of the compensation. In addition, although the Board minutes sometimes mentioned raises, we could not locate percentages, dollar amounts, or who the raises pertained to. For one board meeting, we reviewed two different sets of board minutes that did not correlate.

(b)-there was little, if any, record of which days, or parts of days, the former E.D. used for vacation or sick time.

Corrective Action Planned: We will comply with the auditor's recommendations.

Person responsible for corrective action:

Thomas Nelson, Executive Director
Housing Authority of New Roads
151 Cherry St
New Roads, LA 70760

Telephone: (225) 638-8940
Fax: (225) 638-5375

Anticipated Completion Date: February 29, 2023

Corrective Action Plan Finding:

2022-003-Procurement and Monitoring Needs Improvement

Condition: The Authority contracted with two individuals to do the routine maintenance and/or unit turnaround. The totals paid to the two individuals were \$30,125 and \$9,915 respectively. 1099s were issued to both individuals for 2021. The \$9,915 appears correct, but the 1099 for the individual that received \$30,135 was under-reported. It does not appear that other bids were solicited. There is no evidence that the contractors had insurance.

There are no written monitoring records of the work performed.

Corrective Action Planned: We will comply with the auditor's recommendations.

Person responsible for corrective action:

Thomas Nelson, Executive Director
Housing Authority of New Roads
151 Cherry St
New Roads, LA 70760

Telephone: (225) 638-8940
Fax: (225) 638-5375

Anticipated Completion Date: February 29, 2023

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
CORRECTIVE ACTION PLAN

YEAR ENDED JUNE 30, 2022

Corrective Action Plan Finding:

2022-004-Tenant File Maintenance Needs Improvement

Condition: We reviewed nine tenant files. Five were audit year move-ins and four were audit year recertifications for tenants that were in the program at the beginning of the audit year. The following exceptions were found:

(a)-there were notes for some inspections on canary yellow paper. However, there were no filled-in inspection checklists for any of the nine files reviewed.

(b)- Two of the move-ins moved out before their annual recertification was due. Two were not due for re-exam before our field work date. Of the remaining five, two were not timely re-examined. However, one of the two was in process when we reviewed the files.

(c)-utility allowances were not reviewed during the year, and adjusted, if necessary.

Corrective Action Planned: We have reviewed and updated our utility allowance. We are now adequately documenting our inspections. We are re-examining tenants timely.

Person responsible for corrective action:

Thomas Nelson, Executive Director
Housing Authority of New Roads
151 Cherry St
New Roads, LA 70760

Telephone: (225) 638-8940
Fax: (225) 638-5375

Anticipated Completion Date: February 29, 2023

Corrective Action Plan Finding:

2022-005-Capital Fund Budget for 2018 Needs Revision and HUD Approval

Condition: For the 2018 CFP program, management drew down all of its authorized funds and used them for 1406 Operations. For the approved budget for the 2018 program for a total funding of \$126,374, only \$25,925 was approved for Operations.

Corrective Action Planned: We will comply with the auditor's recommendations.

Person responsible for corrective action:

Thomas Nelson, Executive Director
Housing Authority of New Roads
151 Cherry St
New Roads, LA 70760

Telephone: (225) 638-8940
Fax: (225) 638-5375

Anticipated Completion Date: February 29, 2023

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
CORRECTIVE ACTION PLAN

YEAR ENDED JUNE 30, 2022

Corrective Action Plan Finding:

2022-006-Late Filing with the Legislative Auditor

Condition: The audit report is just now being filed.

Corrective Action Planned: We will comply with the auditor's recommendations.

Person responsible for corrective action:

Thomas Nelson, Executive Director
Housing Authority of New Roads
151 Cherry St
New Roads, LA 70760

Telephone: (225) 638-8940
Fax: (225) 638-5375

Anticipated Completion Date: December 31, 2023

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED JUNE 30, 2022

The following prior audit finding was a significant deficiency, required to be reported, in the prior year in accordance with *Governmental Auditing Standards* generally accepted in the United States of America:

Finding 2021-001

Condition

The former Executive Director's salary should have been better documented.

Recommendation

We recommended that the E.D. documents their daily attendance.

Current Status

This finding is repeated as Finding 2022-002. The former E.D., as noted previously, was terminated in April, 2022.

Finding 2021-002

Condition

A minimum of \$46,647 of disbursements had either no or inadequate support.

Recommendation

Disbursements should be adequately supported.

Current Status

This finding is repeated as Finding 2022-001.

Finding 2021-003

Condition

The Authority's Procurement Policy was not followed.

Recommendation

The Procurement Policy should be followed.

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED JUNE 30, 2022

The following prior audit finding was a significant deficiency, required to be reported, in the prior year in accordance with *Governmental Auditing Standards* generally accepted in the United States of America:

Current Status

This finding is repeated as Finding 2022-003.

Finding 2021-004

Condition

Various exceptions were noted in the tenant files and maintenance of the waiting list.

Recommendation

Various recommendations were made.

Current Status

No exceptions were noted for the waiting list. Exceptions were fewer for the tenant files but the finding is repeated as Finding 2022-004.

Finding 2021-005

Condition

Accounting was inadequate for tenant rent collections.

Recommendation

Various recommendations were made to improve the audit trail for collections in the last three months of the year.

Current Status

This finding is not repeated.

Finding 2021-006

Condition

For the 2018 CFP program, management did not use the funds in accordance with the approved budget.

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED JUNE 30, 2022

The following prior audit finding was a significant deficiency, required to be reported, in the prior year in accordance with *Governmental Auditing Standards* generally accepted in the United States of America:

Recommendation

The Authority needs to contact HUD and revise the 2018 CFP budget.

Current Status

This finding is repeated.

Finding 2021-007

Condition

The audit report was not timely filed with the Legislative Auditor.

Recommendation

Audit reports should be timely filed.

Current Status

This finding is repeated.

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
SUMMARY SCHEDULE OF PRIOR MANAGEMENT LETTER ITEMS

YEAR ENDED JUNE 30, 2022

The prior management letter comment was follows:

The Legislative Auditor has reimposed the Agreed-Upon Procedures (AUP) requirement for the year ended June 30, 2022. We have left some materials and information regarding the upcoming AUP.

SUPPLEMENTARY INFORMATION

**HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
STATEMENT OF MODERNIZATION COSTS - UNCOMPLETED**

YEAR ENDED JUNE 30, 2022

CASH BASIS

	2015 Capital Fund	2016 Capital Fund	2017 Capital Fund	2018 Capital Fund	2019 Capital Fund	2020 Capital Fund	2021 Capital Fund	2022 Capital Fund
Funds approved	\$ 71,078	\$ 74,920	\$ 74,684	\$ 126,374	\$ 130,813	\$ 131,993	\$ 137,344	\$ 170,018
Funds expended	71,078	74,920	74,684	126,374	130,813	131,993	0	0
Excess of funds approved	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 137,344	\$ 170,018
Funds advanced	\$ 71,078	\$ 74,920	\$ 74,684	\$ 126,374	\$ 130,813	\$ 131,993	\$ 0	\$ 0
Funds expended	71,078	74,920	74,684	126,374	130,813	131,993	0	0
Excess (Deficiency) of funds advanced	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

See accountants' report

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
 SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO AGENCY HEAD
 OR CHIEF EXECUTIVE DIRECTOR

YEAR ENDED JUNE 30, 2022

Agency Head Name: Paula Rush (former) Executive Director (for 9 mons Jul'21 to Mar'22)

Purpose	Amount
Salary	76,364
Benefits-941 Payroll Taxes	5,842
Benefits-insurance Health, Dental & Vision	1,699
Benefits-retirement	1,699
Benefits-AFLAC	6,290
Car allowance	1,282
Vehicle provided by government	3,685
Per diem	
Reimbursements	
Travel	
Registration fees	
Conference travel	
Continuing professional education fees	
Housing	
Unvouchered expenses*	
Special meals	
Total	95,162

See accountants' report

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
 SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO AGENCY HEAD
 OR CHIEF EXECUTIVE DIRECTOR

YEAR ENDED JUNE 30, 2022

Agency Head Name: Thomas Nelson, (Current) Executive Director (for 3 mos. Apr'22 to Jun'22)

Purpose	Amount
Salary	16,438
Benefits-941 Payroll Taxes	660
Benefits-insurance Health, Dental & Vision	
Benefits-retirement	500
Benefits-AFLAC	
Car allowance	854
Vehicle provided by government	
Per diem	
Reimbursements	
Travel	
Registration fees	
Conference travel	
Continuing professional education fees	
Housing	
Unvouchered expenses*	
Special meals	
Total	18,452

See accountants' report

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2022

FEDERAL GRANTOR PROGRAM TITLE	CDFA NO.	PROGRAM EXPENDITURES
U. S. Department of Housing and Urban Development Direct Programs:		
Low-Income Housing Operating Subsidy	14.850a	\$ 138,561
COVID-19-Low-Income Housing Operating Subsidy	14.850	4,337
Total United States Department of Housing and Urban Development		\$ 142,898
Total Expenditures of Federal Awards		\$ 142,898

The accompanying notes are an integral part of this schedule.

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2022

NOTE 1 – BASIS OF PRESENTATION The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal award activity of the Housing Authority of the City of New Roads, Louisiana (the “Housing Authority”) under programs of the federal government for the year ended June 30, 2022. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Housing Authority, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Housing 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 allowable or are limited as to reimbursement.

NOTE 3 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS Federal awards revenues are reported in the Housing Authority’s basic financial statements as follows:

		Federal Sources
Enterprise Funds		
Governmental operating grants	\$	142,898
Capital contributions		0
Total	\$	142,898

NOTE 4 – RELATIONSHIP TO FEDERAL FINANCIAL REPORTS Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with generally accepted accounting principles.

NOTE 5 – DE MINIMIS INDIRECT COST RATE The Housing Authority did not elect to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.



MIKE ESTES, CPA

MIKE ESTES, P.C.
A PROFESSIONAL ACCOUNTING CORPORATION
4040 FOSSIL CREEK BLVD. – SUITE 100
FORT WORTH, TEXAS 76137

Phone (817) 831-3556
Fax (817) 831-3558
e-mail: office@mikeestepc.com
website: mikeestepc.com

MEMBER OF THE
AMERICAN INSTITUTE OF

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ACCOUNTANTS

and the
AICPA GOVERNMENTAL
AUDIT QUALITY CENTER

AGREED UPON PROCEDURES REPORT

Independent Accountant's Report On Applying Agreed-Upon Procedures

To the Board of Directors of the New Roads Housing Authority and the Louisiana Legislative Auditor:

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

The New Roads Housing Authority has agreed to an acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2021 through June 30, 2022. Additionally, LLA has agreed and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) **Disbursements**, including processing, reviewing, and approving.
 - d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties,

reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Results of Testing:

The Receipts/Collections and Payroll/Personnel Policies were adopted prior to the beginning of the audit year. The Travel Policy was adopted June 15, 2022. The Credit Card and Ethics Policies were adopted September 22, 2022. The Budgeting, Purchasing, Disbursements, Contracting, Information Technology/Disaster Recovery and Sexual Harassment Policies were adopted November 16, 2022. Debt Service is not applicable, since the Authority has no secured debt.

Board or Finance Committee

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to*

public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.

- c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

Results of Testing:

- (a)-The Board of Commissioners met with a quorum in accordance with the bylaws.
- (b)-The Minutes do not reflect that the Board reviewed the budget-to-actual comparisons.
- (c)-The unassigned fund balance in the general fund at the end of the prior year was a positive amount.

Corrective Action Plan-Response

The Board should review the budget-to-actual comparisons and note this in the Minutes.

View of Responsible Official

We will comply with the auditor's recommendation.

Bank Reconciliations

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

Results of Testing:

Bank reconciliations were not timely done through March 31, 2022. However, a new Executive Director started in March and the reconciliations were timely done for April through June 2022. Items (b) and (c) were timely done for April through June 2022.

Collections (excluding electronic funds transfers)

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

Results of Testing:

Tenant receipts were only collected at the Authority office.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - a) Employees that are responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

Results of Testing:

As noted in prior year Finding 2011-005, tenant and other receipts were not timely made until a new Executive Director was hired in March 2022. In addition, prior to April 2022, we could not trace any one tenant payment receipt to the bank statement. However, we compared total receipts on the rental register for the year to the total per bank deposits, and the totals agreed within an immaterial amount. It appears the above issues were corrected for April through June 2022.

6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was enforced during the fiscal period.

Results of Testing:

The fidelity/surety bond was in effect for the entire audit year.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
 - a) Observe that receipts are sequentially pre-numbered.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Trace the deposit slip total to the actual deposit per the bank statement.
 - d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

- e) Trace the actual deposit per the bank statement to the general ledger.

Results of Testing:

Comments in Results of Testing in Number 5 above also apply here.

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

- 8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Results of Testing:

All payments were made from the Authority office.

- 9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.(Note: Exceptions to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); should not be reported.)

Results of Testing:

As a result of lack of support for \$75,115 of disbursements, we did not did not issue an opinion (disclaimed) via the Independent Auditor's Opinion on the financial statements. This issue as also noted in Finding 2022-001. It appears the situation was corrected for the period April through June 2022.

- 10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
 - a) Observe that the disbursement matched the related original itemized invoice and that supporting documentation indicates that deliverables included on the invoice were received by the entity.
 - b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Results of Testing:

The comments in Results of Testing in Number 9 above also apply here.

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

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

Results of Testing:

The comments in Results of Testing in Number 9 above also apply here. For the period April through June 2022, new management provided us the name of the one debit card used.

12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. (Note: requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.)
 - b) Observe that finance charges and late fees were not assessed on the selected statements.

Results of Testing:

The comments above in Results of Testing for Number 9 also apply here.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Results of Testing:

The comments above in Results of Testing for Number 9 also apply here.

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

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

- a) If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
- b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results of Testing:

The comments above in Results of Testing for Number 9 also apply here.

Contracts

- 15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
 - a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
 - b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
 - c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g. if approval is required for any amendment was approval documented).
 - d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Results of Testing:

The comments above in Results of Testing for Number 9 also apply here. In addition, Finding 2022-003 notes exceptions in our tests for procurement.

Payroll and Personnel

- 16. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Results of Testing:

The only exception noted in payroll involves the documentation of daily attendance for the former Executive Director, who was placed on administrative leave in March 2022 and terminated in April 2022. See Finding 2022-002.

17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
 - a) Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)
 - b) Observe that supervisors approved the attendance and leave of the selected employees or officials.
 - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
 - d) Observe that the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

Results of Testing:

The comments above in Results of Testing for Number 16 also apply here. The timesheets for the other tested employees were satisfactory.

18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity policy on termination payments. Agree the hours to the employee or officials' cumulate leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

Results of Testing:

No termination payments were noted for the audit year.

19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g. payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Results of Testing:

The current Executive Director was hired late in the audit year. To the best of his ability/knowledge, he represents all material liabilities are accrued. We did not note any past-due liabilities during our tests.

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above obtain ethics documentation from management, and:

- a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
- b. Observe that the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Results of Testing:

The new Executive Director is trying to get into compliance on the ethics training. We have reviewed seven ethics certificates for seven different employees and/or board members that was obtained in November 2022.

Debt Service

- 21. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued.

Results of Testing:

Not applicable.

- 22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Results of Testing:

Not applicable.

Fraud Notice

- 23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Results of Testing:

No misappropriations of public funds or assets were noted during our tests. However, see comments in Results of Testing for Number 9 above.

- 24. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Results of Testing:

The notice is properly posted.

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

Results of Testing:

We performed the procedure and discussed the results with management. No exceptions were noted for the above tests.

Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #16 under “Payroll and Personnel” above, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

Results of Testing:

The new Executive Director is trying to get into compliance for this training. We noted seven certificates for sexual harassment training obtained by seven employees and/or board members obtained in November 2022.

27. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity’s premises if the entity does not have a website).

Results of Testing:

The policy is posted at the Authority office.

28. Obtain the entity’s annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that it includes the applicable requirements of R.S. 42:344:
- a. Number and percentage of public servants in the agency who have completed the training requirements;
 - b. Number of sexual harassment complaints received by the agency;

- c. Number of complaints which resulted in a finding that sexual harassment occurred;
- d. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- e. Amount of time it took to resolve each complaint.

Results of Testing:

Management represents that they have not received any sexual harassment complaints for the audit year.

We were engaged by the New Roads Housing Authority to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the New Roads Housing Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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

Mike Estes, P.C.

Mike Estes, P.C.
Fort Worth, Texas
January 24, 2023

**HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
FINANCIAL DATA SCHEDULES**

YEAR ENDED JUNE 30, 2022

Entity Wide Balance Sheet Summary					
	Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$172,834		\$172,834		\$172,834
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted					
114 Cash - Tenant Security Deposits	\$8,245		\$8,245		\$8,245
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$181,079	\$0	\$181,079		\$181,079
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects	\$42,971		\$42,971		\$42,971
124 Accounts Receivable - Other Government					
125 Accounts Receivable - Miscellaneous	\$3,782		\$3,782		\$3,782
126 Accounts Receivable - Tenants	\$153,230		\$153,230		\$153,230
126.1 Allowance for Doubtful Accounts -Tenants	-\$146,176		-\$146,176		-\$146,176
126.2 Allowance for Doubtful Accounts - Other	-\$3,782		-\$3,782		-\$3,782
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud					
129 Accrued Interest Receivable	\$119		\$119		\$119
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$50,144	\$0	\$50,144		\$50,144
131 Investments - Unrestricted	\$69,300		\$69,300		\$69,300
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets	\$2,264		\$2,264		\$2,264
143 Inventories	\$4,937		\$4,937		\$4,937
143.1 Allowance for Obsolete Inventories	-\$247		-\$247		-\$247
144 Inter Program Due From					
145 Assets Held for Sale					
150 Total Current Assets	\$307,477	\$0	\$307,477		\$307,477
161 Land	\$92,379		\$92,379		\$92,379
162 Buildings	\$3,166,192		\$3,166,192		\$3,166,192
163 Furniture, Equipment & Machinery - Dwellings	\$40,099		\$40,099		\$40,099
164 Furniture, Equipment & Machinery - Administration	\$101,415		\$101,415		\$101,415
165 Leasehold Improvements	\$448,767		\$448,767		\$448,767
166 Accumulated Depreciation	-\$2,886,212		-\$2,886,212		-\$2,886,212
167 Construction in Progress					
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$962,640	\$0	\$962,640		\$962,640
171 Notes, Loans and Mortgages Receivable - Non-Current					
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due					
173 Grants Receivable - Non Current					
174 Other Assets					
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$962,640	\$0	\$962,640		\$962,640
200 Deferred Outflow of Resources					
290 Total Assets and Deferred Outflow of Resources	\$1,270,117	\$0	\$1,270,117		\$1,270,117

**HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
FINANCIAL DATA SCHEDULES**

YEAR ENDED JUNE 30, 2022

Entity Wide Balance Sheet Summary					
	Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	ELIM	Total
311 Bank Overdraft					
312 Accounts Payable <= 90 Days	\$15,537		\$15,537		\$15,537
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable	\$932		\$932		\$932
322 Accrued Compensated Absences - Current Portion	\$5,132		\$5,132		\$5,132
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government					
341 Tenant Security Deposits	\$8,245		\$8,245		\$8,245
342 Unearned Revenue	\$3,109		\$3,109		\$3,109
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue					
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities					
346 Accrued Liabilities - Other	\$1,076		\$1,076		\$1,076
347 Inter Program - Due To					
348 Loan Liability - Current					
310 Total Current Liabilities	\$34,031	\$0	\$34,031		\$34,031
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue					
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other					
354 Accrued Compensated Absences - Non Current	\$5,739		\$5,739		\$5,739
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities					
350 Total Non-Current Liabilities	\$5,739	\$0	\$5,739		\$5,739
300 Total Liabilities	\$39,770	\$0	\$39,770		\$39,770
400 Deferred Inflow of Resources					
508.4 Net Investment in Capital Assets	\$962,640	\$0	\$962,640		\$962,640
511.4 Restricted Net Position	\$0	\$0	\$0		\$0
512.4 Unrestricted Net Position	\$267,707	\$0	\$267,707		\$267,707
513 Total Equity - Net Assets / Position	\$1,230,347	\$0	\$1,230,347		\$1,230,347
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$1,270,117	\$0	\$1,270,117		\$1,270,117

HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
FINANCIAL DATA SCHEDULES

YEAR ENDED JUNE 30, 2022

Single Project Revenue and Expense			
	Low Rent	Capital Fund	Total Project
70300 Net Tenant Rental Revenue	\$157,515		\$157,515
70400 Tenant Revenue - Other			
70500 Total Tenant Revenue	\$157,515	\$0	\$157,515
70600 HUD PHA Operating Grants	\$138,561		\$138,561
70610 Capital Grants			
70710 Management Fee			
70720 Asset Management Fee			
70730 Book Keeping Fee			
70740 Front Line Service Fee			
70750 Other Fees			
70700 Total Fee Revenue			
70800 Other Government Grants			
71100 Investment Income - Unrestricted	\$287		\$287
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	\$243,441		\$243,441
71600 Gain or Loss on Sale of Capital Assets			
72000 Investment Income - Restricted			
70000 Total Revenue	\$539,804	\$0	\$539,804
91100 Administrative Salaries	\$112,170		\$112,170
91200 Auditing Fees	\$10,605		\$10,605
91300 Management Fee			
91310 Book-keeping Fee			
91400 Advertising and Marketing	\$243		\$243
91500 Employee Benefit contributions - Administrative	\$22,615		\$22,615
91600 Office Expenses	\$17,157		\$17,157
91700 Legal Expense			
91800 Travel	\$5,213		\$5,213
91810 Allocated Overhead			
91900 Other	\$8,123		\$8,123
91000 Total Operating - Administrative	\$176,126	\$0	\$176,126
92000 Asset Management Fee			
92100 Tenant Services - Salaries			
92200 Relocation Costs	\$287		\$287
92300 Employee Benefit Contributions - Tenant Services			
92400 Tenant Services - Other			
92500 Total Tenant Services	\$287	\$0	\$287
93100 Water	\$1,356		\$1,356
93200 Electricity	\$4,934		\$4,934
93300 Gas	\$1,595		\$1,595
93400 Fuel			
93500 Labor			
93600 Sewer	\$1,823		\$1,823

**HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
FINANCIAL DATA SCHEDULES**

YEAR ENDED JUNE 30, 2022

Single Project Revenue and Expense			
	Low Rent	Capital Fund	Total Project
93700 Employee Benefit Contributions - Utilities			
93800 Other Utilities Expense			
93000 Total Utilities	\$9,708	\$0	\$9,708
94100 Ordinary Maintenance and Operations - Labor	\$11,367		\$11,367
94200 Ordinary Maintenance and Operations - Materials and Other	\$37,766		\$37,766
94300 Ordinary Maintenance and Operations Contracts	\$69,188		\$69,188
94500 Employee Benefit Contributions - Ordinary Maintenance	\$1,159		\$1,159
94000 Total Maintenance	\$119,480	\$0	\$119,480
95100 Protective Services - Labor			
95200 Protective Services - Other Contract Costs			
95300 Protective Services - Other			
95500 Employee Benefit Contributions - Protective Services			
95000 Total Protective Services	\$0	\$0	\$0
96110 Property Insurance	\$28,602		\$28,602
96120 Liability Insurance	\$5,591		\$5,591
96130 Workmen's Compensation	\$10,167		\$10,167
96140 All Other Insurance	\$1,382		\$1,382
96100 Total insurance Premiums	\$45,742	\$0	\$45,742
96200 Other General Expenses			
96210 Compensated Absences	\$8,615		\$8,615
96300 Payments in Lieu of Taxes	\$14,781		\$14,781
96400 Bad debt - Tenant Rents	\$74,673		\$74,673
96500 Bad debt - Mortgages			
96600 Bad debt - Other			
96800 Severance Expense			
96000 Total Other General Expenses	\$98,069	\$0	\$98,069
96710 Interest of Mortgage (or Bonds) Payable			
96720 Interest on Notes Payable (Short and Long Term)			
96730 Amortization of Bond Issue Costs			
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0
96900 Total Operating Expenses	\$449,412	\$0	\$449,412
97000 Excess of Operating Revenue over Operating Expenses	\$90,392	\$0	\$90,392
97100 Extraordinary Maintenance			
97200 Casualty Losses - Non-capitalized			
97300 Housing Assistance Payments			
97350 HAP Portability-In			
97400 Depreciation Expense	\$122,563		\$122,563
97500 Fraud Losses			
97600 Capital Outlays - Governmental Funds			
97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense			
90000 Total Expenses	\$571,975	\$0	\$571,975

**HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
FINANCIAL DATA SCHEDULES**

YEAR ENDED JUNE 30, 2022

Single Project Revenue and Expense			
	Low Rent	Capital Fund	Total Project
10010 Operating Transfer In			
10020 Operating transfer Out			
10030 Operating Transfers from/to Primary Government			
10040 Operating Transfers from/to Component Unit			
10050 Proceeds from Notes, Loans and Bonds			
10060 Proceeds from Property Sales			
10070 Extraordinary Items, Net Gain/Loss			
10080 Special Items (Net Gain/Loss)			
10091 Inter Project Excess Cash Transfer In			
10092 Inter Project Excess Cash Transfer Out			
10093 Transfers between Program and Project - In			
10094 Transfers between Project and Program - Out			
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$32,171	\$0	-\$32,171
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0
11030 Beginning Equity	\$1,262,518	\$0	\$1,262,518
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors			
11050 Changes in Compensated Absence Balance			
11060 Changes in Contingent Liability Balance			
11070 Changes in Unrecognized Pension Transition Liability			
11080 Changes in Special Term/Severance Benefits Liability			
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents			
11100 Changes in Allowance for Doubtful Accounts - Other			
11170 Administrative Fee Equity			
11180 Housing Assistance Payments Equity			
11190 Unit Months Available	720		720
11210 Number of Unit Months Leased	664		664
11270 Excess Cash	\$229,759		\$229,759
11610 Land Purchases	\$0	\$0	\$0
11620 Building Purchases	\$9,226	\$0	\$9,226
11630 Furniture & Equipment - Dwelling Purchases	\$0	\$0	\$0
11640 Furniture & Equipment - Administrative Purchases	\$0	\$0	\$0
11650 Leasehold Improvements Purchases	\$0	\$0	\$0
11660 Infrastructure Purchases	\$0	\$0	\$0
13510 CFFP Debt Service Payments	\$0	\$0	\$0
13901 Replacement Housing Factor Funds	\$0	\$0	\$0

**HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
FINANCIAL DATA SCHEDULES**

YEAR ENDED JUNE 30, 2022

Entity Wide Revenue and Expense Summary					
	Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$157,515		\$157,515		\$157,515
70400 Tenant Revenue - Other					
70500 Total Tenant Revenue	\$157,515	\$0	\$157,515		\$157,515
70600 HUD PHA Operating Grants	\$138,561	\$4,337	\$142,898		\$142,898
70610 Capital Grants					
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					
70800 Other Government Grants					
71100 Investment Income - Unrestricted	\$287		\$287		\$287
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	\$243,441		\$243,441		\$243,441
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted					
70000 Total Revenue	\$539,804	\$4,337	\$544,141		\$544,141
91100 Administrative Salaries	\$112,170	\$726	\$112,896		\$112,896
91200 Auditing Fees	\$10,605		\$10,605		\$10,605
91300 Management Fee					
91310 Book-keeping Fee					
91400 Advertising and Marketing	\$243		\$243		\$243
91500 Employee Benefit contributions - Administrative	\$22,615		\$22,615		\$22,615
91600 Office Expenses	\$17,157		\$17,157		\$17,157
91700 Legal Expense					
91800 Travel	\$5,213		\$5,213		\$5,213
91810 Allocated Overhead					
91900 Other	\$8,123		\$8,123		\$8,123
91000 Total Operating - Administrative	\$176,126	\$726	\$176,852		\$176,852
92000 Asset Management Fee					
92100 Tenant Services - Salaries					
92200 Relocation Costs	\$287		\$287		\$287
92300 Employee Benefit Contributions - Tenant Services					
92400 Tenant Services - Other					
92500 Total Tenant Services	\$287	\$0	\$287		\$287
93100 Water	\$1,356		\$1,356		\$1,356
93200 Electricity	\$4,934		\$4,934		\$4,934
93300 Gas	\$1,595		\$1,595		\$1,595
93400 Fuel					
93500 Labor					
93600 Sewer	\$1,823		\$1,823		\$1,823

**HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
FINANCIAL DATA SCHEDULES**

YEAR ENDED JUNE 30, 2022

Entity Wide Revenue and Expense Summary					
	Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	ELIM	Total
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense					
93000 Total Utilities	\$9,708	\$0	\$9,708		\$9,708
94100 Ordinary Maintenance and Operations - Labor	\$11,367		\$11,367		\$11,367
94200 Ordinary Maintenance and Operations - Materials and Other	\$37,766		\$37,766		\$37,766
94300 Ordinary Maintenance and Operations Contracts	\$69,188		\$69,188		\$69,188
94500 Employee Benefit Contributions - Ordinary Maintenance	\$1,159		\$1,159		\$1,159
94000 Total Maintenance	\$119,480	\$0	\$119,480		\$119,480
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs					
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$0	\$0		\$0
96110 Property Insurance	\$28,602		\$28,602		\$28,602
96120 Liability Insurance	\$5,591		\$5,591		\$5,591
96130 Workmen's Compensation	\$10,167		\$10,167		\$10,167
96140 All Other Insurance	\$1,382		\$1,382		\$1,382
96100 Total insurance Premiums	\$45,742	\$0	\$45,742		\$45,742
96200 Other General Expenses		\$3,611	\$3,611		\$3,611
96210 Compensated Absences	\$8,615		\$8,615		\$8,615
96300 Payments in Lieu of Taxes	\$14,781		\$14,781		\$14,781
96400 Bad debt - Tenant Rents	\$74,673		\$74,673		\$74,673
96500 Bad debt - Mortgages					
96600 Bad debt - Other					
96800 Severance Expense					
96000 Total Other General Expenses	\$98,069	\$3,611	\$101,680		\$101,680
96710 Interest of Mortgage (or Bonds) Payable					
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0		\$0
96900 Total Operating Expenses	\$449,412	\$4,337	\$453,749		\$453,749
97000 Excess of Operating Revenue over Operating Expenses	\$90,392	\$0	\$90,392		\$90,392
97100 Extraordinary Maintenance					
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments					
97350 HAP Portability-In					
97400 Depreciation Expense	\$122,563		\$122,563		\$122,563
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$571,975	\$4,337	\$576,312		\$576,312

**HOUSING AUTHORITY OF NEW ROADS, LOUISIANA
FINANCIAL DATA SCHEDULES**

YEAR ENDED JUNE 30, 2022

Entity Wide Revenue and Expense Summary					
	Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	ELIM	Total
10010 Operating Transfer In					
10020 Operating transfer Out					
10030 Operating Transfers from/to Primary Government					
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0		\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$32,171	\$0	-\$32,171		-\$32,171
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0		\$0
11030 Beginning Equity	\$1,262,518	\$0	\$1,262,518		\$1,262,518
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors					
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					
11180 Housing Assistance Payments Equity					
11190 Unit Months Available	720		720		720
11210 Number of Unit Months Leased	664		664		664
11270 Excess Cash	\$229,759		\$229,759		\$229,759
11610 Land Purchases	\$0		\$0		\$0
11620 Building Purchases	\$9,226		\$9,226		\$9,226
11630 Furniture & Equipment - Dwelling Purchases	\$0		\$0		\$0
11640 Furniture & Equipment - Administrative Purchases	\$0		\$0		\$0
11650 Leasehold Improvements Purchases	\$0		\$0		\$0
11660 Infrastructure Purchases	\$0		\$0		\$0
13510 CFFP Debt Service Payments	\$0		\$0		\$0
13901 Replacement Housing Factor Funds	\$0		\$0		\$0